

# Q1 FY 2010 – 2011 INVESTOR UPDATE

JULY 27, 2010



# DISCLAIMER

*“Some of the statements in this communication may be ‘forward looking statements’ within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company’s operations include changes in industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.”*

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- CONSOLIDATED RESULTS

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# FINANCIAL HIGHLIGHTS (CONSOLIDATED)

Particulars (Rs. Cr.)	Q1 2010-11	Q1 2009-2010	% Growth
<b>Total Income #</b>	<b>1011</b>	<b>780</b>	<b>30%</b>
<b>PBDIT *</b>	<b>77</b>	<b>43</b>	<b>79%</b>
<b>Depreciation</b>	<b>13</b>	<b>13</b>	
<b>Interest</b>	<b>20</b>	<b>24</b>	
<b>PBT *</b>	<b>44</b>	<b>6</b>	<b>615%</b>
<b>PAT</b>	<b>49</b>	<b>16</b>	<b>198%</b>

\* Incl. exceptional items but excl. prior period and extraordinary items.

# Incl. other income and exceptional items.

# BALANCE SHEET (CONSOLIDATED)

Rs. Crore

Liabilities			Assets		
	30-06-10	31-03-10		30-06-10	31-03-10
Capital*	359	347	Net Fixed Assets**	1,002	997
Reserves	1,785	1,734	Investments	906	927
Debt	1,543	1,481	Net Current Assets	1,652	1,541
Def. Tax Liability	51	51	Cash & Bank bals.	178	148
Total	3,738	3,613	Total	3,738	3,613

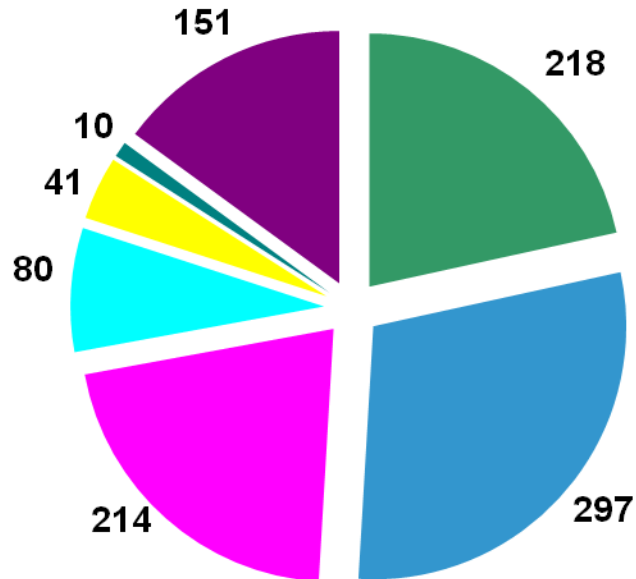
\* Capital includes Minority Interest

\*\* Net Fixed Assets includes Goodwill on Consolidation

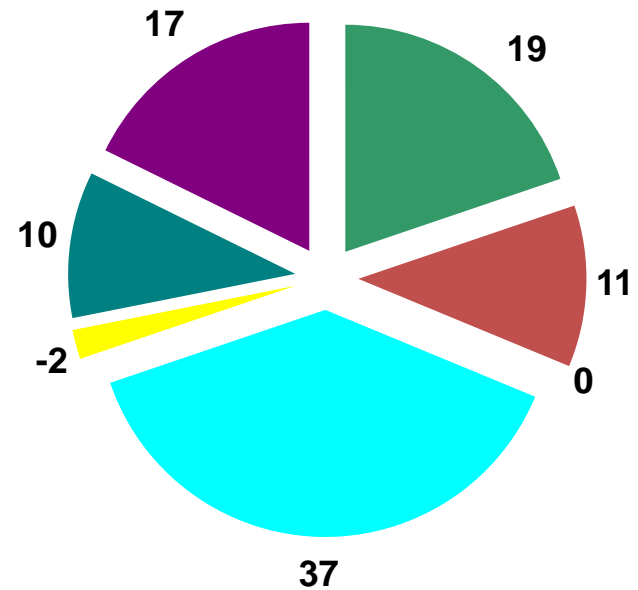
# SEGMENT-WISE CONTRIBUTION TO FINANCIALS

