

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

GODREJ INDUSTRIES LIMITED

Performance Update – Q2 & H1 FY 2015-16

NOVEMBER 6, 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

FINANCIAL HIGHLIGHTS – CONSOLIDATED

FINANCIAL HIGHLIGHTS - CONSOLIDATED

Particulars (₹ crore)	Q2 FY 2015-16	Q2 FY 2014-15	% Growth	H1 FY 2015-16	H1 FY 2015-16	% Growth
Total Income *	3,337	2,357	42%	5,902	4,746	24%
PBDIT *	329	192	71%	528	380	39%
Depreciation	30	22		58	44	
Interest	65	46		124	86	
Net Profit *#	135	95	42%	229	173	33%

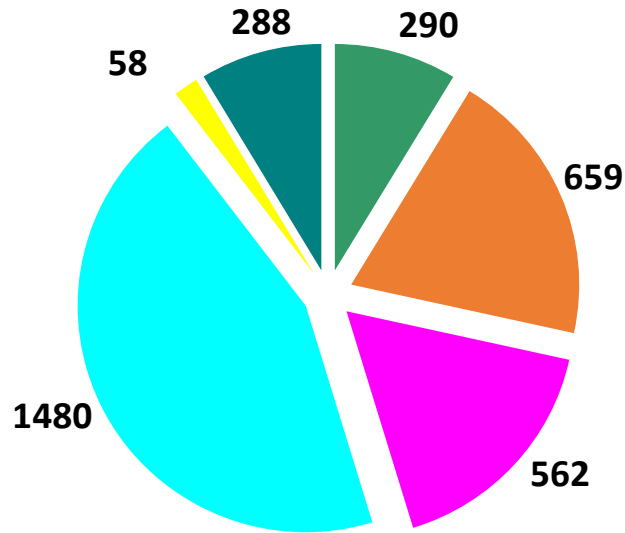
** Including other income and exceptional items ;*

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

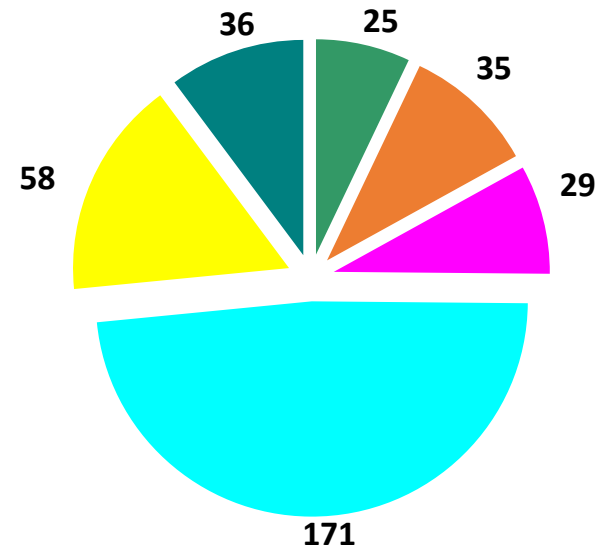
CONSOLIDATED RESULTS – SEGMENT PERFORMANCE

SEGMENT-WISE CONTRIBUTION TO FINANCIALS: Q2 FY 2015-16

Revenue * (₹ crore)



PBIT * (₹ crore)



*net of inter-segment revenue

■ CHEMICALS

■ VEGOILS

■ FINANCE & INVESTMENTS

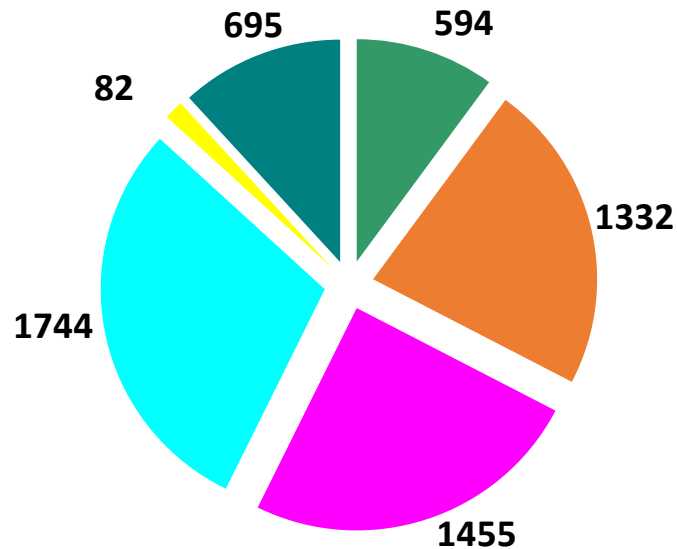
■ ANIMAL FEEDs

■ ESTATE & PROPERTY DEVELOPMENT

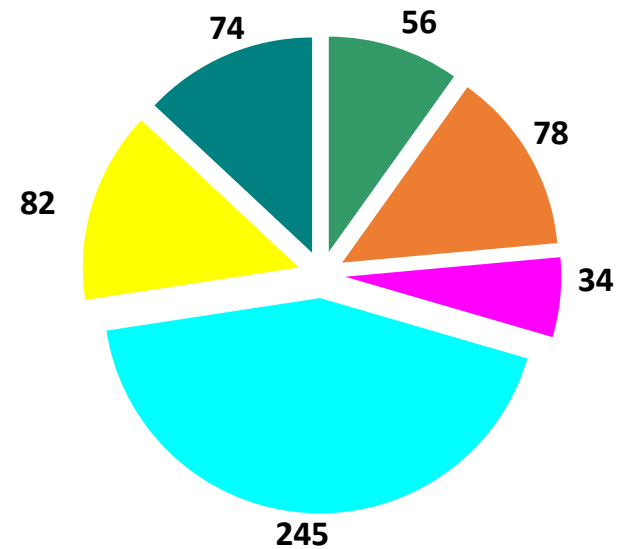
■ OTHERS

SEGMENT-WISE CONTRIBUTION TO FINANCIALS: H1 FY 2015-16

Revenue * (₹ crore)



