MANAGEMENT
DISCUSSION &
ANALYSIS

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OUR BUSINESS MODEL

INPUTS

**Financial Capital**
- Equity, profits re-invested, investments in assets, brands

**Manufactured Capital**
- Dispersed manufacturing clusters
- Global and local R&D centres
- Agile manufacturing through smart automation and Internet of Things

**Intellectual Capital**
- Strong legacy of the Godrej Group
- Strong portfolio of brands
- Investment in R&D
- Integrated RIDE platform to develop innovative products
- Unique consumer insights through advanced predictive analytics
- Digital command centre

**Human Capital**
- Skilled manpower across functions
- Investment in training and development
- Prioritising safety
- Fostering diversity & inclusion

**Social & Relationship Capital**
- Consumer engagement models
- Partnerships with suppliers, retailers, distributors and wholesalers
- Investment in CSR and community engagement initiatives

**Natural Capital**
- Sourcing and investment in renewable and non-renewable raw materials for our products
- Investments in green initiatives

BUSINESS PROCESS

**PURPOSE**
To bring the goodness of health and beauty to consumers in emerging markets

**VALUES**
- Trust
- Be Bold
- Create Delight
- Own It
- Be Humble
- Show Respect

**VISION**
To be the leading emerging markets focused multi-local FMCG player

**STRATEGY**
- 3x3 approach
- Multi-local approach
- 7 Strategic Pillars:
  - Extending leadership in our core categories and geographies
  - Accelerating innovation and building purposeful brands
  - Leveraging digital
  - Enhancing go-to-market
  - Making our supply chain best-in-class
  - Fostering an inclusive, agile and high-performance culture
  - Building a more inclusive and greener world
OUTCOMES

Financial Capital
-Comparable consolidated revenue growth of 7%
-Comparable consolidated net profit increase of 40%
-₹15 per share of dividend paid to shareholders

Manufactured Capital
-India obsolescence reduced to 0.06%
-Saved over ₹2.80 crore in FY19 through sustainable manufacturing

Intellectual Capital
-New products launched in India in the last 5 years contribute to over 20% of sales
-Innovation rates in India and Indonesia are 30% and 50% higher, respectively, than the previous year
-53% increase in digital reach

Human Capital
-Consistently rank high on best places to work and internal engagement surveys
-26% women workforce; 19% women in leadership
-0 man days lost due to adverse industrial relations
-54,046 employees and contract workers trained on safety
-0.54 injury rate

Social & Relationship Capital
-Reached 1.3 million outlets in India through direct distribution
-305,101 young people trained across India and Kenya since FY13
-Reached 3.5 million people as part of EMBED

Natural Capital
-457 MT hazardous waste
-99.7% reduction in waste generated/tonne production
-10,000 MT waste/annum diverted from landfill from community projects in India

OUTCOMES

- Leadership positions (market share) across geographies; category penetration and consumption rate
  For details see page 32-38

- Increased consumer reach
  For details see page 74-77

- Enhanced long-term value for all stakeholders including shareholders, customers, consumers, suppliers, distributors, retailers and the community
  For details see page 31, 49, 65, 73, 81, 93, 111

- Reduced fresh water use and emissions
  For details see page 117 & 120

- Wealth generated from waste
  For details see page 118