## Q1 FY 2010-11

Revenue\* (Rs. Crore)



PBIT (Rs. crore)



\*net of inter-segment revenue

■ CHEMICALS

■ VEGOILS

■ BEVERAGES & FOODS

■ OTHERS

■ ANIMAL FEEDs

■ ESTATE & PROPERTY DEVELOPMENT

■ FINANCE & INVESTMENTS

- CONSOLIDATED RESULTS

- FINANCIAL HIGHLIGHTS
- SEGMENT PERFORMANCE

- BUSINESS PERFORMANCE

- PERFORMANCE HIGHLIGHTS INCL. SUBSIDIARIES, JVs AND ASSOCIATES



# OUR “CREATE” STRATEGY

**C**onsumer & **C**hemicals

**R**eal

**E**state

**A**gri

**T**ransformation

**E**mergent

→ 4 core businesses

→ Drive to full potential

→ Focused incubation of new businesses



## GODREJ CONSUMER CONSOLIDATES IN INDIAN FMCG SPACE

- Godrej Consumer (GCPL) completes acquisition of remaining 51% stake in Godrej Sara Lee Ltd.
  - Godrej Group now the largest homegrown Home and Personal Care business in India
  - Second largest Household Insecticides business in Asia (ex Japan)
  - Goodknight Advanced Low Smoke Coil has been voted 'Product of the Year 2010' (Insect Repellent Category). The recognition is based on Independent consumer survey and is thus a consumer centric and consumer driven award.
- GCPL enters into an agreement to acquire 100% stake Issue Group
  - enjoys leadership position in hair colour market in Argentina, Peru, Uruguay and Paraguay and emerging presence in Brazil.
- GCPL enters into an agreement to acquire 100% stake in Argenos SA, an Argentine hair care company.

## Financial Highlights Q1 FY 2010-11

Consolidated figures	Q1 FY 2010-11 (Rs. crore)	Growth* (%)
Net Sales	643	47%
PBT	151	73%
PAT	116	67%

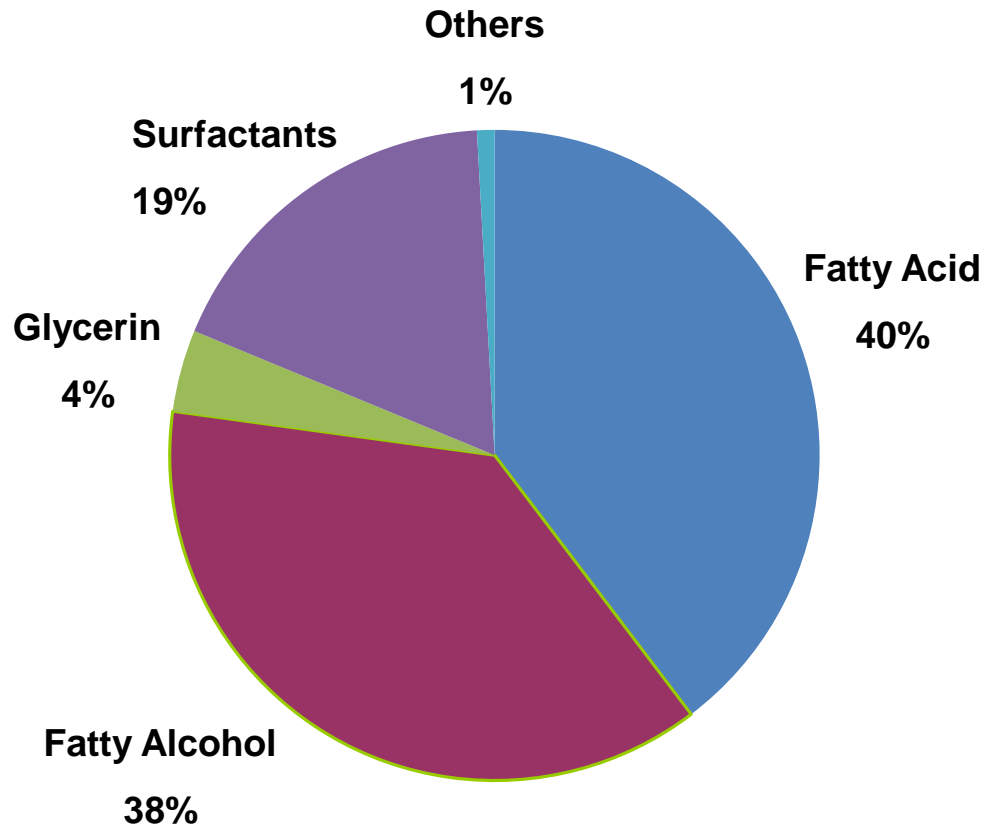
\* Q1 FY 2010-11 growth over Q1 FY 2009-10

