

Godrej Agrovet Ltd.  
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CIN : L15410MH1991PLC135359

**Date:** November 04, 2019

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: Media Release**

Dear Sir(s),

The Board of Directors of Godrej Agrovet Limited at its Meeting held today, i.e. on Monday, November 04 2019, has approved the Unaudited Financial Results (both Standalone and Consolidated) for the Quarter and Half Year ended September 30, 2019. We enclose a copy of the media release in this regard.

We request you to take the same on your record.

Thanking you,

Yours sincerely,

**For Godrej Agrovet Limited**

**Vivek Raizada**  
**Head- Legal & Company Secretary & Compliance Officer**

Encl: As above



Mumbai, November 04, 2019

**Godrej Agrovet Limited has today reported its financial performance for the second quarter and half year ended September 30, 2019, of the financial year 2019-20**

- For the second quarter ended September 30, 2019, company reported consolidated total income<sup>#</sup> and consolidated profit before tax<sup>#</sup> of Rs.1,862 crore and Rs.81 crore, respectively. This reflects year-on-year total income growth of 16.9%. Profit before tax was lower as compared to the corresponding previous period by 28.9%.
- For the half year ended September 30, 2019, company reported consolidated total income<sup>#</sup> and consolidated profit before tax<sup>#</sup> of Rs.3,575 crore and Rs.195 crore, respectively. This reflects year-on-year total income growth of 16.1%. Profit before tax was lower as compared to the corresponding previous period by 17.1%.

**HIGHLIGHTS OF CONSOLIDATED FINANCIAL PERFORMANCE (2QFY20 & 1HFY20)**

(Rs. in crore)

Particulars	2QFY20	2QFY19	%increase/ (Decrease)	1HFY20	1HFY19	%increase/ (Decrease)
Total Income**	1,862.4	1,592.2	16.9%	3,575.2	3,080.4	16.1%
Earnings before Depreciation, interest and taxes (EBITDA)**	131.0	144.6	(9.3%)	283.1	287.7	(1.6%)
Profit Before Tax (PBT)**	81.4	114.4	(28.9%)	194.5	234.7	(17.1%)
Net Profit after tax (PAT)**	102.6	76.1	34.8%	180.2	157.1	14.7%

\*Total income, EBITDA and PBT for second quarter and half year ended September 2018 excludes non-recurring income of Rs. 29.9 crore pertaining to profit earned on sale of land (net of expenses). PAT excludes net of taxes non-recurring income of Rs.23.0 crore (net of expenses).

#Consolidated results of second quarter and half year ended September 2019 includes financials of Godrej Tyson Foods Limited and Godrej Maxximilk Private Limited which became subsidiaries as on 27<sup>th</sup> March 2019. Consequently, the consolidated results for current quarter are not comparable with the previous period.

## Managing Directors Comments

**Commenting on the performance of the 2QFY20 and 1HFY20, Mr. B. S. Yadav, Managing Director, Godrej Agrovet Limited, said:**

*I am pleased to share that in the first half of the financial year 2019-20, Godrej Agrovet Limited's consolidated total income registered year-on-year growth of 16.1% and consolidated profit before tax was Rs. 195 crore.*

*In our animal feed segment we continue to witness high growth as volumes have grown at 7.9% year-on-year during the first half of the year. Crop protection business registered a revenue growth of 9.1%. However, poor realization, increase in input costs and deferral of export orders in respect of the B2B business (Astec LifeSciences) resulted in a decline in the profitability for this segment for the first half of 2019 by 7.9%. The performance of the vegetable oil segment for the first half year continued to be adversely impacted by sharp decline in end product prices and lower oil content in the first half due to extended summer and extreme heat. Consequently, segment revenue and profits were lower by 12.1% and 49.2% respectively. In the dairy segment, which registered a strong growth in EBITDA of 89.5%, profitability levels improved in the current quarter and first half as there was no butter provisioning/losses.*

*Currently, the Indian agricultural value chain offers immense business opportunities to enhance productivity as practices are largely unorganized. We believe that at Godrej Agrovet we are well placed to capitalize on these opportunities given our presence across underpenetrated & unorganized segments of the agri value chain and our strong focus on research and development. The primary elements of our business strategy are to continue to grow our existing market share, leverage synergies between our businesses and opportunistically evaluate inorganic opportunities.*

## **Segment-wise business highlights**

### **Animal Feed**

- Strong volume growth momentum continues with 9.2% and 7.9% year-on-year growth in 2QFY20 and 1HFY20, respectively, mainly driven by layer, cattle and fish feed segments.
- Price increase taken across all categories for end products resulted in strong improvement in segment profitability which has increased by 91.1% and 45.6% in Q2FY20 and 1HFY20 year-on-year.

