INVESTOR AND ANALYST MEET

GODREJ CONSUMER PRODUCTS LIMITED

May 12, 2011

DISCLAIMER

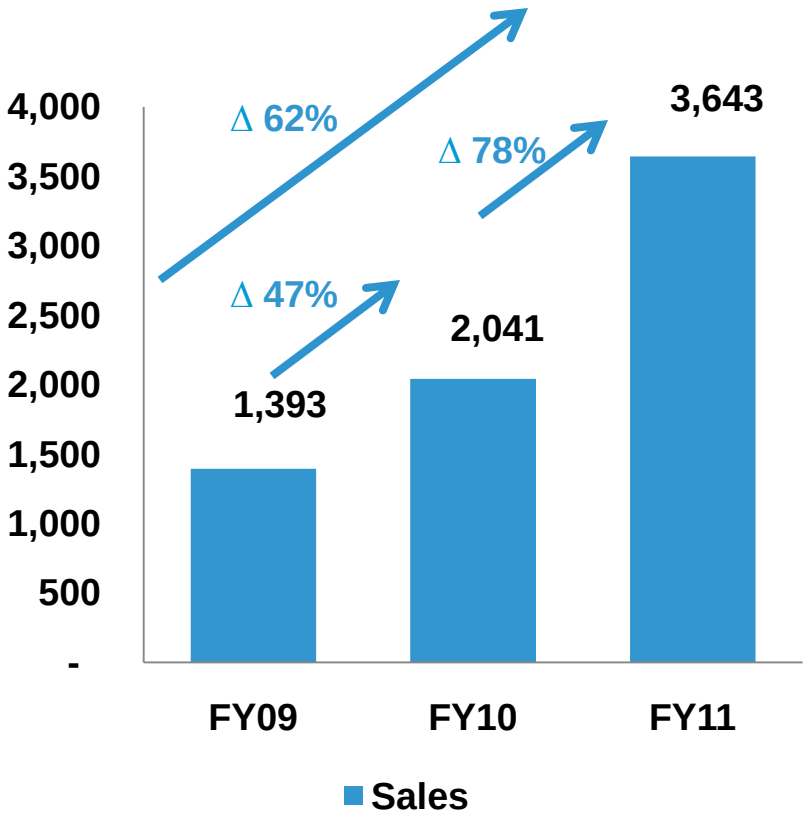
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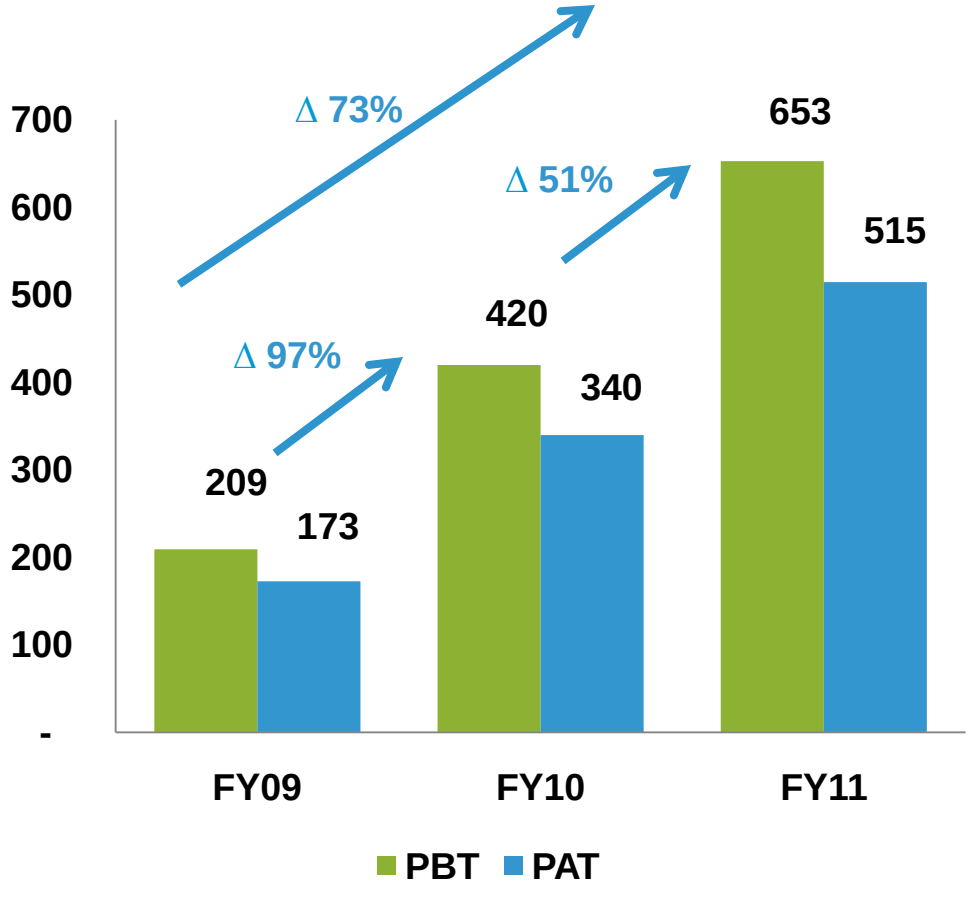
AGENDA

- Opening remarks
- Strategy snapshot
- FY 10-11: Performance highlights
- FY 10-11: Financial review
- Future outlook
- Q&A