## Business Highlights Q1 FY 2010-11

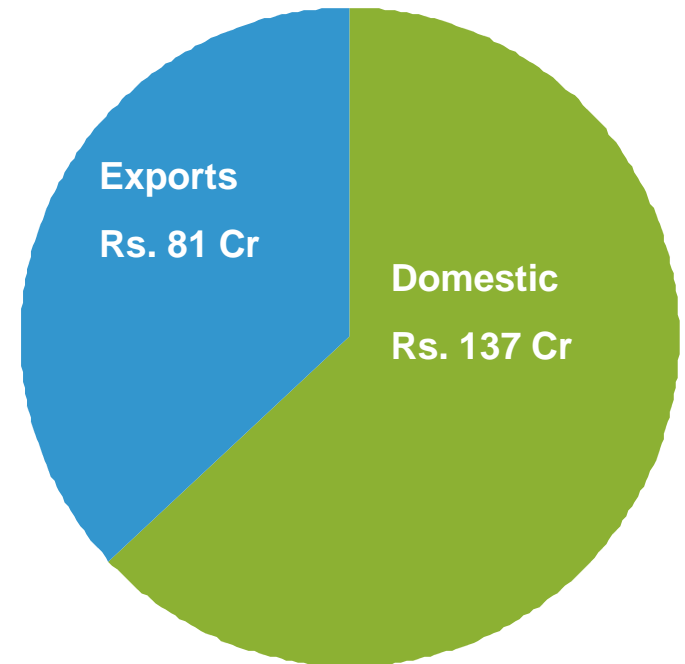
- GCPL declares an interim dividend of Re. 1 per share
- GCPL continues to be the second largest toilet soap player.
- International business comprises of 29% of total consolidated revenues

## PRODUCT PORTFOLIO – Q1 FY 2010-11

Revenue distribution by Category



Revenue distribution by Geography



## Financial Highlights Q1 FY 2010-11

- Revenue : Rs. 218 crore - up 22% in Q1 FY 2010-11 over Q1 FY 2009-10

Category	Revenue growth (%)
Fatty Acids	17%
Fatty Alcohols	32%
Surfactants	10%

- PBIT : Rs. 20 crore - increased 39% in Q1 FY 2010-11 over Q1 FY 2009-10
- Exports : Rs. 81 crore - up by 28% in Q1 FY 2010-11 over Q1 FY 2009-10
  - Exports account for 38% of the Chemical business turnover.

## Business Highlights Q1 FY 2010-11

### **GIL Board of Directors approves new Oleochemicals manufacturing facility at Ambarnath**

- Estimated Capital Outlay about Rs. 230 crore.
- Facility to be operational by FY 2013



## VIKHROLI PROPERTY UPDATE

- **Board of Directors of Godrej Industries Limited approves**

- Formation of Limited Liability Partnership(s) with Godrej Properties for joint development of property at Vikhroli.

