

GODREJ INDUSTRIES LIMITED

Performance Update – Q1 FY 2016-17

AUGUST 11, 2016

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

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Particulars (₹ crore)	Q1 FY 2016-17	Q1 FY 2015-16	% Growth
Total Income *	2,101	1,578	33%
PBDIT *	215	188	14%
Depreciation	35	24	
PBIT*	180	164	10%
Interest	100	77	
Net Profit *#	63	63	

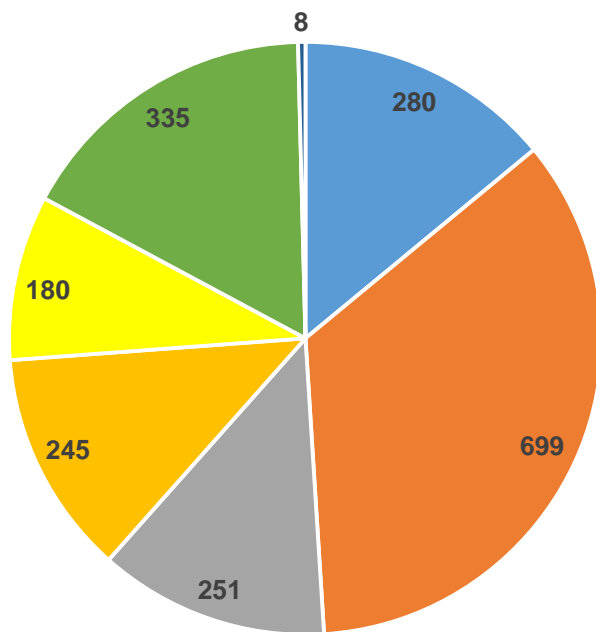
* Including other income;

With share of profit in associate companies, other comprehensive income and post reduction of non-controlling interest

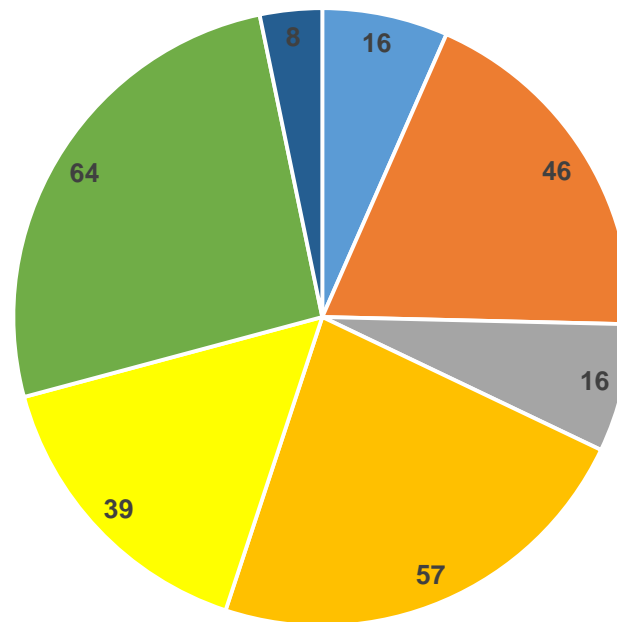
CONSOLIDATED RESULTS – SEGMENT PERFORMANCE

SEGMENT-WISE CONTRIBUTION TO FINANCIALS: Q1 FY 2016-17

Revenue * (₹ crore)



PBIT * (₹ crore)



*net of inter-segment revenue & excluding others segment.

■ CHEMICALS

■ DAIRY

■ VEG OILS

■ FINANCE & INVESTMENTS

■ ANIMAL FEEDS

■ AGRI

■ ESTATE & PROPERTY DEVELOPMENT

**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 Q1 FY 2016-17:

- Consolidated constant currency net sales increased by 9%.
- Consolidated constant currency EBITDA increased by 20%, driven by a 14% growth in India business and 29% growth in international business,
- Q1 FY 2016-17 consolidated net profit without exceptional items, increased by 18%.
- **Category Review**
 - **Soaps** – Sales growth of 1% behind deflationary pressures, volume growth in early double digit.
 - **Hair Colours** – Sales growth of 4% led by double-digit volume growth in Godrej Expert Rich Crème.
 - **Household Insecticides** – Delay in onset of monsoon and stretched summer temporarily impacted Household Insecticides performance resulting in sales decline of 11%.
 - **Air Fresheners** – Godrej aer now ranks number 2 in overall air care market. The recently launched aer pocket has received a very encouraging response from consumers.
- Declared interim dividend of 100% (₹ 1.00 per share).

