

Godrej Agrovet Ltd.
Registered Office : Godrej One,
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Website : www.godrejagrovet.com
CIN : L15410MH1991PLC135359

Date: November 4, 2020

To,
BSE Limited
P. J. Towers, Dalal Street, Fort
Mumbai – 400 001

To,
National Stock Exchange of India Limited
Exchange Plaza, Bandra - Kurla Complex,
Bandra (East), Mumbai-400 051

Ref.: BSE Scrip Code No. “540743”

Ref.: “GODREJAGRO”

Sub: Presentation to Investors & Analysts

Dear Sir/Madam,

The Board of Directors of Godrej Agrovet Limited (“The Company”) at its Meeting held today, i.e. on Wednesday, November 4, 2020, has approved the Unaudited Financial Results (both Standalone and Consolidated) as per the (IND AS) for the Quarter and Half Year ended September 30, 2020.

We enclose a copy of the presentation for the Investors and Analysts and the same is being placed on the website of the Company i.e., www.godrejagrovet.com.

Kindly take the above on your record.

Thanking you,

Yours sincerely,

For Godrej Agrovet Limited

Vivek Raizada
Head- Legal & Company Secretary & Compliance Officer
(ACS: 11787)

Encl.: As above



GODREJ AGROVET LIMITED

Q2FY21 & H1FY21 PERFORMANCE UPDATE

November 04, 2020



GAVL PERFORMANCE HIGHLIGHTS

Q2FY21 FINANCIALS – KEY HIGHLIGHTS



Particulars	Standalone			Consolidated		
	Q2FY21	Q2FY20	Growth	Q2FY21	Q2FY20	Growth
(Rs crore, unless stated)						
Total Income	1,255.9	1,391.9	(9.8%)	1,732.2	1,862.5	(7.0%)
Earnings before interest, tax and Depreciation (EBITDA)	135.9	120.1	13.2%	181.5	131.1	38.5%
<i>EBITDA Margin (%)</i>	10.8%	8.6%		10.5%	7.0%	
Profit before tax (PBT)	107.0	93.1	14.9%	150.1	81.4	84.4%
<i>PBT Margin (%)</i>	8.5%	6.7%		8.7%	4.4%	
Profit after tax (PAT)	82.8	100.6	(17.7%)	115.5	102.7	12.5%
<i>PAT Margin (%)</i>	6.6%	7.2%		6.7%	5.5%	
Earning Per Share (Rs.)	4.31	5.24		5.57	5.41	
Adjusted Profit After Tax	78.9	77.5	1.9%	111.7	69.3	61.2%
Adjusted PAT margin (%)	6.3%	5.6%		6.4%	3.7%	

Notes: (1) Consolidated PBT includes share of profit from associates (2) Q2FY21 revenues include income of Rs.9.6 crore earned from sale of real estate project. EBITDA and PBT includes profit of Rs.4.8 crore. (3) Q2FY21 adjusted PAT excludes net of tax real-estate income of Rs.3.8 crore. (4) Q2FY20 adjusted PAT excludes one-time deferred tax credit of Rs.23.1 crore in standalone, and Rs.33.4 crore in consolidated financials.

