

# Nurturing **growth**, Creating **value**

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## GODREJ INDUSTRIES LIMITED

Performance Update – Q1 FY 2015-16  
AUGUST 11, 2015

### 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.”*

## AGENDA

- Results
  - Financial Highlights – Consolidated
  - Segment Performance
- Business Performance
  - Performance highlights including Subsidiaries and Associates
- Other information

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## FINANCIAL HIGHLIGHTS – CONSOLIDATED

## FINANCIAL HIGHLIGHTS - CONSOLIDATED

Particulars (₹ crore)	Q1 FY 2015-16	Q1 FY 2014-15	% Growth
<b>Total Income *</b>	<b>2,565</b>	<b>2,389</b>	<b>7%</b>
<b>PBDIT *</b>	<b>200</b>	<b>188</b>	<b>6%</b>
<b>Depreciation</b>	<b>27</b>	<b>22</b>	
<b>Interest</b>	<b>59</b>	<b>40</b>	
<b>Net Profit *#</b>	<b>94</b>	<b>78</b>	<b>21%</b>

*\* Including other income and exceptional items ;*

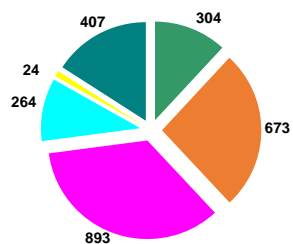
*# With share of profit in associate companies and post reduction of minority interest*

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## CONSOLIDATED RESULTS – SEGMENT PERFORMANCE

## SEGMENT-WISE CONTRIBUTION TO FINANCIALS: Q1 FY 2015-16

Revenue \* (₹ crore)



\*net of inter-segment revenue

■ CHEMICALS

■ VEGOILS

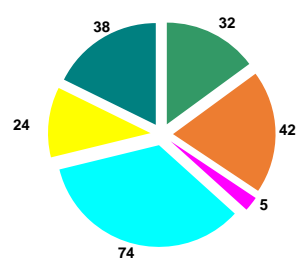
■ FINANCE & INVESTMENTS

■ ANIMAL FEEDs

■ ESTATE & PROPERTY DEVELOPMENT

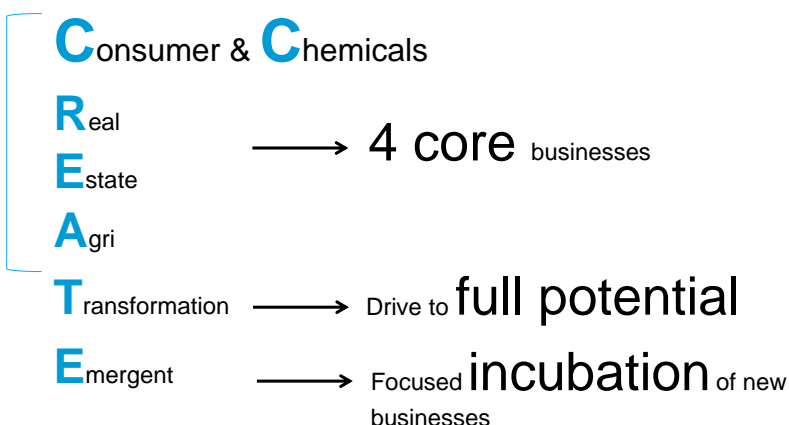
■ OTHERS

PBIT \* (₹ crore)



**BUSINESS PERFORMANCE: Performance Highlights**  
incl. subsidiaries, JVs and Associates

## OUR “CREATE” GROUP PORTFOLIO STRATEGY



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## CONSUMER (GCPL)

### Business and Financial Highlights for Q1 FY 2015-16:

- Consolidated organic constant currency net sales increased by 12%.
  - India business branded net sales increased by 13%, led by 13% volume growth and double digit value growth across core categories.
  - International business grew by 13% on an organic constant currency basis.
- Consolidated organic constant currency EBITDA increased by 32%, driven by a robust growth of 23% in the India business and 44% in the international business
- Q1 FY 2015-16 consolidated net profit without exceptional and one-offs increased by 53%.
- GCPL continues to deliver competitive performance in its core categories, across geographies
  - Household Insecticides continued to deliver a strong performance, with a double-digit, volume-led sales growth of 15% aided by success of new launches and deeper penetration.
  - Soaps business sustained its healthy momentum, with a double-digit volume and mix driven sales growth of 13%.
  - Hair colour delivered a consistent, double-digit, volume driven sales growth of 12%.
- Declared 1<sup>st</sup> interim dividend of 100% (₹ 1.00 per share).