- **Key Terms of the LLP Agreement**

- LLP(s) will develop about 36.5 acres of the Vikhroli Property
- Net Profit to be shared 40:60 between GIL and GPL; Loss, if any, shall be borne only by GPL
  - GIL would thus effectively be beneficiary of 81.6% of the Profits (40% directly and 41.6% through its 69.4% shareholding in GPL)
- The business plan of the LLP(s) shall need approval by the designated partners of GIL & GPL
- GPL shall raise the required capital to meet funding requirement of the LLP(s)



## Godrej Properties Limited (GPL) - Consolidated Financial Highlights:

Rs. Crore	Q1 FY 2010-11	Q1 FY 2009-10	Growth (%)
Revenue	73	19	290%
PBDIT	34	7	371%
Net Profit	22	3	653%

## Business Highlights:

### GPL entered NCR with a residential project in Gurgaon

- Signed a development agreement for a 9-acre plot with 1.04 million sq. ft. developable area and about 70% revenue share to GPL.
- Highlights GPL's ability to execute the joint development model in markets across India.
- GPL extends its presence to 11 cities across India in line with its strategy of being a national developer.



## GPL received excellent response to the projects launched in Q1 FY 2010-11

- Booked approx. 0.45 million sq. ft. of Phase – II area of **Godrej Garden City** within 2 days.
- Phase – 1 booking area increased to 0.28 million sq. ft. of **Godrej Prakriti** taking the total area booked to 55%.

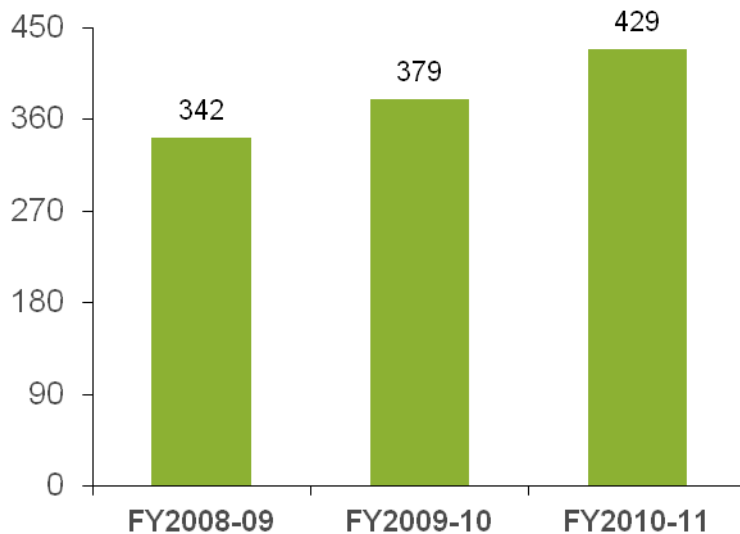
## Commitment to sustainable development

- GPL has received LEED GOLD certification for Godrej Waterside in Kolkata, consistent with its commitment to sustainable development.

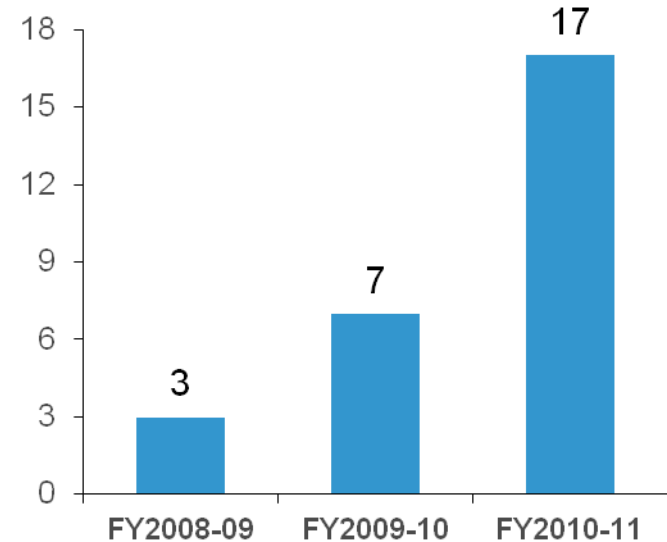


## STRONG 1ST QUARTER PERFORMANCE FOR GODREJ AGROVET LTD. (GAVL)

Consolidated results (Rs. crore)