H1FY21 FINANCIALS – KEY HIGHLIGHTS

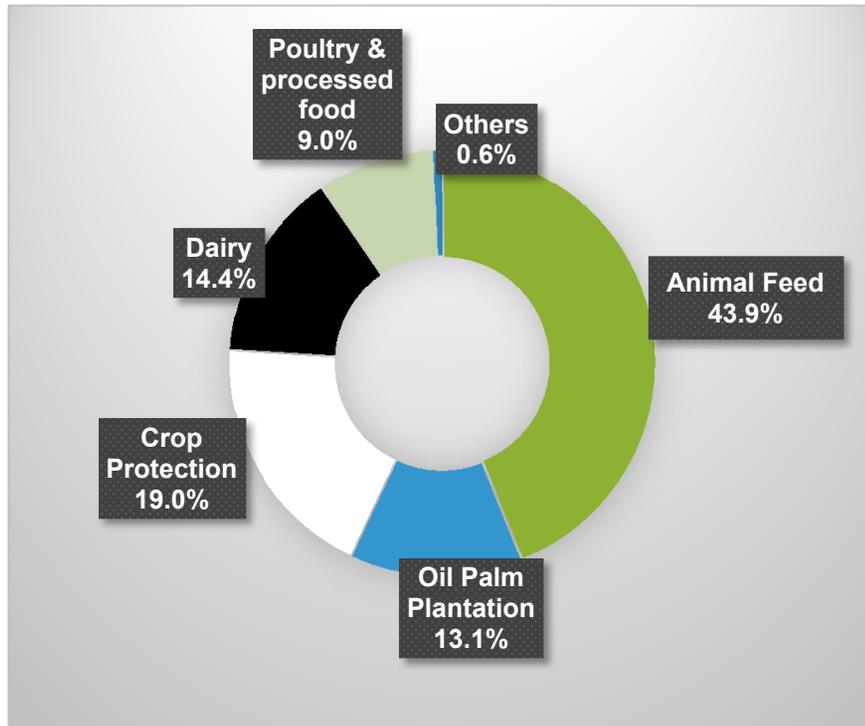


Particulars	Standalone			Consolidated		
	H1FY21	H1FY20	Growth	H1FY21	H1FY20	Growth
(Rs crore, unless stated)						
Total Income	2,419.5	2,653.5	(8.8%)	3,294.6	3,575.2	(7.8%)
Earnings before interest, tax and Depreciation (EBITDA)	278.2	246.0	13.1%	355.7	283.2	25.6%
<i>EBITDA Margin (%)</i>	11.5%	9.3%		10.8%	7.9%	
Profit before tax (PBT)	220.0	195.3	12.7%	284.4	194.6	46.2%
<i>PBT Margin (%)</i>	9.1%	7.4%		8.6%	5.4%	
Profit after tax (PAT)	169.2	168.9	0.2%	216.1	180.2	19.9%
<i>PAT Margin (%)</i>	7.0%	6.4%		6.6%	5.0%	
Earning Per Share (Rs.)	8.81	8.79		10.18	9.37	
Adjusted Profit After Tax	165.4	145.8	61.2%	212.2	146.9	44.5%
Adjusted PAT margin (%)	6.8%	5.5%		6.4%	4.1%	

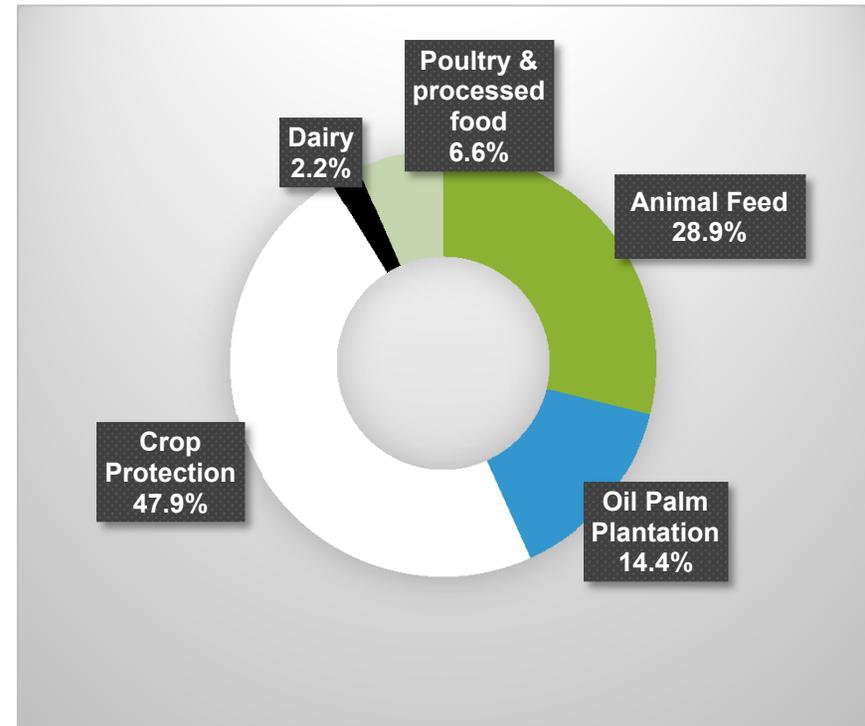
Notes: (1) Consolidated PBT includes share of profit from associates (2) H1FY21 revenues include income of Rs.9.6 crore earned from sale of real estate project. EBITDA and PBT includes profit of Rs.4.8 crore. (3) H1FY21 adjusted PAT excludes net of tax real-estate income of Rs.3.8 crore. (4) H1FY20 adjusted PAT excludes one-time deferred tax credit of Rs.23.1 crore in standalone, and Rs.33.4 crore in consolidated financials.