STRATEGY SNAPSHOT

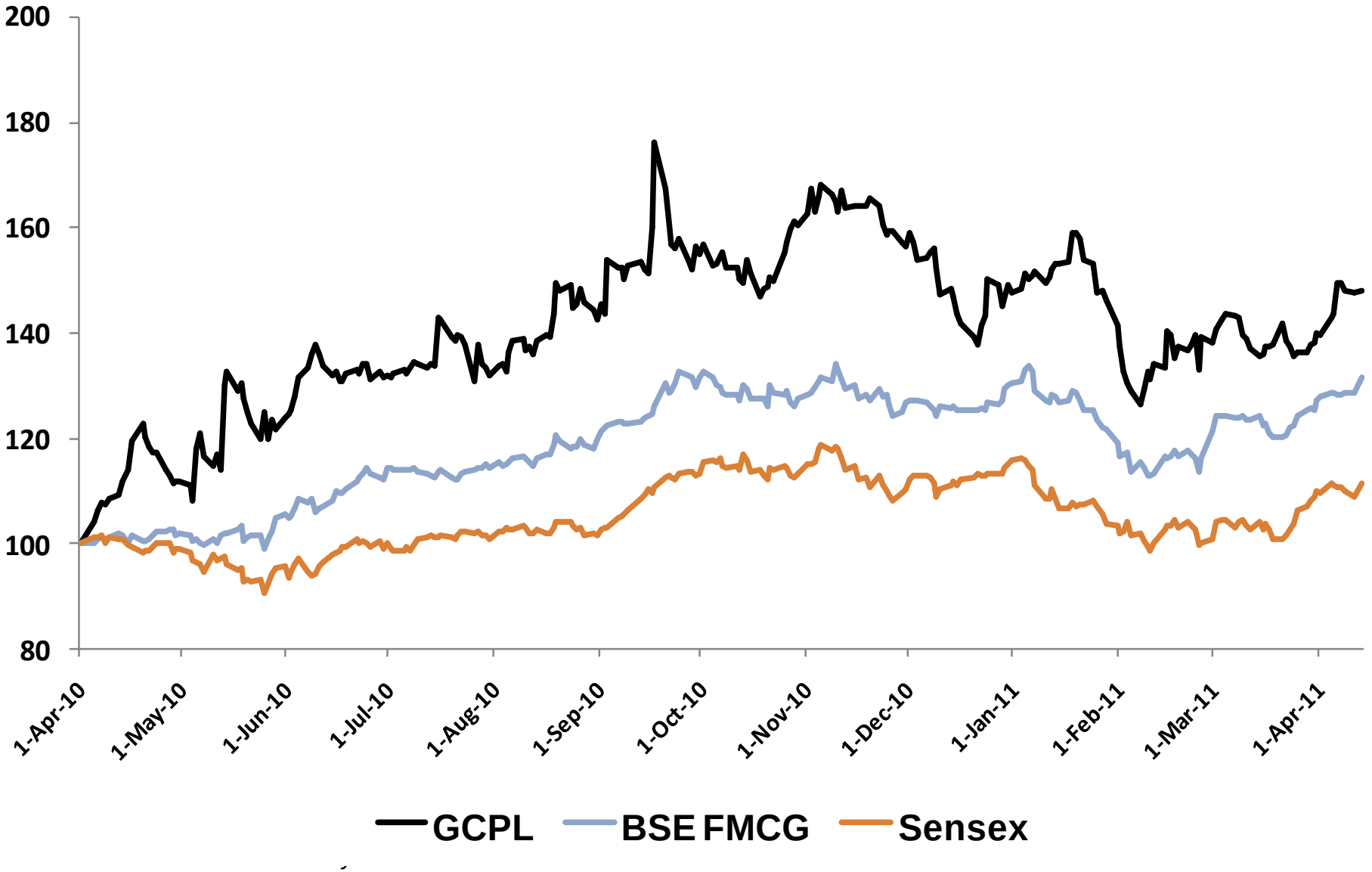
GCPL: SUSTAINED RESULTS TRACK RECORD





Note: Values in ₹ Crore

GCPL: STRONG RETURNS TO SHAREHOLDERS



6 PILLARS OF OUR STRATEGY

1. Core category leadership
2. International growth
3. Renovation and innovation
4. Future ready sales system
5. Best in class supply chain
6. Agility and professional entrepreneurialism

1. LEAD IN CORE CATEGORIES

- Grow ahead of market
- Drive consumption and penetration
- Strengthen portfolio and extend into adjacencies

2. DRIVE INTERNATIONAL GROWTH

- Focus on emerging markets in Asia, Africa and Latin America
- Three core categories
- Disciplined M&A process
- Values based partnering approach

3 X 3

3. INNOVATE AND RENOVATE

- Meaningful differentiation
- Brand platforms
- Abductive thinking around emergent needs, idea generation and rapid prototyping
- Design driven approach

4. FUTURE READY SALES SYSTEM

- Leverage scale
    - Expand urban coverage
    - Tap into rural potential
- New/under tapped channels
- Next generation sales capabilities
- Process excellence

5. COMPETITIVE ADVANTAGE THROUGH SUPPLY CHAIN

- Supply chain integrated and global supply organization in place
- Industry benchmark in end to end replenishment and TOC
- Centers of excellence in TPM, lean, six sigma and low cost automation
- Strategic sourcing
- Flexible and scalable IT systems

6. ENSURING AN AGILE GODREJ

- Relentless and superior execution
- Speed to market
- Systematic talent development
- Professional entrepreneurship cult

FY 10-11 PERFORMANCE HIGHLIGHTS

WE HAVE LEADING POSITIONS IN OUR CORE CATEGORIES IN THE DOMESTIC MARKET

1

1 in hair colours (market share: 29.4%)

in home insecticides (market share: 36.6%)

in liquid detergents (market share: 86.3%)

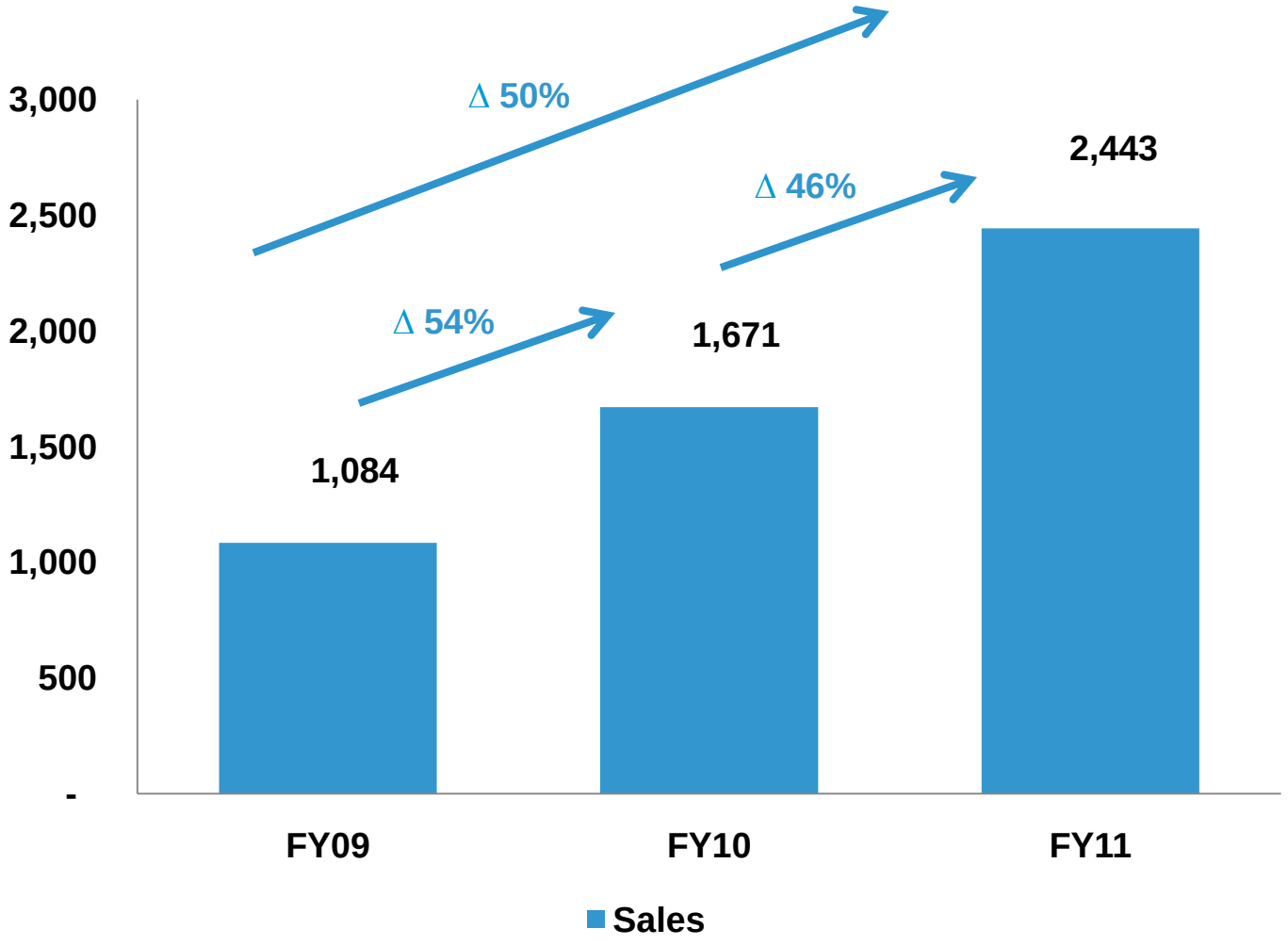
2 in soaps (market share: 10.1%)