PBIT * (₹ crore)



*net of inter-segment revenue

■ CHEMICALS

■ VEGOILS

■ FINANCE & INVESTMENTS

■ ANIMAL FEEDs

■ ESTATE & PROPERTY DEVELOPMENT

■ OTHERS

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

OUR “CREATE” GROUP PORTFOLIO STRATEGY

Consumer & **C**hemicals

Real

Estate

Agri

Transformation

Emergent

→ 4 core businesses

→ Drive to full potential

→ Focused incubation of new businesses

CONSUMER (GCPL)

Business and Financial Highlights for Q2 FY 2015-16:

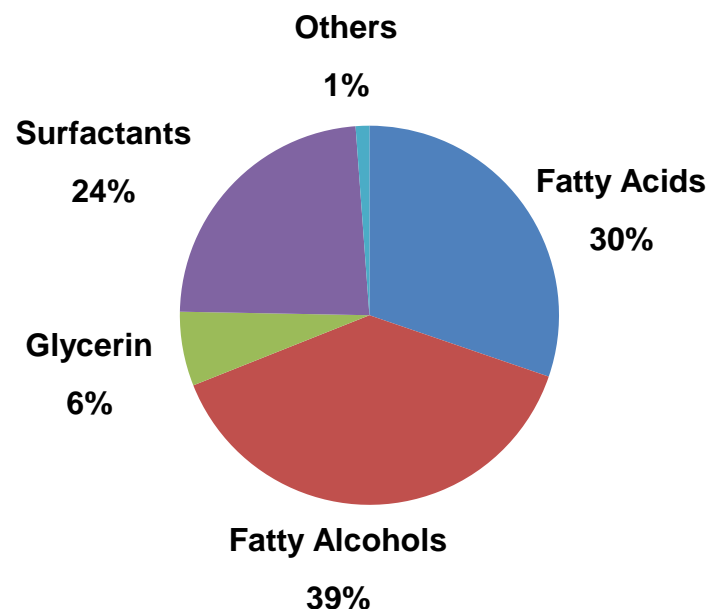
- Consolidated organic constant currency net sales increased by 12%.
 - India business branded net sales increased by 10%, driven by a 9% volume growth; double digit volume growth in Household Insecticides, Hair Colours and mid-single digit volume growth in Soaps.
 - International business grew by 15% on an organic constant currency basis.
- Consolidated organic constant currency EBITDA increased by 22%, driven by a 15% growth in India business and 35% growth in international business,
- Q2 FY 2015-16 consolidated net profit without exceptional and one-offs increased by 37%.
- GCPL continues to deliver competitive performance in its core categories, across geographies
 - Household Insecticides continued to deliver a strong performance, despite the deficient monsoon, with double-digit volume-led sales growth of 13%.
 - Soaps business delivered a competitive performance with robust mid-single digit volume growth.
 - The growth momentum in Hair Colours accelerated with sales growth of 17%, aided by double-digit volume growth.
- Declared 1st interim dividend of 100% (₹ 1.00 per share).

Financial Highlights for H1 & Q2 FY 2015-16:

₹ crore		FY 2015-16	FY 2014-15
Revenue	H1	594	709
	Q2	290	359
PBIT	H1	56	29
	Q2	25	10

- PBIT for Q2 FY 2015-16 grew 155% & for H1 FY 2015-16 grew by 94%
- Exports in Q2 FY 2015-16 at ₹ 106 crore.

Product Portfolio Q2 FY 2015-16



- Valia Plant was awarded the “**Energy Efficient Unit**” at Confederation of Indian Industries National Awards for Excellence in Energy Management 2015.



Godrej Properties Limited (GPL) - Consolidated Financial Highlights:

₹ crore		FY 2015-16	FY 2014-15
Revenue	H1	1,745	670
	Q2	1,481	307
Net Profit after tax (after minority interest)	H1	161	92
	Q2	106	47

Business & Sales Highlights for Q2 & H1 FY 2015-16:

