

Q4FY2021 Investor and Analyst Performance Update

11 May, 2021



KEY HIGHLIGHTS

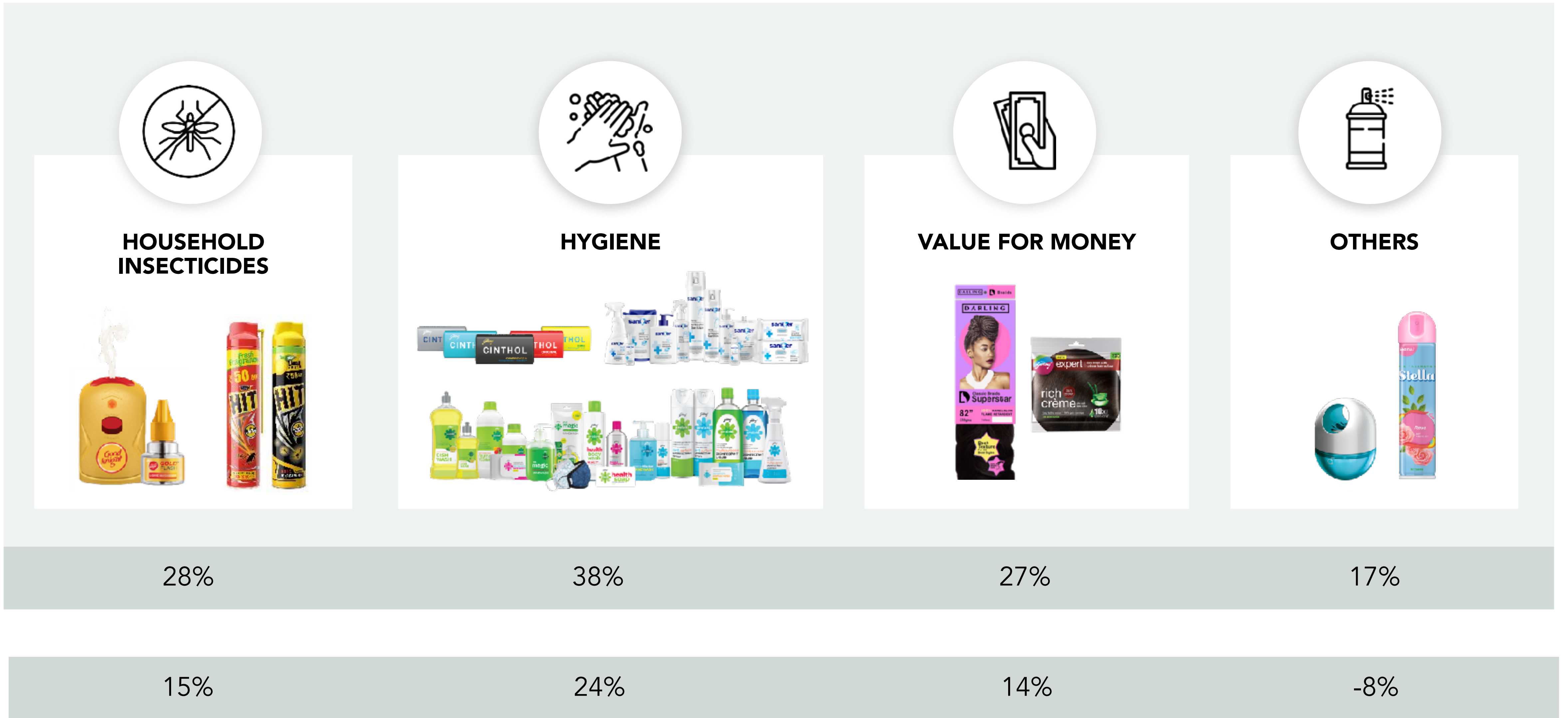
Third consecutive quarter of strong double-digit sales growth; double-digit sales growth of 11% in FY2021

Q4FY2021 Performance
FY2021 Performance

	Consolidated Sales growth	India Sales growth	Consolidated EBITDA growth
Q4FY2021 Performance	27% (29% CC)	35%	21%
FY2021 Performance	11% (12% CC)	14%	14%

- 1 Double-digit growth in Household Insecticides, Hygiene and Value For Money products
- 2 Third consecutive quarter of strong double-digit sales growth; India 35%; Africa, USA & Middle East 36% (CC); Latin America & SAARC 54% (CC); Indonesia 4% (CC)
- 3 Household Insecticides delivers 34% growth in India; 28% globally
- 4 Strong growth momentum continues in Hygiene (including Soaps) of 38%
- 5 Value For Money products delivers 27% growth
- 6 Consolidated EBITDA margins at 21% (21% growth); margins decrease by 110 bps
- 7 Navigating the second wave of COVID-19 in India

