

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

Date: February 8, 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: Presentation to Investors & Analysts

Dear Sir/Madam,

The Board of Directors of Godrej Agrovet Limited ("The Company") at its Meeting held on **Wednesday, February 8, 2023**, has approved the Standalone and Consolidated Unaudited Financial Results for the Quarter and Nine Months' period ended December 31, 2022.

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.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



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GODREJ AGROVET LIMITED

Q3 & 9M FY23 PERFORMANCE UPDATE



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.



ESG UPDATE

GAVL SCORES REMAINED AHEAD OF GLOBAL AVERAGES FOR CLIMATE & PALM ON CLIMATE DISCLOSURE PROJECT (CDP) SUBMISSIONS



Participated in the CDP carbon and forests disclosure, becoming one of the first companies in the agri sector to do so in India

Focus Area	GAVL scores* in comparison with global averages	Key Areas of Improvement
Climate	GAVL – B	Emissions reduction initiatives, SBTi, risk assessment & business strategy
	Food sector Average – C	
	Asia Regional Average – C Global Average – C	
Forests	GAVL Palm – B	Forests (Palm) – Certification, Targets, Risk assessment, policy and business strategy
	Food sector Average – C	
	Asia Regional Average – C Global Average – C	



- Member of the World Business Council for Sustainable Development
- Signatories to the Vision 2050 ambition roadmap



- Member of the Global Agribusiness Alliance, of which Mr. Nadir B. Godrej is also current chair
- Committed to action areas of water stewardship and livelihood enhancements for farmers



- Committed to the global Science Based Targets initiative (SBTi) to reduce our emissions in line with the global 1.5 and 2 degree reduction targets.



- Signatories to the global EP100 framework created by the Climate Group, committed to doubling our energy productivity by 2030



- Signatories and members of WWF action groups like REDE (to drive RE adoption) and SPOC (Sustainable Palm Oil Coalition)



- Participated in the CDP carbon and forests disclosure, becoming one of the first companies in the agri sector to do so in India



74% of the energy GAVL utilizes is from clean renewable energy initiatives

- ✓ Solar rooftops at 20+ manufacturing sites of our AF, Aqua and R&D
- ✓ Oil palm plants use waste of fruit bunches as renewable boiler fuel, which has led to increase in renewable energy portfolio to almost 100%.
- ✓ Astec LifeSciences meets >30% of their total energy requirement through renewable energy against dependency on fossil fuel earlier



Watersheds that make GAVL a water positive company

- ✓ 5,123 Ha of area covered and 4.0 lakh trees planted
- ✓ 6.5 million m3 water sequestered i.e. 4 times GAVL's footprint
- ✓ 3,557 households benefited

Pragati: Community-based Education

- ✓ 3,240 students engaged in AP & Punjab (80% engagement rate) through sports education program
- ✓ Support for digital education to 521 students (6th -10th) in MH & UP – 35,000+ hours of digital education content consumed



Grameen Vikas: Brighter Farming

- ✓ **3,422** farmers trained across MH, Bihar & CH– improved cropping practices, intensive vegetable cultivation, and input support such as good quality seeds etc.
- ✓ **3,800+** beneficiaries were covered during the vet camps
- ✓ **14** kitchen gardens set up



- ✓ Godrej Agrovet's Oil Palm Business awarded a verification certification under the Indian Palm Oil Sustainability (IPOS) Framework
- ✓ Certification is issued by Control Union, an independent international certification body, in recognition of the sustainable practices adopted by oil palm business
- ✓ First in the country to be awarded a verification certificate under IPOS framework
- ✓ The IPOS Framework established by the Solvent Extractors Association of India with assistance from Solidaridad, the ICAR-Indian Institute of Oil Palm Research (IIOPR), and the Society for Promotion of Oil Palm Research and Development (SOPOPRAD)



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PERFORMANCE HIGHLIGHTS



Q3 FY23 CONSOLIDATED FINANCIALS – KEY HIGHLIGHTS

Financial Highlights (Rs. Crore unless Stated)	As Reported			Excluding – non-recurring & exceptional items *		
	Q3 FY23	Q3 FY22	% y-o-y	Q3 FY23	Q3 FY22	% y-o-y
Revenues	2,323.5	2,078.5	+11.8%	2,323.5	2,078.5	+11.8%
Earnings before interest, tax and Depreciation (EBITDA)	214.7	129.3	+66.0%	159.6	153.9	+3.8%
EBITDA Margin (%)	9.2%	6.2%		6.9%	7.4%	
Profit before Tax and Share of Profit of Equity Accounted Investees	142.9	68.4	+108.9%	87.8	92.9	-5.5%
PBT Margin (%)	6.2%	3.3%		3.8%	4.5%	
Profit after tax (PAT)	114.6	62.4	+83.7%	67.0	80.7	-17.1%
PAT Margin (%)	4.9%	3.0%		2.9%	3.9%	

