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Date: 14<sup>th</sup> November, 2022

1. The Secretary  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001
2. The Manager  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No. C/1, G Block  
Bandra-Kurla Complex  
Bandra (E), Mumbai – 400 051

Sub: Earnings Presentation

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to the provisions of Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of Earnings Presentation with reference to the last published unaudited financial results of the Company for the quarter and half year ended 30<sup>th</sup> September, 2022 which were already submitted to you on 12<sup>th</sup> November, 2022 in the prescribed format.

The presentation is also placed on the website of the Company i.e., <https://www.godfreyphillips.com/company/investor-relation/financials/earnings-presentation/>.

Request you to take the above information on records.

Yours faithfully,

For Godfrey Phillips India Limited

SANJAY KUMAR  
GUPTA

Sanjay Gupta  
Company Secretary

Digitally signed by SANJAY KUMAR GUPTA  
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privateKey=MIIBIjANBgkqhkiG9w0BAQAB  
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serialNumber=11eem16c66f660kH11e5S5cbefer9323e4c6c4cb7ba7d  
06800660999b74, cn=SANJAY KUMAR GUPTA  
Date: 2022.11.14 17:53:17 +05'30'

Encl: As above



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Regd. Office: 'Macropolo Building', Ground Floor, Dr. Babasaheb Ambedkar Road, Lalbaug, Mumbai - 400 033  
CIN : L16004MH1936PLC008587

# Godfrey Phillips India Limited (GPIL)

(BSE: 500163; NSE: GODFRYPHLP)

## EARNINGS PRESENTATION

H1 FY23



W E B U I L D U S



GODFREY PHILLIPS  
INDIA LIMITED

# H1 FY23 Highlights



GODFREY PHILLIPS  
INDIA LIMITED

Company
<b>Rs. 4,667 Cr.</b> Gross Sales Value
<b>Rs. 904 Cr.</b> Gross Profit
<b>19.4%</b> Gross Profit Margin
<b>Rs. 311 Cr.</b> Net Profit

Tobacco
<b>Rs 3,775 Cr.</b> Domestic Cigarette Gross Sales Value
<b>Rs. 566 Cr.</b> International Gross Sales Value
<b>94%</b> Tobacco contribution to Gross sales Value

Consumer & Retail
<b>Rs. 248 Cr.</b> TFS Gross Sales Value
<b>116</b> TFS stores
<b>Rs. 53 Cr.</b> Candy & Chewing Products Gross Sales Value

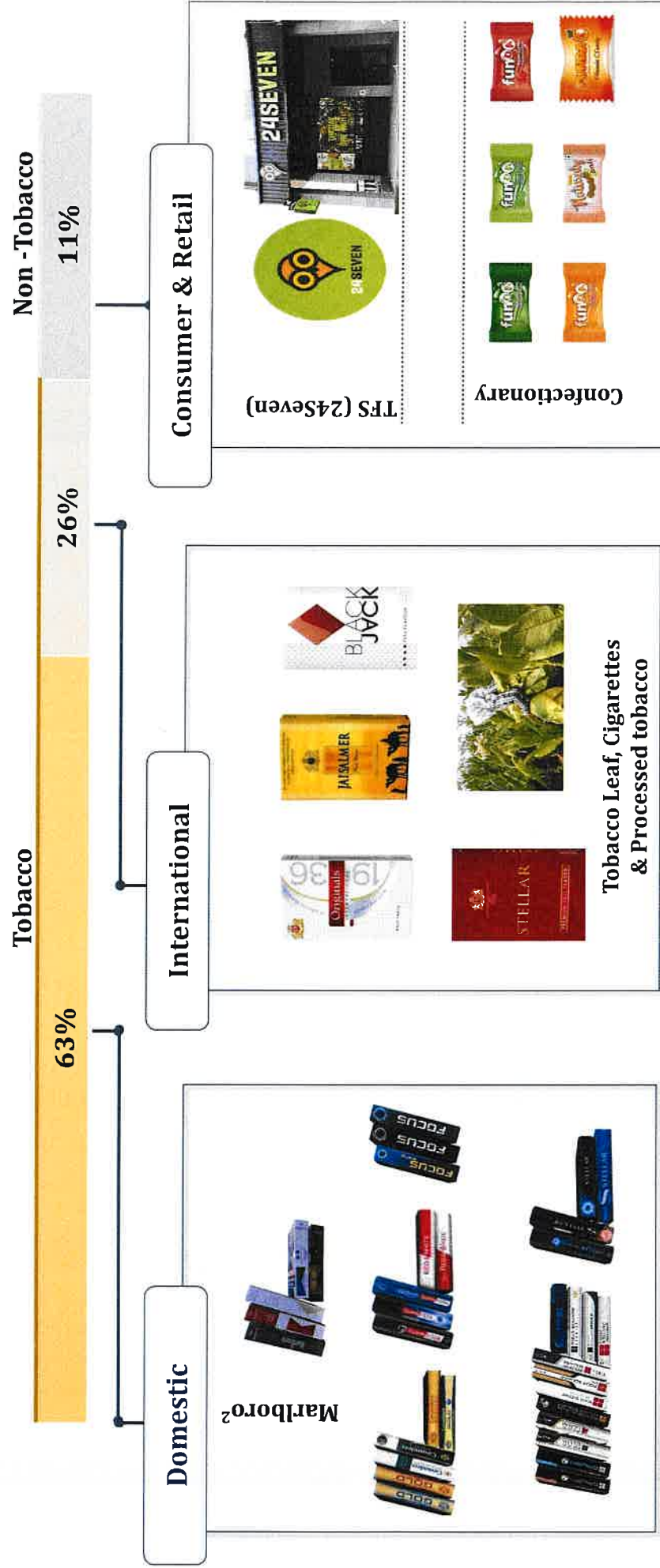
- 1 Above values are based on standalone financials
- 2 Gross Sales Value is inclusive of all applicable indirect taxes
- 3 Margins are calculated on Gross Sales Value

