

Godrej Agrovet Ltd.
Registered Office : Godrej One,
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Website : www.godrejagrovet.com
CIN : L15410MH1991PLC135359

Date: May 11, 2020

To,
BSE Limited
P. J. Towers, Dalal Street, Fort,
Mumbai – 400 001.

To,
National Stock Exchange of India Limited
Exchange Plaza, BandraKurla Complex,
Bandra (East), Mumbai - 400 051.

Ref.: BSE Scrip Code No. “540743”

Ref.: “GODREJAGRO”

Subject: Presentation to Investors & Analysts

Dear Sir(s),

The Board of Directors of Godrej Agrovet Limited (“the Company”) at its Meeting held today i.e., Monday, May 11, 2020, has approved the Audited Financial Results (both Standalone & Consolidated) as per Indian Accounting Standards (IND AS) for the Quarter and Financial Year ended March 31, 2020. We enclose copy of the presentation for the Investors and Analysts 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 faithfully,

For Godrej Agrovet Limited

Vivek Raizada
Head – Legal & Company Secretary & Compliance Officer

Encl: A/a



4Q & FY20 PERFORMANCE UPDATE

May 11, 2020



GAVL PERFORMANCE HIGHLIGHTS

4QFY20 FINANCIALS – Key Highlights



Particulars	Standalone			Consolidated		
	4QFY20	4QFY19	% Growth	4QFY20	4QFY19	% Growth
(Rs crore, unless stated)						
Total Income	1,165.5	1,002.2	16.3%	1,643.6	1,401.6	17.3%
Earnings before interest, tax and Depreciation (EBITDA)	127.6	48.5	163.2%	142.2	85.5	66.3%
EBITDA Margin (%)	10.9%	4.8%		8.7%	6.1%	
Profit before tax (PBT)	101.8	27.4	272.2%	86.1	139.8	(38.4%)
PBT Margin (%)	8.7%	2.7%		5.2%	10.0%	
Profit after tax (PAT)	79.1	17.7	345.8%	69.2	120.7	(42.7%)
PAT Margin (%)	6.8%	1.8%		4.2%	8.6%	
Earning Per Share (Rs.)	4.12	0.89		3.89	5.88	

Notes: (1) 4QFY20 total income includes Rs.134.7 crore, EBITDA, PBT includes Rs.78.1 crore and PAT includes Rs 61.7 crore of non-recurring income earned from real estate project; (2) Consolidated 4QFY19 EBITDA, PBT includes Rs.2.3 crore and PAT includes Rs.1.5 crore of non-recurring loss incurred on sale of land in CDPL; (3) Financials include exceptional items; (4) 4QFY20 Consolidated PBT and PAT have also impacted by the fair valuation loss of Rs.16.6 crore for GAVL investment in units of Omnivore India Capital Trust (compared to fair valuation gain of Rs.6.8 crore in the previous year).

FY20 FINANCIALS – Key Highlights



Particulars	Standalone			Consolidated		
	FY20	FY19	% Growth	FY20	FY19	% Growth
(Rs crore, unless stated)						
Total Income	5,159.7	4,394.9	17.4%	7,010.9	5,970.8	17.4%
Earnings before interest, tax and Depreciation (EBITDA)	462.6	388.1	19.2%	535.3	509.0	5.2%
EBITDA Margin (%)	9.0%	8.8%		7.6%	8.5%	
Profit before tax (PBT)	359.2	307.5	16.8%	348.6	477.3	(27.0%)
PBT Margin (%)	7.0%	7.0%		5.0%	8.0%	
Profit after tax (PAT)	293.3	207.9	41.1%	300.6	349.3	(14.0%)
PAT Margin (%)	5.7%	4.7%		4.3%	5.9%	
Earning Per Share (Rs.)	15.27	10.68		15.94	16.99	

Notes: (1) FY20 total income includes of Rs.134.7 crore, EBITDA, PBT include of Rs.78.1 crore and PAT includes Rs 61.7 crore of non-recurring income from real estate project; (2) Total income, EBITDA and PBT for full year FY19 includes Rs. 29.9 crore and PAT includes Rs.23.0 crore of non-recurring income pertaining to profit earned on sale of land (net of expenses); (3) Consolidated FY19 EBITDA, PBT includes Rs.2.3 crore and PAT includes Rs 1.5 crore of non-recurring loss incurred on sale of land in CDPL; (4) Financials include exceptional items; FY20 Consolidated PBT and PAT have also been impacted by the fair valuation loss of Rs.16.6 crore for GAVL investment in Omnivore India Capital Trust (compared to fair valuation gain of Rs.6.8 crore in the previous year).