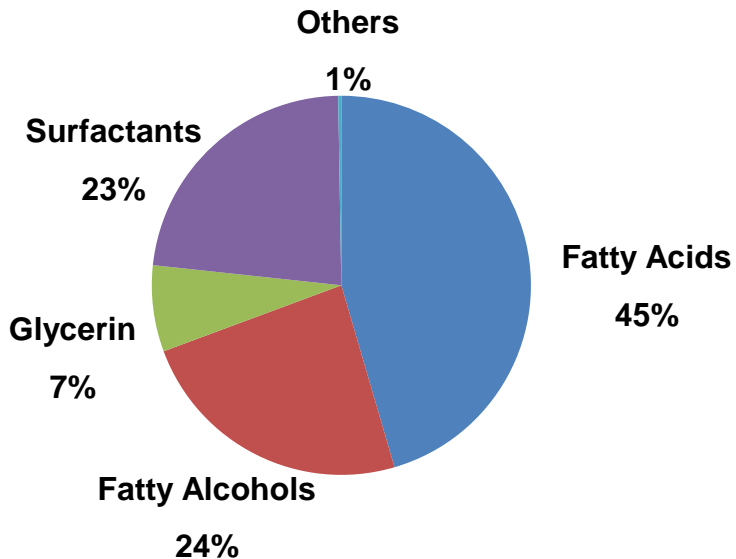


Financial Highlights for Q1 2016-17:

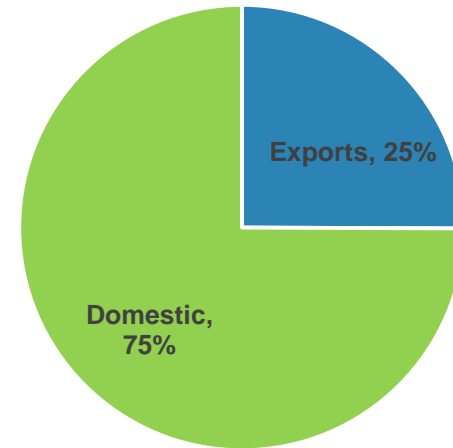
₹ crore		FY 2016-17	FY 2015-16
Revenue	Q1	280	307
PBIT	Q1	16	32

The performance of the chemicals business was impacted in Q1FY 16-17 due to the planned shut-down for maintenance at our Valia (Gujarat) factory.

Product Portfolio Q1 FY 2016-17



Revenue Distribution by Category



Godrej Properties Limited (GPL) - Consolidated Financial Highlights:

₹ crore		FY 2016-17	FY 2015-16
Revenue	Q1	333	230
Net Profit after tax (after minority interest)	Q1	43	40

Business & Sales Highlights for Q1 FY 2016-17

- Godrej BKC received the occupation certificate in Q1 FY17.
- Started Construction at The Trees, Residential Phases 1 & 2 in Q1 FY17
- Two new projects with 13 million sq.ft. of saleable area added in Q1 FY17
- Commercial sales stood at ~ 43,000 sq.ft with a booking value of ₹75 crore
- Construction Highlights: Delivered 1.94 million sq.ft. in Q1 FY17 which includes 1.28 million sq. ft. of commercial and 0.66 million sq. ft. of residential space across three cities

Awards and Recognitions: GPL received 14 awards in Q1 FY17, including Most innovative Real Estate company, Developer of the year, Market leadership award.

AGRI BUSINESS

Godrej Agrovet Limited (GAVL) - Consolidated Financial Highlights

GAVL

- Revenue grew by 50% through a healthy mix of organic and acquisitive growth and profits grew by 29% over Q1FY16

Feed Business

- Animal feed business had a robust growth of 10% in the quarter over Q1'FY 16
- The Bangladesh feed business continues to do well clocking a growth of 18% as compared to Q1'FY16

Oil Palm business

- The Oil Palm business registered a robust revenue growth of 63% in the quarter as compared to Q1'FY16
- Operational efficiencies coupled with favourable CPO prices should support healthy growth in the business

