

GODREJ AGROVET LIMITED

PERFORMANCE UPDATE – 3QFY20 & 9MFY20

February 05, 2020



GAVL PERFORMANCE HIGHLIGHTS

3QFY20 FINANCIALS – Key Highlights



Particulars	Standalone			Consolidated		
	3QFY20	3QFY19	% Growth	3QFY20	3QFY19	% Growth
(Rs crore, unless stated)						
Total Income	1,340.6	1,061.0	26.4%	1,792.0	1,459.0	22.8%
Earnings before interest, tax and Depreciation (EBITDA)	89.0	64.5	38.0%	109.9	105.8	3.9%
EBITDA Margin (%)	6.6%	6.1%		6.1%	7.3%	
Profit before tax (PBT)	62.1	42.5	46.3%	68.0	72.9	(6.8%)
PBT Margin (%)	4.6%	4.0%		3.8%	5.0%	
Profit after tax (PAT)	45.4	27.9	62.4%	51.2	48.6	5.3%
PAT Margin (%)	3.4%	2.6%		2.9%	3.3%	
Earning Per Share (Rs.)	2.36	1.42		2.69	2.09	

Notes:

(1) Consolidated PBT includes share of profit from associates.

(2) Consolidated 3QFY20 results include results of Godrej Tyson Foods Ltd and Godrej Maximilk Private Limited which became subsidiaries on 27th March 2019. Thus, the consolidated results for the current quarter are not comparable with the previous period results.

9MFY20 FINANCIALS – Key Highlights



Particulars	Standalone			Consolidated		
	9MFY20	9MFY19	% Growth	9MFY20	9MFY19	% Growth
(Rs crore, unless stated)						
Total Income	3,994.1	3,392.7	17.7%	5,367.2	4,569.3	17.5%
Earnings before interest, tax and Depreciation (EBITDA)	335.0	339.6	(1.4%)	393.1	423.4	(7.2%)
EBITDA Margin (%)	8.4%	10.0%		7.3%	9.3%	
Profit before tax (PBT)	257.4	280.1	(8.1%)	262.5	337.6	(22.2%)
PBT Margin (%)	6.4%	8.3%		4.9%	7.4%	
Profit after tax (PAT)	214.2	190.1	12.7%	231.4	228.7	1.2%
PAT Margin (%)	5.4%	5.6%		4.3%	5.0%	
Earning Per Share (Rs.)	11.16	9.79		12.06	11.11	

Notes:

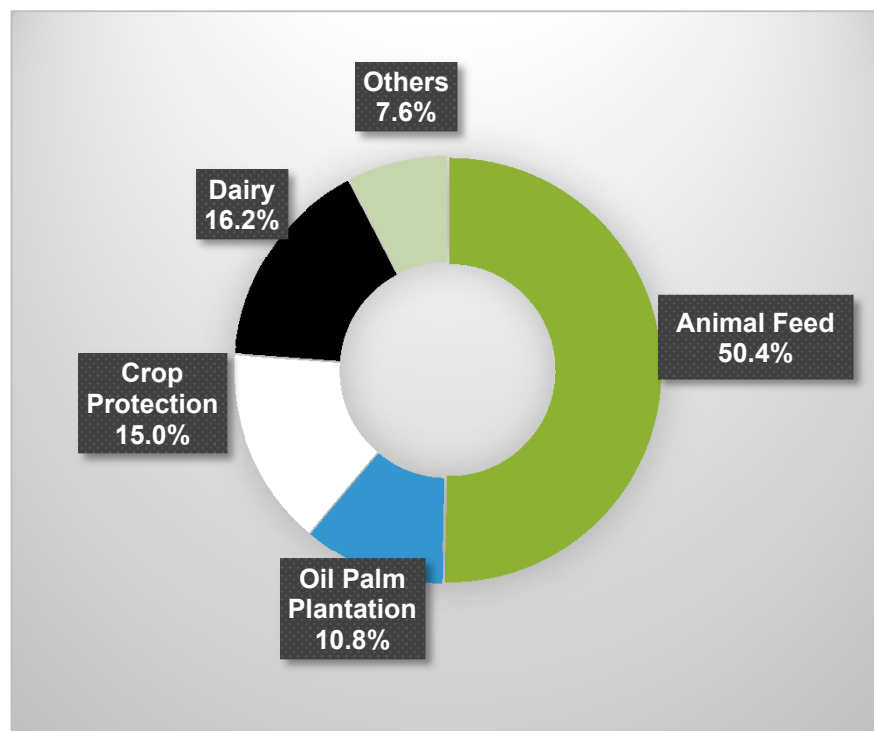
(1) Consolidated PBT includes share of profit from associates.

(2) Consolidated 9MFY20 results include results of Godrej Tyson Foods Ltd and Godrej Maxximilk Private Limited which became subsidiaries on 27th March 2019. Thus, the consolidated results for nine months are not comparable with the previous period results.