Key Balance Sheet Data – Consolidated financials



Particulars		March 31, 2020	March 31, 2019
Net Working Capital (Ex-cash and equivalents)	Rs. Crore	493.3	449.0
Net Working Capital days	Days	26	28
Total Debt	Rs. Crore	630.3	395.3
Net Debt	Rs. Crore	581.6	370.2
Equity (ex- minority interest)	Rs. Crore	1,838.1	1,649.2
Capital Employed	Rs. Crore	2,850.9	2,447.9
Net Debt to Total Equity	Times (X)	0.32	0.22

COVID-19 IMPACT

COVID-19- Impact on 4QFY20 performance



- **COVID-19 pandemic is the toughest situation in years**
- **In February 2020, false rumour of linking COVID-19 infection to consumption of poultry and related products impacted the industry**
 - ❑ Demand and prices of poultry and its products declined
 - ❑ Broiler and layer feed demand also declined
 - ❑ Impacted performance of Animal Feed and GTFL
- **Outbreak of COVID-19 in mid-March 2020 in India disrupted operations at many locations:**
 - ❑ Volumes and sales were impacted from mid March 2020
 - ❑ Manufacturing facilities were closed post the nationwide lockdown from March 24, 2020

GAVL is well-positioned to emerge stronger in current unprecedented situation



- **GAVL's businesses are in agriculture sector, which is more resilient**
- **Safety of employees and business partners is our key priority**
 - ❑ Strict health and safety protocols deployed across all businesses and locations
- **Strong business continuity plan in place**
 - ❑ All factories are operational after obtaining necessary approvals
 - ❑ Demand for end products remain firm as they are part of essential commodities
- **Focus on cost optimisation and cash flows**
 - ❑ All non-essential expenditure to be curtailed
 - ❑ Only urgent capex projects to be undertaken
 - ❑ Working capital position to be reviewed regular across businesses
- **GAVL has strong balance sheet (net debt: equity of 0.32x) and healthy liquidity position**

SEGMENT-WISE PERFORMANCE UPDATE

ANIMAL FEED



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

Particulars	4Q FY20	4Q FY19	Growth	FY20	FY19	Growth
Sales Volume (tons)	2,94,215	3,31,806	(11.3%)	13,00,838	12,64,510	2.9%
Segment Revenue (Cr)	881.0	882.1	(0.1%)	3,717.7	3,096.8	20.1%
Segment Result (Cr)	33.2	46.1	(27.9%)	153.7	128.5	19.6%
Segment Margin (%)	3.8%	5.2%		4.1%	4.2%	

- Volume decline in 4QFY20 is mainly due to:
 - Decline in poultry feed in February and March 2020 on account of COVID-19 rumours
 - Slowdown in sales of the other feed segments from mid-March 2020
- Despite price hikes taken, volume decline along with high raw material costs impacted segment result in 4QFY20
- For FY2019-20, segment revenue and segment result have posted strong growth of 20.1% and 19.6%, respectively mainly driven by price hikes taken across product categories
- Recovery in poultry and egg prices in April 2020, as COVID-19 linked rumours fades; volumes and margins expected to improve in coming months



OIL PALM BUSINESS



Largest domestic producer of Crude Palm oil and Palm Kernel Oil

Particulars	4QFY20	4QFY19	Growth	FY20	FY19	Growth
Segment Revenue (Cr)	66.5	63.4	4.9%	673.5	679.3	(0.9%)
Segment Result (Cr)	4.3	(0.1)	NA	89.3	113.4	(21.2%)
Segment Margin (%)	6.5%	(0.2%)		13.3%	16.7%	

- Increase in crude palm oil prices in 4QFY20 benefited segment revenue and segment result; FFB arrival was marginally impacted by the lockdown post mid-March 2020
- However, for financial year 2019-20 performance has been adversely impacted by lower end product prices and lower oil content in the peak season (first half of the year)
- FFB arrivals increased by 14.8% in the current financial year compared to the previous year



CROP PROTECTION BUSINESS



Agrochemical products produced cater to the entire crop lifecycles

Particulars	4QFY20	4QFY19	Growth	FY20	FY19	Growth
Segment Revenue (Cr)	67.0	45.2	48.1%	567.7	549.4	3.3%
Segment Result (Cr)	5.9	8.9	(33.9%)	153.8	160.1	(3.9%)
Segment Margin (%)	8.8%	19.7%		27.1%	29.1%	

- During the quarter, while segment revenue grew by 48.1%, segment result declined by 33.9% compared to same quarter in the previous year
- For full year-2019-20, performance was muted as Kharif season was delayed and subsequently monsoon was extended which reduced the application opportunities, especially for speciality products
- In 2019-20, company successfully launched 'Hitweed Maxx' which is an in-house cotton herbicide and 'Hanabi' which is a specialist to control mites on tea plantation
- Launch of other new products such as Bloxit, Veteran, Prudens, and Rohelus will help increase our product offering to the farmers





Manufactures a wide range of agrochemical active ingredients and pharmaceutical intermediates