### **Vegetable Oil**

- For the second quarter of the year, company reported segment revenues of Rs.237 crore compared to Rs.267 crore in the same quarter last year primarily on account of sharp decline in crude palm oil and palm kernel oil prices. Consequently, segment results were lower by 37.2% for the second quarter.
- Area under coverage for oil palm plantation is around 69,800 hectares as on September 30, 2019.

### **Crop Protection**

- During the second quarter of the year, consolidated segment revenue grew by 7.0%. However, segment result was adversely impacted on account of poor realization, increase in input costs and deferral of export orders in respect of the B2B business (Astec LifeSciences) which resulted in a decline in the consolidated profitability for this segment for the first half of 2019 by 7.9%.
- Revenue in respect of the standalone crop protection business registered a modest growth of 3.4% in first half of the current year on account of skewed and erratic monsoon.

### **Dairy**

- The segment posted revenues of Rs.306 crore in the second quarter of the year compared to Rs. 300 crore during the second quarter of the last year.
- Segment results supported by improvement in salience of value added products and no butter provisioning/losses.

### **Godrej Tyson Foods Limited**

- Revenue grew by a modest 2% year-on-year during the first half of the current year. However, EBITDA was significantly lower as compared to previous period mainly on account of increase in cost of live birds and relatively lower live bird end prices.

### **ACI Godrej Agrovet Private Limited, Bangladesh**

- The joint venture posted revenues of Rs.263 crore in the second quarter of the year compared to revenues of Rs.196 crore during the second quarter of last year registering a strong growth of 34%.

### *About Godrej Agrovvet Limited*

Godrej Agrovvet Limited (GAVL) is a diversified, Research & Development focused agri- business Company, dedicated to improving the productivity of Indian farmers by innovating products and services that sustainably increase crop and livestock yields. GAVL holds leading market positions in the different businesses in which it operates - Animal Feed, Crop Protection, Oil Palm, Dairy and Poultry and Processed Foods.

GAVL has a pan India presence with sales of over a million tonnes annually of high quality feed and cutting-edge nutrition products for cattle, poultry, aqua feed and specialty feed. Apart from these businesses, the Company has a joint venture with the ACI group of Bangladesh for animal feed business in Bangladesh.

For more information on the Company, please log on to [www.godrejagrovvet.com](http://www.godrejagrovvet.com).

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 industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations."

<p>Godrej Agrovvet Limited "Godrej One", 3<sup>rd</sup> Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai-400079, India CIN: L15410MH1991PLC135359</p>	<p>Mr. S. Varadaraj Godrej Agrovvet Limited Tel No.: +91 22 2519 4864 Fax No.: +91 22 2519 5124 Email: <a href="mailto:gavlinvestors@godrejagrovvet.com">gavlinvestors@godrejagrovvet.com</a> / <a href="mailto:s.varadaraj@godrejagrovvet.com">s.varadaraj@godrejagrovvet.com</a> Website: <a href="http://www.godrejagrovvet.com">www.godrejagrovvet.com</a></p> <p>Ms. Chhavi Agarwal Godrej Agrovvet Limited Tel No.: +91 22 2519 4646 Fax No.: +91 22 2519 5124 Email: <a href="mailto:gavlinvestors@godrejagrovvet.com">gavlinvestors@godrejagrovvet.com</a> / <a href="mailto:chhavi.agarwal@godrejagrovvet.com">chhavi.agarwal@godrejagrovvet.com</a> Website: <a href="http://www.godrejagrovvet.com">www.godrejagrovvet.com</a></p>	<p>Mr. Anoop Poojari Citigate Dewe Rogerson Tel No.: +91 22 6645 1211 / 1218 Fax No. +91 22 6645 1213 Email: <a href="mailto:anoop@cdr-india.com">anoop@cdr-india.com</a></p>
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