

Godrej Agrovet Ltd.
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Website : www.godrejagrovnet.com
CIN : L15410MH1991PLC135359

Date: October 29, 2024

To,
BSE Limited
P. J. Towers, Dalal Street,
Fort, Mumbai – 400001

To,
National Stock Exchange of India Limited
Exchange Plaza, Bandra - Kurla Complex,
Bandra (East), Mumbai-400051

Ref.: BSE Scrip Code No. "540743"

Ref.: "GODREJAGRO"

Sub: Media Release

Dear Sir/Madam,

The Board of Directors of Godrej Agrovet Limited ("The Company") at its Meeting held today, i.e., on **Tuesday, October 29, 2024**, has approved the Standalone and Consolidated Unaudited Financial Results for the Quarter and Half Year ended September 30, 2024.

We enclose a copy of the Media Release and the same is being placed on the website of the Company i.e., www.godrejagrovnet.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



PRESS RELEASE

Mumbai, October 29, 2024: Godrej Agrovat Limited (“GAVL”) has today announced its financial results for the second quarter and half-year ended September 30, 2024.

HIGHLIGHTS OF FINANCIAL PERFORMANCE (H1 and Q2 FY25)

| H1 (₹ Crore) | Excluding non-recurring items | | | Excluding non-recurring items & Astec | | |
|---|-------------------------------|--------------|--------------|---------------------------------------|--------------|--------------|
| | H1 FY25 | H1 FY24 | Y-o-Y Change | H1 FY25 | H1 FY24 | Y-o-Y Change |
| Revenues | 4,799 | 5,081 | -5.6% | 4,631 | 4,825 | -4.0% |
| Earnings before interest, tax and Depreciation (EBITDA) | 456 | 421 | 8.3% | 519 | 419 | 23.9% |
| EBITDA Margin (%) | 9.5% | 8.3% | | 11.2% | 8.7% | |
| Profit before Tax & Share of Profit of Equity Accounted Investees | 273 | 258 | 5.8% | 374 | 287 | 30.5% |
| PBT Margin (%) | 5.7% | 5.1% | | 8.1% | 5.9% | |
| Profit after tax (PAT) | 236 | 215 | 9.8% | 315 | 236 | 33.3% |
| PAT Margin (%) | 4.9% | 4.2% | | 6.8% | 4.9% | |

| Q2 (₹ Crore) | Excluding non-recurring items | | | Excluding non-recurring items & Astec | | |
|---|-------------------------------|--------------|--------------|---------------------------------------|--------------|--------------|
| | Q2 FY25 | Q2 FY24 | Y-o-Y Change | Q2 FY25 | Q2 FY24 | Y-o-Y Change |
| Revenues | 2,449 | 2,571 | -4.8% | 2,350 | 2,460 | -4.5% |
| Earnings before interest, tax and Depreciation (EBITDA) | 221 | 215 | 2.9% | 239 | 217 | 9.9% |
| EBITDA Margin (%) | 9.0% | 8.3% | | 10.1% | 8.8% | |
| Profit before Tax & Share of Profit of Equity Accounted Investees | 123 | 134 | -8.3% | 162 | 151 | 7.1% |
| PBT Margin (%) | 5.0% | 5.2% | | 6.9% | 6.2% | |
| Profit after tax (PAT) | 104 | 105 | -1.1% | 144 | 119 | 21.0% |
| PAT Margin (%) | 4.3% | 4.1% | | 6.0% | 4.8% | |

Details of non-recurring items:

| ₹ Crore | H1 FY25 | H1 FY24 | Q2 FY25 | Q2 FY24 |
|---|------------|------------|------------|------------|
| PBT Reported | 288 | 254 | 138 | 132 |
| Reversal of long-term incentives provision | (15) | - | (15) | - |
| Differential VAT Liability & provision in respect of industrial plots | - | 4 | - | 2 |
| Adjusted PBT | 273 | 258 | 123 | 134 |

| ₹ Crore | H1 FY25 | H1 FY24 | Q2 FY25 | Q2 FY24 |
|---|------------|------------|------------|------------|
| PAT Reported | 227 | 211 | 96 | 104 |
| Reversal of long-term incentives provision | (11) | - | (11) | - |
| Reversal of Indexation benefit | 20 | - | 20 | - |
| Differential VAT Liability & provision in respect of industrial plots | - | 3 | - | 1 |
| Adjusted PAT | 236 | 215 | 104 | 105 |



MANAGING DIRECTOR'S COMMENTS

Commenting on the performance, Mr. B. S. Yadav, Managing Director, Godrej Agrovet Limited, said:

Godrej Agrovet continued to deliver robust improvement in profitability with the exception of Astec LifeSciences and Poultry business. EBITDA margins (excluding non-recurring items) improved in Q2 FY25 by ~70 bps and ~130 bps excluding Astec as compared to Q2 FY24. All the segments, with the exception of Astec LifeSciences and the Poultry business achieved growth in profitability.