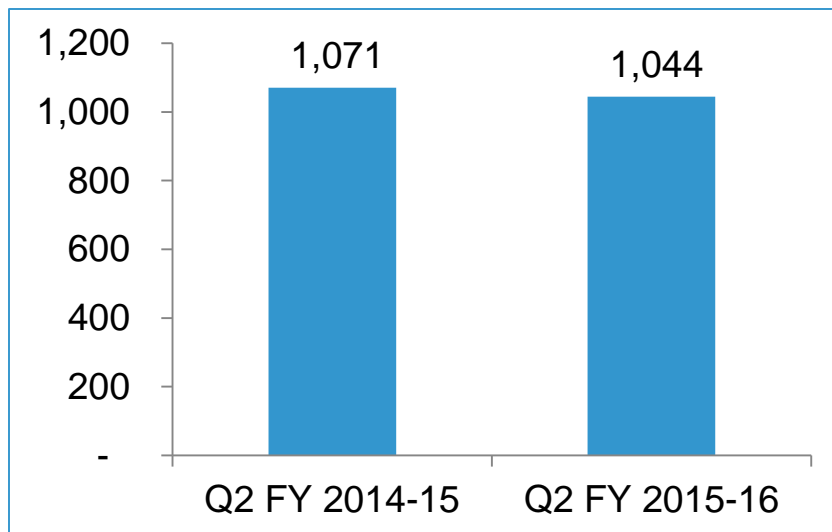
- **Godrej BKC Deal:** Largest ever end-user commercial real estate transaction in India, Sold 435,000 sq.ft. for ₹ 1,479 crore.
- Highest ever sales booking in a single quarter-- booking value of ₹ 1957 crore and total booking volume of 1.26 Million sq. ft. as compared to total booking value of ₹ 880 crore and total booking volume of 1.39 Million sq. ft. in Q2 FY2015
- Residential projects recorded booking value of ₹478 crore and booking volume of 0.82 million sq. ft. in Q2 FY16.
- **Construction Highlights:** Delivered 1.4 million sq.ft. of residential space across four cities in Q2 FY16

Awards and Recognitions: GPL received 13 awards in Q2 FY16, including

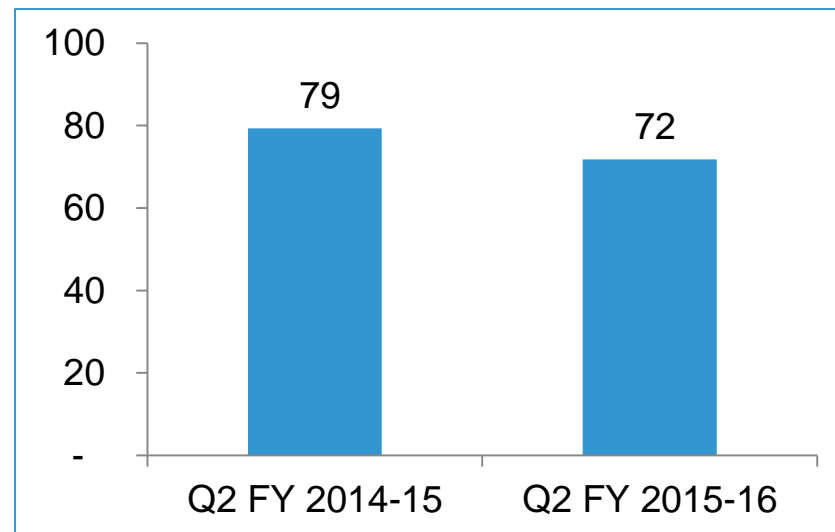
- **Decade of Excellence - Amongst the Top Builders of the Country over the past 10 years-** Construction World Awards
- **Real Estate Company of the Year-** Construction Week India Awards 2015

Godrej Agrovet Limited (GAVL) - Consolidated Financial Highlights

Q2 Consolidated Total Income (₹ crore)



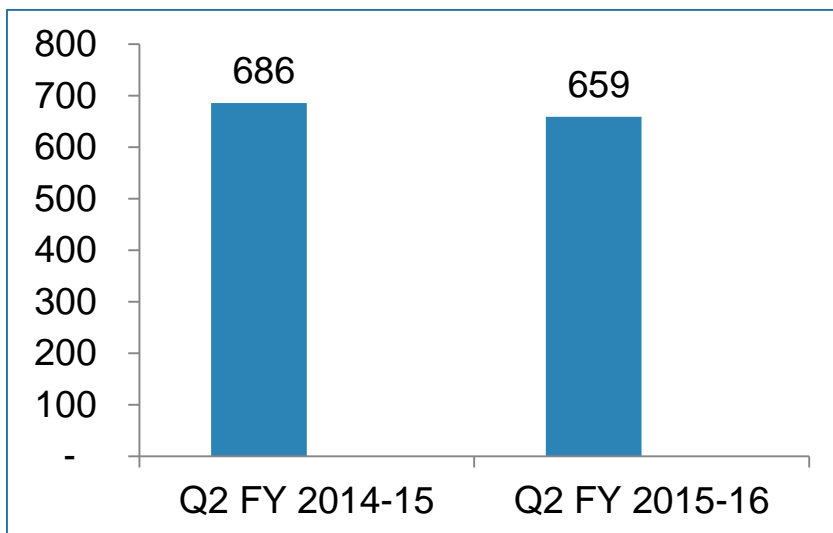
Q2 Consolidated PBT (₹ crore)