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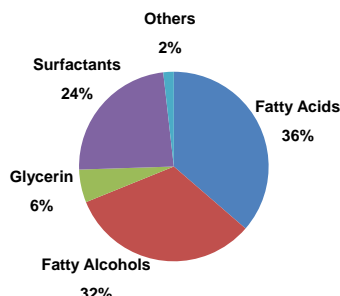
## CHEMICALS

### Financial Highlights for Q1 FY 2015-16:

₹ crore	Q1 FY 2015-16	Q1 FY 2014-15
Revenue	304	350
PBIT	32	19

- PBIT for Q1 FY 2015-16 grew 63% over corresponding quarter last year.
  - Strong performance across product categories
- Exports in Q1 FY 2015-16 at ₹ 100 crore.
- Our Valia factory received ICC award for excellence in energy conservation and management
  - Continued focus on Good and Green initiatives and constant endeavour to look at cleaner energy alternatives in manufacturing processes.

### Product Portfolio Q1 FY 2015-16



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## REAL ESTATE ,

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

₹ crore	Q1 2015-16	Q1 2014-15
Revenue	263	363
Net Profit after tax (after minority interest)	55	46

### Business & Sales Highlights for Q1 FY 2015-16:

- Added 2 new projects in Q1 FY 2015-16 with ~1.75 million sq. ft. of saleable area at Bangalore.
- Highest ever value of bookings in a single quarter with total booking value of ₹ 1,251 crore and total booking volume of 1.32 million sq. ft.
  - Residential projects recorded booking value of ₹ 1,247 crore and booking volume of 1.31 million sq. ft. in Q1 FY 2015-16
- Construction highlights : Highest ever delivery in a single quarter - delivered 1.72 million sq. ft. across 4 cities.

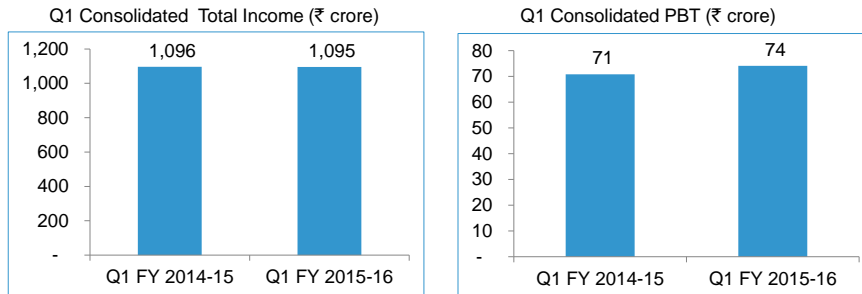
### Awards and Recognitions:

- GPL received 10 awards in Q1 FY 2015-16, including
  - **Best Developer of the Year 2015:** Construction Times Awards 2015
  - **Innovation & Excellence in Real Estate - India:** Corporate LiveWire's 2015 Innovation & Excellence Awards.
  - **Most Reliable Builder in terms of best legal practice.-** CNBC Bajar Gujarat Real Estate Awards.

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## AGRI BUSINESS

### Godrej Agrovet Limited (GAVL) - Consolidated Financial Highlights

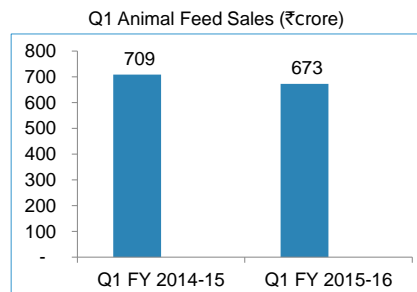


- GAVL had a steady quarter in spite of significant meltdown in Agri commodity prices
- The Animal feed and Oil Palm business performance was impacted due to poor end product prices
- The Agri Input business and Seeds business did well on the back of a strong June monsoon
- The Joint ventures had a good quarter with Godrej Tyson and ACI Godrej, Bangladesh sales growing by 19% and 32% respectively

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## AGRI BUSINESS

### Animal Feed Business: Cattle feed and Aqua feed volumes key growth drivers for the business



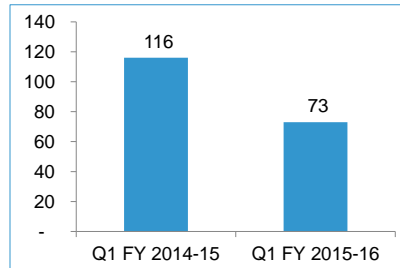
- Volume growth in feed business was flat for the quarter on the back of poor and volatile end product prices i.e. milk, eggs and Broiler.
- Weak commodity prices during the quarter impacted the realizations adversely
- The business is focusing on launching new products in new categories and sales operational efficiency to overcome the current challenging operating environment

