

Godrej Consumer Products Ltd.  
Regd. Office : Godrej One,  
4th Floor, Pirojshanagar,  
Eastern Express Highway,  
Vikhroli (E), Mumbai 400 079, India.  
Tel. : +91-22-2518 8010/8020/8030  
Fax: +91-22-2518 8040/8065/8069  
Website : www.godrejcp.com  
CIN : L24246MH2000PLC129806

January 27, 2016

**BSE Ltd**  
Corporate Relations Department  
1st Floor, Rotunda Bldg., P.J. Towers,  
Dalal Street, Mumbai 400 023.

**Scrip Code : 532424**

**The National Stock Exchange of India Ltd**  
Exchange Plaza, 4<sup>th</sup> Floor,  
Bandra-Kurla Complex, Mumbai 400 050

Dear Sir,

**Sub: Outcome of Board Meeting-January 27, 2016**

At the meeting of the Board of Directors of the Company held today, the Board has:

1. Taken on record the unaudited financial results for the quarter ended December 31, 2015. The said results are enclosed herewith. The said results have been subjected to limited review by the statutory auditors. The limited review report which has been taken on record is enclosed herewith.
2. Declared a third interim dividend @ Re. 1/- per share (100% on the shares of the face value of Re.1/- each) for the financial year 2015-16.

As intimated earlier the Record Date for ascertaining the names of the shareholders who will be entitled to receive the said dividend is Thursday, February 4, 2016;

The said interim dividend, if declared, will be paid on February 18, 2016.

The Exchanges are also informed that the Board meeting commenced at 10.30 a.m. and the results were approved by 11.00 a.m.

This is in compliance with the listing regulations and other provisions as applicable.

For Godrej Consumer Products Ltd.

  
V Srinivasan

Chief Financial Officer & Company Secretary

cimc: 1) The Vice-President, National Securities Depository Ltd., Trade World, 4<sup>th</sup> Floor  
Senapati Bapat Marg, Lower Parel, Mumbai 400 013

2) The Central Depository Services (India) Ltd. P J Towers, 28<sup>th</sup> Floor, Dalal Street, Mumbai 400 001





## GODREJ CONSUMER PRODUCTS LIMITED

Regd. Office: Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai 400 079 www.godrejcp.com

### UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2015

#### Notes

- 1 The above results which are published in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements), 2015 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on January 27, 2016. These results have been subjected to a limited review by the Statutory Auditors of the Company.
- 2 In accordance with the Scheme of Amalgamation of the erstwhile Godrej Household Products Limited with the Company which was sanctioned by the High Court of Judicature at Bombay in April 2011, an amount of ₹ 13.26 crore for the quarter and ₹ 39.63 crore for the nine months ended on December 31, 2015, equivalent to the amortisation of the Goodknight and HIT Brands is directly debited to the General Reserve instead of being debited to the Statement of Profit and Loss.
- 3 Exceptional Items include an amount of ₹ 0.60 crore for the quarter and ₹ 24.03 crore for the nine months ended December 31, 2015, on account of restructuring costs incurred by certain subsidiaries of the Company.
- 4 In accordance with section 52 of the Companies Act, 2013, the Company has applied securities premium amounting to ₹ 5.34 crore for the quarter and ₹ 16.99 crore for the nine months ended on December 31, 2015, in providing for the premium payable on the redemption of non-convertible debentures.
- 5 During the quarter, the Company has netted off, under Other Expenses, the rental income in respect of corporate office premises amounting to ₹ 2.28 crore for the quarter and ₹ 5.71 crore for the nine months ended on December 31, 2015 with rental expenses amounting to ₹ 2.28 crore for the quarter and ₹ 5.71 crore for the nine months ended on December 31, 2015 in respect of similar premises in the same building.
- 6 During the year to date, the Company has granted 71230 new stock grants to eligible employees under the Employee Stock Grant Scheme (ESGS) and allotted 86065 equity shares upon exercise of stock grants under the ESGs.
- 7 The Board has declared a third interim dividend for the year 2015-16 at the rate of ₹ 1 per share (100% on the face value of ₹ 1 each). The record date for the same has been fixed as February 4, 2016 and the dividend shall be paid on February 18, 2016.
- 8 The Company has only one business segment in which it operates viz. Household & Personal Care.
- 9 Previous period's figures have been regrouped and reclassified wherever necessary.



By Order of the Board  
For Godrej Consumer Products Limited

A handwritten signature in blue ink, appearing to read "Adi B. Godrej".