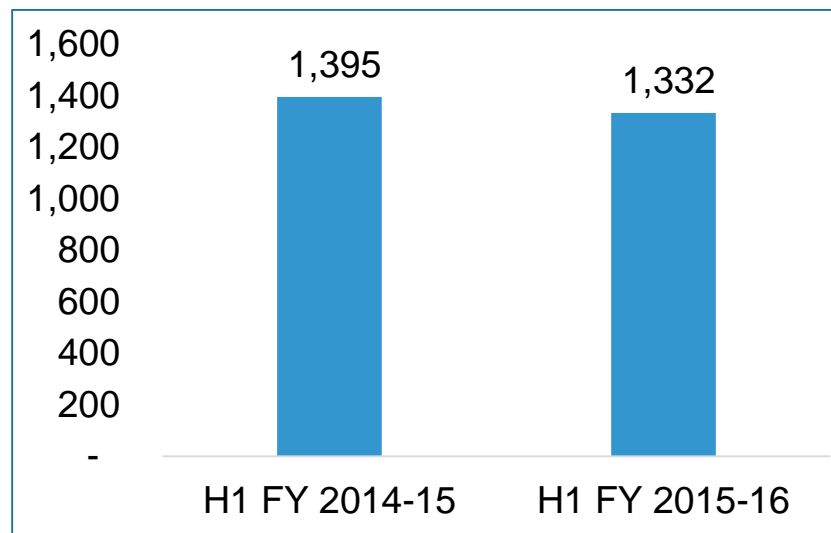
- Godrej Agrovet announced acquisition of Astec life sciences – a listed niche Agro Chemical company . The acquisition will further strengthen our Agro Chemical retail presence in the country
- Godrej Agrovet faced significant head winds in this quarter on account of two consecutive below par monsoons and significant fall in Agri commodities prices in the second quarter ; this impacted the performance of Animal feed and Oil Palm Business
- Poor monsoon in our critical markets adversely impacted the rate of growth of our Agri Input and Seeds business performance
- JVs did well with ACI Bangladesh growing by 29% and GTFL growing by 10% this quarter over last year

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

Q2 Animal Feed Sales (₹crore)



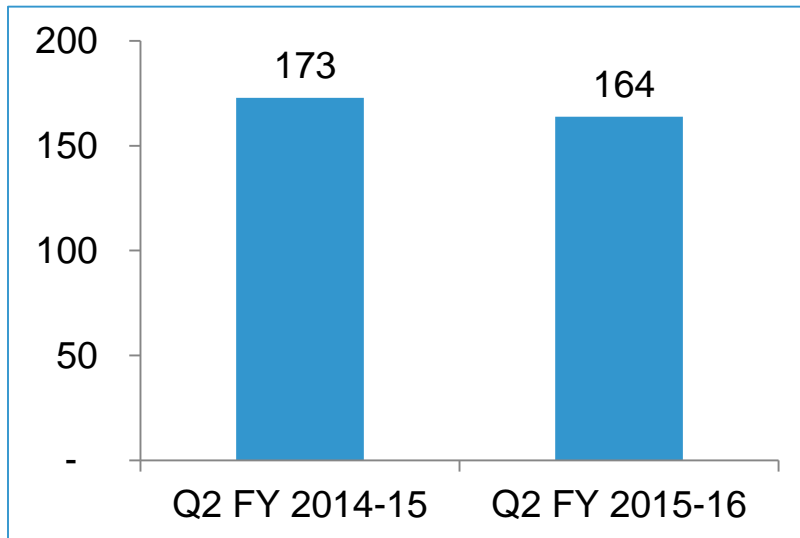
H1 Animal Feed Sales (₹ crore)



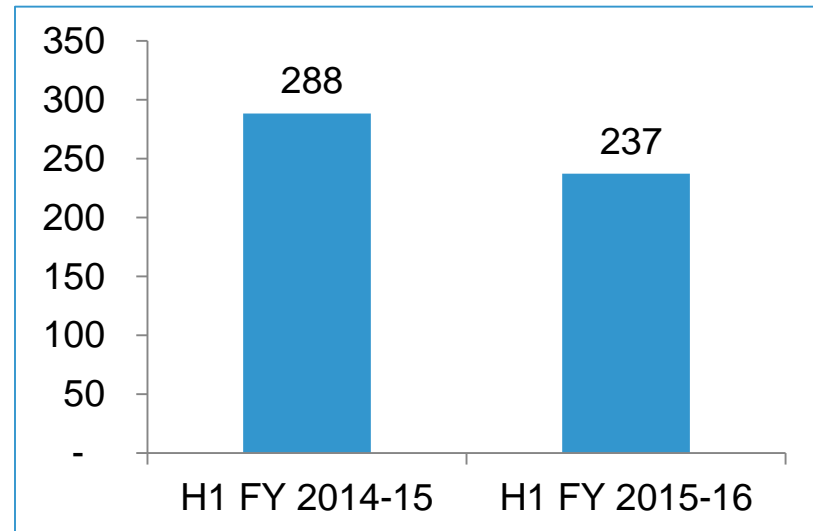
- All feed output agri commodities fell sharply in this quarter i.e. Poultry, Egg, Fish and Milk. Fall in prices of these commodities impacts the compound feed consumption in the country
- Poultry prices were lower than the cost of production in the entire quarter – significantly impacting the poultry feed sales
- Cattle feed and Aqua feed registered steady volume growth in the current quarter.
- Operational efficiency and financial prudence will be critical for this business for rest of the year

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

Q2 Oil Palm Sales (₹ crore)