# Godfrey Phillips Product Portfolio – H1 FY23



GODFREY PHILLIPS  
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Net Sales: Rs. 2158 Cr



1 The ratios shown above are based on Net Sales

2 Marlboro is manufactured and distributed under exclusive procurement and supply agreements with Philip Morris International



## Management Perspective



GODFREY PHILLIPS  
INDIA LIMITED



**Mr. Sharad Aggarwal**  
Chief Executive Officer

We are delighted to announce our H1 FY23 financial results which reflect our continuing growth momentum from last year into this first half. The Company reported Gross Sales of Rs. 4,667 Crores and Net Profit of Rs. 311 Crores representing increases of 38% and 48% respectively compared to the same period last year. Similarly, our EBITDA (operating) margin has increased to 9.5% from 8.5% compared to last year. The focused approach of the Company and improvement in external environment has helped us to achieve these objectives. We are hoping to carry the momentum forward to remaining part of FY23.

Godfrey Phillips has delivered strong cigarette domestic volume growth in H1 FY23. The Company's topline is supported by increase in export of unmanufactured tobacco and cigarettes resulting in International Business contributing Rs. 566 Crores, a growth of 100% over corresponding period last year.

Gross Sales from 24Seven Convenience Stores (TFS) during H1 FY23 was Rs. 248 Crores, an increase of 25% over the corresponding period. The number of stores stand at 116 at the end of September 2022. Increased mobility has helped drive growth in this business.

The Company has divested from the chewing business in Oct-22 by sale/ assignment of associated trademarks and certain non-current assets This would help us to focus more on cigarette business.

While the pandemic has eased out, the safety of our workforce continues to remain our top priority and therefore, we continue to have in place a set of safety guidelines to ensure their well being. It gives me immense pleasure to see that the employees have fully adapted to work from office and we are working as one synchronic team with full dedication to ensure growth in business.

Godfrey Phillips has yet again been certified as 'Great Place To Work' for fourth consecutive year. Also, we are amongst India's Best Workplaces in Manufacturing in the Great Place to Work survey in 2022, a feat achieved third time in a row.

## About Us



- One of the leading FMCG Companies in India - flagship company of KK Modi Group
- Diversified business interests – Tobacco, Convenience Stores & Confectionary
- Strong Credit Rating : CRISIL A1+ (Short Term Debt) and AA+ /Stable (Long Term Loan)
- State-of-the-art Research & Development Facilities – ISO 17025 certification
- ISO 50001, ISO 14001, ISO 22000 and OSHAS 18001 certified manufacturing operations



# Driving Future Growth



GODFREY PHILLIPS  
INDIA LIMITED

## Growth Priorities



## Strategic Direction

- ✓ Sustain growth momentum across all markets and prepare a base for quantum jump
- ✓ Strengthen partnership with Philip Morris International in the manufacture and distribution of Marlboro brand cigarettes in India – recently through launch of 64 mm Pocket Filter in weak geographies
- ✓ Build on existing cigarettes export markets to enhance own brand sales
- ✓ Capitalise on the fast growing retail space through 24Seven's innovative approach
- ✓ Contribute to the socio-economic growth across the value chain through programs for tobacco farmers