Adi B. Godrej  
Chairman

Place: Mumbai  
Date: January 27, 2016



The Board of Directors,  
Godrej Consumer Products Limited,  
Godrej One, 4<sup>th</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East),  
Mumbai – 400 079.

Dear Sirs,

**LIMITED REVIEW REPORT**

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of **GODREJ CONSUMER PRODUCTS LIMITED** (the Company) for the quarter and nine months ended on December 31, 2015, prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on January 27, 2016. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of interim financial standalone statements is limited primarily to inquiries of persons responsible for financial and accounting matters and analytical procedures applied to financial data. It is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards, the objective of which is expression of opinion regarding the financial statements taken as a whole. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying our opinion we draw attention to Note 2 to the Unaudited Financial Results for the quarter and nine months ended on December 31, 2015, regarding the Scheme of Amalgamation of the erstwhile Godrej Household Products Limited with the Company, approved by The Hon'ble High Court of Judicature at Bombay, whereby an amount of Rs. 13.26 crore and Rs. 39.63 crore, for the quarter and nine months ended on December 31, 2015 respectively, equivalent to the amortisation of the Goodknight and Hit Brands is directly debited to the General Reserve instead of debiting the same to the Statement of Profit and Loss.



**KALYANIWALLA  
& MISTRY**

Had this amount been debited to the Statement of Profit and Loss, the profit before tax would have been lower by Rs. 13.26 crore and Rs. 39.63 crore for the quarter and nine months ended December 31, 2015 respectively and the General Reserve would have been higher by Rs. 39.63 crore as at December 31, 2015.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of Unaudited Standalone Financial Results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

*For* **KALYANIWALLA & MISTRY**  
**CHARTERED ACCOUNTANTS**

Firm Reg. No.: 104607W



*Roshni R. Marfatia*

**PARTNER**

M. No.: 106548

Mumbai: Dated: January 27, 2016.



# KALYANIWALLA & MISTRY ( Regd. )

C H A R T E R E D   A C C O U N T A N T S

---

The Board of Directors,  
Godrej Consumer Products Limited,  
Godrej One, 4<sup>th</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East),  
Mumbai – 400 079.

Dear Sirs,

## LIMITED REVIEW REPORT

1. We have reviewed the accompanying statement of Unaudited Consolidated Financial Results of **GODREJ CONSUMER PRODUCTS LIMITED** (the Company) and its subsidiaries (collectively referred to as the “Godrej Group”) for the quarter and nine months ended on December 31, 2015, prepared by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement is the responsibility of the Company’s Management and has been approved by the Board of Directors at its meeting held on January 27, 2016. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accounts of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of interim financial consolidated statements is limited primarily to inquiries of persons responsible for financial and accounting matters and analytical procedures applied to financial data. It is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards, the objective of which is expression of opinion regarding the financial statements taken as a whole. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We did not review the financial statements of certain subsidiaries, whose financial statements reflect the Group’s share of total assets of Rs. 7,711.45 crore as at December 31, 2015, and the Group’s share of total revenue of Rs. 1,122.80 crore and Rs. 3,226.99 crore, for the quarter and nine months ended on that date respectively as considered in the consolidated financial statements. These financial statements have been reviewed by other auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of such subsidiaries is based solely on the report of the other auditors.



KALPATARU HERITAGE, 127 MAHATMA GANDHI ROAD, MUMBAI 400 001  
TEL.: (91) (22) 6158 7200 FAX: (91) (22) 2267 3964

ARMY & NAVY BUILDING, 148 MAHATMA GANDHI ROAD, MUMBAI 400 001  
TEL.: (91) (22) 6158 6200 FAX: (91) (22) 6158 6275

**KALYANIWALLA  
& MISTRY**

4. Without qualifying our opinion, we draw attention to Note 2 to the Unaudited Financial Results for the quarter and nine months ended on December 31, 2015, regarding the Scheme of Amalgamation of the erstwhile Godrej Household Products Limited with the Company, approved by The Hon'ble High Court of Judicature at Bombay, whereby an amount of Rs. 13.26 crore and Rs. 39.63 crore, for the quarter and nine months ended on December 31, 2015, respectively, equivalent to the amortisation of the Goodknight and Hit Brands is directly debited to the General Reserve Account instead of debiting the same to the Statement of Profit and Loss.