Agri Inputs Business

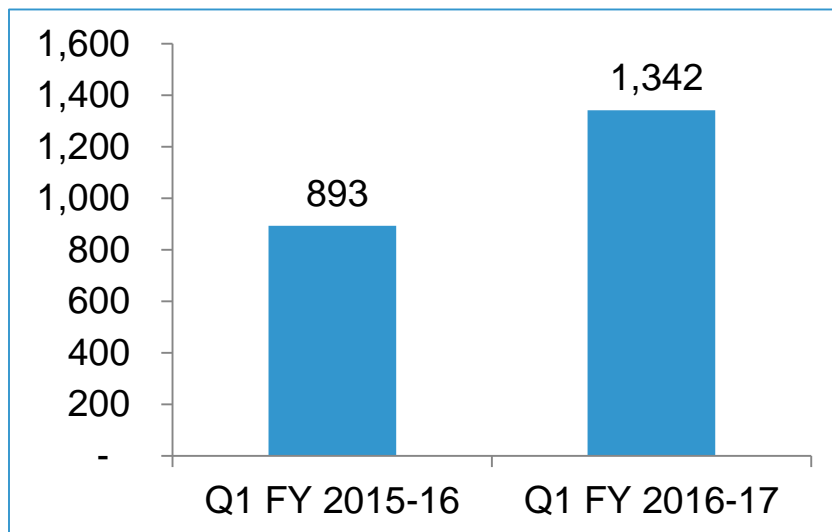
- Agri Inputs business grew by 20% in this quarter as compared to Q1'FY16
- Improvement in contribution on account of focus on high margin molecules
- Astec LifeSciences domestic sales rebounded resulting in a sales growth of 8% over Q1'FY 16

Food business

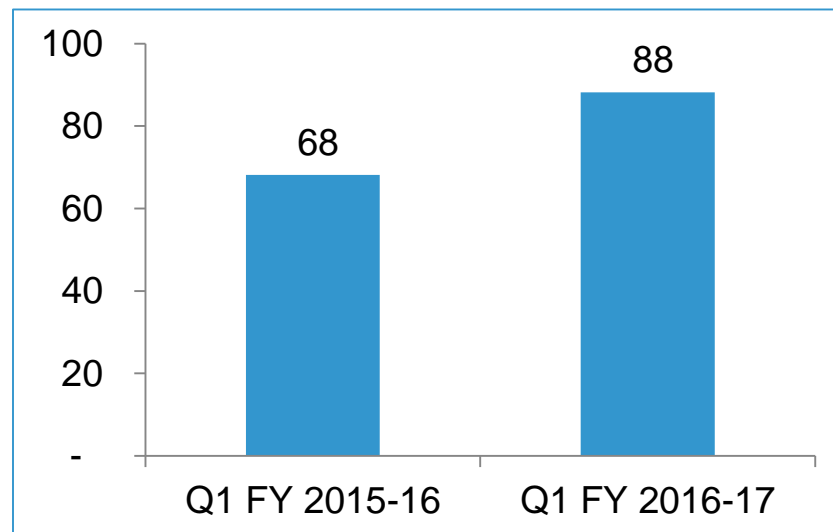
- Our processed poultry business GTFL grew by 18% during the quarter with improved profitability on back of higher output prices
- Creamline dairy recorded a healthy 11% sales growth in this quarter aided by strong performance of value added products which grew by 27%

Godrej Agrovet Limited (GAVL) - Consolidated Financial Highlights

Q1 Consolidated Total Income (₹ crore)



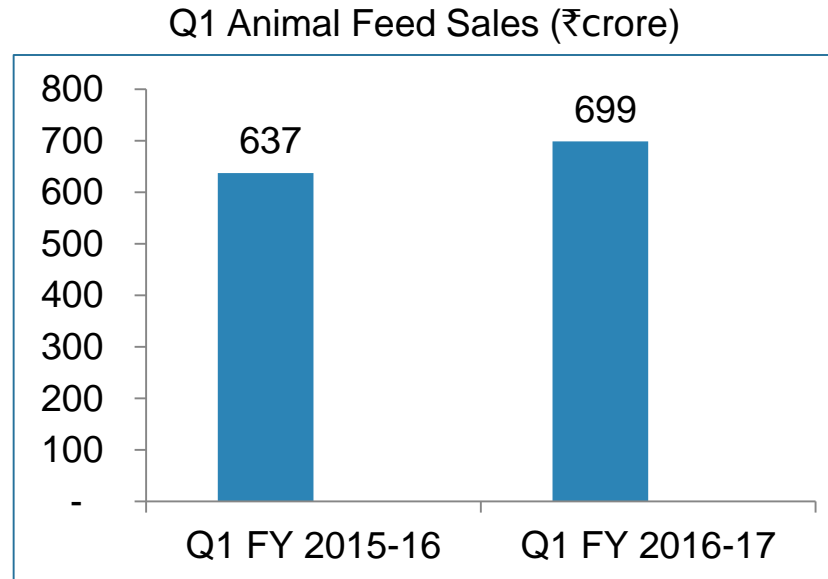
Q1 Consolidated PBT (₹ crore)