1 Double-digit growth in Household Insecticides, Hygiene and Value For Money products

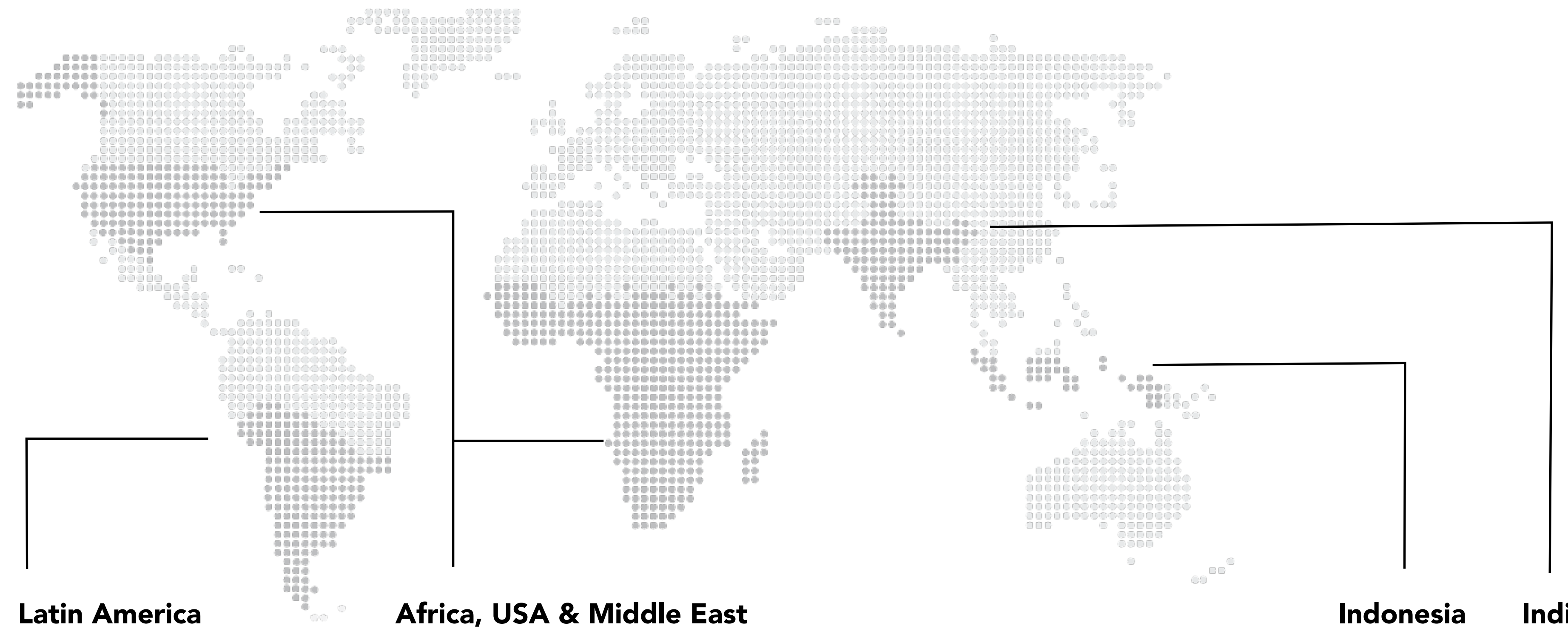


Q4FY2021
Performance
(INR)

FY2021
Performance
(INR)

2

**Third consecutive quarter of strong double-digit sales growth;
 India 35%; Africa, USA & Middle East 36% (CC);
 Latin America & SAARC 54% (CC); Indonesia 4% (CC)**



	Latin America	Africa, USA & Middle East	Indonesia	India
Q4FY2021 Performance	54%* (CC) 30%* (INR)	36% (CC) 30% (INR)	4% (CC) 5% (INR)	35% (INR)
FY2021 Performance	41%* (CC) 19%* (INR)	9% (CC) 8% (INR)	2% (CC) 4% (INR)	14% (INR)

Note: *Includes SAARC; CC - Constant Currency

Q4FY2021 Performance
 FY2021 Performance


3 Household Insecticides delivers 34% growth in India; 28% globally

- Consumers do not want to take any chances with their health; vigilance about mosquitoes and protection against malaria and dengue has gone up
- Continue to pivot advertising more towards disease prevention
- Full portfolios across formats and price points in India and Indonesia
- Encouraging response to newly launched Goodknight Power Shots aerosol in Lagos, Nigeria
- Forayed into burning format in Indonesia with the launch of HIT Expert Piramida, 4-hour revolutionary paper-based mosquito repellent
- Multiple growth opportunities in the category: penetration, innovation in burning formats, scaling up non-mosquito portfolio and upgrades, premiumisation

Consumers continue to be vigilant

Early rise in temperature triggering mosquito spike?

Peras Singh | TNN | Updated: Mar 31, 2021, 10:03 IST



NEW DELHI: The early spike in temperature has caused an increase in mosquito breeding. A report from the vector-borne diseases headquarters says domestic checkers detected 1,023 cases of mosquito breeding between January 1 and March 27 against 389 cases in the same period last year. South Delhi Municipal Corporation found 588 positive breeding cases at residential and other complexes, followed by 250 by EDMC and 185 by the north corporation. Despite the rise in mosquito numbers, the cases of mosquito-borne diseases are as yet low, with three malaria, six dengue and one chikungunya incidents.

The day temperature climbed to 40.1 degrees Celsius on Holi, the highest maximum in March since 1945, when the day's highest was 40.5 degrees Celsius. This is 8 degrees above normal for this time of the season. "Mosquitoes prefer warmer environments above 30 degrees. Below 20 degrees, they become less active, becoming nonfunctional below 10 degrees," a public health official explained. Anopheles mosquitoes, which are primarily responsible for malaria, breed in muddy water outdoor, while dengue-causing Aedes prefer clear water and indoor environments.