Largest Indian Home and Personal Care company

Source: A C Nielsen

THE SCALE OF THE DOMESTIC BUSINESS HAS INCREASED SIGNIFICANTLY…

1



Note: Values in ₹ Crore

… DRIVEN BY THE GAME CHANGING GSLL ACQUISITION

1

A merged GCPL enables us to

strengthen our brand portfolio

expand our distribution network

leverage operational and supply chain efficiencies

Value creation potential (FY 11–15)

Revenue synergies: ₹ 1,500 – 2,000 cr

Cost synergies: ₹ 200 – 250 cr

WELL UNDERWAY TO CAPTURE THE PROMISE OF "ONE GCPL"

1

Year 1

- Created one aligned senior team
- Created a common way of working
- Integrated marketing, supply chain, international operations, IT infrastructure and support functions

Years 1 - 3

Create value from operations:

- Strategic Procurement
- Global manufacturing competitiveness
- Network optimization and Integrated & differential planning
- Manufacturing efficiency improvements
- Build up R&D to drive growth

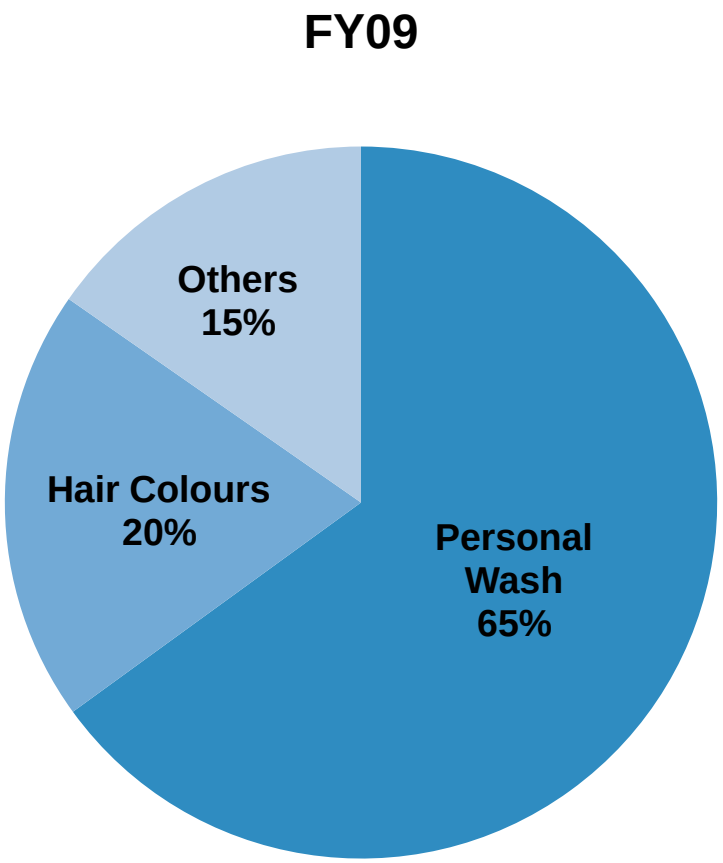
Years 2 - 4

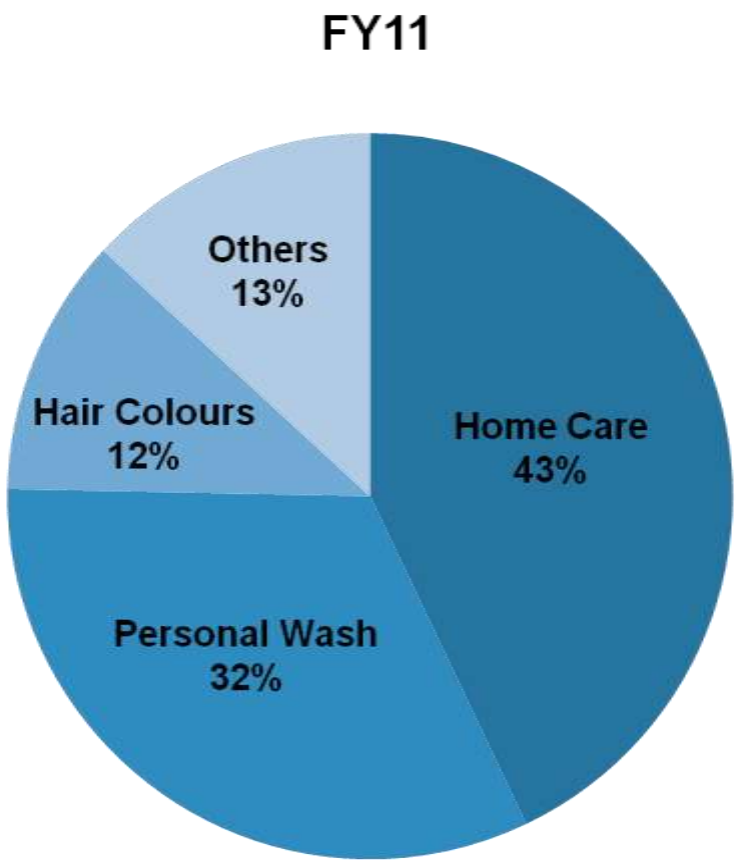
- Future ready sales platform
- Accelerate pace of Innovation
- Drive rural growth
- Leverage IT in international businesses
- Build future capabilities

- **Over 100 team members working on key initiatives**
- **Integration on track**
- **Significant benefits expected over FY 11-15**