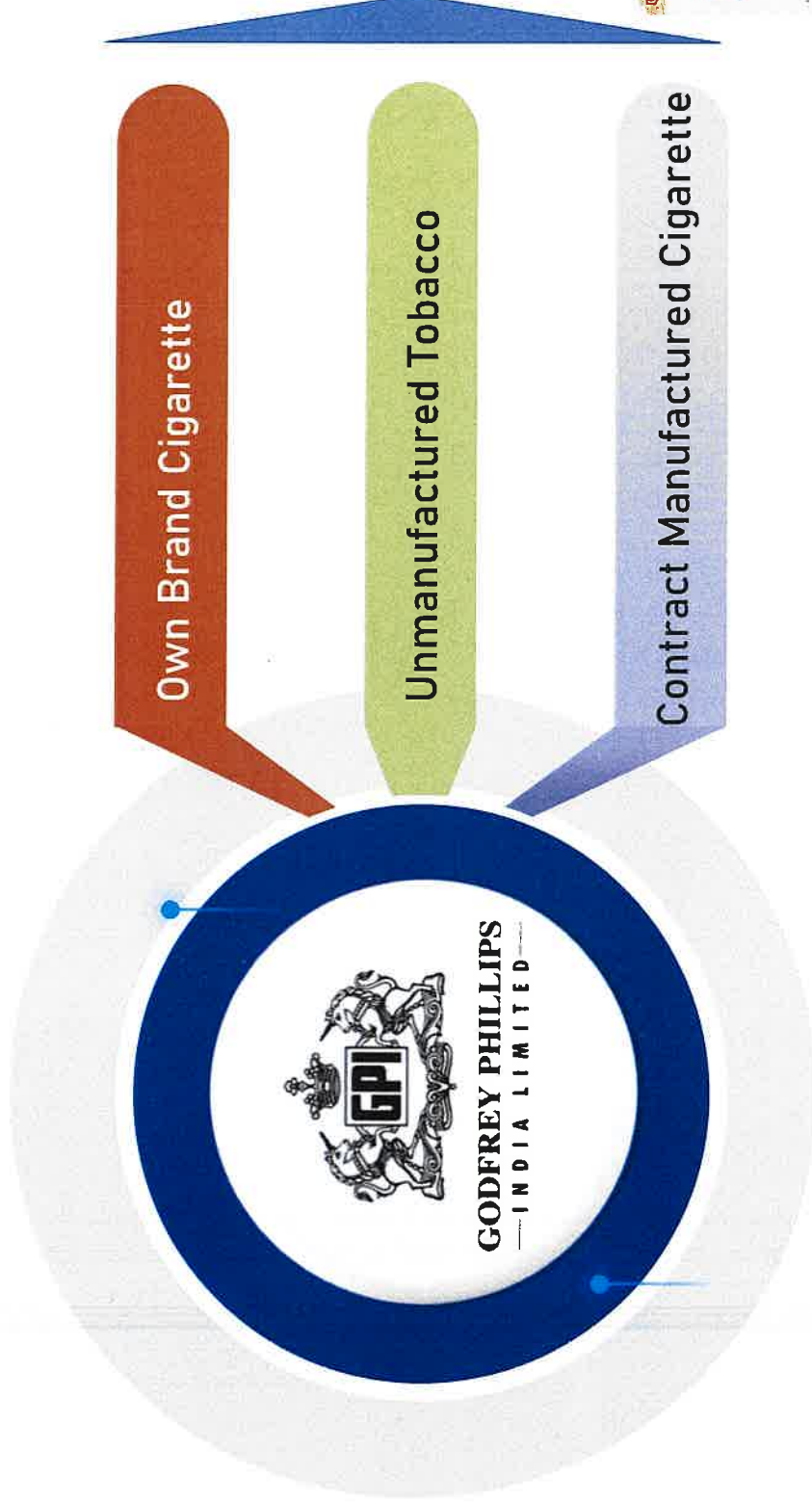


# Growth Priorities – International Business Division



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Build on existing contract manufactured cigarettes export markets and augment unmanufactured tobacco business



**Rs. 566 Cr**

In H1 FY23 Gross Sales Value

**26%**

Contribution to H1 FY23 Net Sales

## Global Operations

Significant market presence across Latin America, Middle East, South East Asia and Eastern Europe

**72 Countries**

Exporting through more than 90 partners





# GPI's other growth priorities – TFS, Confectionery & Chewing Businesses



GODFREY PHILLIPS  
INDIA LIMITED

## TFS

- The 24Seven chain of convenience stores are another example of Godfrey Phillips India's innovative approach to business
- Stores offer daily needs groceries, ready-to-eat foods, beverages, cosmetics and personal care products, music and movies, magazines, domestic and international courier services, instant photo development, bill payments, mobile phone recharges, movie tickets and several other offerings
- The Company has set up a base kitchen in Faridabad (Delhi NCR) to prepare all kinds of ready to eat food items in a highly quality controlled environment to cater to future expansion in retail stores in NCR



## Confectionery & Chewing Business

### Funda Goli

- With the introduction of the Funda Goli range of candies, GPIL established a niche for itself as a unique confectionery brand
- Funda Goli's fun range includes flavours like Kachha Aam, Refreshing Green Apple, Mast Guava, Orange Mints and Slurpy Lychee