Disease prevention advertising



खतरा दिखते ही उसे तुरंत मारिए

आलगास मच्छर होने से मलेरिया और डेंगू जैसे बीमारियों का खतरा रहता है। काला हिट आलगास मच्छरों को तुरंत मार कर रात चतक मिटा देता है।

मच्छरों का अंत, तुरंत

₹99

***200 मि.ली.**

प्रजापिता कोसो जाली

Good knight

ఈ వర్షాకాలంలో డంగూ, మలేరియాల నంచి ఎలా రక్షించుకోవాల

STEP 1 నీరు నిలవ కాకండా చూసుకోండి

STEP 2 దోమ తెరలన వాడండి

STEP 3 చేతులన పూరింగ్ కప్పి ఉంచే దుసులి న వేసుకోండి

STEP 4 ఇంట్లో చెతి పేరుకోకండా పొరేయండి

STEP 5: ఏదైనా ప్రఖ్యాత దోమల నివారణ ప్రొద్ న వాడండి

New launches



Good knight POWER SHOTS MULTI-INSECT KILLER

HIT EXPERT PIRAMIDA ANTI NYAMUK BAKAR

4X CEPAT BUNYI NYAMUK SEDUWIT ASAP

10 JAM FLORAL BLOSSOM

10 JAM CLASSY LILY

4 Strong growth momentum continues in Hygiene (including Soaps) of 38%

South Africa

Protekt Magic Powder to Liquid Handwash



Indonesia

Saniter Ecosense Powder to Liquid Handwash



Chile

Bidex Magic Powder to Liquid Soap



Argentina

Villeneuve Magic Powder to Liquid Soap



5 Value For Money products delivers 27% growth



Godrej Expert Rich Crème in India



Darling Empress range in Nigeria

6 Consolidated EBITDA margins at 21% (21% growth); margins decrease by 110 bps

- **Consolidated EBITDA growth of 21%**
- **Consolidated EBITDA margins at 21.2%**; decrease of **110 bps** year-on-year, driven by drop in India and Latin America & SAARC margins
- **EBITDA margins in India at 22.6%**; decrease of **500 bps** year-on-year, driven by gross margins drop of **~300 bps** (due to lag between increase in input cost and end consumer price increases and provision of slow-moving inventory on conservative basis), one-time variable manpower remuneration reversal in Q4 FY2020 impacting **~400 bps**, and upfront marketing investments impacting **~70 bps**
- **EBITDA margins in International business at 18.9%**; increase of **230 bps** year-on-year driven by scale leverage in Africa, USA and Middle East cluster and cost-saving initiatives in Indonesia
- **Full-year consolidated EBITDA margins** increases by **50 bps** year-on-year to **22.3%**

7 Navigating the second wave of COVID-19 in India

Business environment

- Implementing learnings from the first wave; better prepared to navigate any supply chain disruptions
- Production ramped up across our manufacturing facilities; operating with optimal levels of inventory across the supply chain
- Localised lockdowns could impact frontline servicing and replenishment of outlets
- Second wave could be a tailwind for the Hygiene (including Soaps) category and headwind for certain discretionary categories

Supporting our communities

Adopted a safety-first principle across our ecosystem:

- supporting team members, their families and our business partners to get fully vaccinated;
- provided medical supplies and equipment for critical care across state governments, hospitals and district authorities - donating **400+ oxygen concentrators**;
- provided **7,000 PPE kits** and **11,500 masks** to frontline workers;
- donated **400,000 units of sanitiser** to hospitals, police force and factories



Youth ki Awaz, where young children spread awareness on Hygiene



Distribution of our hygiene products



FINANCIAL PERFORMANCE UPDATE

Q4 FY2021: Financial Performance

Growth (year-on-year)	Consolidated Business	India Business
Net Sales (Reported)	27%	35%
Net Sales (Constant Currency)	29%	-
EBITDA	21%	10%
Net Profit (Reported)	59%	4%
Net Profit (Without exceptional and one-off items)	20%	13%

Q4 FY2021: Exceptional and One-off Items

Consolidated Business	Q4 FY2021	Q4 FY2020
Net Profit (Reported)	366	230
<i>Exceptional (Post tax)</i>		
Restructuring cost in Latin America & GAUM	1.9	3.0
Escrow release – gain on divestment of UK business	-	(0.3)
Brand and goodwill impairment in GAUM & Latin America (adjusted for Deferred Tax)	32	70
Reversal of contingent consideration in USA	0.2	-
Deferred Tax Asset - Indonesia	(21)	-
Deferred Tax – Change in maximum marginal tax rate in India & Indonesia	0.1	13.4
Net Profit (Without exceptional and one-off items)	379	316

Note: All values in ₹ crore and rounded off

Q4 FY2021: Third consecutive quarter of strong double-digit growth in India, USA & Middle East; gradual recovery in Indonesia

Geography	Sales (₹ crore)	Growth (Year-on-Year)	Constant Currency Growth (Year-on-Year)
India	1,466	35%	-
Indonesia	470	5%	4%
Africa, USA and Middle East	630	30%	36%
Latin America and SAARC	176	30%	54%
Total Net Sales	2,706	27%	29%

Note: Total Net Sales includes the impact of contra and inter company eliminations