OUR DOMESTIC PORTFOLIO IS NOW MORE DIVERSE

1



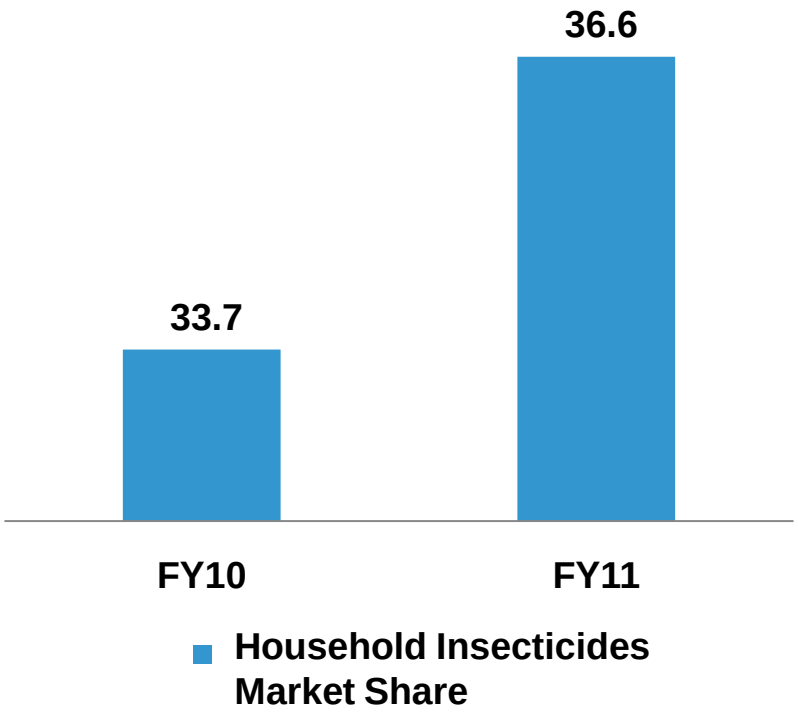


OUR HI BUSINESS HAS DONE VERY WELL

1

28% YoY growth led by:

- Innovative products – Good Knight Low Smoke Coil and Good Knight Advanced Active + system
- Strong marketing campaigns – HIT ‘Kill Malaria’ and ‘Swach Tyohar’ initiatives and Good Knight Advanced Active + system media burst on ‘Push Karo Khush Raho’ communication







WE HAVE FACED SOME CHALLENGES IN SOAPS BUT THE SITUATION IS IMPROVING

1

A challenging year

Input price pressures

Impact of food inflation on discretionary FMCG purchases

Continued competitive intensity

Distribution hygiene issues in early part of the year

But holding ground

Calibrated price increases

Efficient forward covers

Getting growth back on track

- 9% volume growth vs. 1% for industry (Q4 YoY)
- 13% value growth vs. 7% for industry (Q4 YoY)

Hygiene issues fixed

GOING FORWARD, SEVERAL INITIATIVES PLANNED TO GROW AHEAD OF MARKET

1

- Micro marketing initiatives focusing on key geographies and LUPs
- Innovating with new variants and launches on new platforms
- Maintaining profitability through efficient forward covers and calibrated price hikes, as necessary





WHILE WE LEAD IN HAIR COLOURS, WE BELIEVE THAT THE POTENTIAL IS MUCH GREATER

1

Key imperatives:

- Innovative delivery formats
- Tapping new channels – Salon, Chemist and Modern Trade
- Innovative marketing campaigns