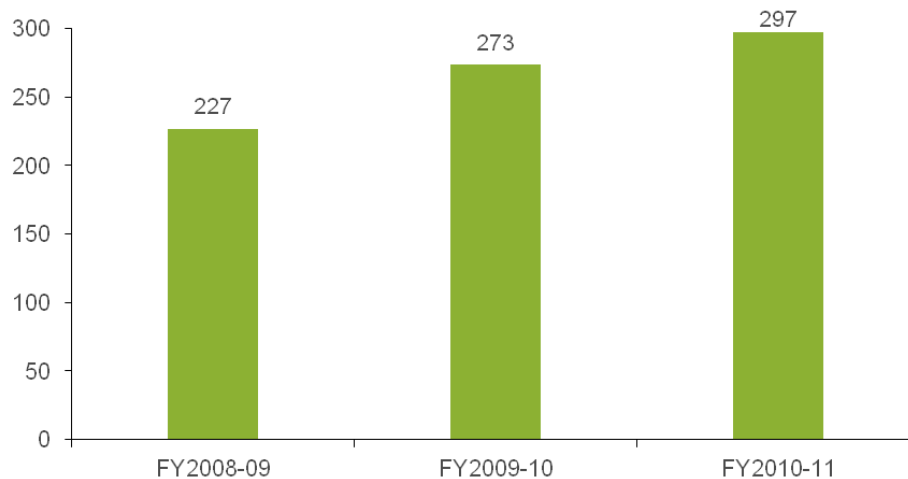
PBIT excl. extraordinary (Rs. crore)



- Sales growth of 13% in Q1 FY 2010-11 over Q1 FY 2009-10
- PBIT grew by 130% in Q1 FY 2010-11 over Q1 FY 2009-10
- All businesses have seen significant increases in sales and profitability

## ANIMAL FEED BUSINESS GROWING AGGRESSIVELY

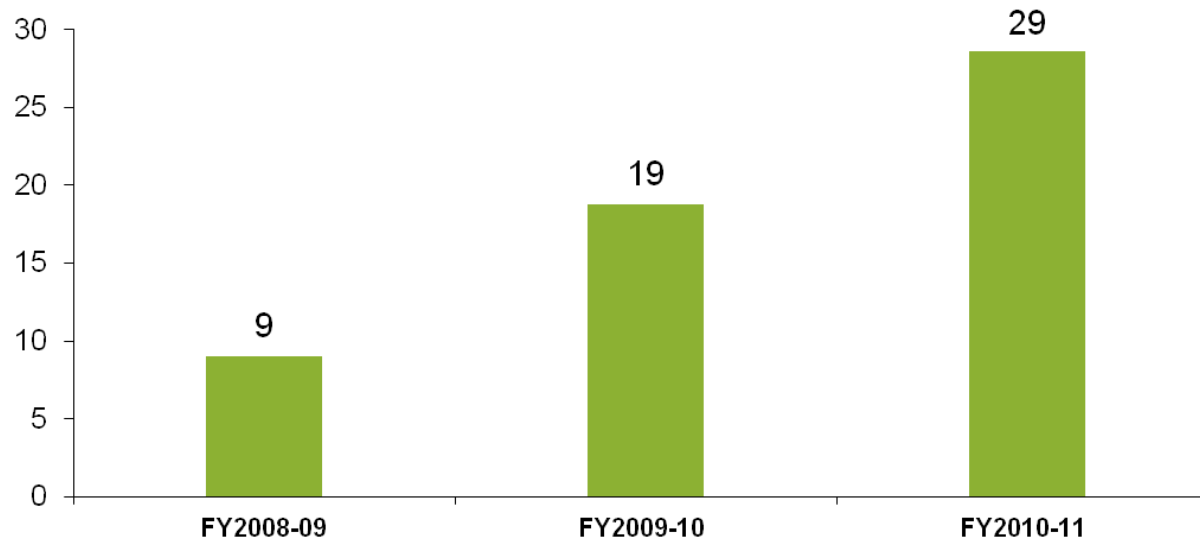
Animal Feed Sales (Rs. crore)



- Sales growth of 9% in Q1 FY 2010-11 over Q1 FY 2009-10
- Volumes growing across categories, with especially strong performance in aqua feed for inland shrimp and fish cultivation
- Working on new product development of super-premium broiler feed, layer feed concentrate, and broiler feed concentrate