Q4 FY2021: Bridge between Reported to Operating EBITDA

	India	Indonesia	Africa, USA & Middle East	Latin America & SAARC
Q4FY21 Reported EBITDA Margin	23.1%	35.0%	10.1%	2.9%
Business support charges, Royalty & Technical fees (₹ crore)	(7.7)	1.6	5.0	1.1
Q4FY21 Operating EBITDA Margin	22.6%	35.4%	10.9%	3.6%
Q4FY20 Operating EBITDA Margin	27.6%	33.1%	3.8%	7.9%
Change in EBITDA Margin (bps)	(500)	230	710	(430)

Q4 FY2021: Key Balance Sheet data

Particulars	Units	Mar 31, 2021	Mar 31, 2020
Working Capital ex-Cash*	₹ crore	337	286
Working Capital*	Days	11	11
Cash & Equivalents	₹ crore	1,332	1,407
Total Debt	₹ crore	1,768	3,518
Debt denominated in INR	₹ crore	0.1	317
Debt denominated in USD	₹ crore	1,557	3,035
Debt denominated in other currencies	₹ crore	211	166
Other Financial Liabilities	₹ crore	260	447
Shareholder's Equity	₹ crore	9,439	7,898
Capital Employed*	₹ crore	10,666	11,130
Net Debt / Equity	x	0.07	0.32
ROE*	%	18.9%	19.7%
ROCE*	%	21.1%	18.5%
Operating ROCE*	%	72.6%	64.3%

Note: *Excluding MAT credit entitlement, one time deferred tax and other one time exceptions