Particulars	4QFY20	4QFY19	Growth	FY20	FY19	Growth
Revenue (Cr)	180.5	133.8	35.0%	522.6	430.9	21.3%
EBITDA (Cr)	47.9	28.8	66.2%	97.1	87.6	10.8%
<i>EBITDA Margin (%)</i>	26.5%	21.6%		18.6%	20.3%	

- Higher realisation along with volume growth in key products during the fourth quarter contributed to the revenue and EBITDA growth
- Segment-wise, revenue growth in 4QFY20 and FY2019-20 was mainly supported by enterprise sales. Contract manufacturing also grew over comparative previous periods
- Geographically, both domestic sales and exports have driven the growth in the current financial year
- Focus on investments in expanding capacities and backward integration projects which will support growth and margins in the medium-term

CREAMLINE DAIRY



Particulars	4QFY20	4QFY19	Growth	FY20	FY19	Growth
Revenue (Cr)	280.8	267.4	5.0%	1,193.0	1,157.8	3.0%
EBITDA (Cr)	2.1	12.6	(83.3%)	32.3	42.7	(24.4%)
EBITDA Margin (%)	0.7%	4.7%		2.7%	3.7%	

- Revenue growth was modest for 4QFY20 and FY20 as milk sales have declined in current year; however, value added products have grown at a faster pace during the year
- EBITDA during the quarter and for the year was significantly impacted by high milk procurement prices; despite taking price hikes entire costs could not be passed to customer
- Volumes and profitability in 4QFY20 were also impacted by COVID-19 disruption which started in mid- March 2020
- Launched 'Jersey RECHARGE' – a energy drink for the youth which hareceived positive response from customers



GODREJ TYSON FOODS LIMITED



Particulars	4QFY20	4QFY19	Growth	FY20	FY19	Growth
Revenue (Cr)	113.9	120.1	(5.1%)	515.4	486.7	5.9%
EBITDA (Cr)	(33.5)	3.9	NA	(47.6)	24.2	(297.0%)

- Performance of the current quarter was adversely impacted by false rumours of linking COVID-19 to poultry; resulting in sharp decline in volumes and prices of poultry and poultry products
- For the full year 2019-20, EBITDA was also impacted by high raw material prices in the live bird segment

JOINT VENTURE

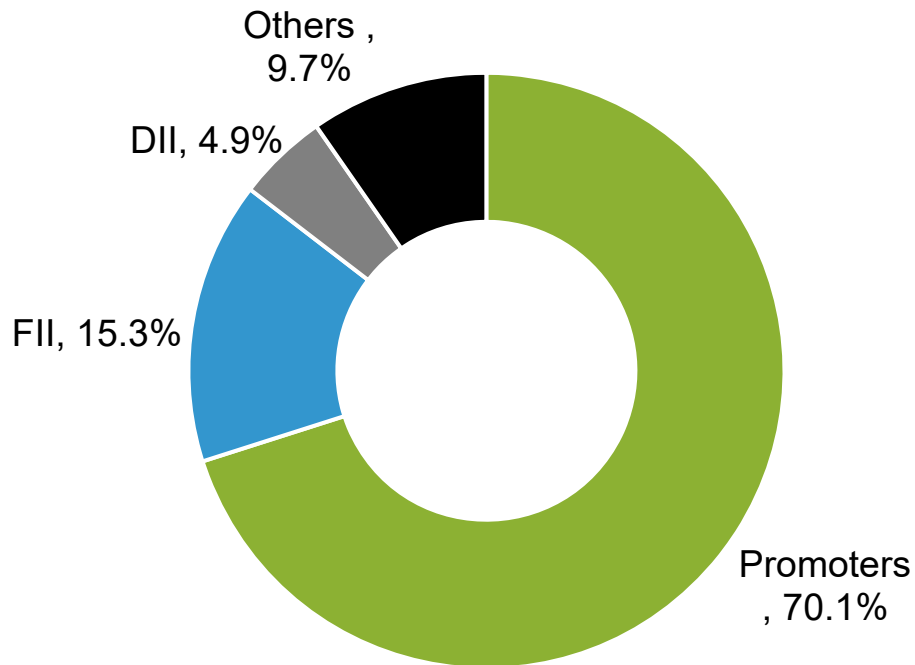
ACI GODREJ AGROVET PRIVATE LIMITED - BANGLADESH



Particulars	4QFY20	4QFY19	Growth	FY20	FY19	Growth
Revenue (Cr)	288.5	157.4	83.3%	1,027.2	654.9	56.9%

GAVL SHAREHOLDING PATTERN

Shareholding pattern as on March 31, 2020



Major Investors

- Temasek
- Aberdeen
- J P Morgan
- Vanguard
- Kotak MF
- ICICI Prudential MF
- Bajaj Holdings
- Tata MF
- LIC India

CONTACT US



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DISCLAIMER

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THANK YOU FOR YOUR TIME AND CONSIDERATION