WE ALSO HAVE LEADING POSITIONS IN OUR INTERNATIONAL OPERATIONS

2

1

in air fresheners and wet tissues in Indonesia

in hair colours in many countries in Africa

in hair colours in several countries in Latam

2

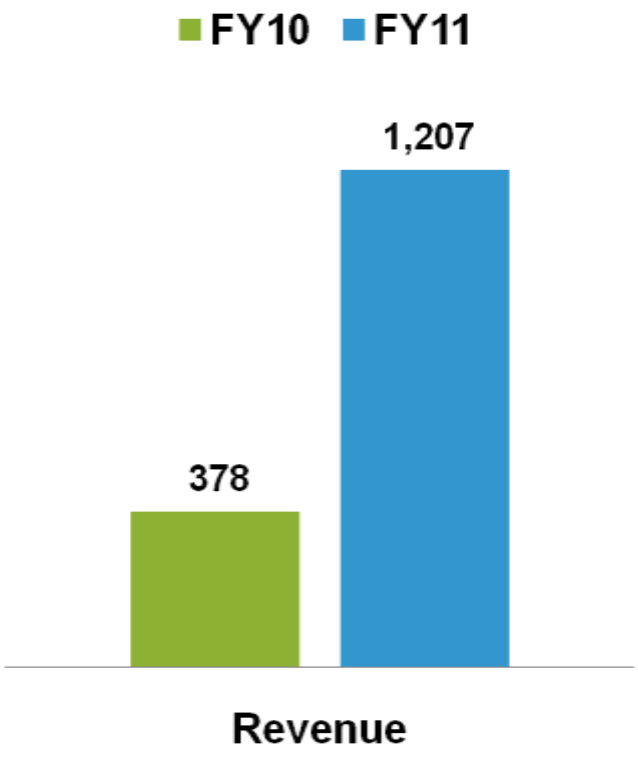
in home insecticides in Indonesia

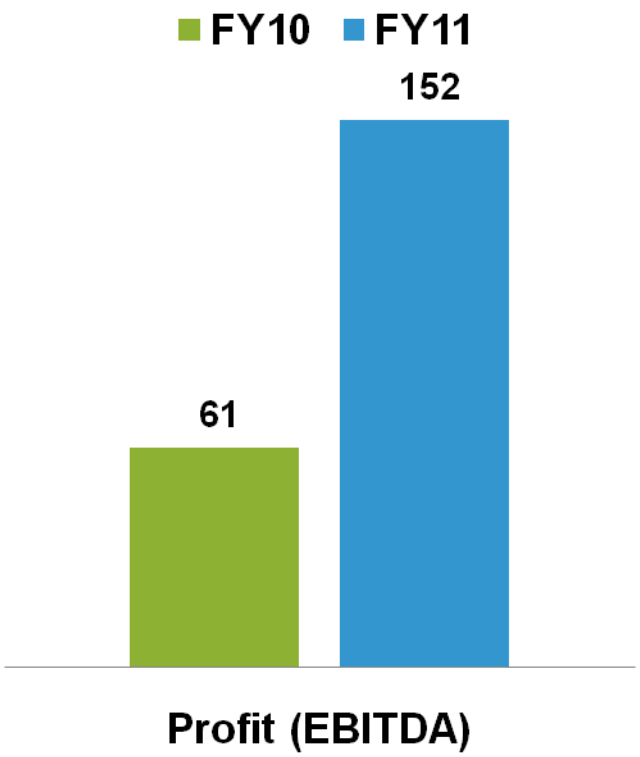
in hair extensions in South Africa

in medicated soaps in Nigeria

OUR INTERNATIONAL BUSINESS TOO, HAS GROWN SIGNIFICANTLY OVER THE LAST YEAR

2





33% revenue from international, as compared to 19% last year

Note: Values in ₹ Crore

GROWTH HAS BEEN DRIVEN BY OUR RECENT ACQUISTIONS

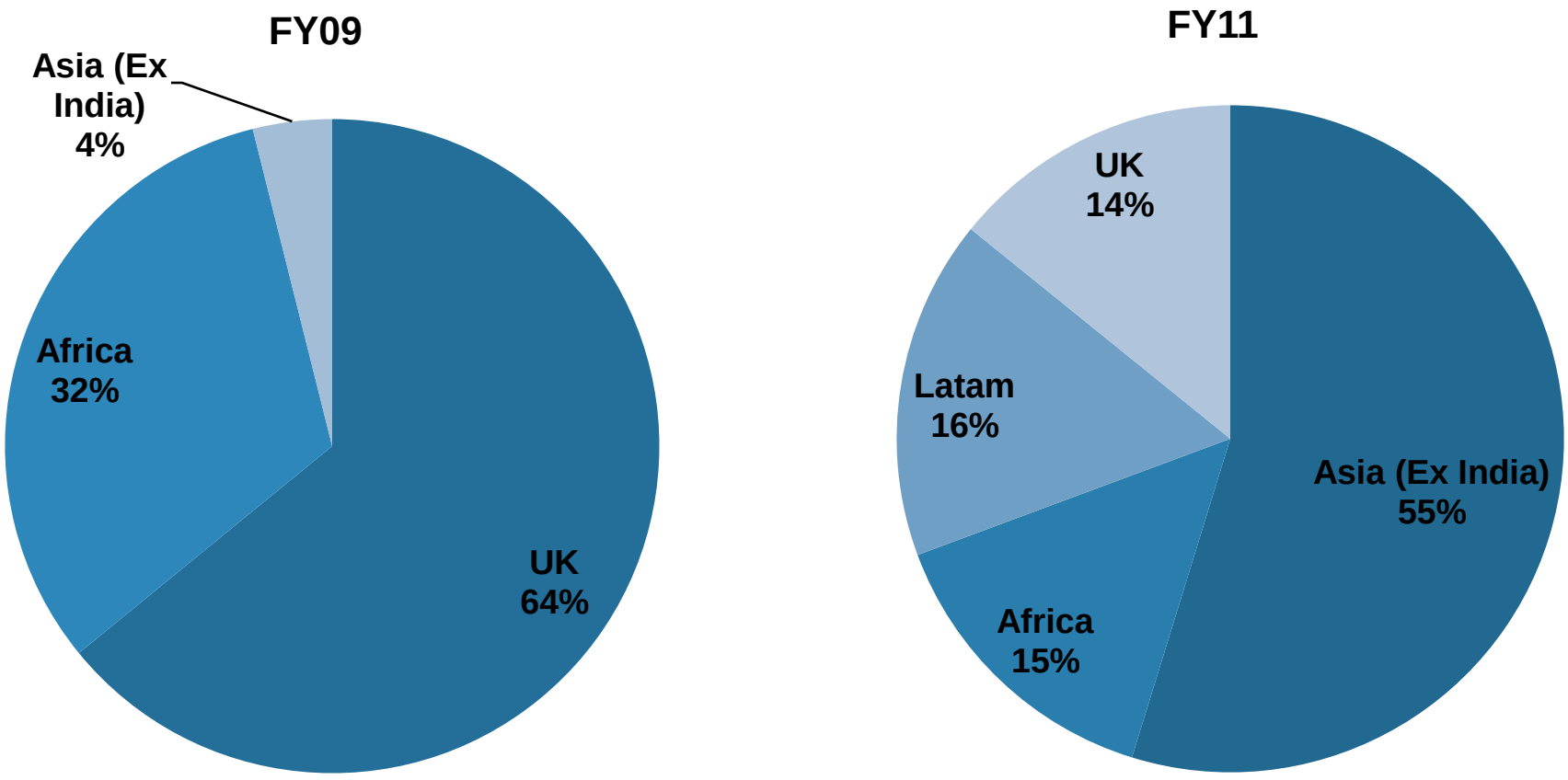
2

Company	Key brands	Category	Rank
Megasari (Indonesia)	STELLA, HIT, Mitu kids	Household Insecticides, Air Care, Baby Wipes & Others	#2 (HI) #1 (Air Care) #1 (Baby Wipes)
Issue & Argencos (Argentina)		Hair Colour	#1 in several Latam markets
Tura (Nigeria)		Medicated Soaps	#2

Leading presence in core categories and a portfolio of marquee brands

OUR INTERNATIONAL PORTFOLIO IS ALSO NOW MORE DIVERSE

2



33% of our revenue now comes from international businesses

INTERNATIONAL INTEGRATION IS AHEAD OF PLAN

2

Company	Status on integration
Megasari (Indonesia)	• Executive committee for the business in place • Gross margins improved by ~2% • Projects commissioned to deliver benefits of increased distribution reach and sales processes
Godrej Argentina 	• Successful integration of the Issue and Argencos businesses • Gross margins improved by ~3% •Consolidation of Argentine business, focus on expanding across Latam
Tura (Nigeria) 	• Projects underway to launch other categories through the Tura infrastructure

INNOVATING ACROSS OUR PORTFOLIO IS A KEY FOCUS

3

Example: Hair Care

Godrej expert powder hair colour

new



INNOVATING ACROSS OUR PORTFOLIO IS A KEY FOCUS

3

Example: Household Insecticides







Good Knight product innovations





HIT marketing campaign innovations

INNOVATING ACROSS OUR PORTFOLIO IS A KEY FOCUS

3

Example: Personal Wash

Godrej No.1 launches a new variant:

Saffron and Milk Cream



FairGlow relaunched



INNOVATING ACROSS OUR PORTFOLIO IS A KEY FOCUS

3

Example: International New Products



Latin America: Issue
Ammonia free Colour



Latin America: Issue - Precious Secrets
Hair colour with 3 dimensional gloss feature
Diamond Black, first of select new colours launched



UK: Salon Selectives Brand
Range includes shampoos, conditioners, mousses, sprays, gels and oils



Indonesia: Stella Duo
Air Freshener with dual scent

WE ARE ENSURING THAT OUR SALES SYTEM IS READY TO ADDRESS FUTURE NEEDS

4

Expand coverage	Drive scale benefits	Step up channel activations
Current direct and indirect reach has expanded to 40 lac outlets	Synergizing the channel strength of different categories: • Household Insecticides to expand in rural markets • Hair colours and toiletries to expand in chemists • Scale of operations in modern trade	Implementing next leg of the Salon channel, leveraging Latam's professional salon business experience Godrej Rural Internship Programme (GRIP), a self-funded program to increase our rural sales by imparting training to rural Indians working as our channel partners

WE ARE BUILDING A WORLD CLASS SUPPLY CHAIN ORGANISATION

5

- Global supply chain in place
- 20% additional capacity created in coils, aerosols, soap making and finishing through debottlenecking
- Strategic sourcing of non commodity raw and packaging materials expected to generate significant savings
- Lean supply chain being implemented through integrated planning, network optimization, consumer centric supply chain
- Additional cost efficiencies being driven through energy conservation and deployment of Lean and Six Sigma principles