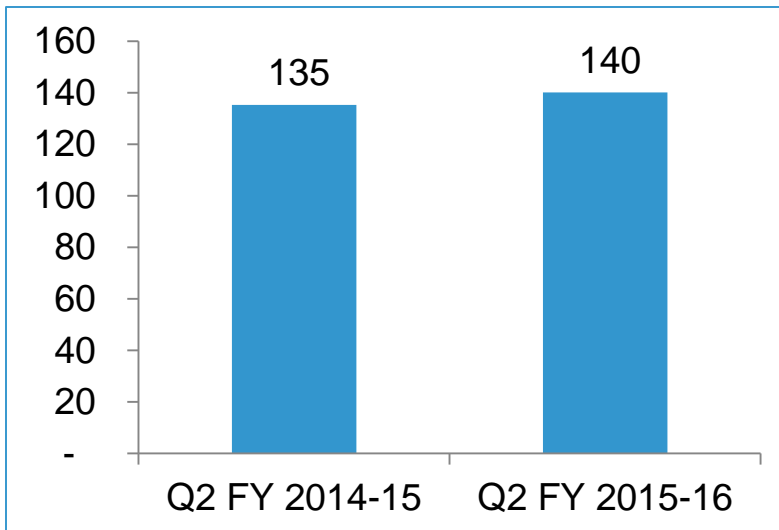
H1 Oil Palm Sales (₹ crore)



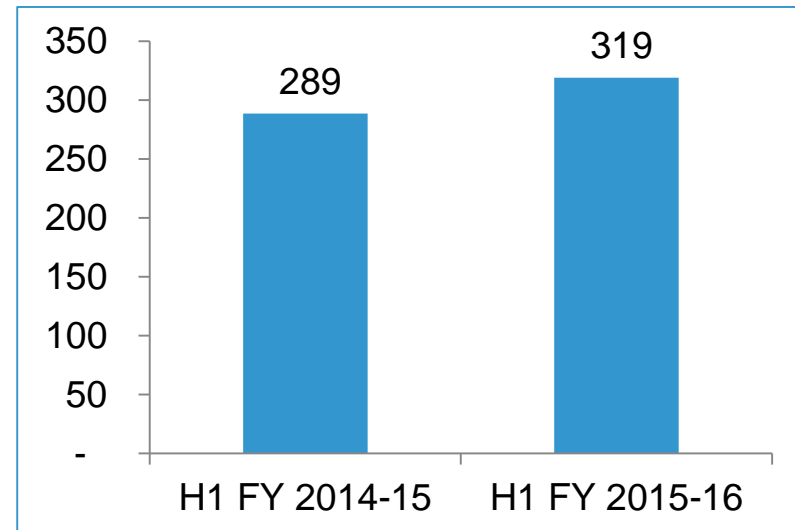
- CPO prices were down by around 20% in the this quarter over corresponding quarter of previous year– which impacted the business performance
- The underlying fresh fruit bunches volume arrival has remained robust in the peak season
- We are working on developing additional revenue streams by enhancing the value of Biomass generated in the business

Agri Inputs Business: Business managed to clock steady growth in spite of deficit Monsoon

Q2 Agri Inputs Sales (₹ crore)



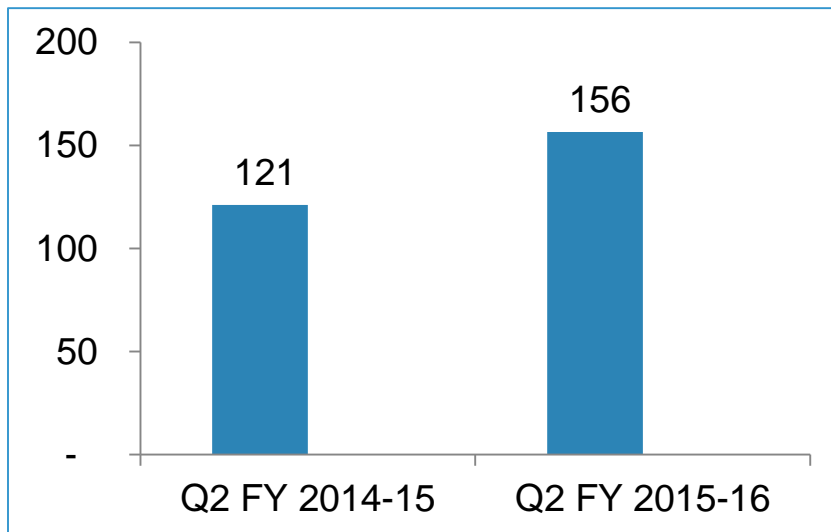
H1 Agri Inputs Sales (₹ crore)