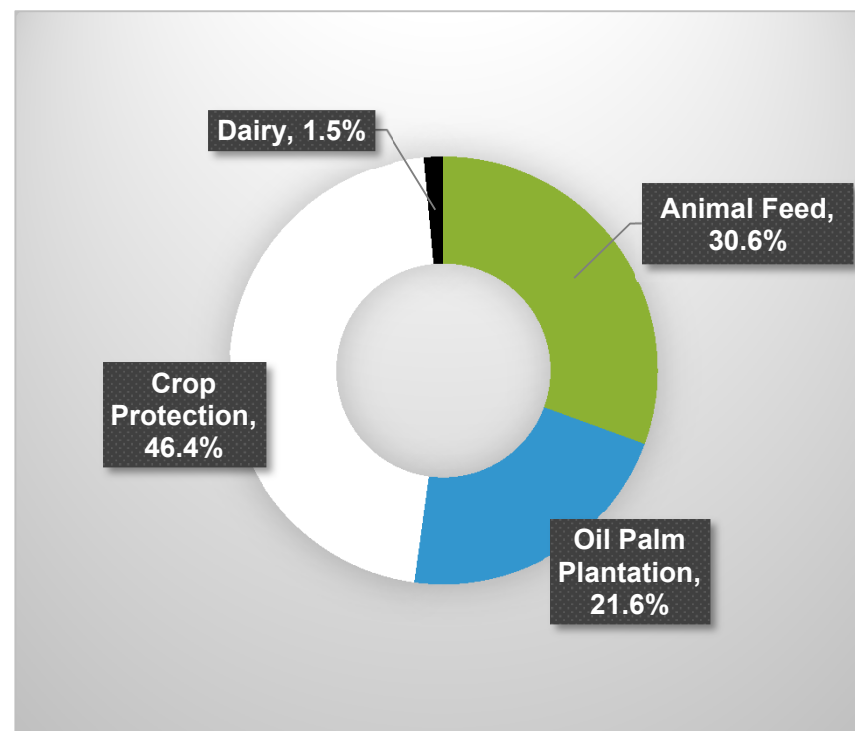
(3) Reported EBITDA and PBT for 9MFY19 includes non-recurring income of Rs.29.9 crore pertaining to profit earned on sale of land (net of expenses); Reported PAT includes net of taxes non-recurring income of Rs.23.0 crore (net of expenses)

9MFY20 SEGMENT-WISE REVENUE AND PBIT

Segment Revenue Mix ⁽¹⁾



Profit before interest and taxes ⁽²⁾



Note:

- (1) As % of total consolidated segment revenues
- (2) As % of total consolidated segment profit before interest and taxes excluding non-recurring income
- (3) 'Others' includes financials of Godrej Tyson Foods Ltd and Godrej Maxximilk Private Limited

SEGMENT-WISE PERFORMANCE UPDATE

ANIMAL FEED



Leading compound feed play across Cattle (Milk), Broiler, Layer, Fish and Shrimp feed in India

Particulars	3Q FY20	3Q FY19	Growth	9MFY20	9MFY19	Growth
Sales Volume (tons)	3,50,290	3,24,261	8.0%	10,06,623	9,32,704	7.9%
Segment Revenue (Cr)	1013.0	766.0	32.2%	2,836.7	2,214.7	28.1%
Segment Result (Cr)	35.0	23.7	47.5%	120.4	82.4	46.2%
Segment Margin (%)	3.5%	3.1%		4.2%	3.7%	

- Animal feed volume growth was at 8.0% and 7.9% for 3QFY20 and 9MFY20, respectively, driven by growth in layer and fish feed segments
- Price hikes taken for end products led to significant improvement in profitability
 - Segment results increased by 47.5% and 46.2%, respectively, in 3QFY20 and 9MFY20
- However, prices for key raw materials continue to remain firm on a year-on- year basis



OIL PALM BUSINESS



Largest domestic producer of Crude Palm oil and Palm Kernel Oil

Particulars	3Q FY20	3Q FY19	Growth	9MFY20	9MFY19	Growth
Segment Revenue (Cr)	225.0	181.2	24.2%	607.0	615.9	(1.5%)
Segment Result (Cr)	43.6	31.9	36.6%	85.0	113.6	(25.1%)
Segment Margin (%)	19.4%	17.6%		14.0%	18.4%	

- Higher volumes and sequential price recovery during the third quarter supported quarterly revenue and profitability growth
- However, lower end product prices and lower oil content in the peak season (first half of the year) adversely impacted the nine months performance – Crude Palm Oil prices and Palm Kernel Oil were lower by 16% and 32%, respectively, in the first half
- Emphasis continues to remain on increasing the area under coverage and on improving yields



CROP PROTECTION BUSINESS



Agrochemical products produced cater to the entire crop lifecycles

Particulars	3Q FY20	3Q FY19	Growth	9MFY20	9MFY19	Growth
Segment Revenue (Cr)	91.2	108.2	(15.7%)	500.8	504.2	(0.7%)
Segment Result (Cr)	18.5	21.8	(15.2%)	148.0	151.2	(2.1%)
Segment Margin (%)	20.3%	20.1%		29.5%	30.0%	