### Imli Naturalz

- First of its kind candy with natural ingredients and distinguished taste

### Funda C

- First of its kind candy proposition with Vitamin C

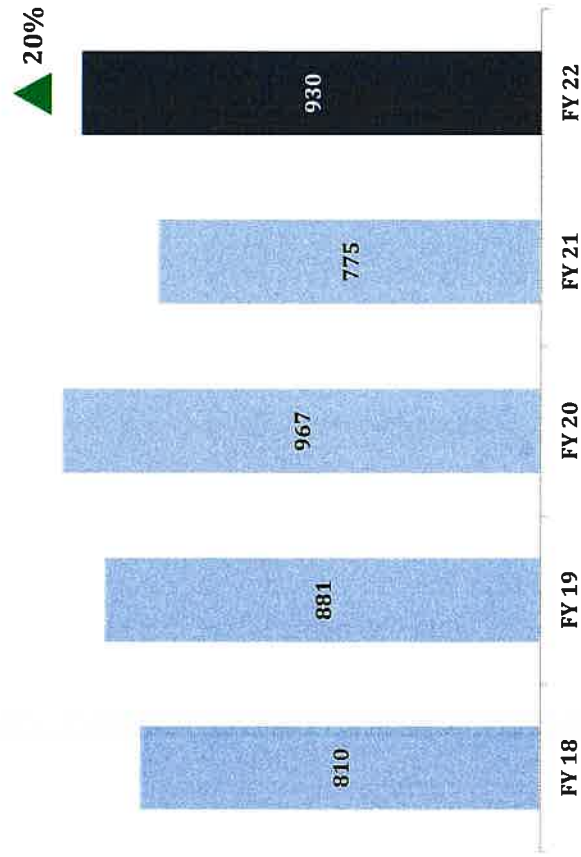


# Cigarette Domestic Volume

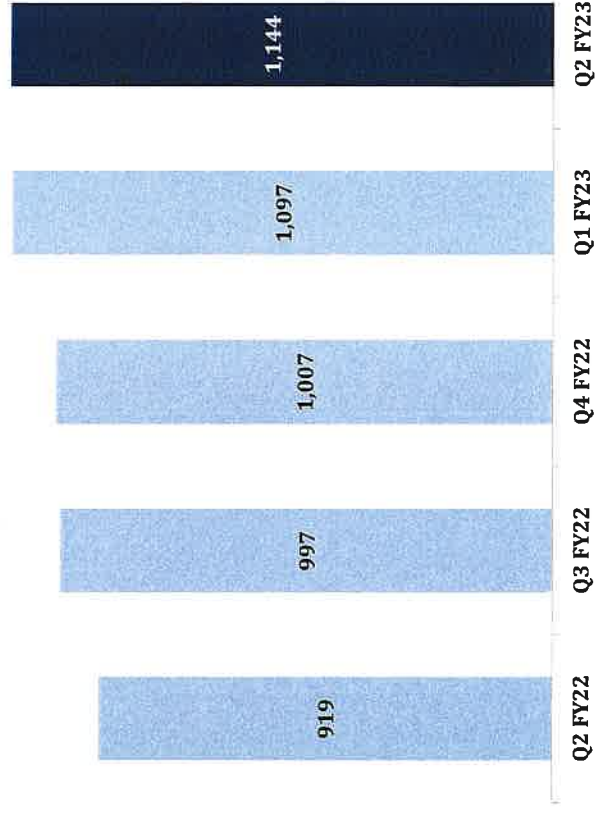


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Annual Volumes (million per month)



Quarterly Volumes (million per month)



# H1 FY23 Financial Summary



GODFREY PHILLIPS  
INDIA LIMITED

Rs. Crore	Standalone										Consolidated			
	Q2 FY23	Y-o-Y%	Q2 FY22	Q1 FY23	Q-o-Q%	H1 FY23	Y-o-Y%	H1 FY22	FY22	Y-o-Y%	FY21	FY22	Y-o-Y%	FY21
	2483	42.6%	1741	2184	13.7%	4667	38.4%	3371	7325	14.3%	6408	7339	14.2%	6426
<b>1</b>	<b>Gross Sales income</b>													
<b>2</b>	<b>Gross Revenue</b>	1191		767	982	2173	1497	1497	3215	2926	2926	3229	2961	
	Less- Excise duty	172		127	154	327	251	251	541	436	436	541	436	
	<b>Net Revenue</b>	1019	59.2%	640	828	1846	1246	1246	2674	2490	2490	2688	2525	
<b>3</b>	COGS	545		291	397	942	566	566	1225	1218	1218	1226	1223	
<b>4</b>	<b>Gross Profit</b>	474	35.8%	349	431	904	680	680	1449	1272	1272	1462	1302	
	% to Sales	19.1%		20.0%	19.7%	19.4%	20.2%	20.2%	19.8%	19.9%	19.9%	19.9%	20.3%	
<b>5</b>	Employee Benefits	72	10.8%	65	66	138	132	132	251	235	235	278	267	
	% to Sales	2.9%		3.7%	3.0%	3.0%	3.9%	3.9%	3.4%	3.7%	3.7%	3.8%	4.2%	
<b>6</b>	Advertising & sales promotion	18	(10.0)%	20	24	42	34	34	72	67	67	72	67	
	% to Sales	0.7%		1.1%	1.1%	0.9%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
<b>7</b>	Other expenses (Net)	148	22.3%	121	135	282	227	227	499	454	454	479	427	
	% to Sales	6.0%		7.0%	6.2%	6.0%	6.7%	6.7%	6.8%	7.1%	7.1%	6.5%	6.6%	
<b>8</b>	<b>EBITDA (Operating)</b>	236	65.0%	143	206	442	287	287	627	516	516	633	541	
	% to Sales	9.5%		8.2%	9.4%	9.5%	8.5%	8.5%	8.6%	8.1%	8.1%	8.6%	8.4%	
<b>9</b>	<b>Net Profit/(Loss)</b>	175	71.6%	102	136	311	210	210	432	357	357	438	377	
	% to Sales	7.0%		5.9%	6.2%	6.7%	6.2%	6.2%	5.9%	5.6%	5.6%	6.0%	5.9%	