Domestic Crop Protection business achieved a significant improvement in segment margins, primarily due to lower doubtful debts & control over fixed costs. Topline declined compared to the previous year due to erratic rainfall across key states which resulted in reduction in spraying opportunities in herbicides category. Animal Feed business also witnessed a remarkable improvement in segment margins due to favorable commodity positions & cost optimization measures. However, the overall volume growth was impacted by subdued growth in cattle feed due to lower milk prices, while the Layer and Broiler feed grew y-o-y & sequentially. Dairy business continued its upward trajectory, with profitability significantly improving compared to Q2 FY24. Consistent operational efficiency improvements and a favorable milk spread contributed to this improved performance. In the Vegetable Oil business, higher realizations in respect of end products coupled with an improved Oil Extraction Ratio (OER) led to enhanced segment margins in Q2 FY25 compared to same period previous year, despite lower FFB arrivals.

Astec LifeSciences topline & profitability was severely impacted due lower realizations in key enterprise products coupled with lower-than-expected volumes in CDMO segment due to cautious approach adopted by CDMO customers. However, gradual uptick in demand resulted in sequential improvement in performance. In a seasonally weak quarter for the Poultry business, while live bird volumes decreased in line with our strategy to focus on branded business, branded volumes improved marginally resulting in shrinking of topline. Profitability was severely impacted due to unfavorable channel & product mix and elevated input cost.

SEGMENT-WISE BUSINESS HIGHLIGHTS

Animal Feed

- Segment margin improved y-o-y due to favourable commodity positions & cost optimization measures.
- EBIT/MT improved significantly from ₹ 1,531 in Q2 FY24 to ₹ 1,953 in Q2 FY25.
- Marginal de-growth in volumes primarily on account of lower volumes in cattle feed due to lower milk prices. Layer and broiler feed volumes grew sequentially by 21.6% & 2.0% respectively and improved y-o-y by 10.8% & 5.5%, respectively.

Vegetable Oil

- Higher realizations in both Crude Palm Oil (CPO) & Palm Kernel Oil (PKO), improved Oil Extraction Ratio (OER) & downstream value added products improved profitability in Q2 FY25 y-o-y.
- In Q2 FY25, despite a 13% decline y-o-y in Fresh Fruit Bunch (FFB) arrivals, segment revenue was flat y-o-y due to improved realizations in both CPO & PKO.
- Also, the Government has increased the basic customs duty on crude soybean, sunflower, and palm oil from 0% to 20% & duty on refined oils has been raised from 12.5% to 32.5% w.e.f from September 14, 2024.

Crop Protection (Standalone)

- Erratic rainfall across key states resulted in reduction in spraying opportunities by farmers impacting volumes of herbicides category. This also resulted in higher sales returns impacting topline in Q2 FY25.
- Segment results grew by 10% y-o-y primarily due to lower doubtful debts & control over fixed cost.

Astec LifeSciences

- Topline & profitability was marred by lower realizations in key enterprise products coupled with lower-than-expected volumes in CDMO segment due to cautious approach adopted by CDMO customers.
- Sequential improvement in performance due to gradual uptick in demand.

Dairy

- Segment revenue was flat y-o-y due to volumes remaining at similar levels.
- EBITDA margin improved by ~140 bps in Q2 FY25 due to significant improvement in operational efficiencies and improved milk spread.
- Saliency of Value-Added products (VAP) stood at 32% of total sales in Q2 FY25.



Godrej Tyson Foods Limited

- Revenues declined in Q2 FY25 as compared to Q2 FY 24, primarily due to lower volumes in live bird business as GTFL continued to focus on branded business & reduce exposure to live bird business.
- In Q2 FY25, while volumes in branded segments improved marginally, profitability was adversely impacted y-o-y, in a seasonally weak quarter, due to unfavorable channel & product mix and elevated input cost.

ACI Godrej Agrovat Private Limited, Bangladesh

- ACI Godrej posted revenue de-growth of 6% year-on-year (in local currency terms) in Q2 FY25 due to economic headwinds in Bangladesh amidst political turmoil and severe floods.

- ENDS -

About Godrej Agrovat Limited

Godrej Agrovat 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 tons annually of high-quality animal feed. Our teams have worked closely with Indian farmers to develop large Oil Palm Plantations which is helping in bridging the demand and supply gap of edible oil in India. In the crop protection segment, the company meets the niche requirement of farmers through innovative agrochemical offerings. GAVL through its subsidiary Astec Life Sciences Limited, is also a business-to-business (B2B) focused bulk manufacturer of fungicides & herbicides. In Dairy and Poultry and Processed Foods, the company operates through its subsidiaries Creamline Dairy Products Limited and Godrej Tyson Foods Limited. Apart from this, GAVL 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.godrejagrovat.com

For further information, please contact:

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