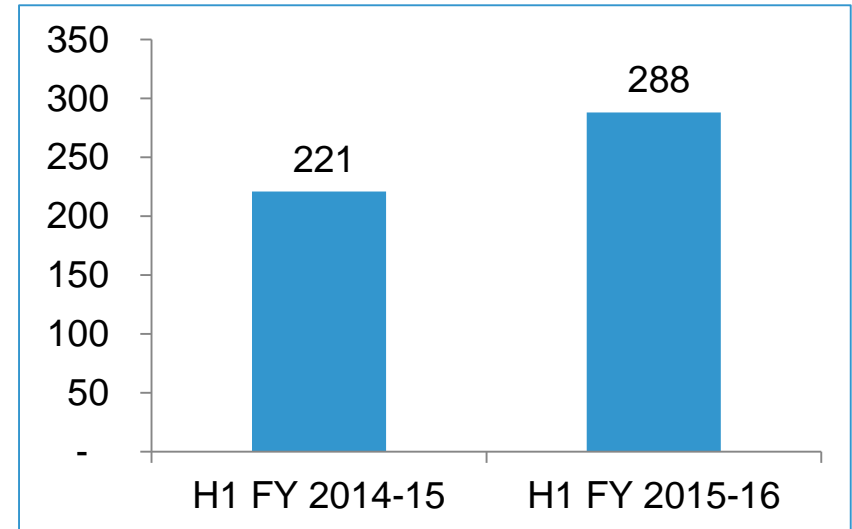
- The business grew by 4% over corresponding quarter. Deficit South West monsoon hampered the liquidation of the stock in the fields.
- Astec Life sciences acquisition will help the business, augment its retail product portfolio
- Agri inputs business will have access to the export markets with Astec having registration across more than 30 countries

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

Q2 ACI - Godrej Sales (₹ crore)



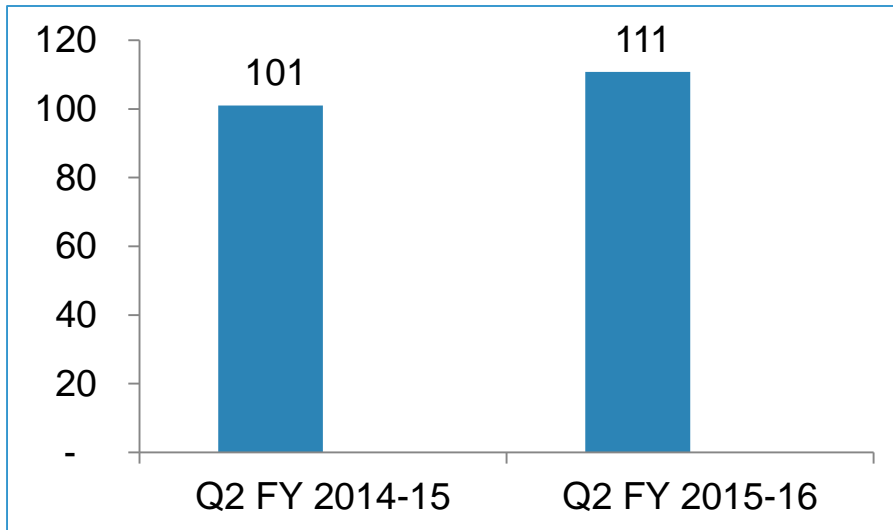
H1 ACI - Godrej Sales (₹ crore)



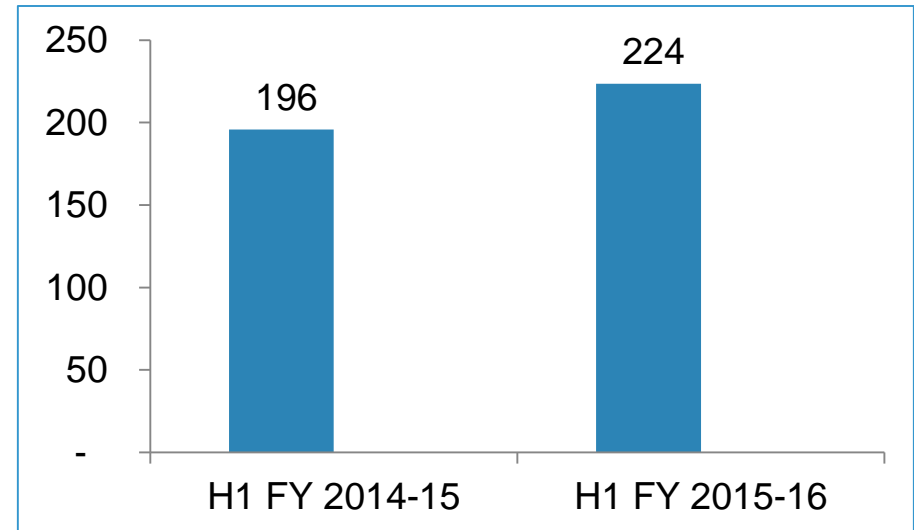
- The ACI GAVL business grew by 29% driven by strong volume growth across categories of Poultry Feed, Cattle feed and Aqua Feed
- New Feed Plant will be commissioned in Q3 FY16

GODREJ TYSON: Focus on Brands paying off in the poultry business

Q2 Godrej Tyson Sales (₹ crore)



H1 Godrej Tyson Sales (₹ crore)



- Live Broiler prices were lower than the cost of production for the entire quarter ; the business managed to register a 10% growth in spite of the prevailing market conditions
- The business is reducing its dependence on Live bird sales and focusing on building the **Real Good Chicken** and **Yummiez** brands.
- Prices of the Poultry will be remain critical for the business for the rest of the year

TRANSFORMATION – FOSTERING AN INSPIRING PLACE TO WORK

GCPL

1st in FMCG category

Overall Rank in 2015: **#6**

Rank in Asia Survey 2015: **#14**
(Highest for any Indian company)