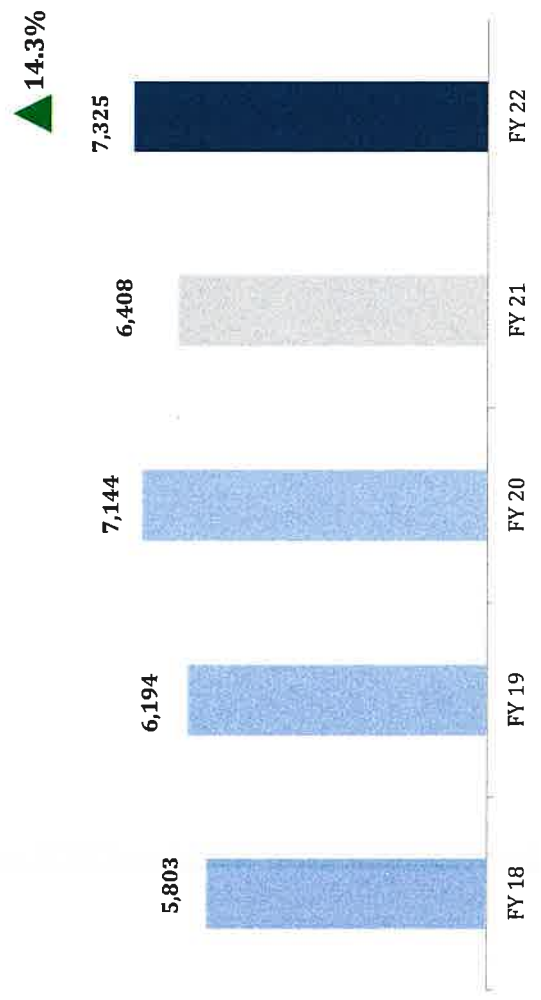
1 Margins are calculated based on Gross Sales Value

# Revenue Analysis

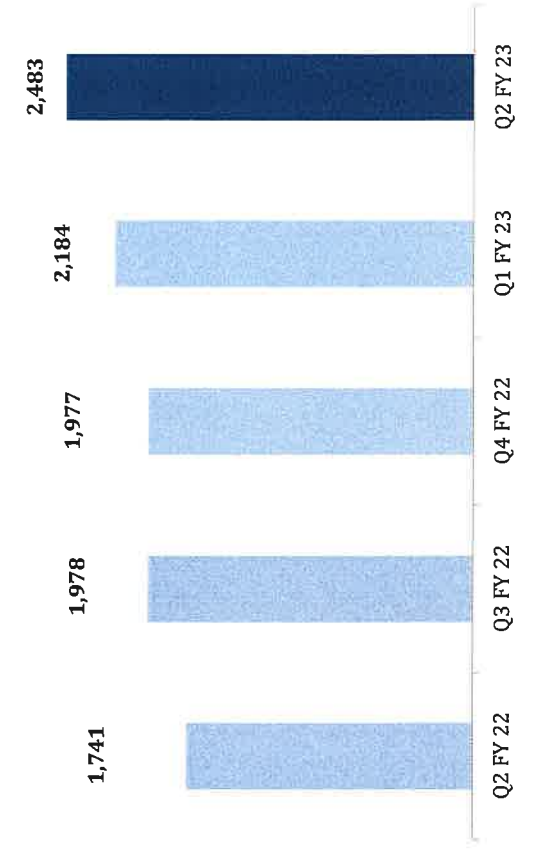


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INDIA LIMITED

Gross Sales Value -Annual (Rs. Crore)



Gross Sales Value - Quarterly Standalone (Rs. Crore)



• Gross Sales Value includes Excise Duty, NCCD, GST, GST Compensation Cess and VAT as applicable in the corresponding reporting period