## STRONG RESULTS IN BANGLADESH JV(ACI GODREJ)

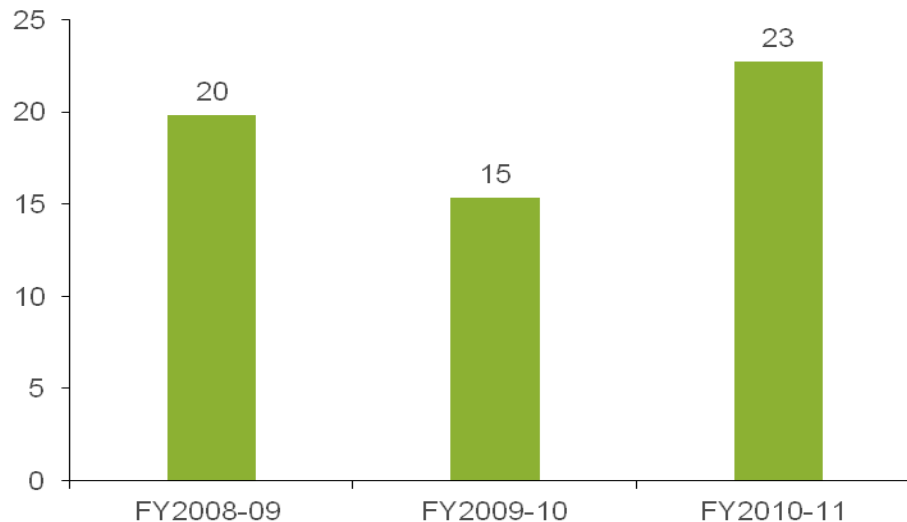
ACI-Godrej Sales (GAVL stake) (Rs. crore)



- Sales growth of 53% in Q1 FY 2010-11 over Q1 FY 2009-10
- Major distribution expansion underway in Chittagong for broiler feed
- Launching floating fish feed in 2<sup>nd</sup> quarter to capture premium market for tilapia
  - World class extrusion mill has been completed in June

## STRONG MONSOON BOOSTS OIL PALM PLANTATIONS

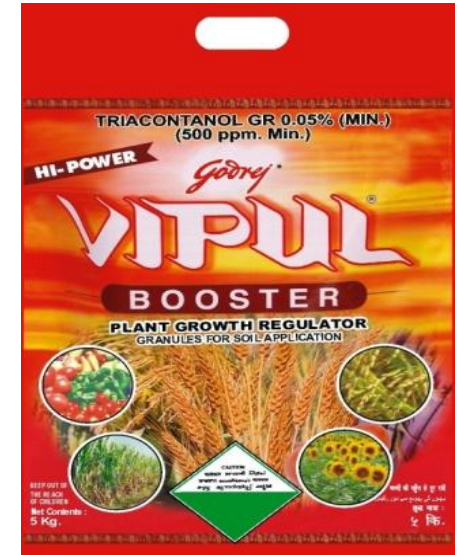
Sales (Rs. crore)



- Sales growth of 48% in Q1 FY 2010-11 over Q1 FY 2009-10
- Major recovery underway after failed monsoon last year; prices still below peak
- seen during 1<sup>st</sup> quarter of FY2008-09
- New oil palm territory allocations from Gujarat government

## AGRI INPUTS ON TRACK FOR ANOTHER RECORD YEAR

Agri Inputs Sales (Rs. crore)



- Sales growth of 18% in Q1 FY 2010-11 over Q1 FY 2009-10
- Growth led by Hitweed, Vikas soil conditioners, Zymegold
- Maize seed sales successful; hybrid rice seed trials underway
- New product pipeline on track for FY2011-12 launches

## GODREJ TYSON REBOOTS BRANDS, ADVERTISING

Godrej Tyson Foods Sales (GAVL share) (Rs. crore)



- Sales growth of 24% in Q1 FY 2010-11 over Q1 FY 2009-10
- Real Good brand re-launched with new packaging, identity; advertising campaign based on money-back guarantee
- Yummiez sales have doubled year-on-year; currently 5% market share in frozen snacks

# T RANSFORMATION

A BRIGHTER  
WORKPLACE



- Godrej Industries Limited (GIL) features in India's Top 50 best places to work for
  - Survey by the Economic Times with the Great Places to Work institute
  - Overall ranking of 44<sup>th</sup> position



## **GODREJ HERSHEY LIMITED** **(FOODS, BEVERAGES, CONFECTIONERY BUSINESSES)**

**Overview:** Production and sale of fruit pulp, tomato puree, fruit juices, nectars and drinks, other beverages and confectionary products and sale of refined vegetable oils and Vanaspati (hydrogenated vegetable oil).

