

Godrej Agrovet Ltd.
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CIN : L15410MH1991PLC135359

Date: August 10, 2021

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: Presentation to Investors & Analysts

Dear Sir/Madam,

The Board of Directors of Godrej Agrovet Limited ("The Company") at its Meeting held today i.e. on **Tuesday, August 10, 2021**, has approved the Unaudited Financial Results (both Standalone and Consolidated) as per the Indian Accounting Standards (INDAS) for the Quarter ended June 30, 2021.

We enclose a copy of the presentation for the Investors and Analysts and the same is being placed on the website of the Company i.e., www.godrejagrovvet.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



GODREJ AGROVET LIMITED

PERFORMANCE UPDATE – Q1FY22

August 10, 2021



GAVL PERFORMANCE HIGHLIGHTS

STANDALONE Q1FY22 FINANCIALS – Key Highlights



Particulars (Rs crore, unless stated)	Q1FY22	Q1FY21	% Growth
Total Income	1,559.5	1,163.6	34.0%
Gross Profit	348.9	296.5	17.7%
<i>Gross Profit Margin (%)</i>	22.4%	25.5%	
EBITDA	160.9	142.3	13.1%
<i>EBITDA Margin (%)</i>	10.3%	12.2%	
Profit before tax (PBT)	128.3	113.0	13.5%
<i>PBT Margin (%)</i>	8.2%	9.7%	
Profit after tax (PAT)	95.4	86.5	10.3%
<i>PAT Margin (%)</i>	6.1%	7.4%	

CONSOLIDATED Q1FY22 FINANCIALS – Key Highlights



Particulars (Rs crore, unless stated)	Q1FY22	Q1FY21	% Growth
Total Income	2,003.2	1,562.4	28.2%
Gross Profit	491.8	430.6	14.2%
<i>Gross Profit Margin (%)</i>	24.5%	27.6%	
EBITDA	180.0	174.2	3.3%
<i>EBITDA Margin (%)</i>	9.0%	11.1%	
Profit before tax (PBT)	137.5	134.4	2.3%
<i>PBT Margin (%)</i>	6.9%	8.6%	
Profit after tax (PAT)	104.7	100.6	4.1%
<i>PAT Margin (%)</i>	5.2%	6.4%	

Note: Consolidated PBT includes profit from share of associate/JVs

COVID-19 2nd Wave: Ensuring business continuity and employee safety



- **Second wave of COVID-19 in India is more severe and has dented economic recovery**
 - ❑ Micro-lockdowns across states have caused slowdown in business recovery, however, situation is better than the same period in the previous year
 - ❑ More than 50% COVID-19 cases in 2nd wave were in rural India, impacting rural demand
 - ❑ Demand from HoReCa segment declined sequentially, leading to lower prices for poultry and poultry products
 - ❑ Commodity prices surged due to increase in demand in domestic and international markets
- **GAVL's focus was on employee safety and business continuity**
 - ❑ **Vaccination** - Nearly 88% of employees have been vaccinated with one dose, expected to cover entire 100% employees shortly (excluding employees with medical conditions)
 - ❑ Extending medical and financial support in emergency situations and ensuring mental wellbeing of employees through online sessions
 - ❑ All manufacturing plants are operational with stringent safety measures in place for employees in all our locations
 - ❑ Strategic stocking of key raw material to avert production disruptions
 - ❑ Balance sheet is strong and liquidity position is comfortable

SEGMENT-WISE PERFORMANCE UPDATE

ANIMAL FEED



Leading compound feed play across Cattle (Milk), Broiler, Layer, Fish and Shrimp feed in India

Particulars	Q1FY22	Q1FY21	Growth
Sales Volume (tons)	3,16,838	2,67,749	18.3%
Segment Revenue (Cr)	1,001.3	748.0	33.9%
Segment Result (Cr)	63.7	48.1	32.5%
Segment Margin (%)	6.4%	6.4%	

