In Conversation with our Managing Director and CEO, Sudhir Sitapati

GCPL set out with clear commitments in 2021. Four years on, how does the scorecard read?

Warren Buffett has a quote I return to: 'Life is like a snowball. The important thing is finding wet snow and a really long hill.' I think in 2021 we found a few of those long hills, and four years on, I believe we have crossed perhaps the first 25 to 30 percent.

In December 2021, we made three commitments. We said we would get India to double-digit volume growth, because that is where the heart of our business lies. We said we would do it by developing our categories. And we said we would fund it through radical simplification.

Taken at face value, the overall scorecard over four years has been broadly average. Most of our key operating metrics have grown in the 6–7% range. Our standalone organic volume growth moved from roughly 2% to 6%, meaningful progress but not yet the double-digit ambition we set. Average in a below-average market is above average. The FMCG sector has had a difficult four years, and on the metrics that reflect the structural health of the business, we have done better. Penetration and market share in our key categories have trended well, operating cash flows have grown from around ₹1,500 crore in fiscal year 2022 to nearly ₹2,500 crore today, and TSR over these four years stands at 14–14.5%, a reasonably good outcome.

In fiscal year 2026, consolidated sales grew 9% year-on-year, driven by 6% underlying volume growth. Our Standalone India business delivered 8% sales growth with 6% underlying volume growth. Our Africa, USA and Middle East business grew 23% year-on-year. In Indonesia, sales declined by 2%, though operating conditions began to stabilise towards year-end. Consolidated EBITDA grew 5%, with margins at 20.9% despite input cost pressures in the first half, and net profit, excluding exceptional items and one-offs, increased 6%.

The most encouraging internal signal is the trajectory of our non-soaps portfolio. India standalone non-soaps volume growth has moved from low single digits in fiscal year 2022 to high single digits by fiscal year 2024, double digits in fiscal year 2025, and into the teens in fiscal year 2026. This is the wet snow accumulating.

This year we sharpened our Goodness Manifesto, simplifying our values from six to three: Inspire Trust, Create Delight, and Be Bold, while explicitly adding portfolio transformation as a third strategic pillar alongside category development and simplification.

Our refreshed Goodness Manifesto captures our strategy and guides us as we step into future growth opportunities

Our Goodness Manifesto with two crucial modifications

Our Purpose

Crafting the goodness of health and beauty for consumers in emerging markets

Our Values

Inspire Trust

Create Delight

Be Bold

Our Strategy

Lead through category development

Drive portfolio transformation

Funded by simplification

Our Operating Philosophy

Less is more; Much less is much more	Consumer first, Business second	Think local, Act global	Tomorrow before today	People and planet, alongside profit

Our Measures

Industry beating UVG	More spends on brands, Less on cost to serve	More automation, Less working capital	More diversity, Less environmental impact

GCPL has long focused on category development. What does this year's performance say about that bet?

Category development is our most distinctive growth engine, built around a four-fold model: making products more relevant, more accessible and more available, and actively enabling trials. The goal is to expand category penetration, create new consumer habits and unlock long-term growth.

Godrej Expert Rich Crème has helped make hair colouring accessible to millions of consumers in India

According to Kantar data published in The Times of India in January 2026, three of the five fastest-growing FMCG categories in India by penetration over the last two years have been categories where GCPL has played a significant role. That reflects consistent, deliberate category-building over time. Penetration gains are a slower burn: they lead to volumes, then to value, then to profit. That is the nature of category development.

Hair Colour is now the fastest-growing FMCG category by penetration. Our ₹15 Godrej Expert Rich Crème has been a significant driver of our growth within the category, built on a simple insight: accessible price point, sachet format, five-minute application bringing hair colouring within reach of millions of consumers.