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## AGRI BUSINESS

**Oil Palm Business: Price correction in CPO & PKO impacted the performance significantly**

Q1 Oil Palm Sales (₹ crore)



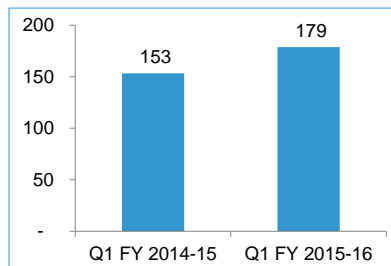
- Crude Palm oil and Palm Kernel Oil prices corrected by more than 17% and 12% respectively compared to last year – denting the business performance
- We are working on developing additional revenue streams by enhancing the value of Biomass generated in the business

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## AGRI BUSINESS

**Agri Inputs Business: June Monsoon helpful; Q2 Monsoon critical**

Q1 Agri Inputs Sales (₹ crore)



- Good monsoon in June helped the Agri input business record 17% growth over last year;
- Momentum of monsoon is critical for overall performance of the business.
- Supply chain agility will be critical for us to maintain performance, going forward.

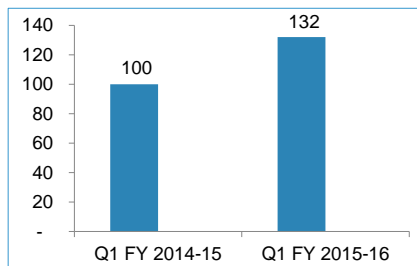
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## AGRI BUSINESS

**ACI GODREJ (Bangladesh): Volume growth in all the business segments has helped in registering a robust sales growth**

Q1 ACI - Godrej Sales (₹ crore)

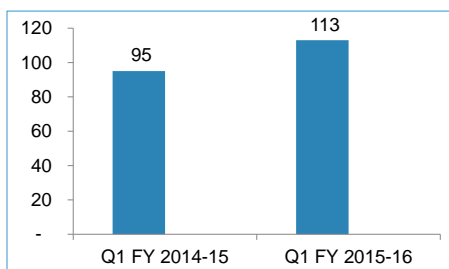


- The ACI GAVL business grew by 32% driven by strong volume growth across categories of Poultry Feed, Cattle feed and Aqua Feed
- The new project in Bangladesh is ready for trial operations ; this will help us further augment our position in the market

## AGRI BUSINESS

**GODREJ TYSON: Continuing focus on building brand based business**

Q1 Godrej Tyson Sales (₹ crore)



- **Real Good Chicken** grew by 23% across all categories and **Yummiez** grew by 21% over last year
- The business was also able to capitalize on the remunerative live broiler prices during the quarter
- We will continue working towards strengthening our **Real Good Chicken** and **Yummiez** brands

## TRANSFORMATION – FOSTERING AN INSPIRING PLACE TO WORK

**GCPL**

**1<sup>st</sup>** in FMCG category  
Overall Rank in 2015: **#6**  
Rank in Asia Survey 2015: **#14**  
(Highest for any Indian company)

**GPL**

**2<sup>nd</sup>** in real estate industry  
Overall rank in 2015: **#48**



Aon Hewitt Best Employers Survey:

**GAVL**

Ranked amongst **one of the best employers** in India in 2015



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## TRANSFORMATION – CONTINUED COMMITMENT ON OUR 'GOOD & GREEN' VISION

### 1 ENSURING EMPLOYABILITY

Train 1 million youth in skills that will enhance their earning potential

### 2 GREENER INDIA

Achieve zero waste to landfill, carbon neutrality, a positive water balance, 30% reduction in specific energy consumption & increase renewable energy utilization