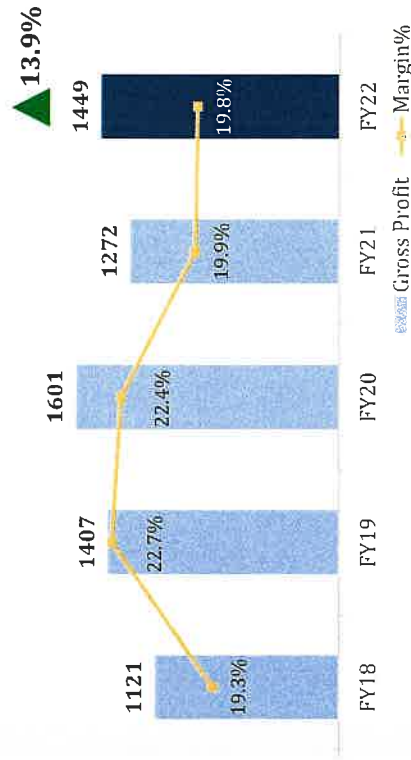


# Gross Profit and Net Profit Contribution

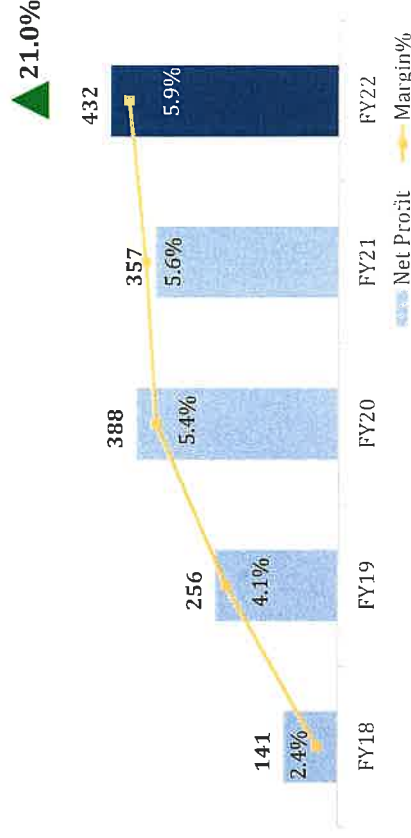


GODFREY PHILLIPS  
INDIA LIMITED

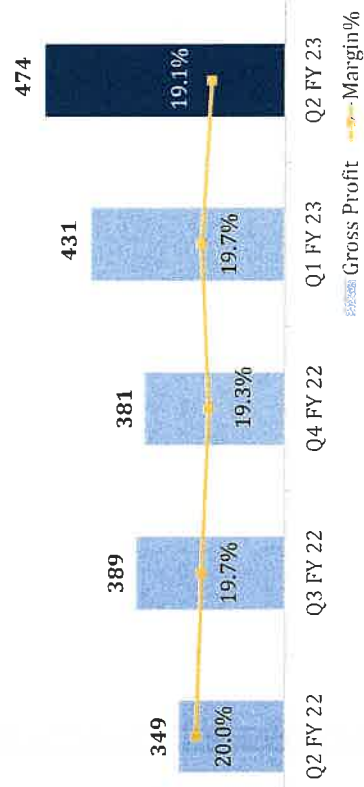
Gross Profit (Rs. Crore) and Margin (%)



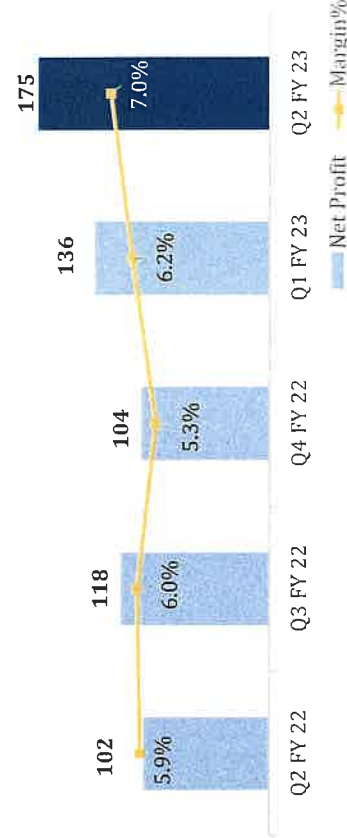
Net Profit (Rs. Crore) and Margin (%)



Gross Profit (Rs. Crore) and Margin (%)



Net Profit (Rs. Crore) and Margin (%)



# Focus on People as single largest priority



GODFREY PHILLIPS  
INDIA LIMITED

1

## Building Culture of Performance

Recognizing high performance and augmenting talent quotient with productivity building measures

2

## Capability Building

Skilling and reskilling initiatives on an accelerated path to drive up the organization skill pool

3

## Holistic Well Being


Workshops and interactions with employees to ensure physical and mental wellbeing

# GPI as Great Place to Work – consistently for 4 years in a row



GODFREY PHILLIPS  
INDIA LIMITED

Godfrey Phillips India was again recognized as a Great Place to Work for in April 2022; recently it was also again recognized as Best Workplaces in Manufacturing for 2022




**Great Place to Work for 4 years in a row – a unique recognition amongst the large conglomerates in India**

This is to certify that Godfrey Phillips India Limited has successfully completed the assessment conducted by Great Place to Work® Institute, India, and is certified as a great workplace.

This certificate is valid from Apr 2022 to Apr 2023.

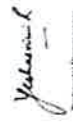


**Yashwanth**  
Chief Executive Officer  
Great Place to Work® Institute, India



**Godfrey Phillips India Ltd.**

*For inspiring trust among your people, creating an environment that provides career advice, and delivering a great workplace experience for all your employees*