Goodknight Agarbatti continues its scale-up and is the largest branded stick in the incense stick category

Household Insecticides is a category many people assume is mature or plateauing. Contrary to that perception, we believe it is very much a sunrise category, with significant headroom. Household penetration has grown 1,500 basis points over the last four years, making it one of the fastest-growing FMCG categories. That growth has been driven primarily by the rapid expansion of incense sticks, which have compounded at a CAGR of nearly 40% over three years, with 80% of that volume incremental to the category: new users entering, not simply switching formats. RNF, a made-in-India molecule, has been the key driver of our performance within this space. It enabled us to relaunch our electrics with meaningfully superior efficacy and to build our Goodknight Agarbatti business, where we are now the market leader with approximately 13% market share. On electrics, RNF has improved our shares and penetration in Liquid Vaporisers, with approximately 300 basis points of share gained over three years, though the overall category growth trajectory in that format has not yet shifted in the way we believe it will. That remains a focus. Beyond mosquito protection, we have broadened into the non-mosquito space, dropping the price of HIT Anti-roach Gel to ₹99 to widen accessibility and launching a Rat Spray built on a sharp consumer insight about rodent damage to vehicle wiring.

In Liquid Detergents, Godrej Fab continues to build a category where India's per capita consumption is roughly one-tenth that of China today. In fiscal year 2026, Fab reached an annualised revenue run rate of nearly ₹490 crore in a category approximately ₹4,000 crore in size, having moved from loss-making in its early years to near break-even. We are still early, and the runway is long.

When you invest behind the right consumer insight, simplify execution and build access, categories grow. And when categories grow, we grow.

Through Godrej Fab we have enabled consumer adoption and awareness of the Liquid Detergents category

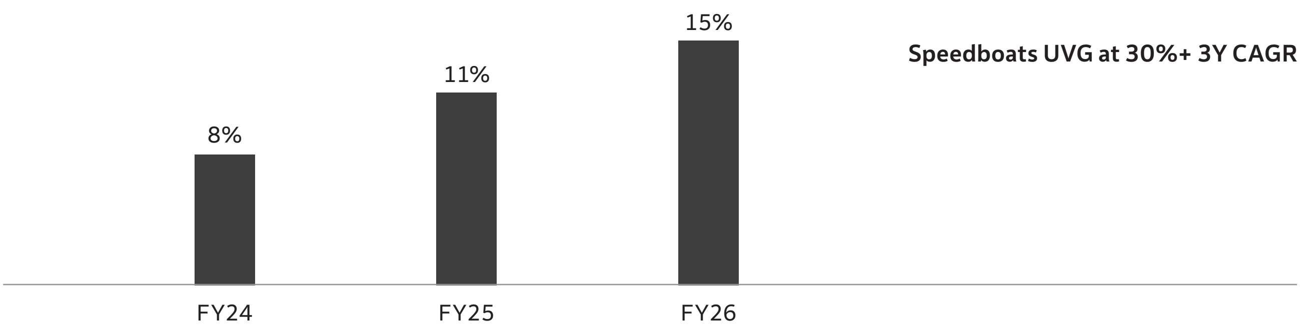
Portfolio transformation is now a stated strategic priority. What does that mean in practice?

Portfolio transformation is the most important strategic priority for us over the next several years. As India evolved from a $500 per capita economy to a $2,000 economy, categories such as soaps, shampoos, hair oils and detergents experienced rapid penetration growth and became the backbone of the FMCG industry. The next phase of India's growth journey, however, will be shaped by a different set of categories, as consumer preferences shift towards newer formats and premium solutions. The task is to do two things simultaneously: continue strengthening core businesses while rapidly building the categories of the future.

Over the last four years, we have taken multiple deliberate actions across three routes: organic innovations, which represent the bulk of the work; inorganic acquisitions in high total addressable market (TAM) categories; and organic geographic expansion.

The organic story is where the compounding is most visible. Through innovation-led entry into categories like Air Fresheners, Body Wash, Pet Care, and Toilet Cleaner, three businesses have emerged as disproportionate contributors to GCPL's growth, our 'Speedboats': Godrej Aer, Godrej Fab and Goodknight Agarbatti. In fiscal year 2024, these three accounted for approximately 8% of our India portfolio. Today they contribute around 15%, having grown at 35–40% annually. The rest of our business has grown at 3–4% over the same period. That divergence is the compounding effect becoming visible.

