

Godrej Consumer Products Ltd.
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December 30, 2010

The Bombay Stock Exchange Limited

Corporate Relations Department
1st Floor, Rotunda Bldg.,
P.J. Towers, Dalal Street,
Mumbai 400 023.

The National Stock Exchange of India Ltd

Exchange Plaza, 4th Floor,
Bandra-Kurla Complex, Mumbai 400 050

Dear Sirs,

We enclose herewith for your information, a presentation on the strategy and business update of the Company

For Godrej Consumer Products Ltd

P Ganesh

**P Ganesh
Executive Vice President (Finance & Commercial) &
Company Secretary**

Encl: as above

Godrej

Strategy Update



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AGENDA

- Godrej group Overview
- Business overview
 - Godrej Consumer Products Limited

GROUP OVERVIEW

- 113 years young (estd. 1897)
- Largely privately owned by the Godrej family
- Rs. 118 billion (US\$ 2.7 billion) turnover
- 21,000+ people
- Diversified – 7 major companies (4 publicly traded)
- Global operations in 16 countries

GROUP STRUCTURE

GODREJ & BOYCE

- Appliances
- Construction
- Electricals
- Interio
- Lawkim Motors
- Locks
- Material Handling
- Precision Engineering
- Precision Systems
- Prima
- Process Equipment
- Security Solutions
- Storage Solutions
- Tooling