Non-recurring & exceptional items (Rs. Crore)	EBITDA / PBT		PAT	
	Q3 FY23	Q3 FY22	Q3 FY23	Q3 FY22
Profit/(loss) on sale of land (net of expenses)	68.4	-7.2	57.5	-5.4
Long-term incentives provision	-13.3	-	-9.9	-
Total Non-recurring	55.1	-7.2	47.6	-5.4
Differential GST liability in Creamline Dairy	-	-17.3	-	-12.9
Total Non-recurring & exceptional items	55.1	-24.5	47.6	-18.3

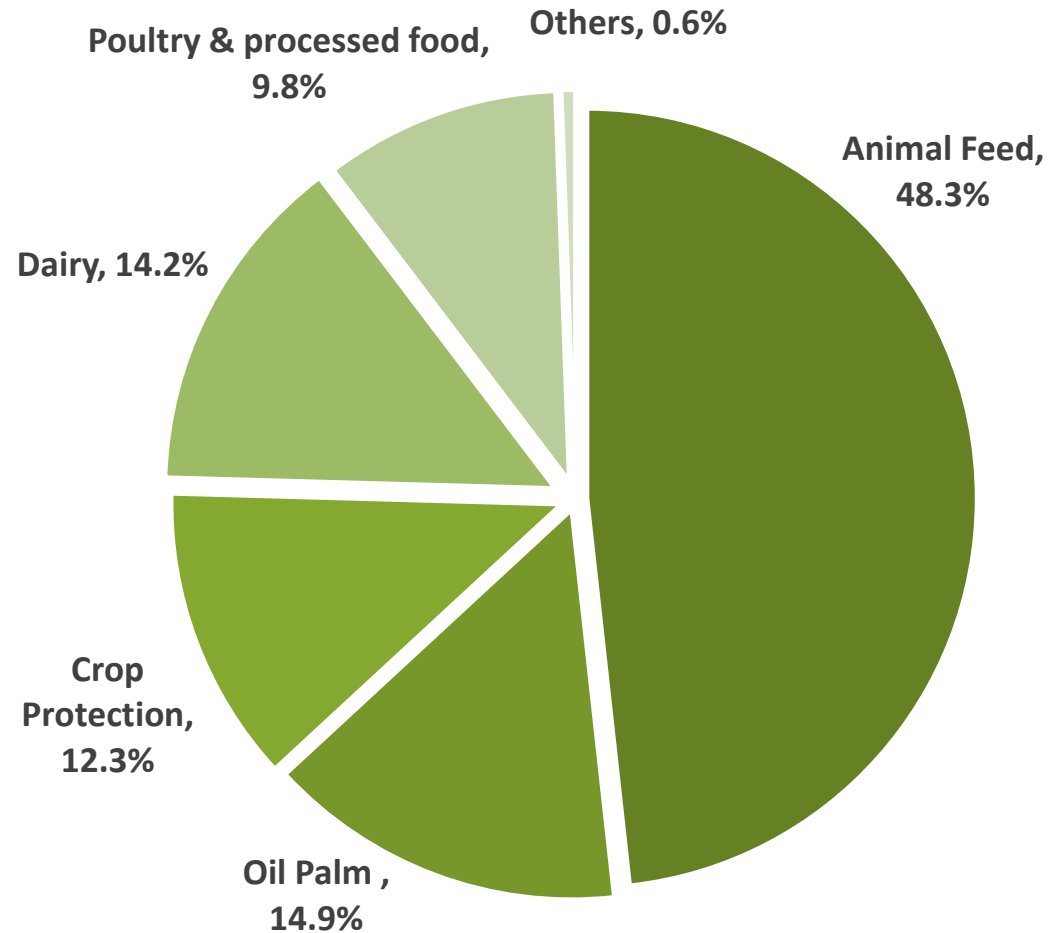
9M FY23 CONSOLIDATED FINANCIALS – KEY HIGHLIGHTS