Our 'Speedboats' – Aer, Godrej Fab and Goodknight Agarbatti – are scaling rapidly and contributing disproportionately to GCPL's growth



India Standalone USG	4%[1]	7%	8%

1: Organic growth

Note: India Speedboats include Fab LD, Incense Sticks, Air Fresheners, Spic and other Innovations

How our Speedboats have led the compounding in India

Godrej Aer is the clearest example. Air Care is already one of the largest home care categories globally, yet remains significantly underpenetrated in India and most emerging markets. The playbook is repeatable: identify the right consumer insight, invest behind media and distribution, and scale. In every market we enter, within two to three years, we reach approximately 20% share. Aer has now become one of our first truly global brands.

On the inorganic side, we have entered three high TAM categories. In Deodorants and Fragrances, our two-year underlying volume CAGR has been in the mid-teens, a category we believe has the potential to grow at 25–30% annually as India's consumption metrics evolve, though we have not yet reached that rate. In Sexual Wellness, performance has been mixed: a strong first year followed by a more difficult second. And in Face Wash, through the acquisition of Muuchstac, early signals are encouraging, though it is still early.

The third route is geographic expansion. Godrej International, our dedicated business unit, takes blockbuster innovations to markets across 75+ countries. Where our international exports were once largely reactive, we now design products from the outset to win globally. Air Care is seeing significant success in this model, and Shampoo Hair Colour and Liquid Vaporisers are gaining traction internationally. Our ambition is to build a meaningful global revenue stream from Indian-origin innovations, expanding our TAM in a way that compounds over time.

The Africa business has gone through a meaningful turnaround. Walk us through what has changed and where it goes from here.

The Africa business has structurally turned around, and the numbers bear that out. When we began this work, the business carried volatile growth and EBITDA margins in the single digits. Three years of deliberate action have changed that picture.

We approached the turnaround through three actions. First, we restructured our Hair Fashion business: changed the product strategy, shifted from TV-only media to social and influencer-led models, and consolidated our manufacturing footprint. This delivered approximately 400 basis points of EBITDA improvement in Hair Fashion alone. Second, we expanded into FMCG categories: Air Fresheners, Hair Colour and Wet Hair, growing at 20%+ across Africa. Third, radical simplification: a roughly 20% reduction in organisation size, a shared service centre, and approximately 200 basis points of overheads reduction.

The results are visible. Our Africa, USA and Middle East business grew 23% year-on-year in fiscal year 2026. EBITDA margins have structurally reset, and we are confident this is a 15%+ margin business going forward. What was for a long time a drag on the overall business is becoming a tailwind.

The strategy going forward mirrors what is working in India: grow the local core profitably, nurture and scale our Speedboats, particularly incense sticks and Air Care, which are gaining rapid traction across African markets, and continue to simplify.

Foraying into the Face Wash category with Muuchstac

Beyond strategy, how are you building the culture, people and organisation to deliver on it?

Our ambition is to make GCPL wildly successful, and our people are the enduring competitive advantage that makes that possible. To get there, we need to hold two things simultaneously: high expectations and unwavering support. This belief runs through our approach to inclusion, learning and vitality.

Inclusion, for us, is a value we embed in how the organisation is built and run. Globally, representation of Historically Excluded Groups (Women, Persons with Disabilities and LGBTQIA+ individuals) across all types of employment stands at 51%. In white-collar roles, diverse representation reached 31%, up 1.8 percentage points year-on-year. In machine operator roles, it stands at 48%. What I am most proud of is what we have built at our greenfield plants in Chengalpattu, Tamil Nadu, and Vindhya, Madhya Pradesh, where inclusion was designed in from the start. HEG representation stands at 62% at Chengalpattu and 36% at Vindhya, with shop-floor representation at 69% and white-collar representation at 26%, respectively. Operator-level HEG representation has risen from 5% to 18%, and 59% of employees onboarded are women, with 7% from PwD and LGBTQIA+ communities. GCPL India was recognised by the CII–Employers' Federation of India for embedding inclusion as a strategic business imperative, and our Indonesia team won Gold in the DEI category at the Asia ESG Positive Impact Awards 2025 and was recognised at the Lestari Awards 2025.