Godrej Infotech

Godrej Efacec

GODREJ INDUSTRIES

Chemicals

Estate

Finance

Godrej Consumer Products

Godrej Properties

Godrej Agrovet

Godrej Household Products Limited

Godrej Hersheys

Godrej Tyson Foods

Keyline Brands

Kinky

Rapidol

Godrej Global Middle East

Godrej Nigeria

Megasari Group

Issue Group

LEGEND

Holding Company

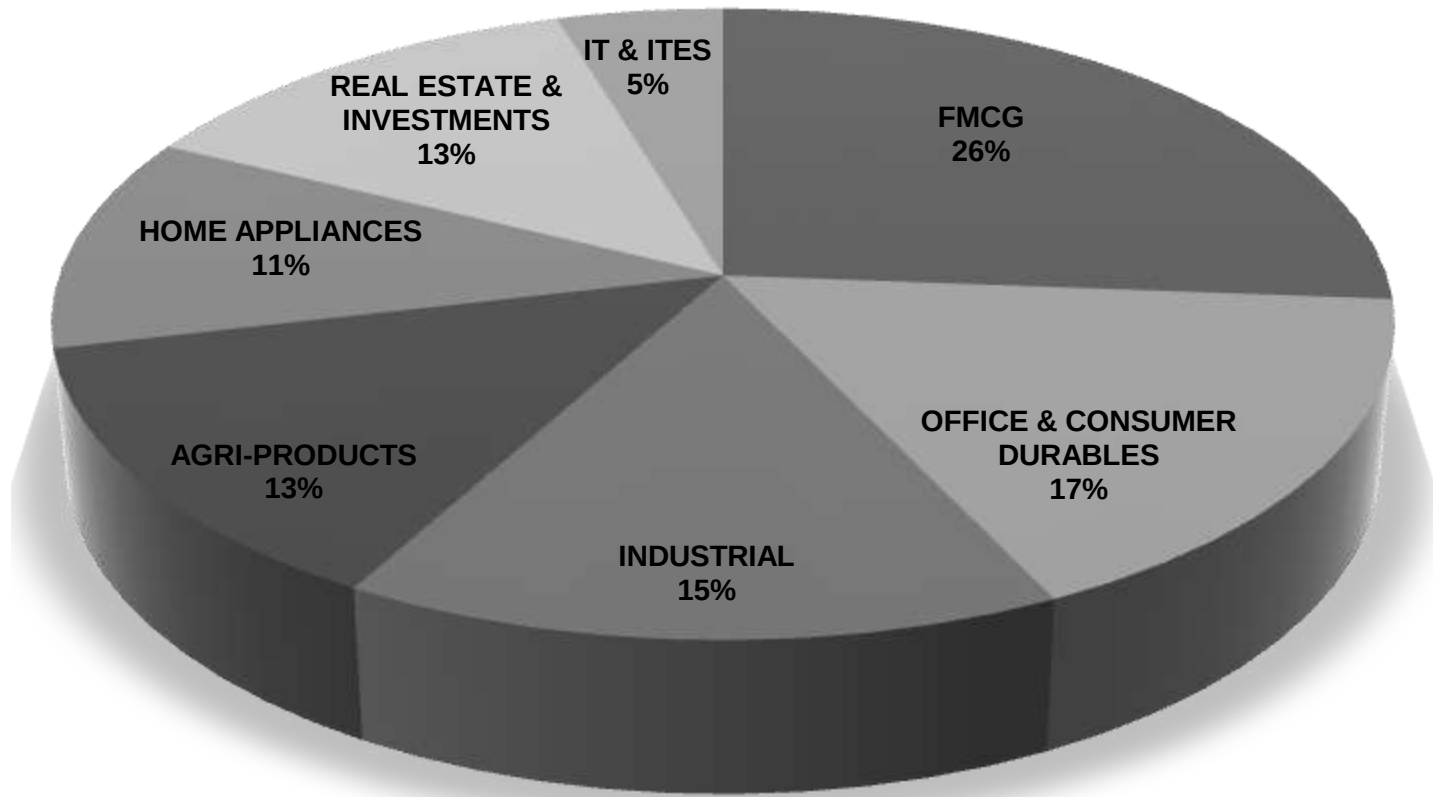
Division

Corporate Entity

Joint Venture

International Subsidiary

AREAS OF BUSINESS

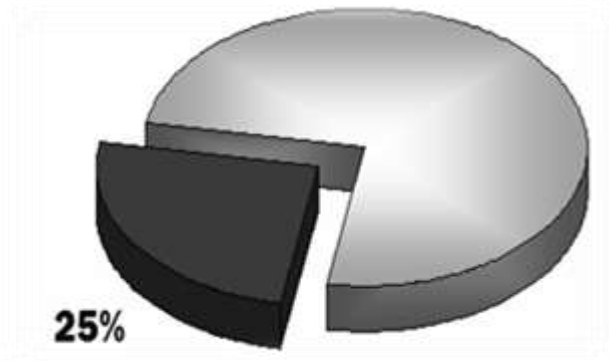


GODREJ @ VIKHROLI (PIROJSHANAGAR)

- During second world-war, against good advice, Pirojsha Godrej bought 3500 acres of marshland
- Today Pirojshanagar is the largest industrial-residential facility in Mumbai with schools, hospitals and residential apartments
- Manufactures locks to oleo chemicals to rocket engines
- Mangroves help Mumbai breathe



BEYOND BUSINESS



The **Pirojsha Godrej Foundation** owns **25%** of the holding company

Education

- Udayachal Schools
- Dr. B.P. Godrej Research Centre at UICT
- Indian School of Business, Hyderabad

Environment

- WWF-India & PGNCC
- CII – Sohrabji Godrej GBC
- Soonabai Pirojsha Godrej Foundation & the Mangroves in Mumbai

Health

- Work with WHO to eradicate Malaria
- The Godrej Memorial Hospital
- The Heroes Project
- 'Table for Two' Initiative

SOME INTERESTING FACTS

- The Godrej brand touches more Indians on a daily basis than any other Indian owned group or brand today
- Godrej sells 6 billion candies a year, that's approximately one candy for every man, woman and child on the planet
- We produce over 1 billion cakes of soaps a year, and the Godrej No.1 soap is amongst the highest selling soaps in the country
- Godrej sells one refrigerator every 30 seconds in India
- Business Week lists GCPL amongst Asia's 100 fastest growing Companies
- Three out of every four Indian banks are secured by Godrej
- Godrej manufactures Cryogenic engines that power India's space program

Godrej touches the lives of 470 million Indians everyday

GODREJ CONSUMER PRODUCTS LTD.

EMERGING MARKETS FMCG MNC



Soaps

Hair
Colours

Liquid
Detergents

Toiletries

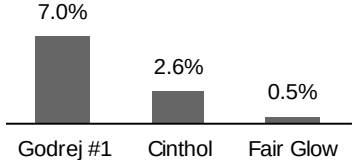
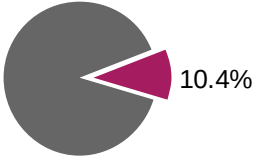
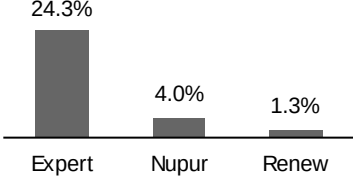
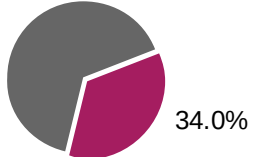
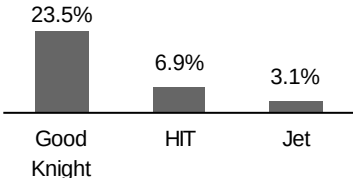
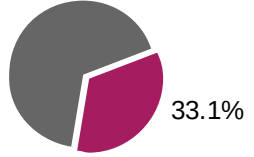
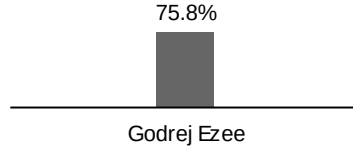
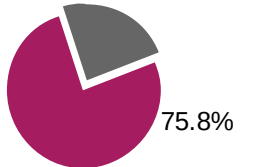
Household
Insecticides
& Others