Financial Highlights (Rs. Crore unless Stated)	As Reported			Excluding – non-recurring & exceptional items *		
	9M FY23	9M FY22	% y-o-y	9M FY23	9M FY22	% y-o-y
Revenues	7,278.7	6,225.3	+16.9%	7,278.7	6,225.3	+16.9%
Earnings before interest, tax and Depreciation (EBITDA)	543.1	505.4	+7.5%	488.0	529.9	-7.9%
EBITDA Margin (%)	7.5%	8.1%		6.7%	8.5%	
Profit before Tax and Share of Profit of Equity Accounted Investees	333.1	332.6	+0.1%	278.0	357.2	-22.2%
PBT Margin (%)	4.6%	5.3%		3.8%	5.7%	
Profit after tax (PAT)	271.9	279.3	-2.7%	224.3	297.7	-24.7%
PAT Margin (%)	3.7%	4.5%		3.1%	4.8%	

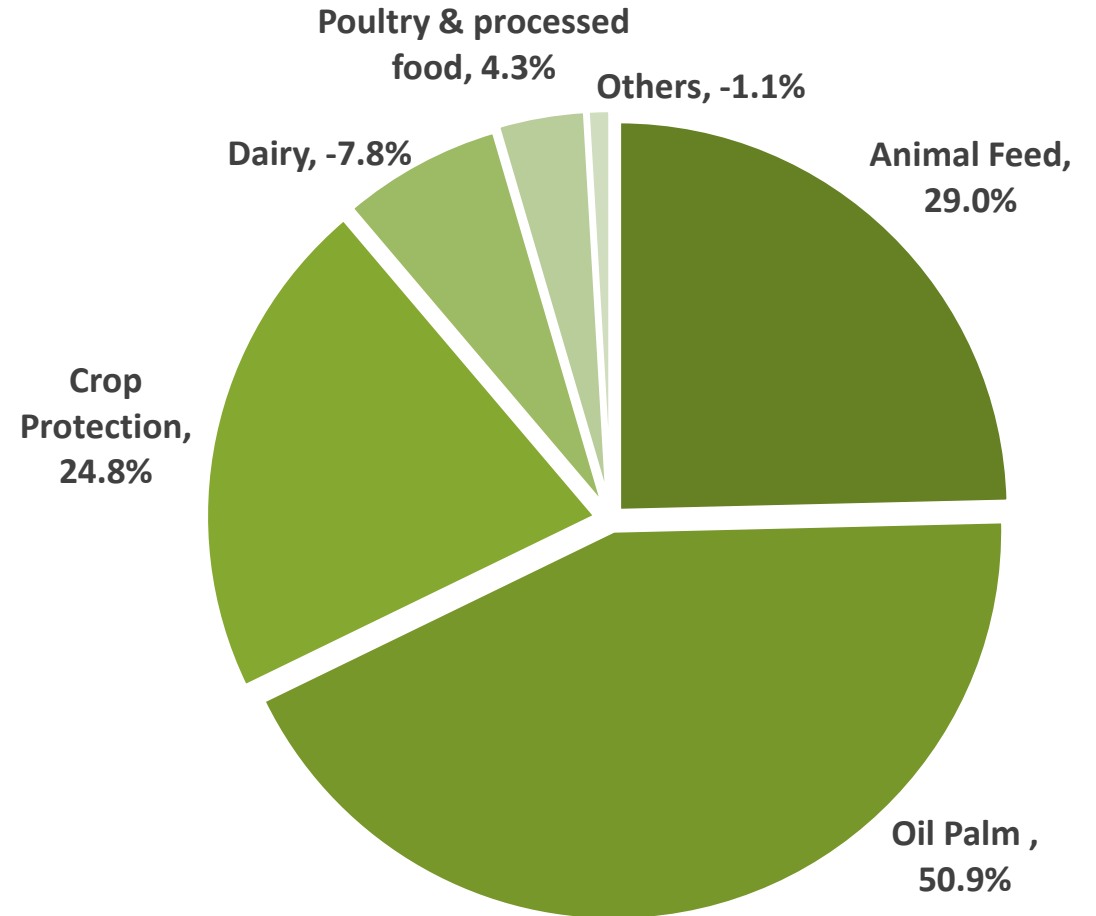
Non-recurring & exceptional items (Rs. Crore)	EBITDA / PBT		PAT	
	9M FY23	9M FY22	9M FY23	9M FY22
Profit/(loss) on sale of land (net of expenses)	68.4	-7.2	57.5	-5.4
Long-term incentives provision	-13.3	-	-9.9	-
Total Non-recurring	55.1	-7.2	47.6	-5.4
Differential GST liability in Creamline Dairy	-	-17.3	-	-12.9
Total Non-recurring & exceptional items	55.1	-24.5	47.6	-18.3

9M FY23 SEGMENT-WISE REVENUE AND PBIT

Segment revenues ⁽¹⁾ – 9M FY23



Segment results ⁽²⁾ – 9M FY23



Notes:

(1) As % of total consolidated segment revenues

(2) As % of total consolidated segment profit before interest and taxes excluding non-recurring items

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SEGMENT-WISE PERFORMANCE UPDATE





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

Particulars	Q3 FY23	Q3 FY22	Growth	9M FY23	9M FY22	Growth
Sales Volume (tons)	3,83,712	3,58,813	6.9%	10,93,629	10,13,259	7.9%
Segment Revenue (Cr)	1,272.4	1,109.9	14.6%	3,738.7	3,245.3	15.2%
Segment Result (Cr)	57.8	51.6	12.0%	131.6	173.0	-23.9%
<i>Segment Margin (%)</i>	4.5%	4.7%		3.5%	5.3%	

- Animal Feed segment achieved highest-ever quarterly volume in Q3 FY23, mainly led by Cattle-feed category (+15% in Q3 and +14% in 9M) on account of market share gains
- Segment margin further recovered to ₹ 1,507 / MT in Q3 from ₹ 1,381 / MT in Q2 and was also higher year-on-year driven by better realizations





Largest domestic producer of Crude Palm oil and Palm Kernel Oil

Particulars	Q3 FY23	Q3 FY22	Growth	9M FY23	9M FY22	Growth
CPO Realisations (₹ per MT)	83,457	1,09,131	-23.5%	1,00,484	1,10,546	-9.1%
PKO Realisations (₹ per MT)	1,14,513	1,54,881	-26.1%	1,50,865	1,44,792	4.2%
Segment Revenue (Cr)	362.5	385.3	-5.9%	1,152.4	1,075.5	7.1%
Segment Result (Cr)	79.4	97.1	-18.2%	230.8	207.8	11.1%
<i>Segment Margin (%)</i>	21.9%	25.2%		20.0%	19.3%	

- While volume growth remained robust y-o-y, sharp decline in crude palm oil prices impacted topline as well as profitability. The average realisation of crude palm oil (CPO) and palm kernel oil (PKO) declined by 24% and 26% respectively in Q3 FY23 vs Q3 FY22
- Oil extraction ratio improved vs. Q2 FY23, but was marginally lower as compared to the same period last year
- During the quarter, GAVL signed MoU with State Government of Nagaland for development and promotion of oil palm cultivation





Agrochemical products catering to the entire crop lifecycles

Particulars	Q3 FY23	Q3 FY22	Growth	9M FY23	9M FY22	Growth
Segment Revenue (Cr)	99.2	45.3	119.0%	467.7	439.8	6.3%
Segment Result (Cr)	3.4	-21.3	NM	60.5	80.2	-24.6%
Segment Margin (%)	3.4%	NM		12.9%	18.2%	

- Topline growth in Q3 was led by higher sales of in-licensed products, mainly GRACIA and lower returns as compared to previous year
- Unfavorable product mix due to reduced application opportunities impacted profitability
- Steadfast focus on maintaining credit hygiene has led to improvement in working capital





Manufactures a wide range of agrochemical active ingredients

Particulars	Q3 FY23	Q3 FY22	Growth	9M FY23	9M FY22	Growth
Revenues (Cr)	117.2	173.4	-32.4%	501.2	404.6	23.9%
EBITDA (Cr)	15.9	44.8	-64.5%	81.3	92.3	-11.9%
EBITDA Margin (%)	13.6%	25.9%		16.2%	22.8%	

- Q3 topline performance was impacted due to lower demand for key products on account of high inventories and reduced realisations from last year’s high base
- Exports, accounting for 76% of the revenues, declined by 19% year-on-year in Q3FY23. Domestic sales, accounting for 24% of revenues, also declined by 55% year-on-year
- EBITDA margin contracted on account of lower realisations for key enterprise products while input costs were largely unaffected

Private dairy player in Southern India with a wide range of product portfolio

Particulars	Q3 FY23	Q3 FY22	Growth	9M FY23	9M FY22	Growth
Revenues (Cr)	347.8	287.7	20.9%	1,102.1	838.3	31.5%
EBITDA (Cr)	-5.4	0.1	NM	-11.7	1.1	NM
EBITDA Margin (%)	NM	0.05%		NM	0.1%	

- Sustained volume growth in both value-added products (+19% year-on-year) and milk (+5% year-on-year) in Q3 FY23 driving overall revenue growth
- For 9M FY23, value-added products (VAP) portfolio grew by 44% year-on-year driven by Curd, buttermilk and milk-based flavored drinks; its salience in total sales stood at 32%
- However, higher increase in milk procurement costs as compared to that of selling prices has impacted margin profile. Flush season was impacted due to heavy rains in South India and outbreak of Lumpy Skin Disease





Particulars	Q3 FY23	Q3 FY22	Growth	9M FY23	9M FY22	Growth
Revenues (Cr)	280.5	203.3	38.0%	757.1	581.7	30.1%
EBITDA (Cr)	17.7	-3.3	NM	33.0	6.6	402.6%
EBITDA Margin (%)	6.3%	NM		4.4%	1.1%	

- Godrej Tyson recorded strong year-on-year growth in segment revenues in Q3 FY23 driven by sustained volume growth in branded coupled with recovery in live bird prices
- Branded categories, Real Good Chicken (RGC) and Yummiez achieved volume growth of 45% and 46% year-on-year, respectively.

