

Godrej Agrovet Ltd.
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CIN : L15410MH1991PLC135359

Date: August 1, 2023

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/Madam,

The Board of Directors of Godrej Agrovet Limited ("The Company") at its Meeting held today, i.e., on **Tuesday, August 1, 2023**, has approved the Standalone and Consolidated Unaudited Financial Results for the Quarter ended June 30, 2023.

We enclose a copy of the Media Release 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





PRESS RELEASE

Mumbai, August 1, 2023: Godrej Agrovet Limited (“GAVL”) has today announced its financial results for the first quarter ended June 30, 2023

HIGHLIGHTS OF FINANCIAL PERFORMANCE (Q1 FY24)

Q1 FY24 Financial Summary

- The Company reported consolidated revenues from operations of Rs. 2,510.2 crore in Q1 FY24, unchanged from the same period last year
- Q1 FY24 consolidated EBITDA* increased to Rs. 206.8 crore from Rs. 169.3 crore in Q1 FY23, a growth of 22% year-on-year
- Q1 FY24 Profit before tax* increased to Rs. 124.5 crore from Rs. 102.8 crore in Q1 FY23, a growth of 21% year-on-year

** EBITDA and Profit before Tax in Q1 FY24 excludes non-recurring item of Rs. 2.3 Crore towards dues in respect of industrial plots; Profit before tax excludes share of profit from associates*



MANAGING DIRECTOR'S COMMENTS

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

Godrej Agrovvet started FY24 with a strong growth in profitability and margin expansion in the first quarter ended June 30, 2023. While our topline growth was flat, we achieved 21% year-on-year growth to clock Profit before tax of Rs. 124.5 Crore in Q1 FY24. The growth in profitability was driven by the strong performance of domestic Crop Protection, Animal Feed and Poultry businesses.

With robust volume growth and improved realizations in HITWEED (in-house herbicide), domestic Crop Protection business achieved a record quarterly topline and profitability in Q1 FY24. Segment results of Crop Protection business improved significantly by 224% in Q1 FY24 as compared to the same period last year. In Feed business, sustained volume growth in cattle-feed and aqua feed was accompanied by notable recovery in margin profile across categories. Our food businesses maintained volume growth momentum in branded products and delivered margin expansion. In Poultry, revenues from branded products increased by 15% year-on-year led by higher volumes. Lower live bird costs on account of better operational efficiencies boosted profitability as segment EBITDA grew by 50% year-on-year. Dairy business turned EBITDA positive in Q1 FY24. The higher salience of value-added products coupled with reduction in procurement costs contributed to recovery in margin profile.

Astec LifeSciences and Vegetable Oil businesses were adversely impacted by challenging market conditions. The continued demand-supply imbalance and the resultant decline in volumes as well as realizations of key enterprise products led to a sharp drop in Astec's profitability. Astec's contract manufacturing business, however, remained on track and its performance was in line with our expectations. Vegetable Oil business suffered from correction in end-product prices more than offsetting higher volumes.

During the quarter, GAVL commissioned its first downstream project in Vegetable oil business of an edible oil refinery in Andhra Pradesh. The refinery has a capacity of 400 MT per day.

SEGMENT-WISE BUSINESS HIGHLIGHTS

Animal Feed

- Sustained market share gains in Cattle-feed category resulted in overall volume growth in Q1 FY24. Cattle-feed volumes surged by +19% year-on-year
- Significant improvement in segment margin in Q1 as compared to previous year and on a sequential basis on account of softening commodity prices

Vegetable Oil

- Continued volume growth in FFB arrivals was offset by significantly lower crude palm oil prices and marginal decline in Oil extraction ratio
- In Q1, GAVL signed Memorandum of Understanding with State Government of Odisha for development and promotion of oil palm cultivation under the National Mission on Edible Oils-Oil Palm (NMEO-OP); total potential is 10,000 acres
- GAVL was also allotted potential area of 47,000 Acre in Telangana by the State Government to expand cultivation of Oil Palm

Crop Protection (Standalone)

- Standalone Crop Protection segment delivered record topline and margin performance in Q1 FY24 led by strong volume growth and higher realizations in in-house herbicides portfolio
- Robust growth in profitability was accompanied by substantial improvement in the working capital cycle and collections

Astec LifeSciences

- Astec continued to face demand-supply imbalance in its enterprise products portfolio in both domestic as well as global markets
- Topline and profitability was severely impacted due to sluggish demand, lower realizations and high-cost inventories of enterprise products
- CMO revenues grew 3.0x y-o-y led by new product development while profitability also improved



Dairy

- Dairy business turned EBITDA positive in Q1 FY24 led by buoyant margin performance across categories and sustained volume growth in Value-added products (VAP)
- VAP revenues grew by 20% year-on-year in Q1 with higher volumes as well as realizations; salience of VAP increased to 42% of total sales in Q1 FY24 from 38%, a year ago
- Lower raw material costs aided by mini flush witnessed in the key procurement markets led to significant improvement in margin profile

Godrej Tyson Foods Limited

- GTFL recorded excellent all-round performance in Q1 FY24 with topline and profitability growth across categories
- Healthy volume growth in branded business, mainly Real Good chicken (+18% year-on-year) and lower raw material costs lifted profitability in Q1 FY24; GTFL continued with new product launches under Yummiez portfolio
- Live bird business delivered sustained efficiency improvement, thereby contributing to improved margin profile

ACI Godrej Agroviet Private Limited, Bangladesh

- ACI Godrej posted revenue growth of 15% year-on-year (in local currency terms) in Q1, driven largely by higher realizations

- ENDS -



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 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.godrejagrovvet.com

For further information, please contact:

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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."