- Strong pick up by South-west monsoon after a slow start
- Q1FY17 saw strong commodity prices in CPO, PKO and live birds
- Integration of both the acquisitions progressing well and in line to add significant value to GAVL portfolio



Animal Feed Business: Steady performance despite headwinds

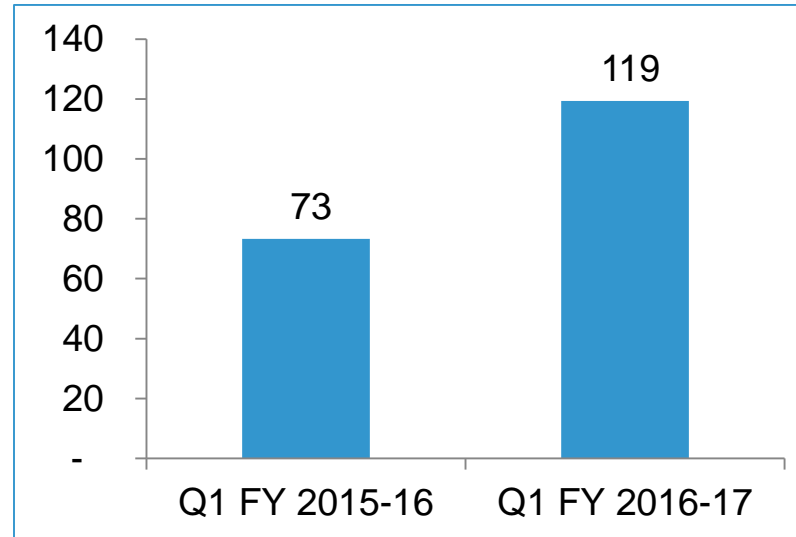


- Steady performance by the Animal Feed business in a challenging environment as significant appreciation in maize (critical raw material) impacted demand for animal feed
- GAVL working on multiple R&D initiatives which can significantly improve the business performance in the future



Oil Palm Business: Strong Crude Palm Oil prices helped Q1 performance

Q1 Oil Palm Sales (₹ crore)

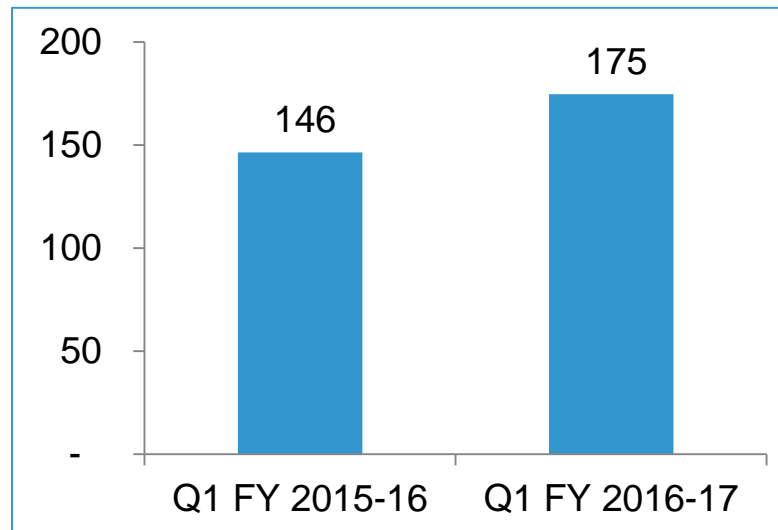


- Business clocked 63% revenue growth driven by higher CPO /PKO prices
- Price of FFB in Q1 was remunerative for the farmers and shall help in bringing sizeable area under Oil Palm this year



AGRI INPUTS Business: Improved domestic demand aided by monsoon revival

Q1 Agri Inputs Sales (₹ crore)