INDIA BUSINESS UPDATE

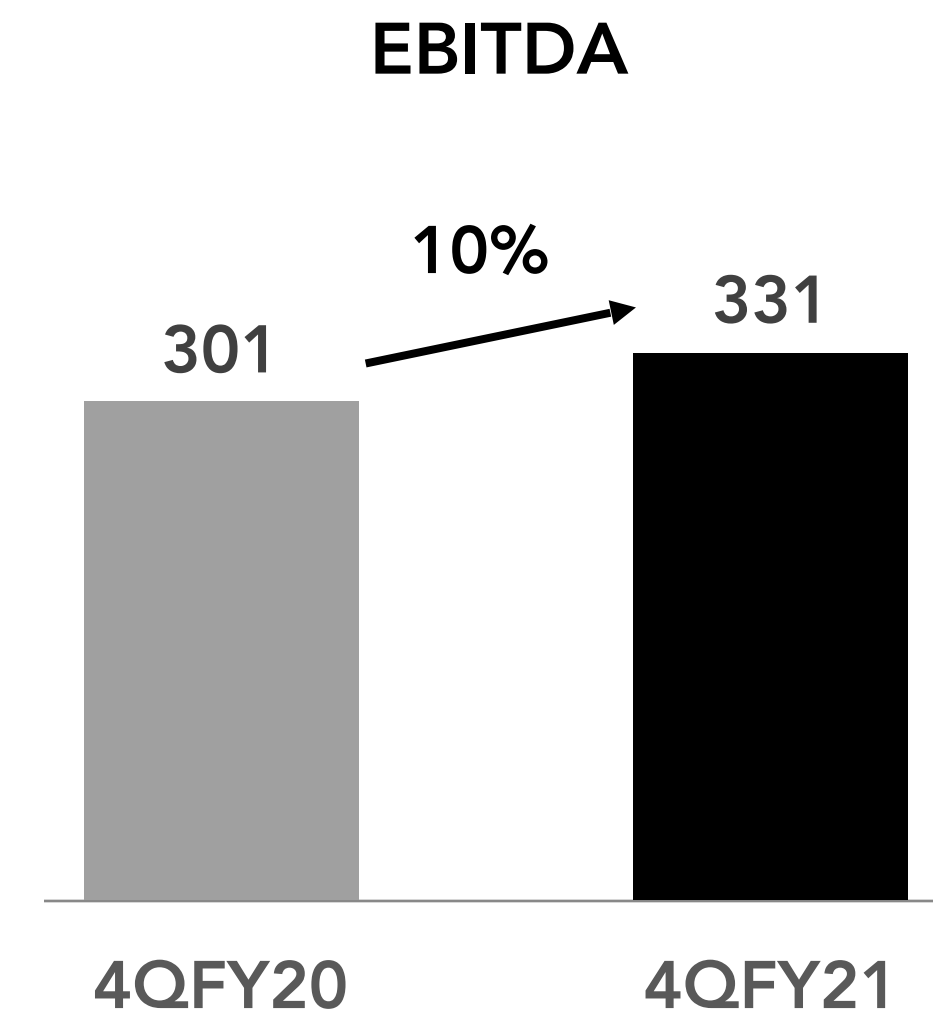
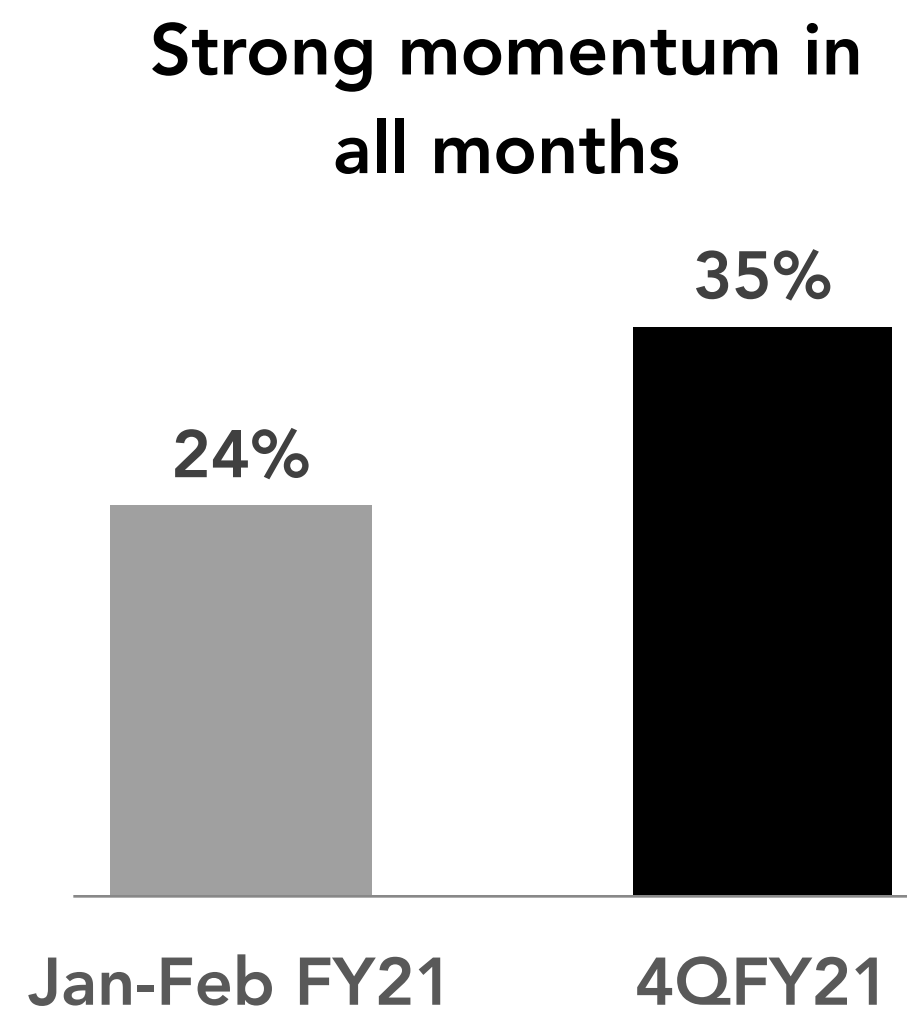
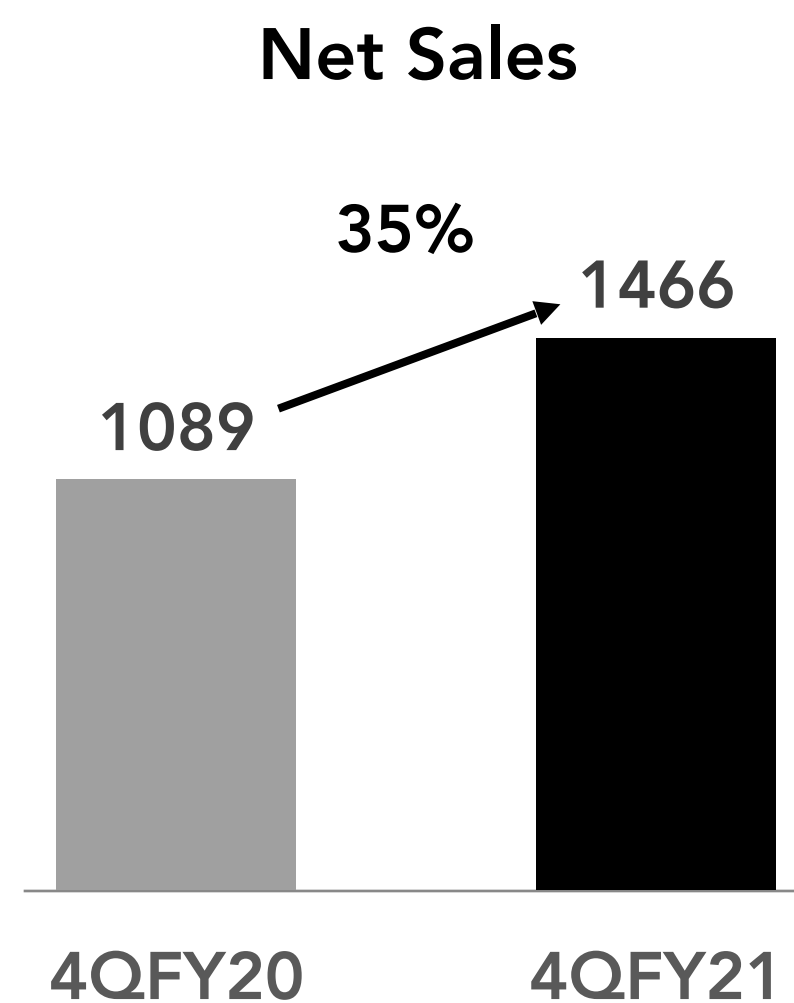
Third consecutive quarter of strong double-digit sales growth

Financial performance

- **Sales growth of 35%**; strong momentum in all months of quarter
- **EBITDA margins in India at 22.6%**, decrease of **500 bps** year-on-year driven by gross margins drop of **~300 bps** (due to lag between increase in input cost and end consumer price increases and provision of slow-moving inventory on conservative basis), one-time variable manpower remuneration reversal in Q4 FY2020 impacting **~400 bps**, and upfront marketing investments impacting **~70 bps**
- **Full-year EBITDA margins** maintained at 26.5% on year-on-year basis