- Demand up-tick in feed categories i.e. cattle, broiler and layer led to strong volume growth. This coupled with price hikes taken during the quarter resulted in revenue growth of 33.9% YoY in Q1FY22
- Segment results grew by 32.5% YoY despite high increase in key commodity prices. Realisation of R&D benefits and strategic raw material stocking supported profitability levels
- However, aqua feed business was adversely impacted by limited ability to pass on the raw material price increase in shrimp feed



OIL PALM BUSINESS



Largest domestic producer of Crude Palm oil and Palm Kernel Oil

Particulars	Q1FY22	Q1FY21	Growth
Segment Revenue (Cr)	288.8	157.4	83.5%
Segment Result (Cr)	32.6	6.5	403.6%
Segment Margin (%)	11.3%	4.1%	

- Crude palm oil (CPO) and palm kernel oil (PKO) prices were high year-on-year in Q1FY22, resulting in strong growth in segment revenues and segment results. Oil extraction ratio also increased over the previous year.
- The plants won two awards for energy efficiency/management
 - ❑ SEEM National Energy Management Award 2020 for second time
 - ❑ Green tech Energy Conservation Award 2021



CROP PROTECTION BUSINESS



Agrochemical products produced cater to the entire crop lifecycles

Particulars	Q1FY22	Q1FY21	Growth
Segment Revenue (Cr)	240.5	208.2	15.5%
Segment Result (Cr)	64.0	60.4	5.9%
Segment Margin (%)	26.6%	29.0%	

- Segment revenues in Q1FY22 is driven by higher sale of in-house products over the previous year. Sales could have been higher, but good and early start of south-west monsoon was followed by a long gap of 25-30 days, which affected the sowing of major crops and thereby the demand for agrochemicals in June -21
- Raw material prices increased sharply due to increase in demand and limited supply from China. However, entire cost inflation could not be passed on resulting in margin pressure.





Manufactures a wide range of agrochemical active ingredients and pharmaceutical intermediates

Particulars	Q1FY22	Q1FY21	Growth
Revenue (Cr)	128.7	111.9	14.9%
EBITDA (Cr)	25.5	29.5	(13.7%)
<i>EBITDA Margin (%)</i>	19.8%	26.4%	

- Revenue growth is driven by domestic business as exports have declined in Q1FY22. Prices of key products declined in the international markets, which caused sales to be lower despite increase in volumes. Segment-wise, revenue growth is driven by enterprise sales as contract manufacturing business is typically lower in the first quarter.
- EBITDA is impacted by raw material costs inflation which restricted increase in gross profit. Further, fixed overheads have increased due to normalization of business activity.
- Herbicide plant will be operationalize in Q2FY22 and will contribute to revenues in FY22. R&D center is expected to be completed in third quarter of FY23.

Particulars	Q1FY22	Q1FY21	Growth
Revenue (Cr)	266.5	236.5	12.7%
EBITDA (Cr)	(3.1)	10.3	NA
EBITDA Margin (%)	(1.2%)	4.4%	

- After a pick-up seen in preceding quarter, demand for milk and milk products was impacted by the micro lockdowns in southern states. However, volumes and sales have grown across the product portfolio on a lower base of Q1FY21
- EBITDA has been impacted by increase in procurement costs which have started increasing from January onwards. Due to limited demand, dairy companies in South-India have not taken price hikes.
- Launched Mango Recharge energy drink to push volumes expansion and grow the 'whey' category for Godrej Jersey



GODREJ TYSON FOODS LIMITED



Particulars	Q1FY22	Q1FY21	Growth
Revenue (Cr)	177.6	165.5	7.3%
EBITDA (Cr)	(0.3)	21.5	NA
<i>EBITDA margin %</i>	(0.2%)	13.0%	

- Prices for poultry and poultry products was impacted by lower demand from HoReCa segment and lower out-of-home consumption. Further, raw material costs were high due to sharp surge in commodity prices. This has adversely impacted margins.
- With the easing of restrictions in many states, the demand and prices have increased. This will increase profitability levels from July-21 onwards