- Extended monsoon resulted in delayed sowing which impacted sales and profitability in 3QFY20
- Launch of new products in the last nine months is expected to contribute to growth in the near-term
 - ❑ Herbicides : Hitweed Maxx, Bloxit, Veteran
 - ❑ Insecticides: Prudens, Klifan, Hanabi
 - ❑ Fungicide : Rohelus





Manufactures a wide range of agrochemical active ingredients and pharmaceutical intermediates

Particulars	3Q FY20	3Q FY19	Growth	9MFY20	9MFY19	Growth
Revenue (Cr)	124.8	119.4	4.5%	342.0	297.1	15.1%
EBITDA (Cr)	24.8	24.3	1.9%	49.2	58.8	(16.3%)
EBITDA Margin (%)	19.8%	20.4%		14.4%	19.4%	

- In 3QFY20 and 9MFY20, revenue growth is mainly driven by enterprise sales, especially in the domestic markets
- However, margins have been adversely impacted by lower realisation, increase in input prices and deferral of export orders
- Continuous investments is being made in expanding capacities and backward integration projects which will support growth and margins in the medium-term

CREAMLINE DAIRY



Particulars	3Q FY20	3Q FY19	Growth	9MFY20	9MFY19	Growth
Revenue (Cr)	285.5	278.0	2.7%	912.2	890.4	2.4%
EBITDA (Cr)	7.2	17.9	(59.6%)	30.2	30.0	0.6%
EBITDA Margin (%)	2.5%	6.4%		3.3%	3.4%	

- Revenue growth remain modest for 3QFY20 and 9MFY20, however, share of value added products has increased compared to the same period last year
- EBITDA declined year-on-year in the current quarter mainly due to sharp increase in the procurement costs
- Focus remains on strengthening the Jersey brand with continued marketing investment and new launches across product categories



GODREJ TYSON FOODS LIMITED



Particulars	3Q FY20	3Q FY19	Growth	9MFY20	9MFY19	Growth
Revenue (Cr)	158.1	127.9	23.6%	401.5	366.7	9.5%
EBITDA (Cr)	(9.4)	10.9	(189.0%)	(14.4)	20.3	(171.1%)

- Revenue growth in current quarter is supported by growth in the Live Bird and Yummiez businesses
- EBITDA was significantly lower than last year on account of increase in cost of live birds

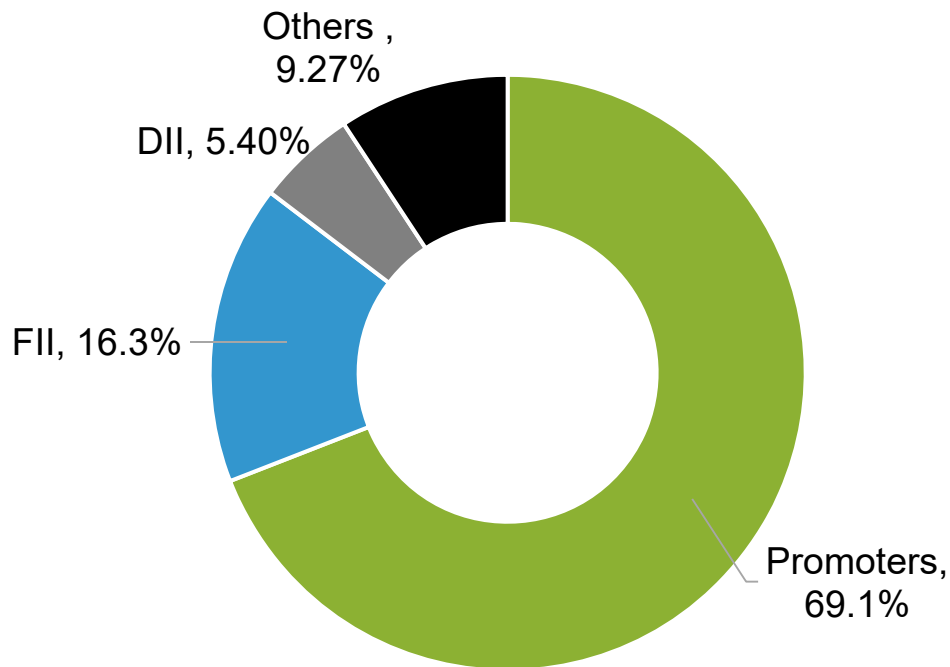
JOINT VENTURE

ACI GODREJ AGROVET PRIVATE LIMITED - BANGLADESH

Particulars	3Q FY20	3Q FY19	Growth	9MFY20	9MFY19	Growth
Revenue (Cr)	254.0	140.8	80.4%	738.7	497.5	48.5%

GAVL SHAREHOLDING PATTERN

Shareholding pattern as on December 31, 2019



Major Investors

- Temasek
- Aberdeen
- Vanguard
- J P Morgan
- IIFL Fund
- Kotak MF
- ICICI Prudential MF
- Tata MF
- Bajaj Holdings
- Life Insurance Corporation of India

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