### **Financial & Business Highlights:**

- Sofit sales for Q1 FY 2010-11 increased by 26%.
- Hershey Syrup sales for Q1 FY 2010-11 higher by 34%.
- Increased sales in Confectionery, Tomato Puree, Pulp & co-packing during
  - Q1 FY 2010-11 up by 27%.





## **NATURES BASKET**

### **(FRESH FOOD AND GOURMET STORES)**

#### **About Natures Basket:**

- Started in 2005 as a fresh food retailer. Morphed into a fine food retailer in 2008.
- Now India's finest Gourmet Retail Chain and a leader in the niche space
  - 10 stores (8 in Mumbai & 2 in Delhi)
  - located in premium residential catchments
  - Caters to up-market urban consumers for authentic world food, ingredients, organic foods, health foods, delicatessen, boulangerie and the finest beverages including wines & beer.
  - Consumers include industrialists, celebrities, models, Senior Executives and in general the well to do.
- Products are handpicked from the very best that Europe, Australia, Asia & US have to offer.
- Supply arrangements in place with over 300 suppliers including consolidators, importers, distributors, etc.

## **NATURES BASKET**

### **Financial Performance**

- Revenue growth in FY 2009-10 : 70%
- Revenue growth for Q1 FY 2010-11 : 91% (from Rs.6.2 crore to Rs. 11.9 crore).
- Mumbai Operations turned profitable at Store level in Q1 FY 2010-11.