GPL

2nd 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



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

(FRESH FOOD AND GOURMET STORES)

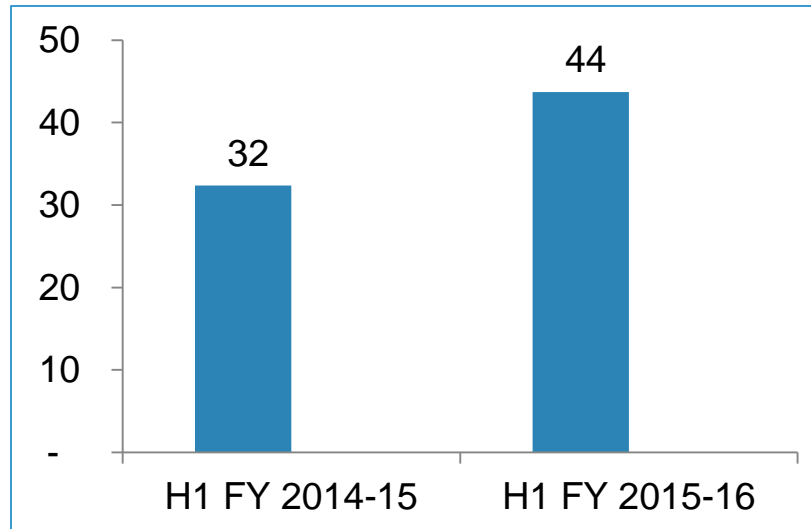
- 2 new stores opened and one existing store expanded. Total store count is at 33.
- Growth in High Margin Categories
 - Private label sales increased to 9% of the total sales in Q2 FY 2015-16, .
- Gifting sales in Q2 FY 2015-16 grew by 27% over Q2 FY 2014-15.
- Online business now contributes over 5% of total sales.
 - Ongoing strengthening of E-commerce operations.
 - 13 operational hubs.

Financial Highlights

- Net Sales in Q2 FY 2015-16 at ₹65 crore; grew by 30% over the corresponding quarter of the previous year.
- Net sales for H1 FY 2015-16 at ₹123 crore , which is growth of 27% over the corresponding period of the previous year.
- Gross margin for the quarter maintained at 26%.

GODREJ SEEDS: Poor Monsoon impacted the growth trajectory of the business

H1 Godrej Seeds and Genetics Sales
(₹ crore)

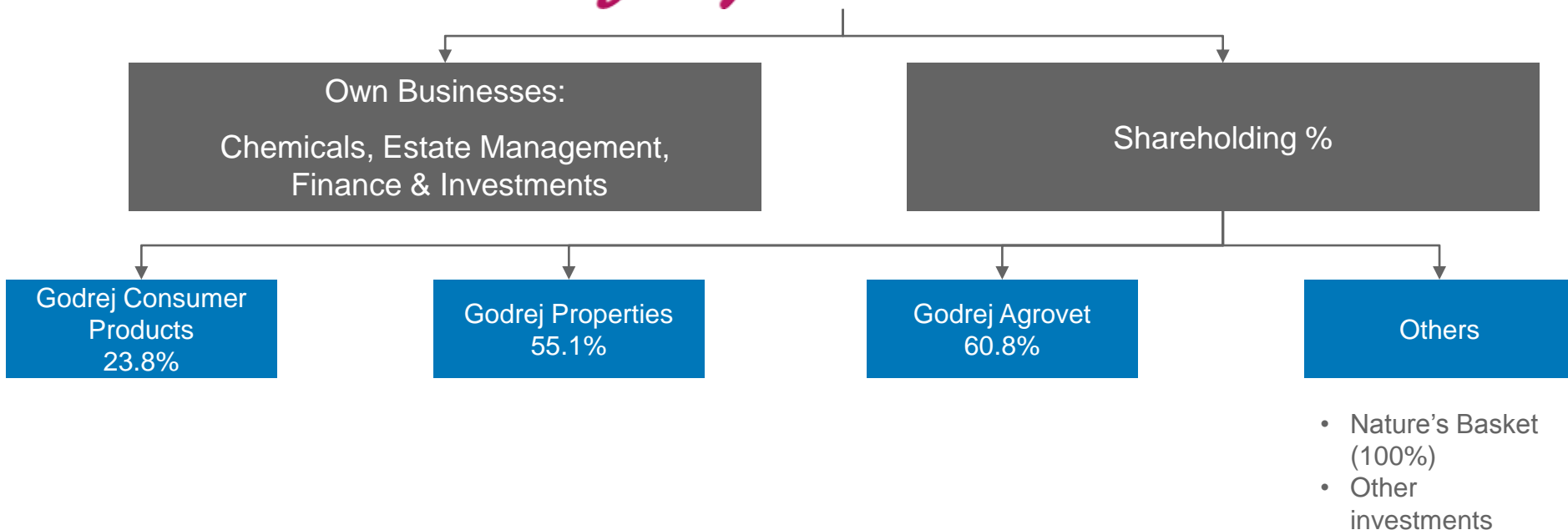


- The business registered 37% growth in H1 FY16 over corresponding period last year.
- The business has been hit by two consecutive bad monsoons in its critical markets
- Launch of own hybrids in pearl millet and corn expected to strengthen our play in the seeds business