H1FY21 SEGMENT-WISE REVENUE AND PBIT

Segment Revenue Mix⁽¹⁾



Profit before interest and taxes⁽²⁾



Notes:

- (1) As % of total consolidated segment revenues
- (2) As % of total consolidated segment profit before interest and taxes excluding non-recurring income
- (3) Revenue and PBIT from real estate project have been excluded to show core businesses

CONSOLIDATED BALANCE SHEET – KEY HIGHLIGHTS



Particulars		September 30, 2020	March 31, 2020
Net Working Capital (Ex-cash and equivalents)	Rs. Crore	519.0	493.3
Net Working Capital days	Days	29	26
Total Debt	Rs. Crore	449.6	630.3
Net Debt	Rs. Crore	402.1	581.6
Equity (ex- minority interest)	Rs. Crore	1,929.9	1,838.1
Capital Employed	Rs. Crore	2,778.3	2,850.9
Net Debt to Total Equity	Times (X)	0.21	0.32

ENSURING OPERATIONAL EFFICIENCY AND FINANCIAL PRUDENCE IN CURRENT TIMES

- **Early signs of economic recovery are visible**
 - ❑ Economic indicators are highlighting that the worst is behind
 - ❑ Demand in rural India is recovering faster than urban centres
 - ❑ Good monsoon, higher Kharif acreage and high reservoir levels augurs well for agri sector
- **However, we are still away from pre-COVID levels**
 - ❑ Demand from the HoReCa segment remains low
 - ❑ Out-of-home consumption is also subdued
- **GAVL is managing the current situation with nimbleness and efficiency**
 - ❑ High focus on costs optimization by keeping fixed costs under control
 - ❑ Emphasis of collections and cash sales in working capital intensive businesses resulting in higher cash flow generation
 - ❑ Leveraging digital platforms to connect with channel partners (distributors, dealers, farmers, and customers)
 - ❑ Strong balance sheet with low gearing and sufficient liquidity levels

SEGMENT-WISE PERFORMANCE UPDATE

ANIMAL FEED



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

Particulars	Q2FY21	Q2FY20	Growth	H1FY21	H1FY20	Growth
Sales Volume (tons)	2,79,906	3,32,301	(15.8%)	5,47,655	6,56,336	(16.6%)
Segment Revenue (Cr)	762.3	938.7	(18.8%)	1,510.3	1,823.7	(17.2%)
Segment Result (Cr)	47.6	43.1	10.6%	95.7	85.4	12.0%
Segment Margin (%)	6.2%	4.6%		6.3%	4.7%	

- Demand for the end-protein products i.e. milk, chicken and eggs was muted in Q2FY21 which impacted volumes and revenues across feed categories
 - ❑ Broiler feed and layer feed volumes decline was higher than decline witnessed in cattle segments
 - ❑ However, volume up-tick is seen on a month-on-month basis
- Favourable prices of key raw materials continue to support segment results for the quarter and the half year ended September 30, 2020