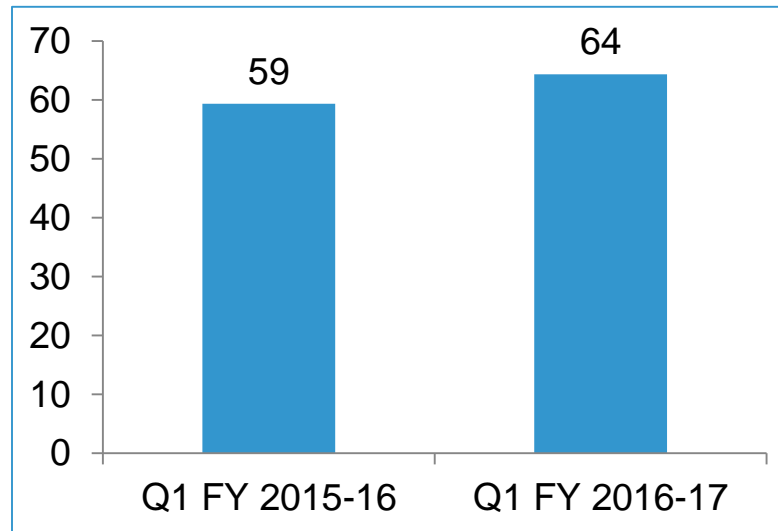


- The business grew by 20% in the quarter as compared to the corresponding quarter.
- Y-o-Y Sales growth driven by PGP, Pesticides and Hitweed
- The business will continue to focus on building synergies this year with Astec LifeSciences



ASTECC LifeSciences: Promising growth spurred by domestic sales

Q1 Astec Sales (₹ crore)



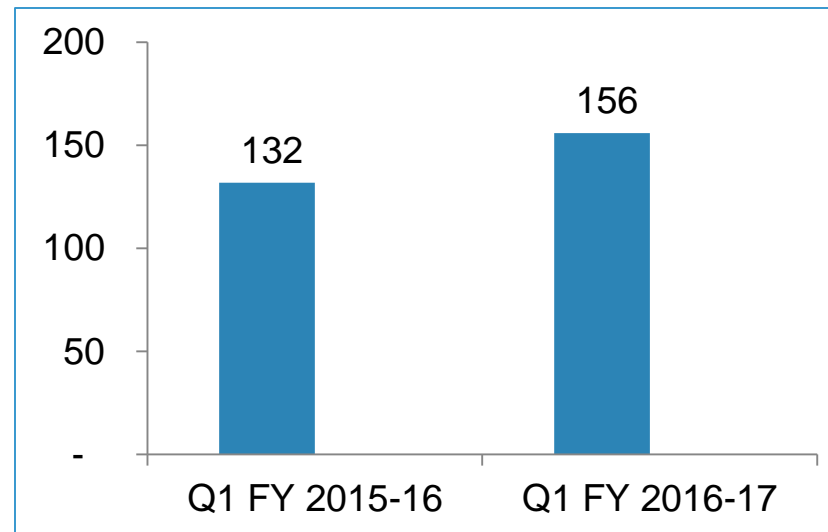
- The business grew by 8% in the quarter as compared to the corresponding quarter.
- New plant commissioned successful in the month of June.

AGRI BUSINESS

ACI GODREJ (Bangladesh): Continued volume growth sustaining growth momentum



Q1 ACI - Godrej Sales (₹ crore)

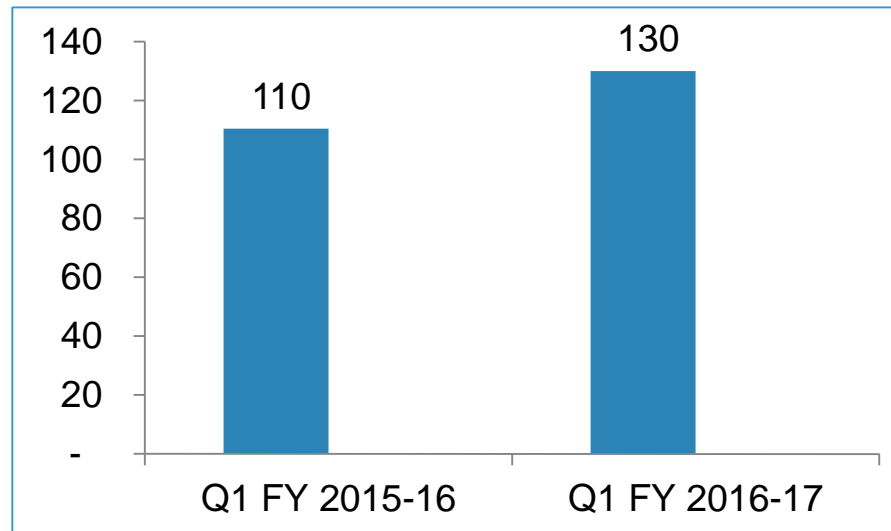


- Robust volume growth at 15% over Q1'FY16
- Significant volume growth in Cattle Feed at 58% and Fish Feed at 15%



GODREJ TYSON: Strong live bird prices enhanced the performance of brand focused business