OTHER INFORMATION

GODREJ INDUSTRIES LIMITED

CORPORATE STRUCTURE

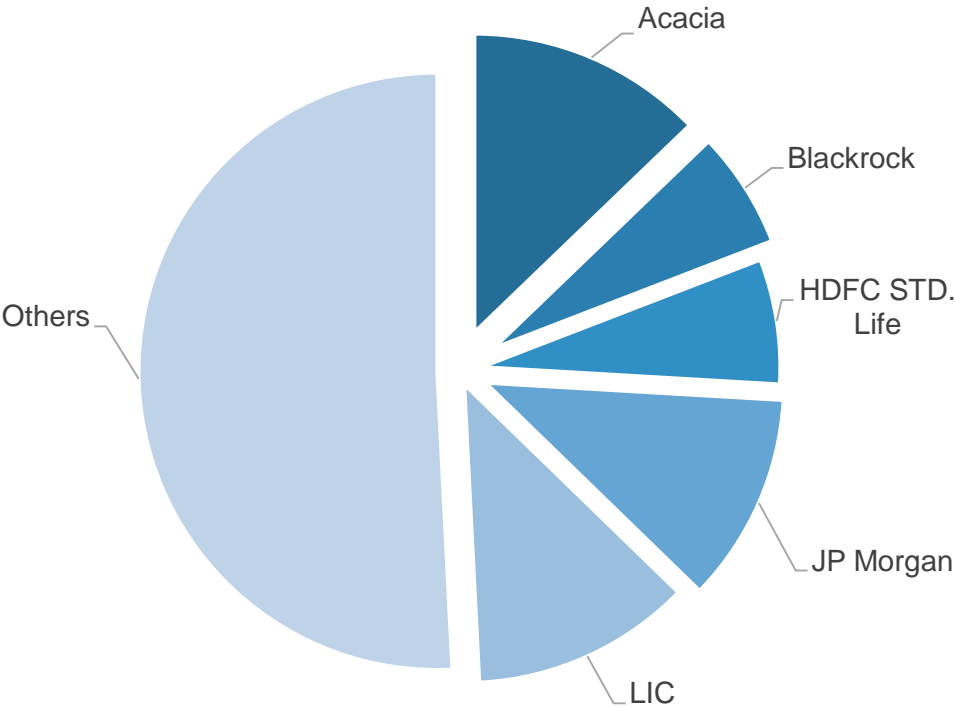
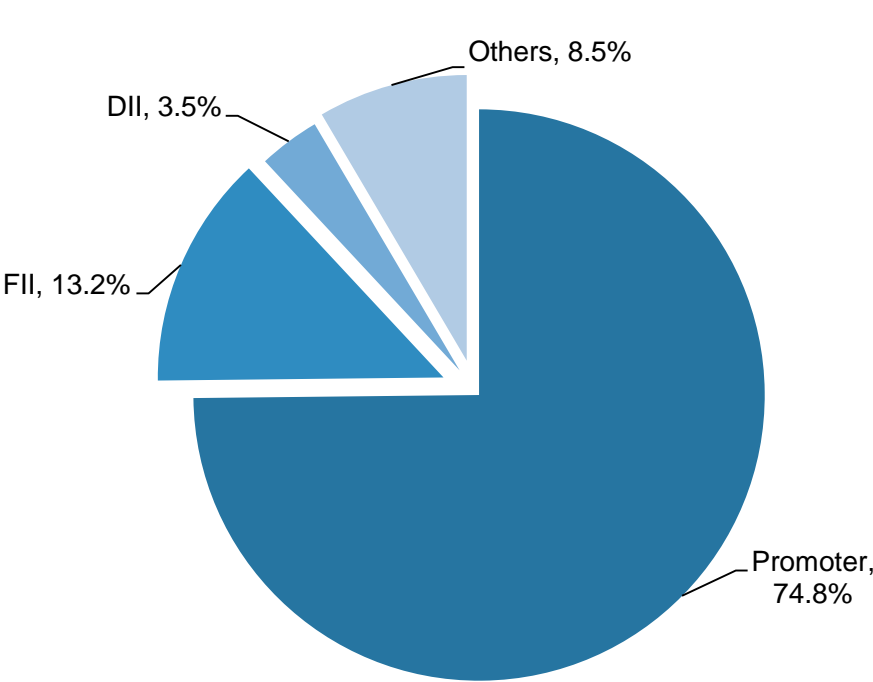


SIGNIFICANT APPRECIATION IN INVESTMENT VALUE

Company	Business	Holding (%)	Investment at cost (₹ crore)	Market Value ^ of investment (₹ crore)
Godrej Consumer Products (GCPL)	FMCG, Personal and Household Care products	23.8%	1,366	9,841
Godrej Properties (GPL)	Real Estate and Property Development	55.1%	597	3,618
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	
GIL Vikhroli Real Estate	Real Estate and Property Development	100%	152	
Natures Basket	Fresh Food & Gourmet Stores	100%	191	
Verseon	Technology-based Pharmaceutical	4.4%	23	156
Others		--	13	
	Total		2,505	

^ as on September 30, 2015

SHAREHOLDING PATTERN AS ON SEPTEMBER 30, 2015



Major Institutional Investors



THANK YOU FOR YOUR TIME AND CONSIDERATION