LEVERAGING IT EFFECTIVELY IS KEY

5

- Domestic SAP consolidation complete
- Phased migration of international operations to SAP in process
- Business Intelligence implementation underway
- Sales force automation underway
- Several Distributor Management System enhancements being implemented

ENSURING AN AGILE GODREJ

6

- Focus on a ‘One GCPL’ Culture
- Strong team in place under common management committee
- New senior talent brought on board
    - Vivek Mathur (President – Marketing, Sales and Innovation)
    - Shashank Sinha (President – International Business)
    - Sunil Kataria (Head – Domestic Sales)
- HR policies and practices harmonised
- International Center created under new Head of International Business
- Strengthening capabilities around innovation – Innovation and Design Cell headed by Darshan Gandhi

AWARDS AND RECOGNITION

Brand Equity's Most Trusted Brands Survey 2010

5 Godrej brands feature, the **highest** for any Indian company

Good Knight ranked **1st** in Household Care and **12th** overall

Product of the Year 2011

Good Knight Naturals

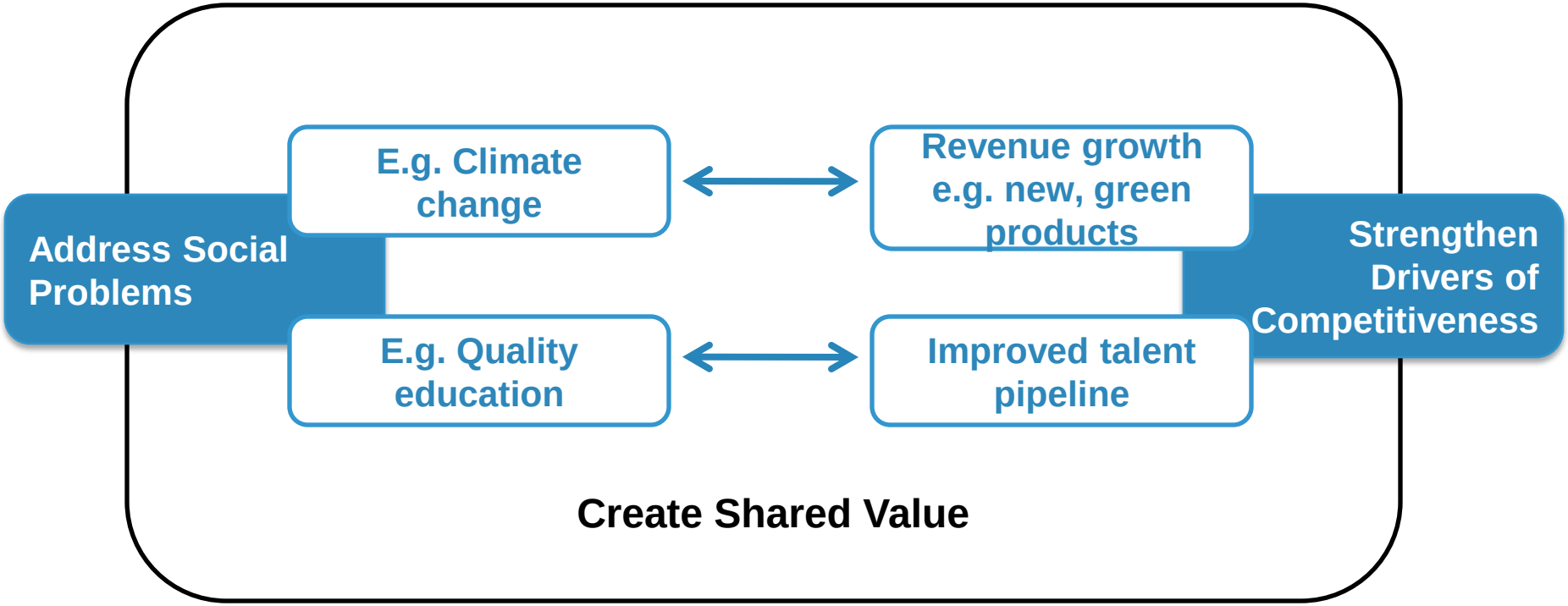
Outlook Business –Aon Hewitt Best Employers 2011

Ranked **4th** overall

NDTV Profit Business Leadership Awards 2010

Awarded in the **Consumer Products** Goods Category

WE ARE EMBRACING THE CONCEPT OF ‘SHARED VALUE’



The concept of shared value can be defined as policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates.

WE HAVE LAUNCHED A GROUP WIDE INITIATIVE CALLED ‘GOOD & GREEN’

Godrej Good & Green

Beyond Business: Building a More Inclusive and Greener India

by 2020…

ensuring employability

train 1 million rural and urban youth in skilled employment

creating a greener India

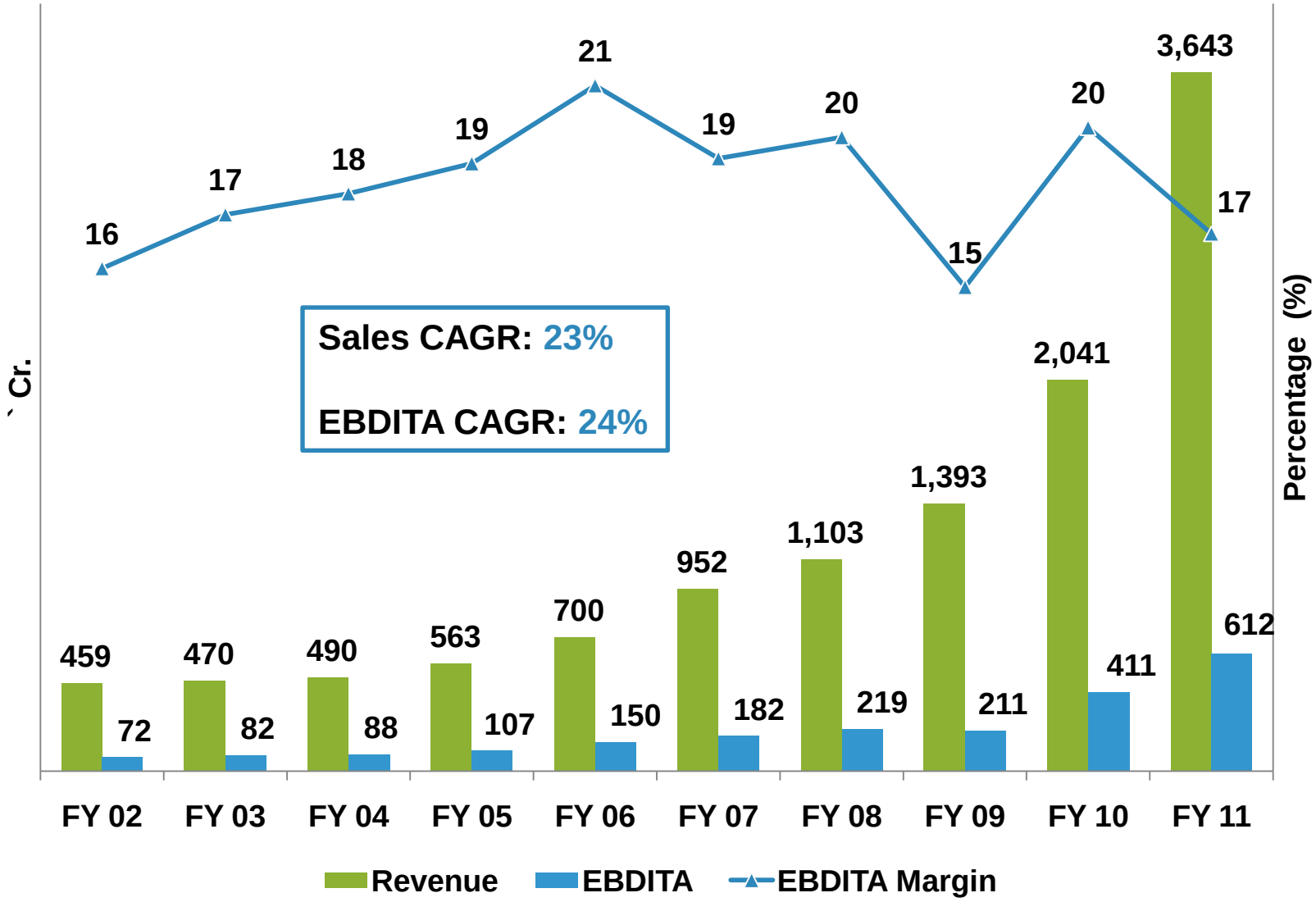
achieve zero waste, carbon neutral, positive water balance and 30% renewable energy