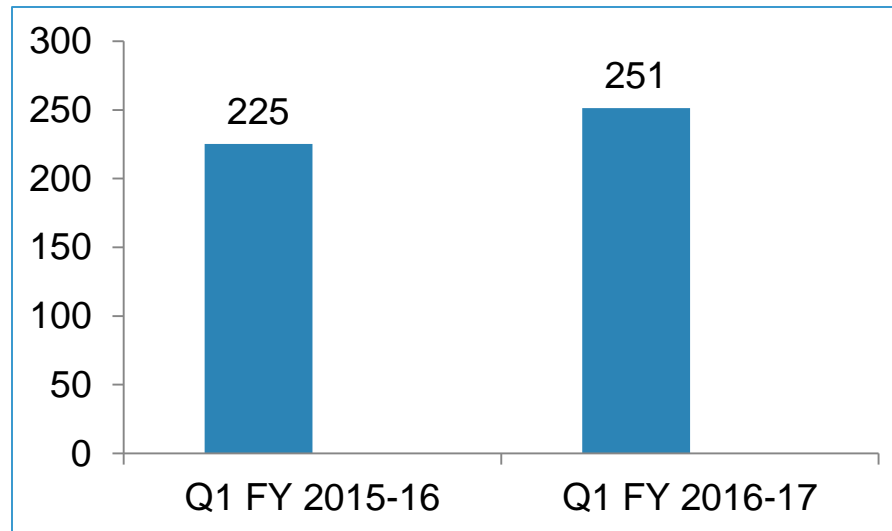
Q1 Godrej Tyson Sales (₹ crore)



- The business sustained the growth momentum by growing at 18% over Q1'FY16
- Live bird business performance supported by additional volume from RGC business & high broiler prices
- RGC witnessed growth in distribution and counter share and improvement in overall productivity
- Work started for value added vegetarian line in Punjab, likely to be commissioned by April'17

Creamline Dairy Pvt Ltd: Value added products drive growth

Q1 Creamline Dairy Sales (₹ crore)



- The business grew by 11% over Q1'FY16
- Value added products constitute nearly 28% of revenue.

EMERGENT NATURE'S BASKET

(FRESH FOOD AND GOURMET STORES)



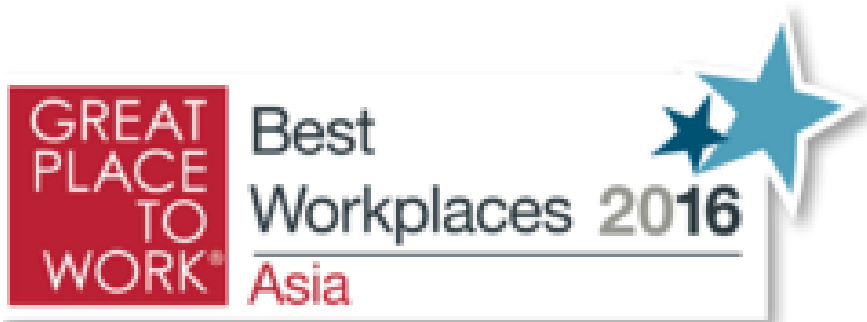
- Best ever sales performance at ₹ 75 Cr and growth of 32% in Qtr I.
- Online business clocked sale of ₹ 5.5Cr in Q1FY17, a growth of 525% over corresponding quarter of the previous year.
- Hubs for online sales, intergraded with stores.
- Bagged two awards in CMO Asia
 - Brand excellence in retail sector
 - Best Loyalty program
- Awarded 'Specialty e-retailer of the year' at the Franchisee retail awards 2016

Financial Highlights

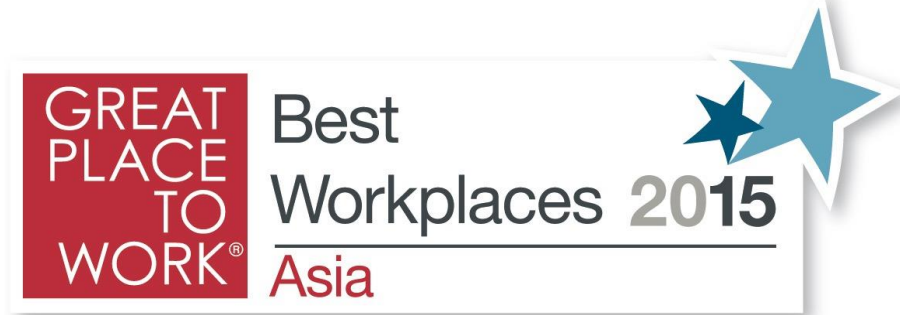
- Net Sales in Q1 was ₹ 75 Cr .
- Net sales in Q1 FY 15-16 grew by 32 % over Q1 of FY 15-16..
- Gross margin in Q1 was 25.5%.