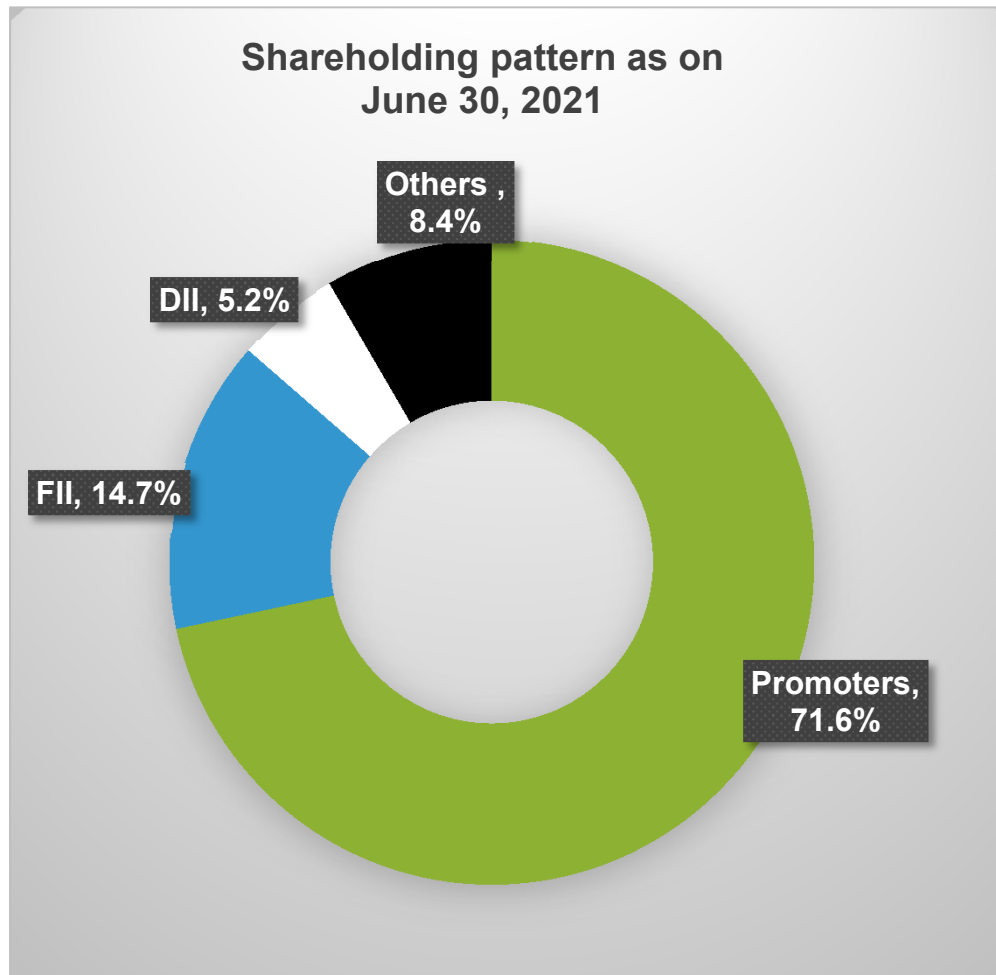


JOINT VENTURE- ACI GODREJ AGROVET PRIVATE LTD.

Particulars	Q1FY22	Q1FY21	Growth
Revenue (Rs.Cr)	378.2	309.4	22.2%

GAVL SHAREHOLDING PATTERN

Major Investors



- Temasek
- Aberdeen
- Kotak Mutual Fund
- LIC India
- DSP
- Vanguard
- Bajaj Holdings
- Tata AIG
- Quant Mutual Fund

CONTACT US



To know more, visit us at:
www.godrejagroveter.com

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



THANK YOU FOR YOUR TIME AND CONSIDERATION