innovating for good & green

have a third of our portfolio revenues comprising good and/ or green products and services

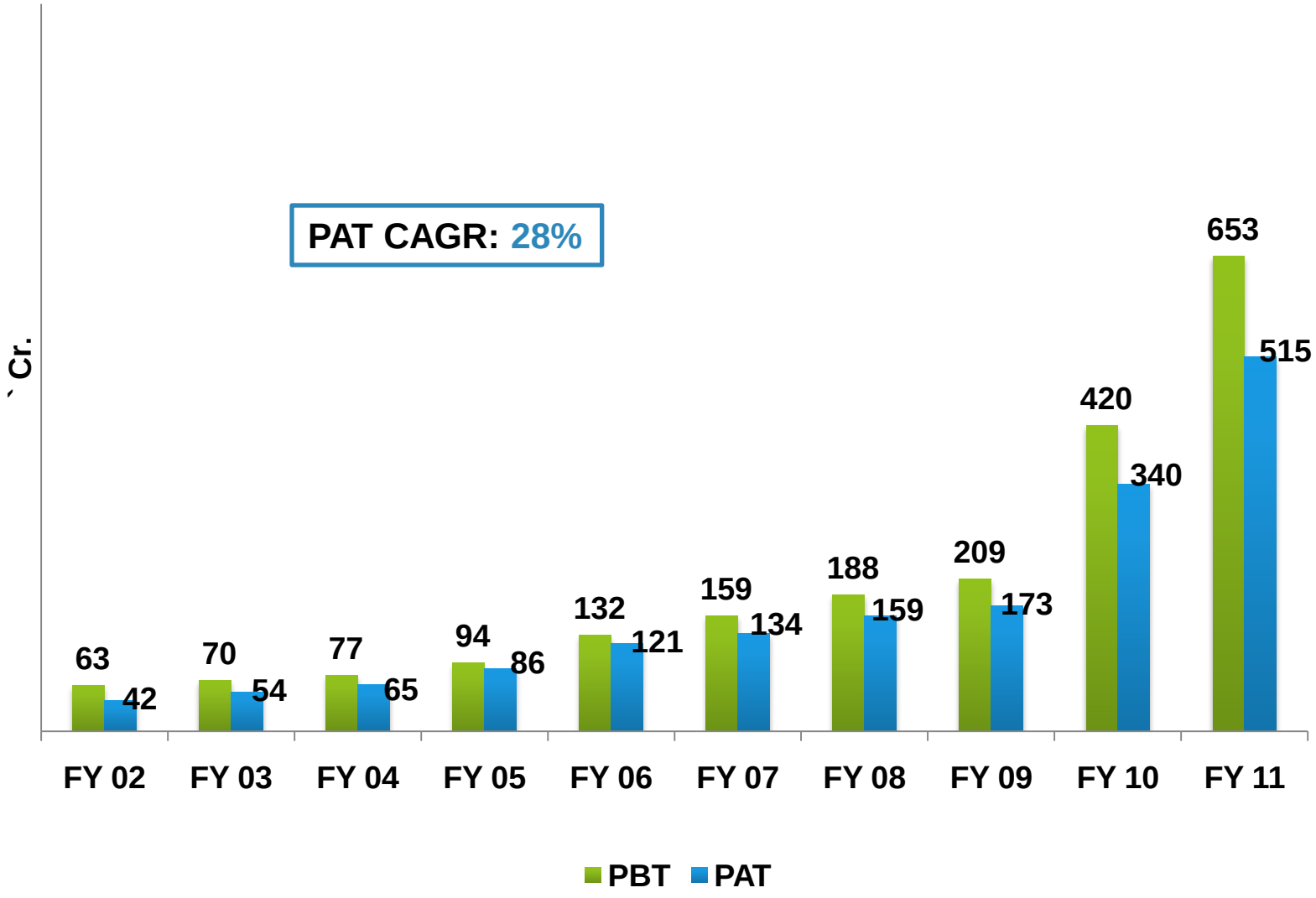
FINANCIAL REVIEW – FY 2011

YEARLY FINANCIALS TRACK RECORD



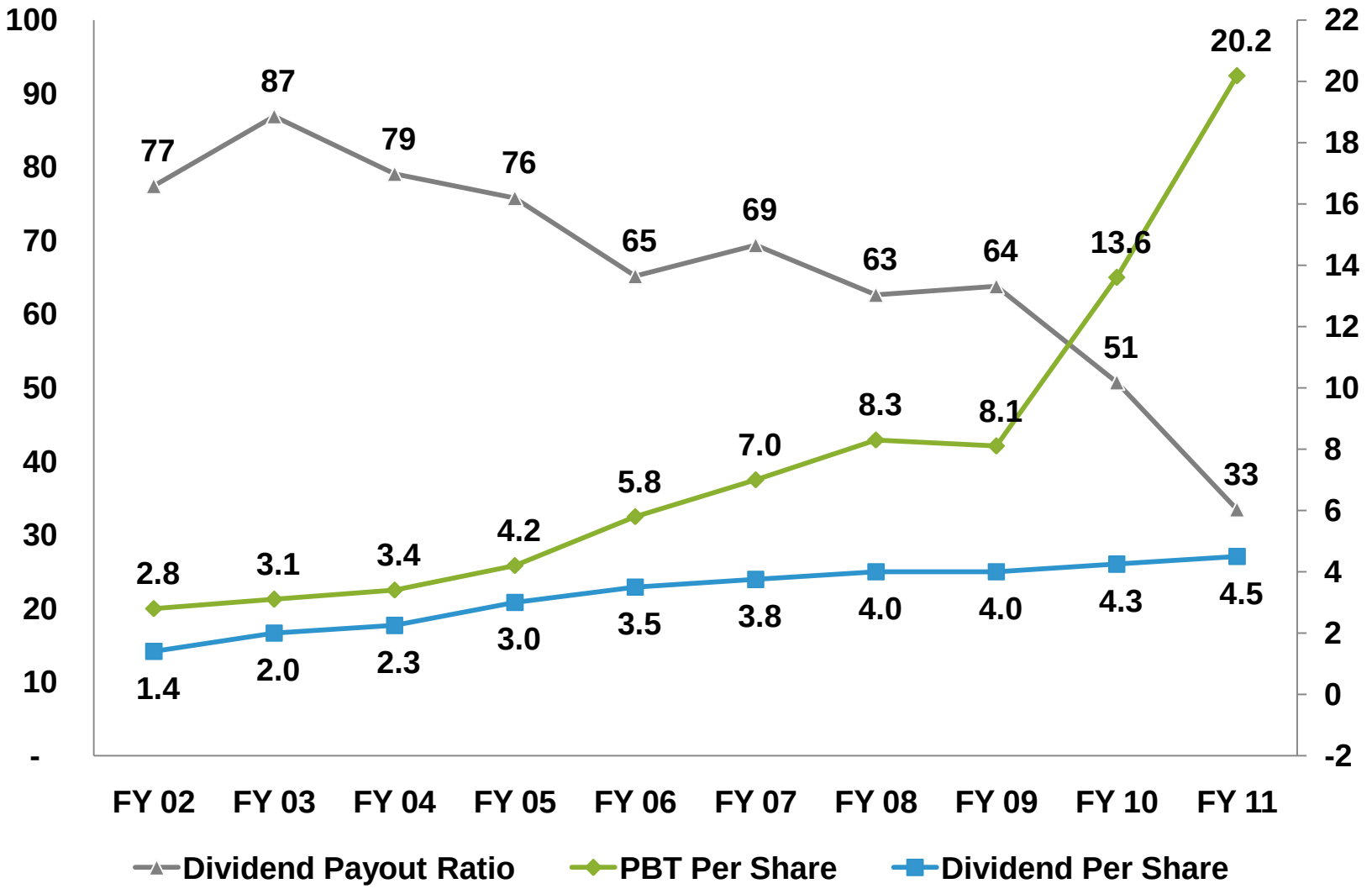
Note: Values in ₹ Crore

EARNINGS TRACK RECORD



Note: Values in ₹ Crore

DIVIDEND TRACK RECORD