### 3 INNOVATING FOR GOOD & GREEN

Generate a third of our portfolio revenues from 'good' &/or 'green' products



4

### BRIGHTER GIVING

Structured Employee Volunteering

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## EMERGENT NATURES BASKET

### (FRESH FOOD AND GOURMET STORES)

- 31 stores Pan-India across 5 key metros cities (Mumbai, Delhi, Pune, Hyderabad and Bengaluru).
- Growth in High Margin Categories
  - Private label sales constituted 7% of the total sales in Q1 FY 2015-16, an increase from 6% in Q1 FY 2014-15 - with 350+ SKUs.
  - Sales of fresh “ready to go” products doubled from 1.2% to 2.5% of Sales.
- Gifting sales in Q1 FY 2015-16 grew by 65% over Q1 FY 2014-15.
- Online business clocked sales of ₹ 1.2 crore during the quarter. In FY 2014-15, total E-commerce sales was ₹ 1.4 crore
  - Ongoing strengthening of E-commerce operations.
    - Various functionalities added to website.
    - New hubs opened across 3 cities, will enable faster servicing of orders.
    - Mobile App launched for android and apple phones

#### Financial Highlights

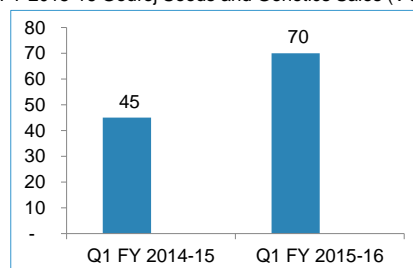
- Net Sales in Q1 FY 2015-16 at ₹ 58 crore; grew by 25% over the corresponding quarter of the previous year.
- Gross margin for the quarter improved to 26%.

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## EMERGENT

### GODREJ SEEDS: June Monsoon helpful; Q2 Monsoon critical

Q1 FY 2015-16 Godrej Seeds and Genetics Sales (₹ crore)



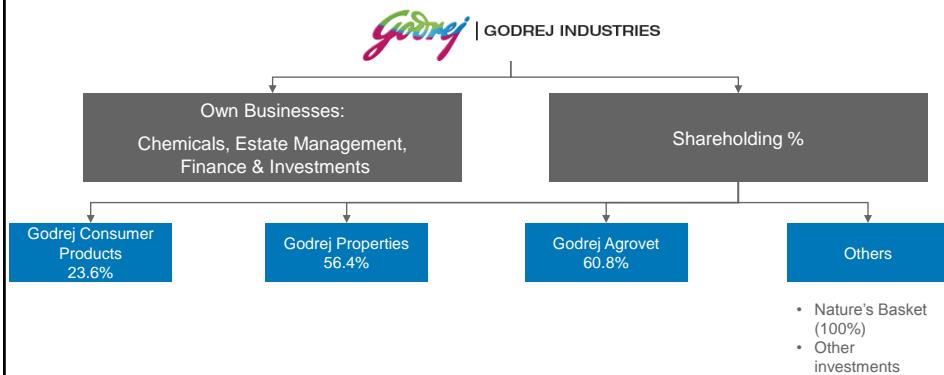
- The business registered 56% growth over corresponding quarter of previous year – aided by good monsoon in its critical market in June
- Continuation of good monsoon in July & August is critical for the success of the business
- Launch of own hybrids in pearl millet and corn expected during the next season

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## OTHER INFORMATION

### GODREJ INDUSTRIES LIMITED

#### CORPORATE STRUCTURE



## SIGNIFICANT APPRECIATION IN INVESTMENT VALUE

Company	Business	Holding (%)	Investment at cost (₹ crore)	Market Value ^ of investment (₹ crore)
Godrej Consumer Products (GCPL)	FMCG, Personal and Household Care products	23.6%	1,287	9,881
Godrej Properties (GPL)	Real Estate and Property Development	56.4%	610	2,775
Godrej Agrovet	Animal Feed, Agri-inputs, Poultry & Oil Palm	60.8%	144	
Godrej International	International Trading	100%	15	
Godrej International & Trading	International Trading & Investments	100%	4	
Godrej Vikhroli LLP	Real Estate and Property Development	40%	147	
Natures Basket	Fresh Food & Gourmet Stores	100%	174	
Others		--	37	
	<b>Total</b>		<b>2,418</b>	

^ as on June 30, 2015

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## SHAREHOLDING PATTERN AS ON JUNE 30, 2015

Category	Shares held (nos.)	% of holding
Promoter holding	25,13,36,467	74.83
Institutional investors :		
- Mutual funds & UTI	15,03,874	0.45
- Banks, financial institutional investors & Insurance companies	1,02,40,875	3.05
- Foreign Institutional Investors	4,32,35,502	12.87
Others :		
- Private corporate bodies	1,00,08,391	2.98
- Indian Public	1,83,82,153	5.47
- NRI/OCBs	11,82,533	0.35
<b>Total</b>	<b>33,58,89,795</b>	<b>100.00</b>

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THANK YOU FOR YOUR TIME AND CONSIDERATION