Celebrating Pride at our headquarters Godrej One in Mumbai

Our Indonesia team won Gold in the DEI category at the Asia ESG Positive Impact Awards 2025 and was recognized as a winner at the Lestari Awards 2025; GCPL India was also recognized by the Confederation of Indian Industry - Employers' Federation of India for our work in embedding inclusion as a strategic business imperative

Inclusion at GCPL is structural. Godrej Ki Shakti, our Women in Manufacturing Employee Resource Group (ERG), is in its third year. Infrastructure accessibility scores across our India sites have improved from 53% to 85%. In Indonesia, the team launched two new ERGs, Women in Sales and Women in PSO, and introduced three flagship policies: Domestic Violence Support, Disability Inclusion and Onsite Daycare, bringing our active forums globally to three. Programmes like GOAL, Aarambh and Equi-tea at Chengalpattu are creating genuine pathways for athletes, LGBTQIA+ individuals and PwDs. We have also piloted an Inclusive Olfactory Panel to ensure our product experiences work across diverse sensory needs. Through Respect@Work, which reached more than 500 employees across India and SAARC Sales, and strengthened POSH processes, with training completion at 87% globally and 93% in India and 67% of HR Business Partners achieving POSH certification, we are building workplaces of safety and dignity. Partnerships with Mocha Celis, India Included Campus and the Ministry of Education extend this work into the broader ecosystem. We know we have more ground to cover, and that knowledge shapes how seriously we take each of these efforts. The more perspectives we include, the stronger our ideas, culture and execution will be.

The Godrej Learning Lab is our deliberate investment in becoming a learning organisation. Growth should be continuous, knowledge should travel across the business and experience should compound over time. Our own leaders design curriculum, teach and mentor alongside best-in-class global faculty, pairing institutional knowledge with external rigour. We draw increasingly from digital and AI tools to widen access. The Lab spans four pillars: Group Functional Academies deepening expertise across Marketing, Supply Chain and Manufacturing, Finance, HR and more; the Group Behavioural Leadership Academy building the emotional, social and strategic foundations of how we lead; Business Academies rooted in real commercial contexts; and high-investment, cohort-based Flagship interventions that support leaders at defining moments of transition, complemented by coaching and mentoring that create space for reflection and growth.

The third area is vitality. We want GCPL to be a place where people show up fully in presence, energy, judgement and resilience. If we aspire to be wildly successful, we cannot afford to run on depletion. Care at GCPL is tangible: uncapped sick leave, comprehensive medical insurance, mental wellness platforms, on-site childcare through IPLAY, expanded leave for new fathers and non-birthing parents, eldercare support and a Condition Management Programme for senior leaders. Policies alone do not create vitality. Practice does. Culture does. Leadership does.

Across all of this, the common thread is engagement. We listen through Amber, a chat-based tool that checks in with employees at key moments in the lifecycle, and Intune, our company-wide engagement survey conducted in partnership with Gallup, alongside regular leadership connects. We act on what we hear. Our aspiration is to reach the 85th percentile in engagement by 2031. We are building an organisation where our values and our ambitions reinforce each other, and where being a more inclusive, more capable, more vital company is itself a source of competitive advantage.

What progress have you made on sustainability and CSR this year?

Sustainability has been core to GCPL for over a century. It runs through our strategy, our partnerships and the decisions we make every day. Our belief is simple: doing well and doing good are the same ambition, pursued with rigour.

This year, we sharpened how we articulate that: Crafting goodness with impact. Seen through the lens of Good & Green, it signals that the goodness we craft lives in the products we make, in how we make them, who makes them, and what we leave behind.