**Yashwanth**  
Chief Executive Officer  
Great Place to Work® Institute, India

**India's Best Workplaces in Manufacturing 2022.**

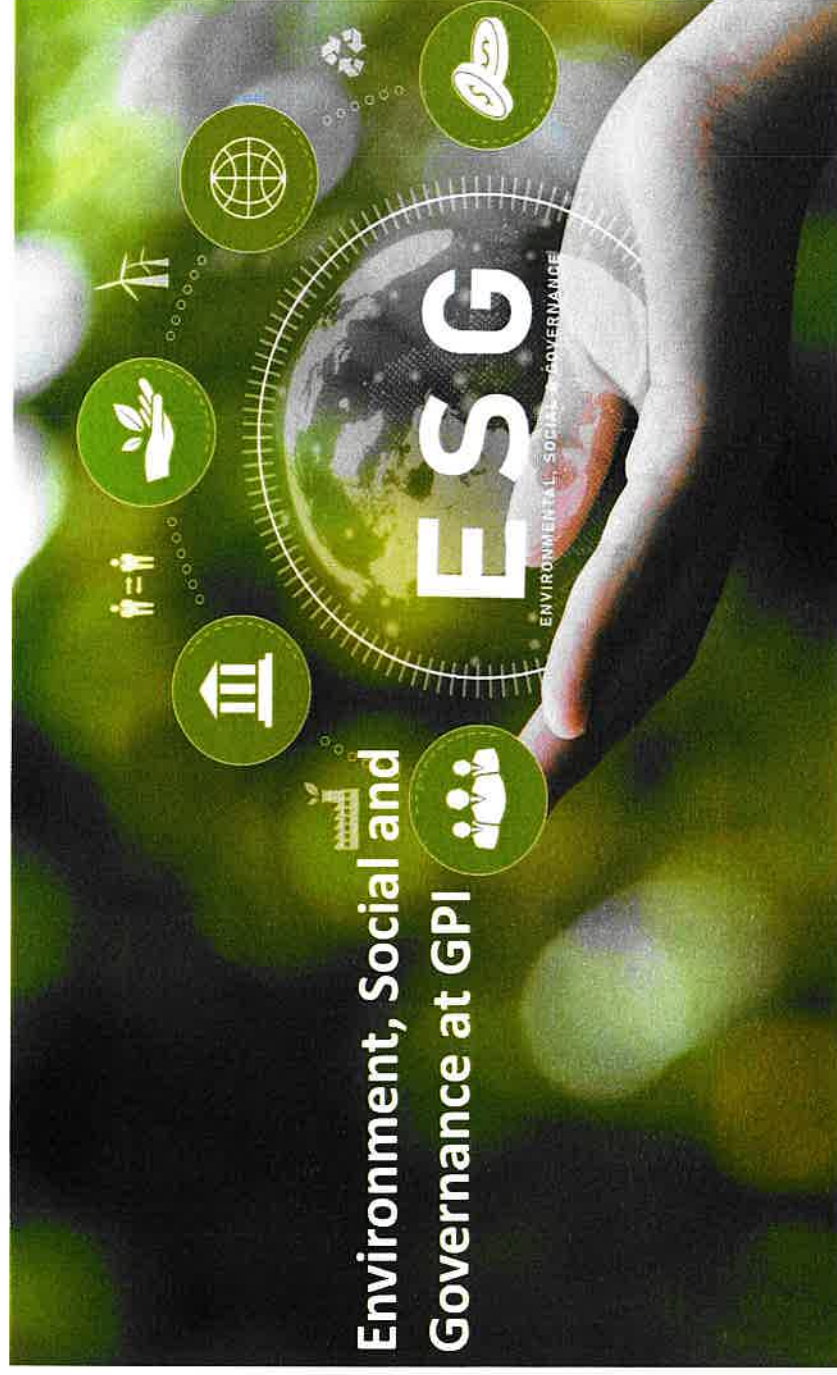
**Recognized for 3 years in a row!**



## ESG at GPI



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INDIA LIMITED



- GPI has a rich ESG legacy with significant work done in past.
- From FY'23, the ESG journey will commence in a structured manner.
- Environment is a key pivot in GPI operations and many resource conservation projects have been delivered in past; going forward, objective is to augment this work stream.
- 'People First' and strong principles of corporate governance are core elements of GPI's philosophy.



# Corporate Social Responsibility (CSR)



GODFREY PHILLIPS  
INDIA LIMITED

## Community Development Program for Burley Tobacco Farmers

**Program Objective :** Tobacco is the core component of Company's product.

The marginalized farmers community need to be protected to ensure;

- Sustainable livelihood,
- Sustainable tobacco farming
- Business growth and sustainability with an empowered and participatory community as partner

**Context:** Area falls under drought prone area and the poor farmers/labourers are caught in the trap of seasonal employment, low income leading to lower bargaining power, increased debts and downward trend in labour wages. These issues drive larger community issues such as low access to safe potable water as the region has high fluoride content, lack of community sanitation and hygiene, limited access to education and skills beyond farming, and with non-availability of social protection, the children of farmers & labourers get pushed into child labour.

### Program Goals

- Short term goals are to ensure farming efficiencies to provide sustainable livelihood.
- Long term plans, a necessity for sustainable business, are aimed at water and environment conservation to manage climate change that impact agriculture.

**156 villages** in Guntur district have been identified in total for outreach.

The social initiatives of Godfrey Phillips are in line with the UN SDG's for livelihood, education, water & sanitation, environment and climate change.