TRANSFORMATION – FOSTERING AN INSPIRING PLACE TO WORK



- GCPL ranked No. 9 in Asia's Best Places to Work



- GCPL ranked No.1 in the FMCG sector
- GPL ranked No. 2 in the Real Estate sector
- GAVL recognized for the fairness in its performance management system



BEST EMPLOYERS

INDIA | 2016



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

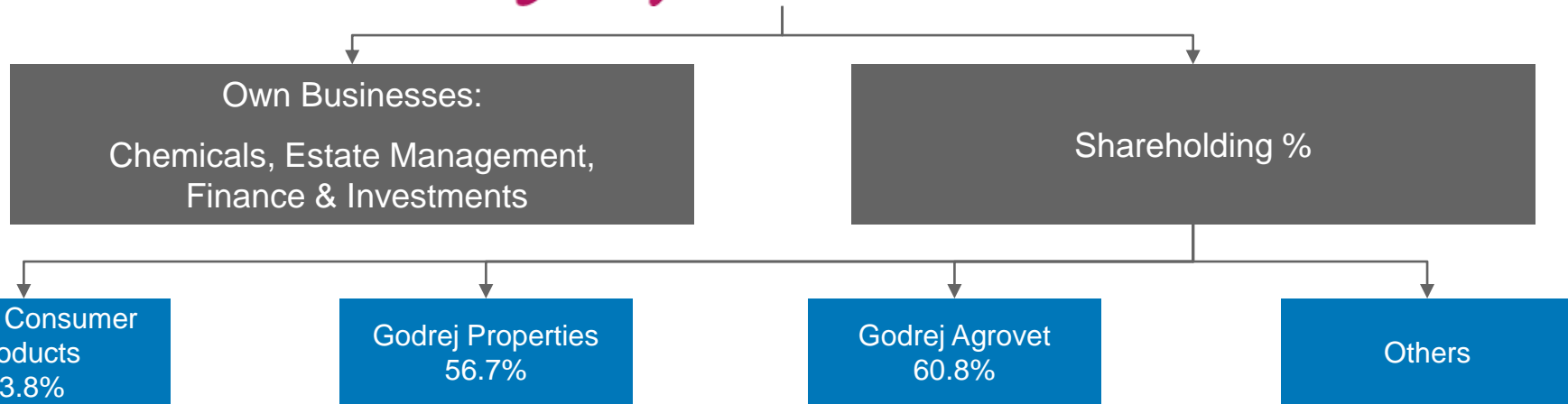
BRIGHTER GIVING

Structured Employee Volunteering

OTHER INFORMATION

GODREJ INDUSTRIES LIMITED

CORPORATE STRUCTURE



- Nature's Basket (100%)
- Other investments

SIGNIFICANT APPRECIATION IN INVESTMENT VALUE

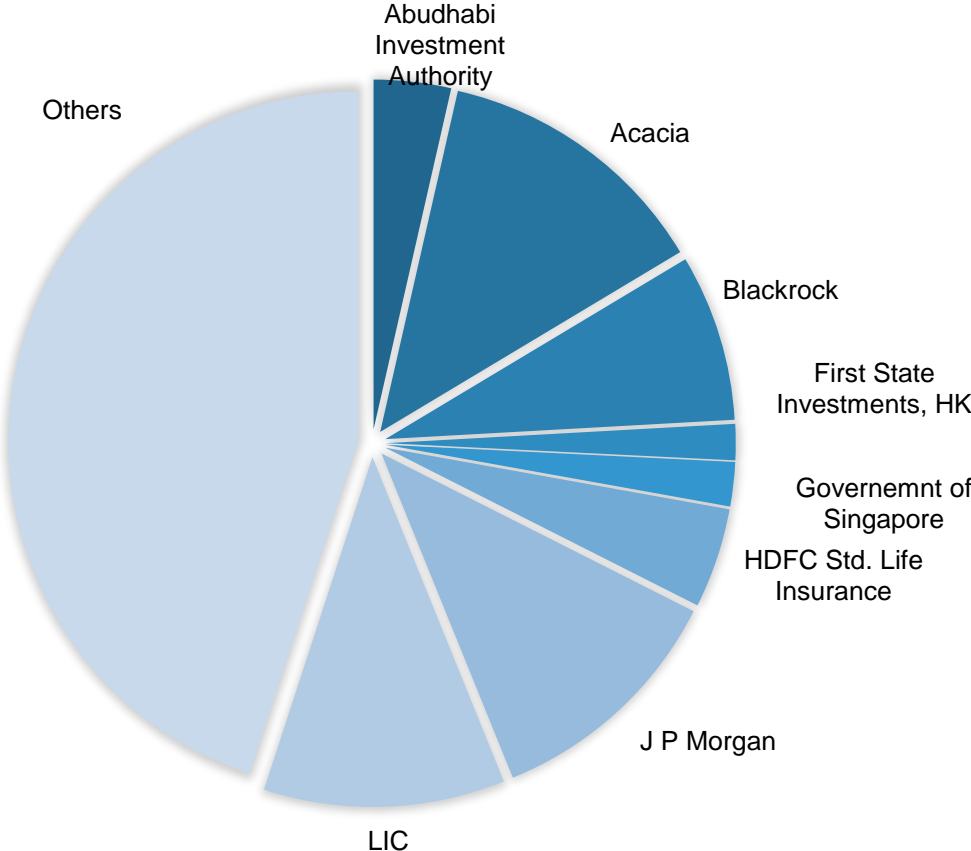
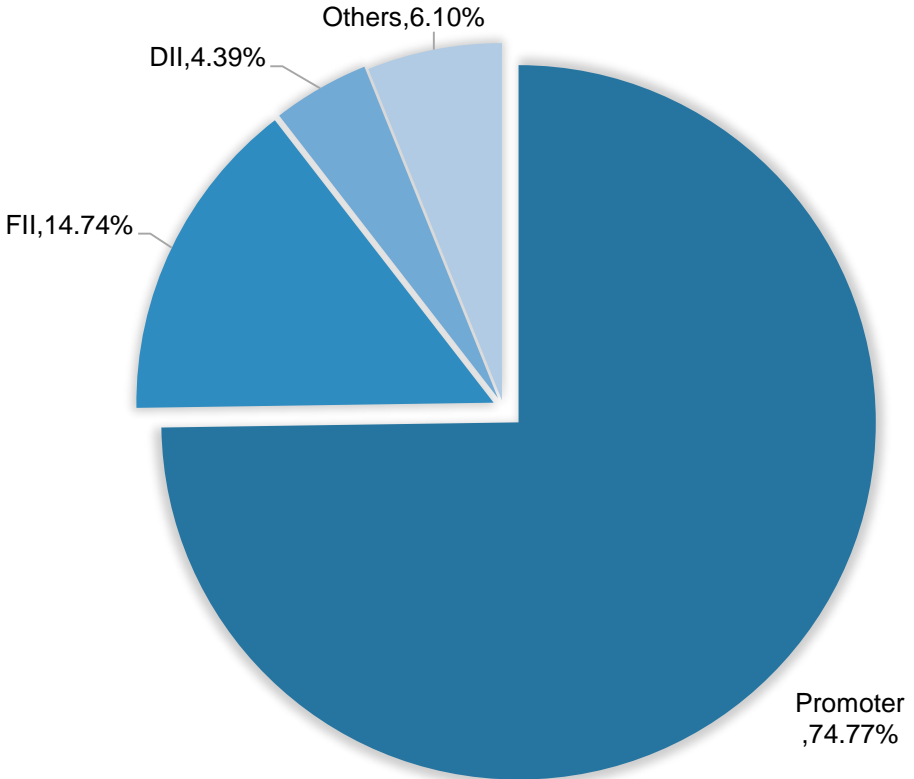
Company	Business	Holding (%)	Investment at cost (₹ crore)	Market Value [^] of investment (₹ crore)
Godrej Consumer Products (GCPL)	FMCG, Personal and Household Care products	23.8%	1,366	12,970
Godrej Properties (GPL)	Real Estate and Property Development	56.7%	727	4,487
Godrej Agrovet	Animal Feed, Agri-inputs, Poultry, Dairy & Oil Palm	60.8%	144	
Godrej International	International Trading	100%	15	
Godrej International & Trading	International Trading & Investments	100%	4	
Natures Basket	Fresh Food & Gourmet Stores	100%	232	
Others		--	16	
	Total		2,504	

Market Value of GIL's investment in GCPL + GPL increased by ~ ₹ 4,800 crore (38%) on YoY basis

Market Value of GIL's investment in GCPL + GPL increased by ~ ₹ 2,658 crore (18%) in Q1FY17

Market Capitalization of GIL has increased by ₹ 1,353 Cr, (11%) on YoY basis

SHAREHOLDING PATTERN AS ON JUNE 30, 2016



Major Institutional Investors



THANK YOU FOR YOUR TIME AND CONSIDERATION