OIL PALM BUSINESS



Largest domestic producer of Crude Palm oil and Palm Kernel Oil

Particulars	Q2FY21	Q2FY20	Growth	H1FY21	H1FY20	Growth
Segment Revenue (Cr)	293.2	236.6	23.9%	450.5	382.0	17.9%
Segment Result (Cr)	41.4	28.8	44.0%	47.9	41.4	15.6%
Segment Margin (%)	14.1%	12.2%		10.6%	10.8%	

- Segment revenues and segment results are supported by higher yields and higher end product prices. Prices of crude palm oil and palm kernel oil increased by 36% and 35% during the second quarter compared to the same period previous year
- However, Fresh Fruit Bunches arrival was lower than previous year mainly due to white-fly attack on palm oil plantation



CROP PROTECTION BUSINESS



Agrochemical products produced cater to the entire crop lifecycles

Particulars	Q2FY21	Q2FY20	Growth	H1FY21	H1FY20	Growth
Segment Revenue (Cr)	176.3	200.2	(11.9%)	384.5	409.5	(6.1%)
Segment Result (Cr)	49.5	55.0	(10.0%)	109.9	129.5	(15.1%)
Segment Margin (%)	28.1%	27.5%		28.6%	31.6%	

- Excessive and heavy rainfall in August and September 2020 reduced application opportunities for agrochemical products. This resulted in a decline in segment revenues and results during the quarter
- Greater emphasis on efficient working capital management and cash collections is yielding results; witnessed cash collection of Rs.433 crore in first half of the year compared to collection of Rs.299 crore in the corresponding period of the previous year
 - Significant improvement in cash flow seen due to efficient working capital management

- New launches during the first half of the year are :
Herbicides – ‘Delete Aqua’ and ‘Impool-X’





Manufactures a wide range of agrochemical active ingredients and pharmaceutical intermediates

Particulars	Q2FY21	Q2FY20	Growth	H1FY21	H1FY20	Growth
Revenues (Cr.)	155.0	140.2	10.5%	266.9	217.2	22.9%
EBITDA (Cr.)	31.4	17.1	83.5%	60.9	24.4	149.4%
<i>EBITDA Margin (%)</i>	20.2%	12.2%		22.8%	11.2%	

- The best half-yearly performance, supported by both the domestic market and the export market
- Operating profitability is driven by higher volumes, better realisations and preponement of orders during the quarter
- Projects undertaken for backward integration and for expanding capacities/entering newer chemistries are on track to be completed in the current year



Particulars	Q2FY21	Q2FY20	Growth	H1FY21	H1FY20	Growth
Revenue (Cr.)	259.0	306.3	(15.3%)	495.4	626.7	(20.7%)
EBITDA (Cr.)	11.2	9.1	22.6%	21.5	22.9	(6.4%)
EBITDA Margin (%)	4.3%	3.0%		4.3%	3.7%	

- Low out-of-home consumption and subdued demand from HoReCa segment has adversely impacted the sales for milk and milk products. However, on a month-on-month basis, demand is improving across key product categories
 - Quicker recovery is seen in value added products compared to milk
- Launched dairy sweet ‘Mysore Pak’ which has received encouraging initial response. Also, re-launched the entire product portfolio under the new ‘Godrej Jersey’ logo



GODREJ TYSON FOODS LIMITED



Particulars	Q2FY21	Q2FY20	Growth	H1FY21	H1FY20	Growth
Revenue (Cr)	143.1	107.6	33.0%	308.5	243.4	26.8%
EBITDA (Cr)	9.0	(11.1)	NA	30.5	(4.7)	NA
<i>EBITDA margin %</i>	<i>6.3%</i>	<i>(10.3%)</i>		<i>9.9%</i>	<i>(1.9%)</i>	

- In Yummiez segment, our products continue to receive excellent customer response across product categories. Our market share in the non-vegetarian frozen food segment and in the vegetarian frozen food segment was 28.5% and 7.9%, respectively, in H1FY21 (23.0% and 5.6% respectively in FY20)



- Live Bird segment also posted healthy volumes, sales and profitability growth in Q2FY21 and H1FY21



JOINT VENTURE- ACI GODREJ AGROVET PRIVATE LTD.