Had this amount been debited to the Statement of Profit and Loss, the profit before tax would have been lower by Rs. 13.26 crore and Rs. 39.63 crore, for the quarter and nine months ended on December 31, 2015, respectively and the General Reserve would have been higher by Rs. 39.63 crore as at December 31, 2015.

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

*For* **KALYANIWALLA & MISTRY**  
**CHARTERED ACCOUNTANTS**

Firm Regn. No.: 104607W

*Roshni R. Marfatia*

**PARTNER**

M. No.: 106548

Mumbai: January 27, 2016.



## PRESS RELEASE

**3Q FY 2016 results – GCPL delivers a net profit growth of 23% on an organic constant currency net sales growth of 9%.**

**Mumbai, January 27, 2016:** Godrej Consumer Products Limited (GCPL), a leading emerging markets FMCG company, today announced its financial results for the quarter ended December 31, 2015.

### FINANCIAL OVERVIEW

- 3Q FY 2016 consolidated organic constant currency net sales increased by 9%
  - India business branded net sales increased by 8%, driven by a 9% volume growth; double-digit volume growth in Household Insecticides and robust mid-single digit volume growth in Soaps
  - International business grew by 9% on an organic constant currency basis
- 3Q FY 2016 consolidated organic constant currency EBITDA increased by 19%, driven by a 18% growth in the India business and 20% growth in the international business
- 3Q FY 2016 consolidated net profit without exceptionals and one-offs increased by 23%
- GCPL continues to deliver competitive performance in its core categories, across geographies
- The board has declared an interim dividend of 100% (INR 1.00 per share)



## CHAIRMAN'S COMMENTS

**Commenting on the financial performance of 3Q FY 2016, Mr. Adi Godrej, Chairman, Godrej Group, said:**

*"In a challenging operating environment, we have delivered a resilient and competitive performance in 3QFY16. Our consolidated organic constant currency sales growth of 9% and EBITDA growth of 19% are well ahead of the market growth. Our India business sustained its volume growth leadership with a growth of 9%. Our international business too delivered healthy performance, with an organic constant currency sales growth of 9%. Operating earnings growth was ahead of sales growth across most of our geographies, aided by lower commodity costs, calibrated price hikes, stringent cost management and the effective leveraging of brand platforms.*

*While the pace of economic recovery is slower than anticipated, we are hopeful of continuing our relative outperformance in the quarters ahead. Over the next few quarters, we will be introducing several exciting new launches to stimulate demand and extend leadership in our core categories. We are also enhancing our go-to-market infrastructure and investing strategically for the future. Overall, we expect our focus on innovation, distribution initiatives and superior on-ground execution to aid growth ahead of the market.*

*The medium and long-term growth prospects in India and our other emerging markets remain robust. We believe that there is still a lot of headroom for growth across these markets, given the low penetration and consumption rates in our core categories. I am confident that with our clear strategic focus, differentiated product portfolio, superior execution and top-notch team, we will continue to deliver industry-leading results in the future."*

## BUSINESS REVIEW – INDIA

### Performance Highlights

- 3Q FY 2016 India net sales increased by 8% to INR 1,261 crore
  - India branded net sales increased by 8%, driven by 9% volume growth
- 3Q FY 2016 EBITDA increased by 18% to INR 268 crore
- 3Q FY 2016 net profit increased by 18% to INR 203 crore

### Category Review

#### Household Insecticides

Household Insecticides sustained its double-digit volume growth momentum with a sales growth of 15%. The success of our new launches, effective communication and superior on-ground execution have aided this strong growth, ahead of the category. We have consistently gained market share across formats and ended the quarter with our highest ever market share. Good knight continues to lead category penetration and drive market development initiatives. Gross margins continue to benefit from lower crude oil prices and have improved significantly.

#### Soaps

Our Soaps business maintained its robust mid-single digit volume growth in a highly competitive environment. This was offset by deflationary pressures, resulting in a value growth of 2%. As part of our focus to premiumise our portfolio, we have launched Godrej No. 1 Nature Soft - Glycerin & Honey variant in the winter soap space. Cinthol, our premium soap brand, continues to lead volume and value growth. We remain competitive on sales promotion investments, in a low commodity cost environment. Gross margins during the quarter benefited from lower palm oil prices and have improved significantly.

#### Hair Colours

The sales of Hair Colours declined by 1% this quarter. While Godrej Expert Rich Crème recorded a growth in the high teens, powder hair colour growth declined due to channel destocking. This was caused by up-stocking towards the end of the previous quarter, ahead

of price hikes and a decline in value growth due to price-off trade offers. Godrej Expert Rich Crème continues to gain market share and lead distribution reach and household penetration in the crème category. We introduced Godrej Expert Rich Crème in a multi-application pack priced at INR 120 and also launched a new advertisement campaign.

