
Graphite India Q1 net profit up by 35.43pct

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Graphite India reported a 35.43 % rise in net profit at INR 45.18 crore for the Q1 ended June 30th 2009 as compared to a INR 33.36 crore net in the previous year. The growth in profit comes despite a 14.53 % drop in Graphite India's April to June gross sales revenue at INR 244.51 crore,

Graphite India's net sales for the quarter under review too dipped by 13.99 % to INR 234.44 crore and interest outgo to INR 3.87 crore. Depreciation costs, however was marginally up at INR 9.81 crore. Incidentally, the company's quarter results include the numbers of Powmex Steel division consequent to its merger with the company with effect from February 1st 2009.

Mr A KK Bangur group flagship with interests in graphite electrodes, Graphite India produces 60,000 tonnes of graphite electrodes in India and another 18,000 tonnes in Germany.

Mr KK Bangur chairman of Graphite India attributed the improved performance to higher sales realization FOREX gains and reduction in operational cost despite lower volume of sales. He added that "The performance of the company's electrode division during the quarter was affected due to low demand from the steel industry which continues to reel under global recession. Since the economic stimulus announced by various countries is expected to gradually lead to increased consumer demand for steel, especially in the housing, infrastructure, white goods and automobile sectors, demand for graphite electrodes is also expected to pick up from the second half of 2009-10."

(Sourced from Economic Times)

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