Operating performance

- Broad-based growth across all categories
- Strong growth led by Soaps and Household Insecticides; strong momentum in Hair Colours
- Continue to scale up Hygiene
- Strong innovation led growth; **innovation rate in the high teens** in FY2021
- **Scaling up E-commerce; saliency at 4%** in FY2021



Strong double-digit sales growth led by Soaps, Household Insecticides; recovery in Hair Colours

	Sales (₹ crore)	Q4 Growth (Year-on-Year)	FY21 Growth (Year-on-Year)
Household Insecticides	620	34%	16%
Soaps	442	41%	15%
Hair Colours	164	25%	3%
Other Categories	207	23%	9%
Unbranded and Exports	113	35%	13%
Total	1,546	33%	13%
Sales and trade promotion spends, etc. (To be netted off from Sales as per Ind AS)	79	14%	-10%
Sales	1,466	35%	14%
Branded Volume Growth		29%	10%

Strong performance in Household Insecticides

- Sales growth of 34% in the quarter; steady sales growth of 16% in FY2021
- Broad-based growth across premium formats (aerosols, electrics and non-mosquito portfolio) and burning formats
- Driving premiumisation and innovation-led growth with the launch of Goodknight Gold Flash, Goodknight Smart Spray and Goodknight Natural Neem products
- New launches (within burning formats) planned for the medium term
- Continue to build on strategic pivots: taking the category beyond mosquitoes, scaling up personal repellents portfolio

HIT
ROACH BOMB



Goodknight
GOLD
FLASH



Goodknight
SMART
SPRAY



Goodknight
Naturals



Strong performance in Soaps

- Third consecutive quarter of double-digit sales growth of 41%; steady sales growth of 15% in FY2021
- Continue to gain market share driven by micro marketing initiatives
- New launches in Health are scaling up well
- Navigating high input cost through calibrated price increases

Goody
No.1

सबसे बड़ा साबुन.*

63 ग्राम हल्दी और चंदन सोप ₹10 में

sandal turmeric ashwagandha

This advertisement features a vibrant green background with large, stylized leaves. At the top right, the Goody logo and 'No.1' badge are visible. The central text 'सबसे बड़ा साबुन.*' is written in large, bold, green Hindi characters. Below it, a price tag states '63 ग्राम हल्दी और चंदन सोप ₹10 में'. The bottom half of the ad shows a bar of orange soap with 'No.1' embossed on it, resting on a box of the same soap. The box is decorated with images of turmeric and sandalwood. Small text at the bottom left identifies the ingredients: 'sandal turmeric ashwagandha'.

Goody
protekt

99.9% germ protection*

health soap
99.9% germ protection*

This advertisement is a collage of three images. The top image shows a woman in a white lab coat examining a child's face in a brightly lit room. A large blue starburst graphic with '99.9% germ protection*' is overlaid on the right. The bottom left image shows a hand holding a box of 'Goody protekt health soap' with '99.9% germ protection*' printed on it. The bottom right image shows a woman holding a child, with a similar blue starburst graphic and '99.9% germ protection*' overlaid. The Goody logo and 'protekt' brand name are visible in the top left corner.

CINTHOL

DOES YOUR GERM PROTECTION SOAP SMELL LIKE A HOSPITAL?

NEW CINTHOL HEALTH+

99.9% GERM PROTECTION*

Intense Deo Fragrance

BUY NOW

*As per lab test on select organ sim.

This advertisement has a dark background. At the top right, the word 'CINTHOL' is written in white. Below it, a question is posed in yellow: 'DOES YOUR GERM PROTECTION SOAP SMELL LIKE A HOSPITAL?'. The product name 'NEW CINTHOL HEALTH+' is displayed in large, bold, yellow and white letters. A bar of soap and a bottle of 'Intense Deo Fragrance' are shown in the center. A yellow starburst graphic with '99.9% GERM PROTECTION*' is overlaid on the bottom right. A yellow 'BUY NOW' button is at the bottom left. A small disclaimer '*As per lab test on select organ sim.' is at the bottom right.

Steady momentum in Hair Colours continues

- Sales growth of 25% driven by uptick in overall category growth; full year growth of 3%
- Continue to gain market share
- Godrej Expert Rich Crème continues to perform well driven by strong marketing campaign
- Godrej Expert Easy 5 Minute Shampoo Hair Colour scaling up well

Godrej expert

This Wedding Season give your hair a stylish brown look.

Godrej Expert Rich Crème enriched with 10X aloe vera colours grey hair and keeps your hair soft and shiny.

₹30

rich crème

rich crème

rich crème

20g + 20ml

*As compared to Godrej Expert Rich Crème Hair Colour.

© Godrej Industries Ltd.



Godrej expert

This Festive Season, give your hair a stylish new look with

New Godrej Expert Rich Crème Fashion Hair Colour.

₹40*

rich crème

rich crème

rich crème

FASHION

FASHION

FASHION

₹30 + 30ml

NO AMMONIA | **ENRICHED WITH ALOE VERA**

Available on **NYKAA**

© Godrej Industries Ltd.

Godrej expert

Easy 5minute hair colour

Easy 5minute hair colour

₹25

#HairColouringSoEasy

Godrej protekt scaled up into full Hygiene portfolio

এবারের পুজোয়, বাইরে যান সঙ্গে নিয়ে Godrej protekt.