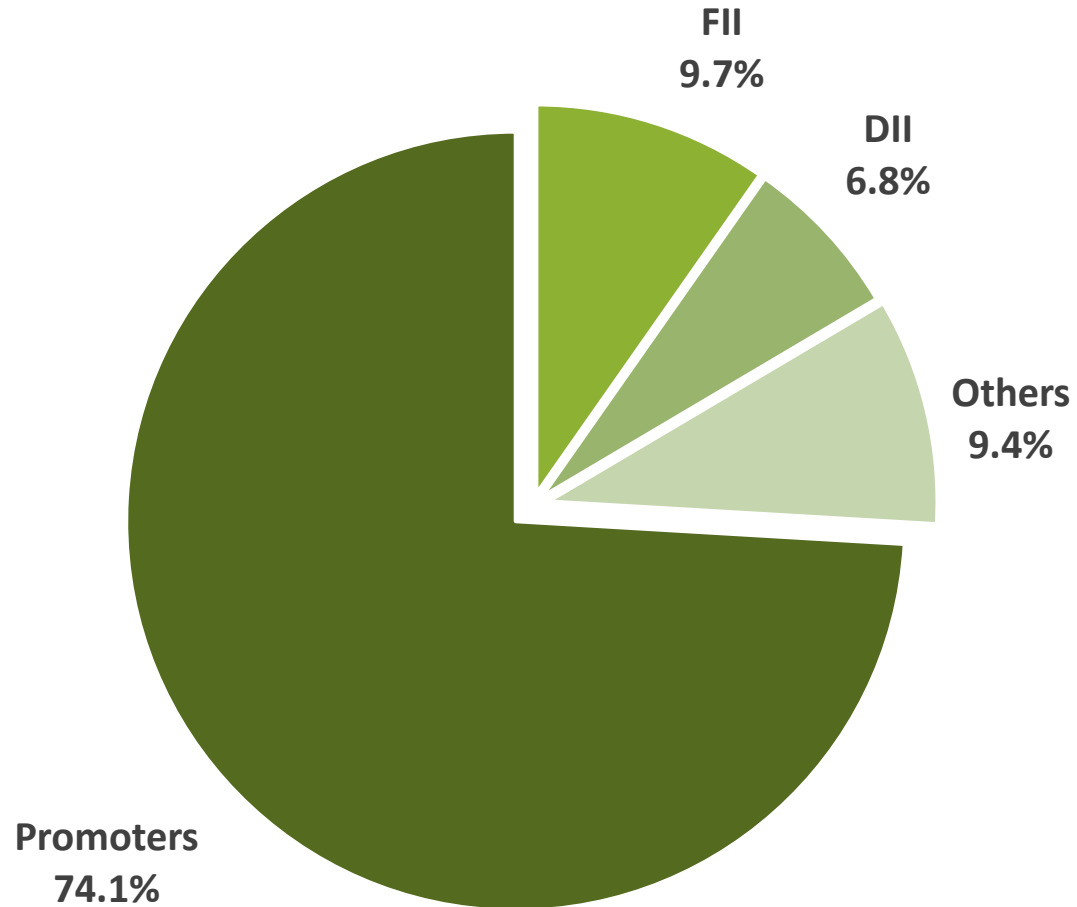
JOINT VENTURE – ACI GODREJ AGROVET PRIVATE LTD

Particulars	Q3 FY23	Q3 FY22	Growth	9M FY23	9M FY22	Growth
Revenues (Cr)	491.3	376.0	30.7%	1,500.6	1,139.7	31.7%

ANNEXURES



SHAREHOLDING PATTERN AS OF DECEMBER 31, 2022



Major Investors

- Temasek
- LIC of India
- Nippon Mutual Fund
- Vanguard
- Kotak Mutual Fund
- DSP
- Bajaj Holdings
- LIC Mutual Fund

To know more, visit us at:
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THANK YOU FOR YOUR TIME AND CONSIDERATION