

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

OUTPUTS



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](#)