সুরক্ষা করুন আপনার পরিবারের উৎসব উদ্‌যাপনের আনন্দ।

ঠিক আপনারই মতন, আপনার পরিবারের সুরক্ষার কথাও আমাদের মাথায় আছে। আপনি বাইরে গেলে, সামাজিক দূরত্ব বজায় রাখুন, ঘনঘন স্যানিটাইজ করুন, প্রয়োজন মতো পরিষ্কার ডিসইনফেক্ট করুন আর সব সময় আপনার মাস্ক পরে থাকুন। আপনার উৎসব উদ্‌যাপন নিরাপদ ও আনন্দময় হওয়া নিশ্চিত করতে, আমরা আপনার পরিবারকে জীবনু এবং ভাইরাস থেকে সুরক্ষা দেবো।

99.9% জীবাণু মারে*

- + 99.9% জীবাণু মারে*
- + অ্যালকোহল-ভিত্তিক
- + 95% ব্যাক্টেরিয়া ফিল্ট্রেশন
- + 95% পার্টিকেল ফিল্ট্রেশন
- + 95% ডাস্ট ফিল্ট্রেশন
- + 99% স্প্ল্যাশ এবং ড্রপলেট প্রতিরোধক

*Tested on selected microorganisms.

কিভাবে আপনার বাড়ী আর পরিবারকে সুরক্ষিত রাখবেন চিন্তা করছেন? হ্যাঁ, আমরা আছি আপনাকে সাহায্য করতে।

এলো নতুন. Godrej protekt হোম প্রোটেকশন রেঞ্জ।

আমরা আছি আপনার ও আপনার প্রিয়জনদের জন্যে আপনার বাড়ীকে সবসময় সুরক্ষিত রাখতে। আর আমাদের ডিসইনফেক্ট্যান্টস আপনার বাড়ীর সবকিছু সুরক্ষা করতে আপনাকে সাহায্য করবে - ফার্ণিচার, ডেবলনবস, অ্যাপ্রোপ্রেশস এবং এমনকি বাতাসও। কারণ আপনার পরিবারের সুরক্ষার ক্ষেত্রে, কোনোবাকমের অবহেলা চলবে না।

99.9% জীবাণু মারে*

- + কোক, আর্থ্রো জাইরাস মারে
- + অ্যান্টি-বায়োফিল্ম
- + স্টেম অ্যান্ড প্যারেনাল ব্যিওফিল
- + অ্যান্টি-বায়োফিল্ম

इस ग्लोबल हैंडवॉशिंग डे,

आइए नियमित रूप से अपने हाथ धोने का संकल्प लें।
और कीटाणुओं और वायरस के खिलाफ इस जंग को जीते

भारत के सबसे किफायती हैंडवॉश के साथ।*

refill ₹15

9g.

*भारत के आकार पर भारत के सौ 99.9% किंहीं वाले लिमिटेड हैरबॉर की तुलना में।

*हर सौरी का वजन

We'll protect the joy of your favourite festival, every time you step out.

Presenting, Godrej protekt on the go range.

The festive season is here and we know that your family's protection is on your mind. That's why, we bring you products that ensure that all of you stay protected, wherever you go. So, be it wearing a mask, sanitizing hands or disinfecting surfaces, Godrej protekt goes all the way to make your festivities safer and happier.

germ protection

- + 99.9% germ kill*
- + Alcohol-based
- + 99.9% germ kill*
- + Anti-bacterial
- + 95% Bacteria filtration
- + 95% Particle filtration
- + 95% Dust filtration
- + 99% Splash & droplet resistance

*Tested on selected microorganisms.

Pivoting other categories for more relevance



**Bathroom Air Freshener
+ Hygiene and Protection**



**Air Freshener
+ Sanitiser**



**Bathroom and
Floor Cleaners**



**Liquid Detergent
+ Fabric Sanitiser**

INDONESIA BUSINESS UPDATE

Gradual recovery in Indonesia; mid-single digit sales growth

Financial performance

- Delivered sales growth of 4% (constant currency); 2-year constant currency CAGR of 5%
- Recovery impacted by adverse macroeconomic factors
- Growth in the current quarter driven by steady performance in Household Insecticides and meaningful scale up of Hygiene
- Gradual recovery in Air Fresheners and strategically addressing high competitive intensity in Wet Wipes
- EBITDA margin at 35.4% increased by 230 bps year-on-year, driven by cost saving initiatives



Category performance

- Market share gains in Household Insecticides continue
- Forayed into burning format with the launch of HIT Expert Piramida, 4-hour revolutionary paper-based mosquito repellent (4x less smoke and up to 10 hours of overnight protection)
- With strong traction in Hygiene, launched Saniter Health Soap and Saniter Ecosense powder-to-liquid handwash



**AFRICA, USA &
MIDDLE EAST
BUSINESS
UPDATE**

Africa, USA & Middle East delivers double-digit profitable sales growth

Financial performance

- Third consecutive quarter of double-digit sales growth; 36% (constant currency)
- EBITDA margin increased by 710 bps year-on-year driven by scale leverage and cost saving initiatives

Country and Category performance

- Strong sales growth in Southern Africa, West Africa and parts of East Africa
- Strong performance across categories
- Seeding new go-to-market initiatives in key countries
- Encouraging response to Goodknight Power Shots aerosol in Lagos, Nigeria and Darling range of hair extensions in the USA with Walmart