In fiscal year 2026, we were ranked #1 globally in the Personal Products category on the Dow Jones Best-in-Class Index, the most rigorous external benchmark of corporate sustainability performance. More than the recognition, we focus on what it reflects.

GCPL ranked #1 globally in the Personal Products category on the Dow Jones Best-in-Class Index

48% of our packaging is now recyclable, and we have reduced plastic intensity by 20% at the design stage itself. On emission intensity in India, compared to FY2011 baseline, we have achieved a 57% reduction, anchored by our biomass co-generation infrastructure at our largest facility in Malanpur. Renewable energy now accounts for 63% of our consumption in India and 52% globally. Through our community waste management initiatives, we diverted 23,000 MT of waste from landfills, while creating formalised livelihoods for waste workers in the process. Through our watershed management, we continue to remain 10x water positive.

We acknowledge climate change risks and support the goals of the Paris Agreement, with our public policy advocacy and policy positions aligned to decarbonization pathways consistent with limiting global warming to 1.5°C.

Through community management, we diverted 23,000 MT of waste from landfills, while creating formalised livelihoods for waste workers

Our flagship CSR programme, Project EMBED (Elimination of Mosquito Borne Endemic Diseases), celebrated 10 years this year. Implemented in partnership with state health departments across Maharashtra, Madhya Pradesh and Uttar Pradesh, the programme continues to strengthen public health outcomes in some of India's most vulnerable communities. In Madhya Pradesh, sustained interventions have helped the state progress from high malaria transmission (Category 3) to low transmission (Category 1). We are now working closely with the state towards achieving WHO malaria-free certification. We are also taking this model forward into Tamil Nadu and Maharashtra, and have launched two new digital tools, a Community Health Volunteer App for real-time field tracking and a Supply Chain App to digitise medicine and test kit distribution, to strengthen the programme's reach and rigour.

We complete 10 years of flagship CSR programme Project EMBED (Elimination of Mosquito Borne Endemic Diseases)

We also launched Material Matters, a Good & Green Lab accelerator in partnership with IIT Madras. The programme backs Indian startups working on the hardest materials problems: reducing dependence on conventional plastics through alternative material innovation and making hard-to-recycle plastics more recyclable. These are industry-wide challenges, and solving them is part of our responsibility. The planet, the communities we operate in and the generations that follow us deserve more than incremental progress. That is what keeps us honest about how far we still have to go.

What gives you the most confidence about the road ahead?

Confidence, for me, comes from looking at what is structurally changing inside the business, not just the headline numbers.

First, business quality. Operating cash flows have grown at approximately 14% annually over four years, even as we invested behind brands, categories and capabilities. That reflects durable improvements in working capital efficiency, in the operating leverage that comes from a simpler portfolio, and in execution quality.

Second, growth momentum. Our non-soaps portfolio is now growing in the high teens volumetrically. Three businesses, our Speedboats, that barely registered a few years ago now account for 15% of our India portfolio and are compounding at 35–40% annually. And Aer has become our first truly global brand, scaling to 20% share in market after market, built on an innovation developed and proven in India.

Third, strategic clarity. We have stayed consistent on category development, portfolio transformation and simplification, resisting the pull of trends and categories outside our focus, and that consistency is compounding. Categories like Air Care, Liquid Detergents and Hair Colour are still early in their growth curves. The penetration runway in India alone is substantial, and we have earned strong, defensible positions in each.

And fourth, the kind of company we are becoming. The progress on inclusion, on sustainability, on employee engagement is central to our strategy and our identity. The best companies over the long run are also the most inclusive, the most purpose-driven, the most trusted. These qualities attract better people, generate stronger brands and earn deeper consumer loyalty.

Indonesia requires more work, and portfolio transformation is a multi-year commitment that demands patience. But that patience is grounded in something real. At the heart of all of it is our purpose: crafting the goodness of health and beauty for consumers in emerging markets. Every strategic choice we make, in which categories to enter, how we operate, who we are as an organisation, is oriented toward that. I believe we have the strategy, the team and the momentum to realise it.