### **Liquid Detergents**

Liquid Detergents delivered a double-digit, volume driven sales growth of 11%, despite the late onset of the winter. During the quarter, we restaged our Ezee brand with a newly designed bottle. New insight driven communication was also launched to drive brand relevance and penetration.

### **Air Fresheners**

Godrej aer continues to perform well, aided by innovative product offerings and various consumer engagement initiatives. We have continued to gain market share and aer is now the number one player in the home sprays air care market (on an exit market share basis). We recently launched aer pocket, which targets the bathroom air care segment.

### **Health and Wellness**

Our Health and Wellness portfolio of hand washes and hand sanitiser, under Godrej Protekt, has been successfully introduced in the general trade. The initial response has been encouraging.

### **Premium Hair Care**

BBLUNT, our range of premium hair care products, has been launched in modern trade and premium general trade outlets.

## BUSINESS REVIEW – INTERNATIONAL

### Indonesia

Our Indonesia business delivered a competitive performance, with a constant currency sales growth of 3%, despite the high base of 27% growth in 3QFY15. FMCG industry growth in Indonesia continues to remain flat, impacted by the overall macroeconomic challenges in the country. Our operating margins (EBITDA) increased by 490 bps year-on-year, driven by calibrated price hikes, lower commodity costs and the optimisation of marketing investments. Our Hit and Stella brands continue to maintain competitive positions in the market.

### Africa

We have a business presence in countries in East, West and Southern Africa, across the Hair Extensions, Hair Colours, Household Insecticides and Personal Wash categories. Our Africa business delivered strong growth, led by a 20% constant currency growth in our Darling business. Africa operating margins (EBITDA) declined by 100 bps year-on-year due to upfront investments in marketing and sales infrastructure.

### Latin America

Our Latin America business delivered a healthy sales and profitability growth. Sales, in constant currency terms, increased by 28%, led by the strong performance in Argentina. Our operating margins (EBITDA) increased by 670 bps year-on-year, due to better gross margins and the effective leveraging of brand platforms. Our Hair Colour market share continued to increase, following the success of new launches, effective activation programmes and superior on-ground execution.

### Europe

Our European business delivered a strong constant currency sales growth of 10%, led by strong growth in own brands portfolio. Our operating margins (EBITDA) declined by 40 bps year-on-year due to higher investments in brands and infrastructure.

*Note: The figures for the current quarter may not be comparable with those of the corresponding quarter of the previous year, because of the acquisitions made since then.*

## ABOUT GODREJ CONSUMER PRODUCTS

Godrej Consumer Products Limited is the largest home-grown home and personal care company in India. We are constantly innovating to delight our consumers with more exciting, superior quality products at affordable prices.

We have bold ambitions and are becoming more agile and future ready. We rank number 1 in hair colour, household insecticides and liquid detergents and number 2 in soaps. In India, you grow up with our brands - Good knight, Cinthol, Godrej Expert, Godrej No. 1 - and we are now on our way to becoming an emerging markets FMCG leader.

In line with our 3X3 approach to international expansion, we are building a presence in 3 emerging markets (Asia, Africa, Latin America) across 3 categories (home care, personal wash, hair care). In 2010, we acquired the Indonesia based Megasari group, a leader in household insecticides, air fresheners and baby care. With the acquisition of Rapidol, Kinky and Frika in South Africa, and the Darling Group, a leading pan-Africa hair care company, we have a strong presence in the fast growing African hair care market. We acquired the Issue and Argencos groups in Argentina, leaders in hair colour, in 2010, and expanded our footprint to Chile through the acquisition in Cosmetica Nacional. Our UK business acquired in 2005 has a play in hair and personal care. We also operate in the Middle East and have a strong presence across SAARC countries.

### **For further information, please contact:**

V Srinivasan

Email: [v.srinivasan@godrejcp.com](mailto:v.srinivasan@godrejcp.com)

Tel: +91 22 2519 4316

Sameer Shah

Email: [sa.shah@godrejcp.com](mailto:sa.shah@godrejcp.com)

Tel: +91 22 2519 4467

Tapan Joshi

Email: [tapan.joshi@godrejcp.com](mailto:tapan.joshi@godrejcp.com)

Tel: +91 22 2519 5433

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