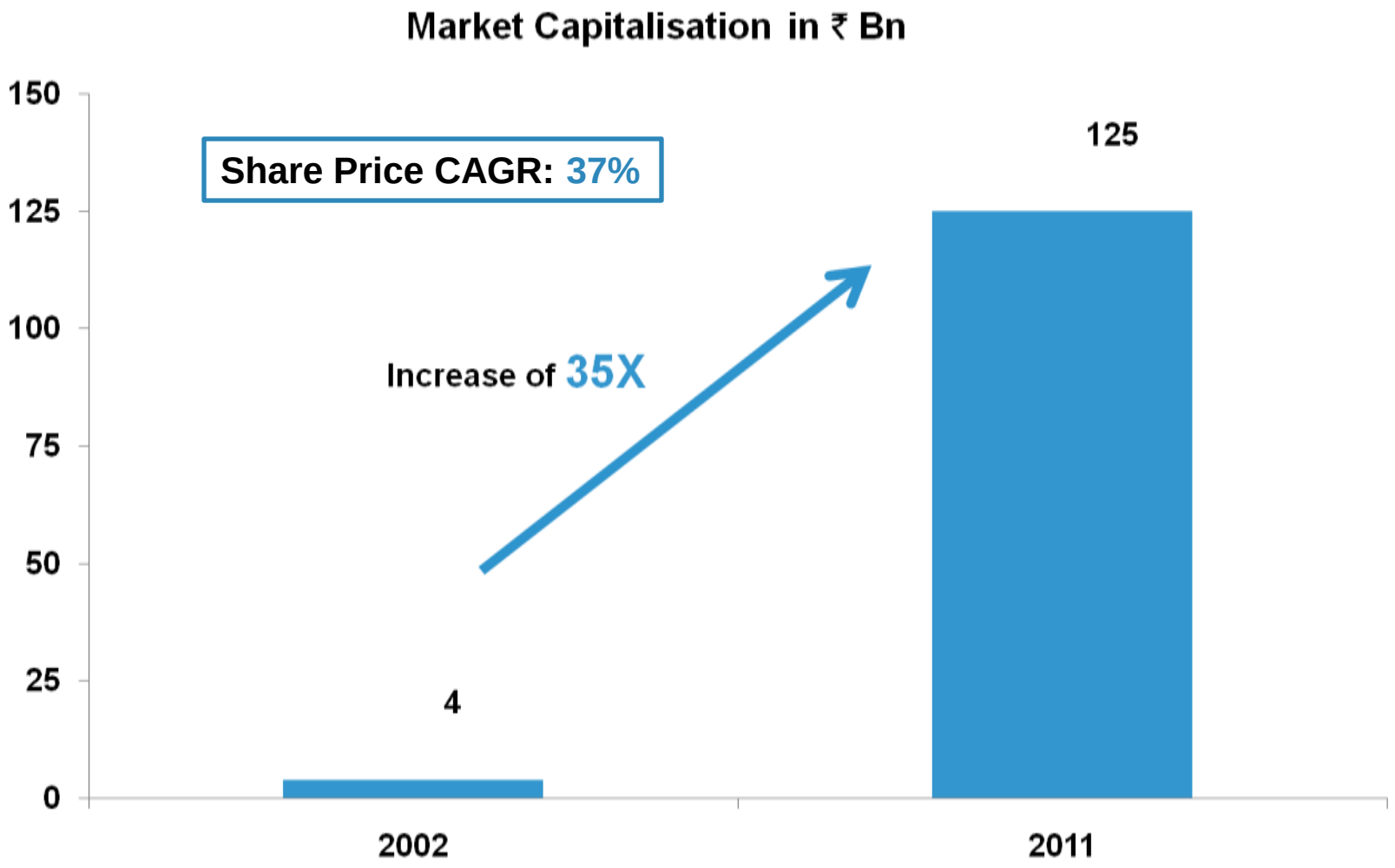


BALANCE SHEET

	FY 11	FY 10
Equity	1780	955
Debt	1993	37
Total	3773	992
Fixed Assets	1554	263
Cash & Bank	215	305
Investments / Goodwill	1590	378
Net Current Assets (Ex Cash)	414	46

Note: Values in ₹ Crore

VALUE CREATION



The FMCG index has grown by CAGR of 15% over the last 10 years



THANK YOU FOR YOUR TIME AND CONSIDERATION