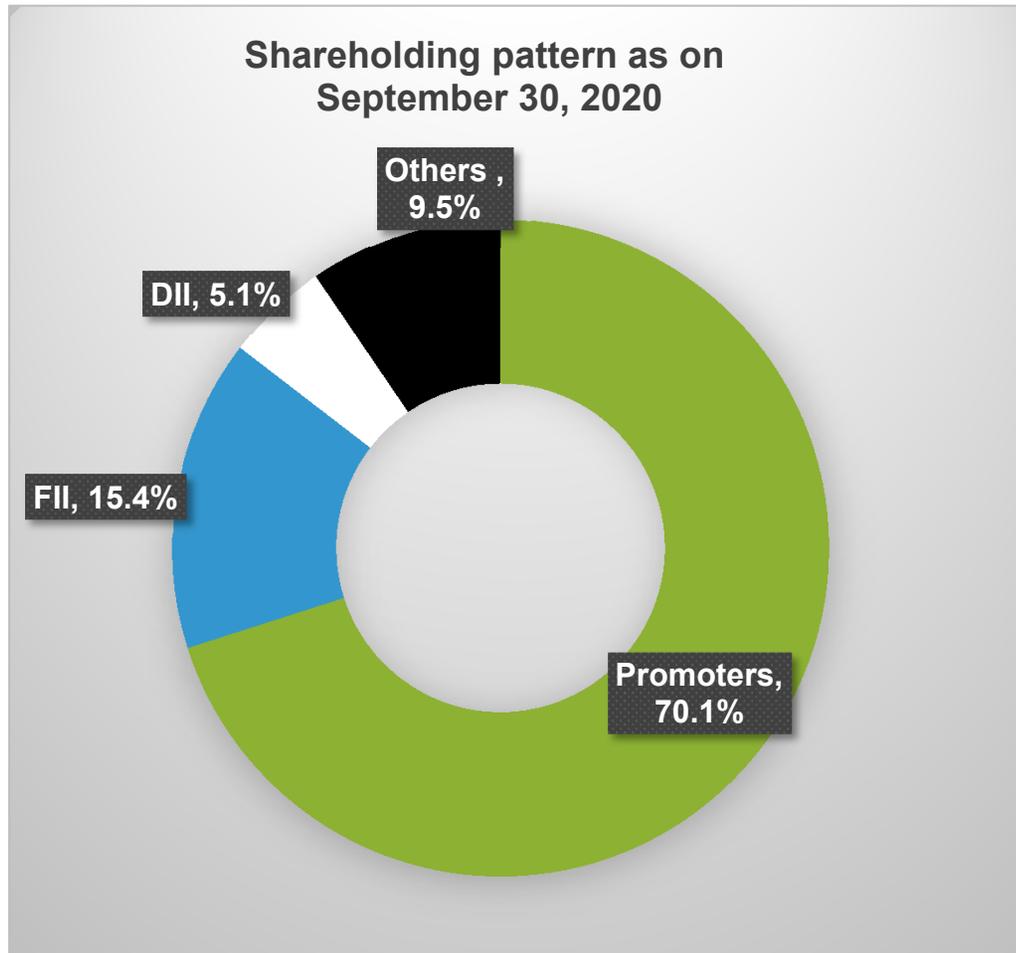


Particulars	Q2FY21	Q2FY20	Growth	H1FY21	H1FY20	Growth
Revenue (Rs.Cr)	327.9	262.5	24.9%	637.3	484.7	31.5%

GAVL SHAREHOLDING PATTERN

Major Investors

- Temasek
- Aberdeen
- Kotak Mutual Fund
- LIC India
- DSP
- Vanguard
- ICICI MF
- Bajaj Holdings
- Tata AIG
- JP Morgan



CONTACT US



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THANK YOU FOR YOUR TIME AND CONSIDERATION