# Corporate Social Responsibility (CSR)



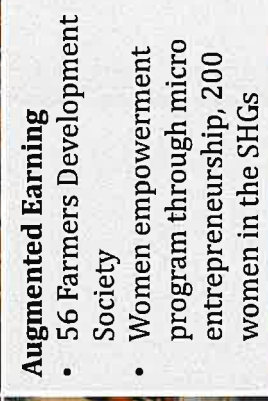
GODFREY PHILLIPS  
INDIA LIMITED

## Initiatives under Community Development Program for Burley Tobacco Farmers



### Elimination of Child Labour

- 50 After School programs keeping children back after school
- School infrastructure development
- Awareness workshops on child labour
- Over 3000 children impacted directly



### Augmented Earning Society

- 56 Farmers Development
- Women empowerment program through micro entrepreneurship, 200 women in the SHGs



### Water & Soil Conservation

- 20 check dams & 9 farm ponds
- 22 de-siltations to increase tank capacity and extract fertile top soil
- Borewell recharges for RO plants
- Waste water usage of RO plants
- 20 plus acres of bio diverse plantation, 2300 trees planted
- Pilot Solar Plant



### Safe Water & Health

- 35 Community RO Water Plants
- 45 Health camps annually
- Awareness camps on COVID care





# Corporate Social Responsibility (CSR)



GODFREY PHILLIPS  
INDIA LIMITED

## Impact , Awards & Recognitions for Godfrey Phillips Program

### Impact :

- Better quality and higher volume of tobacco produce for farmers who are now earning more. More farmers want to enroll with improved tobacco farming.
- Check Dams have led ground water table increase by about 28 ft.
- Desiltation enabled increase in storage capacity of the tanks.
- Villagers are getting to drinking RO water. Water related diseases are down.
- Solar Plant saved energy consumption for Panchayat.
- Zero cases of child labour reported. Higher enrollment and lower dropout noted with infrastructure.
- Attendance reaches 92 % in after school programs.

**About 2,00,000 villagers are direct and indirect beneficiaries with outreach in 85 villages.**



### Awards :

- The GPI CSR program has been formally recognized by the office of District Magistrate & Collector, Andhra Pradesh Govt.
- Mahatma Award 'CSR Excellence' 2020 (initiative by Aditya Birla Group)
  - Greentech Foundation CSR Gold Award 2018, 2019 & 2020,
  - Apex CSR Excellence Award 2019 & 2020,
  - CSR Leadership Award 2019



# Corporate Social Responsibility (CSR)



GODFREY PHILLIPS  
INDIA LIMITED

## Promotion of education and healthcare through Modicare Foundation

Founded in 1996, Modicare Foundation's core focus areas are empowerment of children, adolescents and women by developing a holistic approach towards education, life skills and leadership

### Vision

Modicare foundation strongly believes that every individual has the potential to transform his / her to life to grow and develop as an active citizen

### Mission

Empower the marginalised population specially women, adolescents, youth and children with skills and knowledge to work as change agents for themselves and their community

## Key Projects

### Khwabgah



- Provide comprehensive development opportunities to children, adolescents / young adults and their families
- Over 1,500 children are directly benefitting while over 100,000 people are receiving services and support
- Location: Slums of South Delhi

### Ambassadors of Change (AOC)



- Flagship programme since 2000, provides life skill education for in and out of school adolescents
- Empower 4200 adolescents every month and till date it has reached over 1.5 lakh adolescents and 130 institutions

### Ehsaas



- Supported by Clinton Foundation, USA and works as coordinating agency on the National Pediatric Program which linked HIV+ children with government ART centres
- Supported over 1000 affected families and provided HIV related counselling services to 11,000 people

### Partners in Change



- Provides training / capacity building on gender, sexual harassment at workplaces, reproductive health, HIV/AIDS
- Support includes activities such as awareness generation through community based camps, forming internal committees, master trainers





GODFREY PHILLIPS  
—INDIA LIMITED—

## Godfrey Phillips India Limited

CIN: L16004MH1936PLC008587

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*For more information, please contact:*

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*Chief Financial Officer*  
Godfrey Phillips India

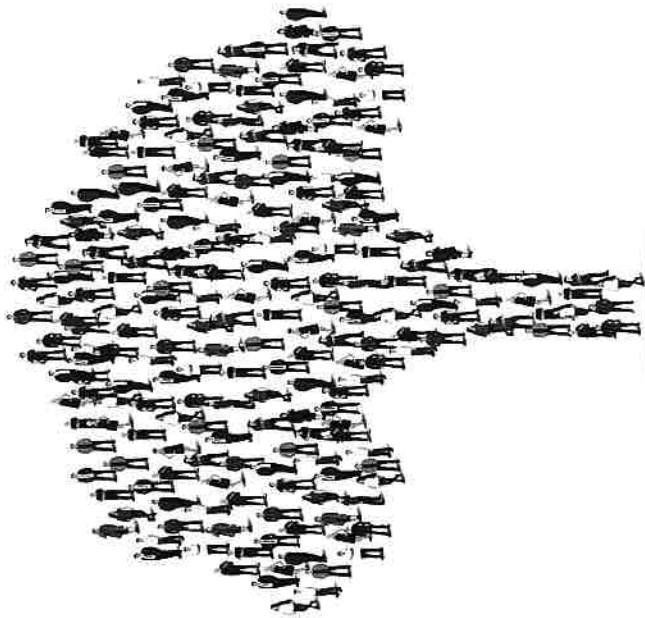
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Disclaimer: This presentation contains statements that contain "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Godfrey Phillips India Limited's ("GPI" or the Company) future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. GPI undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.



**GODFREY PHILLIPS  
INDIA LIMITED**

**GODFREY PHILLIPS INDIA LIMITED**

**HEAD OFFICE**

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**REGISTERED OFFICE**

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For more information, log on to [www.godfreyphillips.com](http://www.godfreyphillips.com)