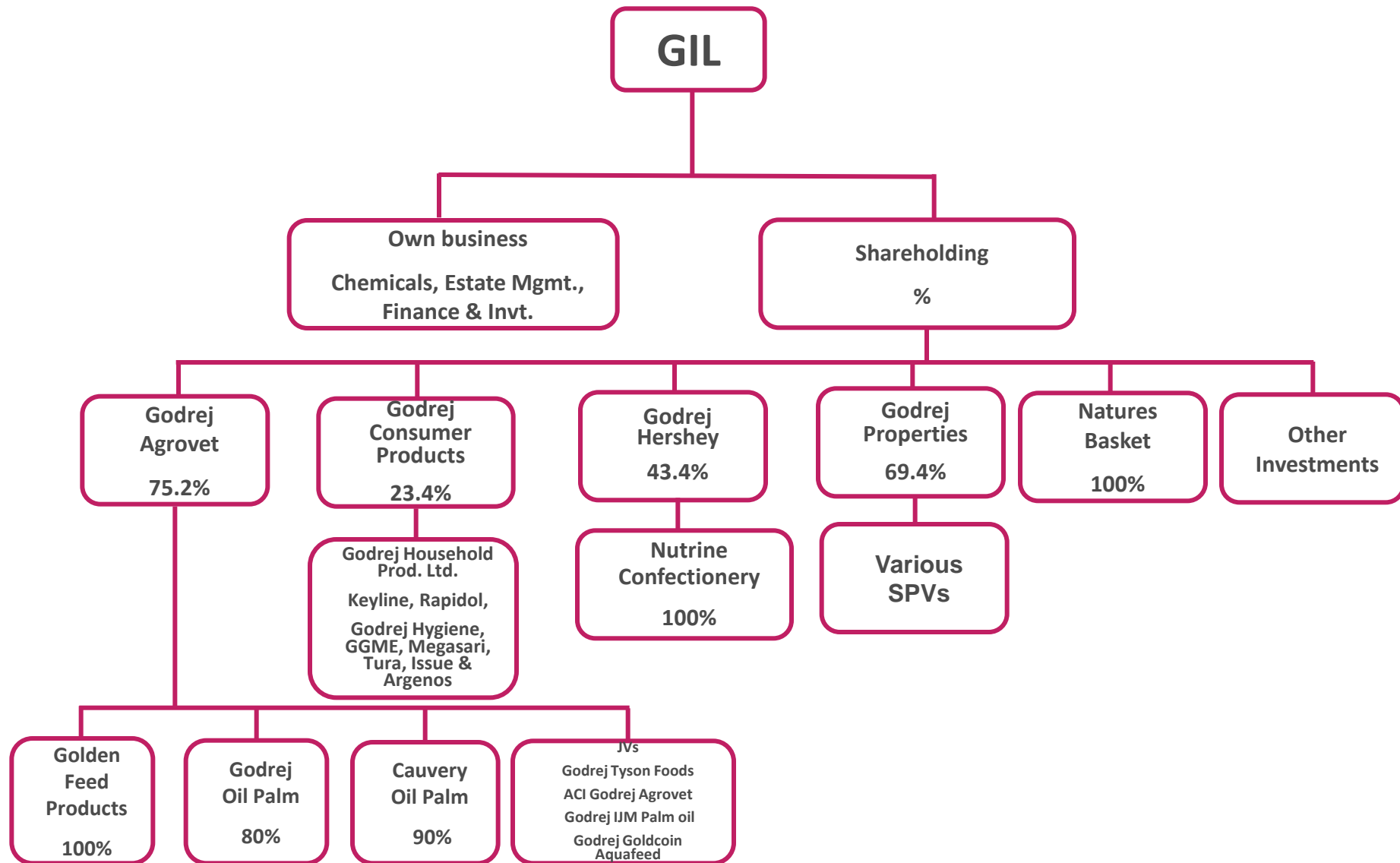
### **Highlights of the Business**

- Key initiatives in customer facing processes & logistics resulting in robust sales growth
  - Customer engagement activities including wine tasting sessions, cooking demos, talks from experts, etc
  - In-store Sampling of the finest international foods
  - Continuous supply of key pdts
- Business witnessing Margin improvement due to
  - Higher Realisation from Key Product categories,
  - Re-structuring relationship with Key Vendors
  - Better waste management
- New products introduced in the last 6 months, account for about 10% of revenues

# OTHER INFORMATION

# BUSINESS STRUCTURE

(as on 30<sup>th</sup> June, 2010)



# SIGNIFICANT APPRECIATION IN INVESTMENT VALUE

Company	Business	Holding (%)	Investment at cost (Rs. Crore)	Market Value* of investment (Rs. Cr)
<b>Godrej Consumer Products</b>	FMCG, Personal and Household Care Products	23.4	511	2,482
<b>Godrej Properties</b>	Real Estate and Property Development	69.4	185	3,063
<b>Godrej Agrovet</b>	Animal Feed, Agri-inputs, Poultry & Oil Palm	75.2	163	
<b>Godrej Hershey</b>	Food, Beverages and Confectionery	43.4	221	
<b>Godrej International</b>	International Trading	100.0	17	
<b>Natures Basket</b>	Fresh Food & Gourmet Stores	100.0	14	
<b>CBay</b>	Medical Transcription	5.2	38	78
<b>Others (Avesthagen, Verseon, Boston Analytics, etc.)</b>	Bio- Technology, KPO, etc.	-	48	
<b>Total</b>		<b>-</b>	<b>1,197</b>	

\* as on June 30, 2010

# SHAREHOLDING PATTERN AS ON 30<sup>th</sup> JUNE 2010

Category	Shares held (nos.)	% of holding
<b>Promoter holding</b>	251,234,174	79.10%
<b>Institutional investors :</b>		
- Mutual funds & UTI	111,642	0.04%
- Banks, financial institutional investors & Insurance companies	13,688,338	4.31%
- Foreign Institutional Investors	7,124,628	2.24%
<b>Others :</b>		
- Private corporate bodies	12,490,462	3.93%
- Indian Public	31,638,806	9.96%
- NRI/OCBs	1,336,842	0.42%
<b>Total</b>	<b>317,624,892</b>	<b>100.00%</b>

# THANK YOU FOR YOUR TIME AND CONSIDERATION.

For further information, please contact:

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