**LATIN AMERICA
& SAARC
BUSINESS
UPDATE**

Sales growth momentum continues

Financial performance

- Sales grew by 54% (constant currency)
- Overall margins decreased due to upfront marketing investments (~700 bps)



**HISTORICAL HOME
AND PERSONAL
CARE (HPC) DATA**

Historical HPC data (India)

Particulars (INR cr)	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21	Q2FY21	Q3FY21	Q4FY21
Home Care	504	780	831	552	570	802	877	736
Personal Care	730	653	579	458	744	775	688	619
Total Branded Sales	1,233	1,433	1,410	1,010	1,314	1,576	1,565	1,355
Others incl. Exports and Miscellaneous	57	57	82	79	44	74	93	112
Total Net Sales (IND AS)	1,290	1,490	1,492	1,089	1,358	1,650	1,658	1,466
Total Branded Volume	5%	7%	7%	-15%	3%	5%	7%	29%

Note: Some of the numbers may be subject to marginal changes going ahead

APPENDIX

Actively championing social responsibility



23% of the promoter holdings in the Godrej Group is held in trusts that invest in education, environment and health



Creating a more inclusive and greener world through Godrej Good & Green



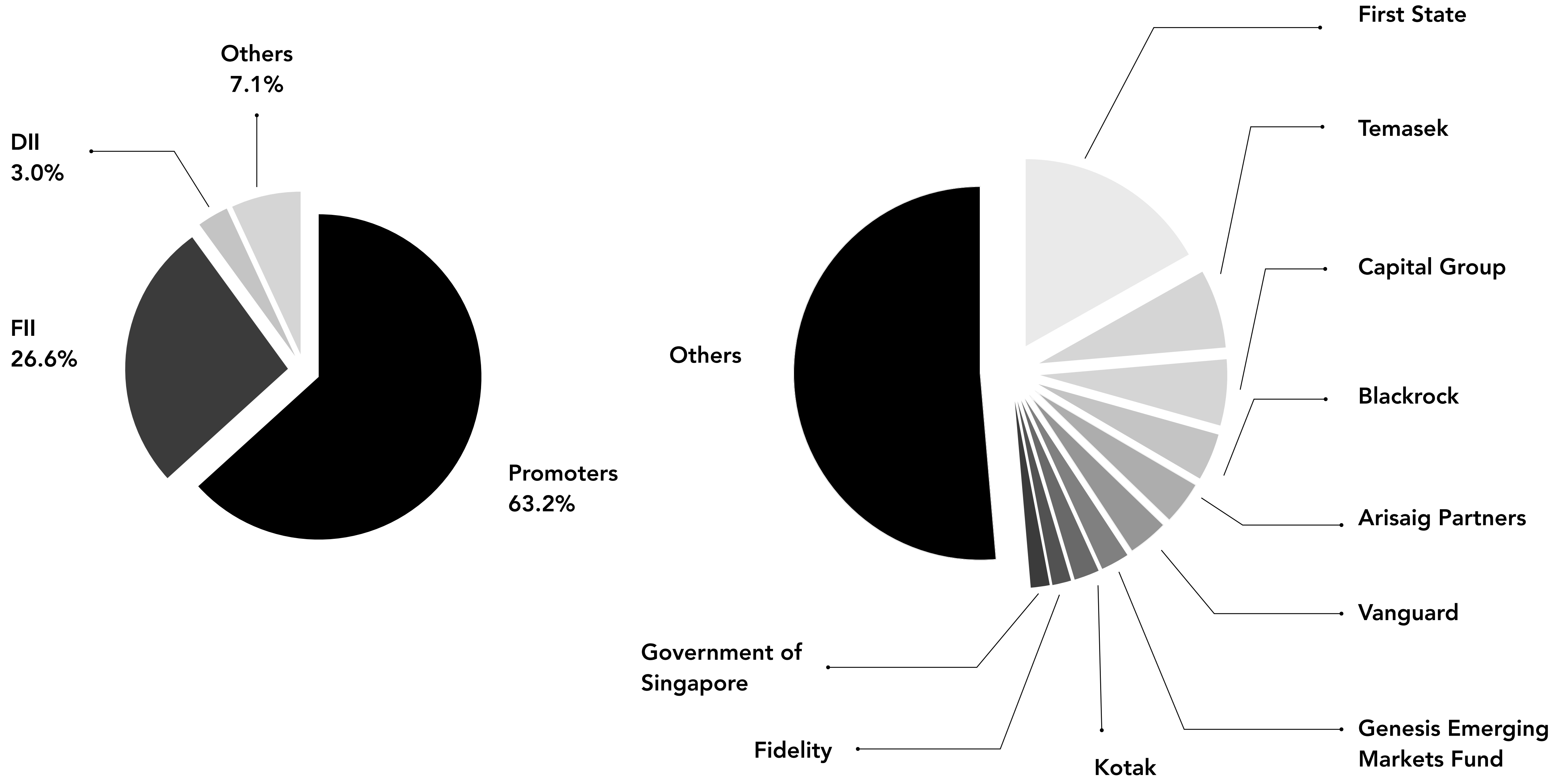
Aligned with the UN's Sustainable Development Goals, and the needs of local communities



Our efforts to mitigate climate change have been recognised by CDP; GCPL ranks A- on CDP India's A list 2020

[Read more about our commitment](#)

Shareholding Pattern



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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 from those expressed or implied. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

Thank you

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