

Marico's net profit up 1.6% to ₹317 cr in Dec quarter

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Marico Ltd's net profit grew 1.6% to ₹317 crore in the three months ended 31 December from ₹312 crore a year ago, and its consolidated revenue from operations was at ₹2,407 crore up 13.4% from ₹2,122 crore in the third quarter (Q3), the Parachute hair oil maker said on Friday, adding that higher inflation led to demand pressure.

It posted flat volume growth in India business. "In India, unabated inflation across the consumer basket led to moderation in consumption patterns and the share of wallet of staples, while discretionary and out-of-home categories fared better owing to some degree of pent-up demand. As a result, the overall FMCG market volumes saw a drop in Q3, with rural visibly lagging urban."

Marico said inflation levels must be closely watched. "We expect an uptick in volumes in the near term, while we maintain a focus on driving penetration and market share gains across our portfolios, expanding distribution, aggressive cost controls, and investing in market development and brand building," it added. It expects a recovery in rural demand due to normal monsoons, a healthy sowing season, and government stimulus. "Despite input cost pressures, we stepped up investments to protect the long-term health of brands, thereby leading to robust market share and penetration gains across our portfolio," said Saugata Gupta, MD and CEO of Marico.