International Operations

Key Countries – Indonesia, South Africa,
Argentina, Nigeria, Middle East, UK

Key Categories – Personal Wash / Hygiene,
Hair Color, Household Insecticides

GCPL INDIA BUSINESS – SNAPSHOT

Key Categories ⁽¹⁾	Market Size (INR bn.) ⁽²⁾	CAGR (2008-10)	Key Brands - Market Share	Category Market Share	Revenues - Rs. bn. (FY2010)
Soaps	89	13.5%	 <p>Godrej #1 7.0% Cinthol 2.6% Fair Glow 0.5%</p>	 <p>10.4%</p>	8.3
Hair Colour	12	23.8%	 <p>Expert 24.3% Nupur 4.0% Renew 1.3%</p>	 <p>34.0%</p>	2.7
Household Insecticides (Godrej Household Products Limited)	23	18.3%	 <p>Good Knight 23.5% HIT 6.9% Jet 3.1%</p>	 <p>33.1%</p>	8.1
Liquid Detergent	0.7	12.4%	 <p>Godrej Ezee 75.8%</p>	 <p>75.8%</p>	0.5
Toiletries	NA	NA	<ul style="list-style-type: none"> Godrej Shaving Cream Cinthol Deo Spray Cinthol Deo Talc Godrej Protekt – hand sanitizer, hand wash, hand hygiene 	NA	0.8

GCPL INTERNATIONAL BUSINESS – SNAPSHOT

Key Markets ⁽¹⁾	Acquired in	Key Categories & Brands	Revenues - Rs. bn.	EBITDA Margin
Megasari 	May 2010	<ul style="list-style-type: none"> Insecticides – Hit Air Care – Stella Wipes – Mitu / Wetties Cereals – Simba 	5.5	20%+
Tura 	June 2010	<ul style="list-style-type: none"> Medicated Soap - Tura Non medicated soaps Creams & Lotions 	0.5	
Issue Group / Argencos 	Issue Group – June 2010 Argencos – July 2010	<ul style="list-style-type: none"> Hair Colour – Issue, 919, Roby Hair Styling Shampoos/ conditioners 	2.0	14%
Rapidol 	2006	<ul style="list-style-type: none"> Ethnic Hair Colour - Inecto 	0.7	22%
Kinky 	2008	<ul style="list-style-type: none"> Natural & artificial hair products & accessories 	0.7	14%
Keyline 	2005	<ul style="list-style-type: none"> Toiletries & Personal Care – Cuticura, P20 (Sun Protection Cream), Bio Oil 	2.2	16%

THE GROWTH STRATEGY

STRENGTHENING CORE BUSINESS

CINTHOL

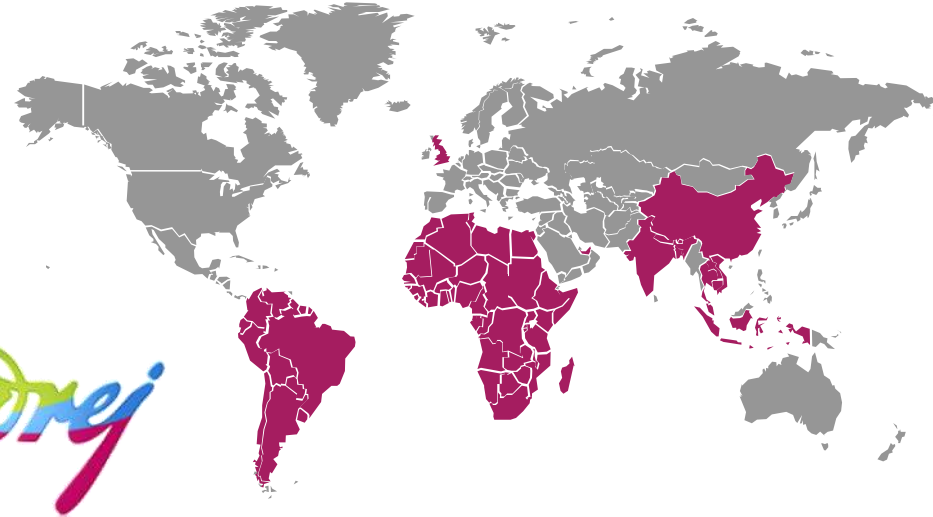
Godrej expert

Godrej

No.1

Godrej

EXPANDING IN DEVELOPING MARKETS



STRENGTHENING RURAL PRESENCE



BUILDING NEW GROWTH PLATFORMS



STRENGTHENING CORE BUSINESSES AND BRANDS

LEADING MARKET POSITIONS



- #2: soaps in India
- #1: hair colors in India
- #1: home insecticides in India
- #1: liquid detergents in India
- #1: ethnic hair color in South Africa
- #2: hair extensions in South Africa
- #2: medicated soaps in Nigeria
- #2: home insecticides in Indonesia
- #1: air fresheners in Indonesia
- #1: wet tissues in Indonesia
- #2: hair colors in Argentina

THE BENEFITS OF FOCUS

Categories of focus

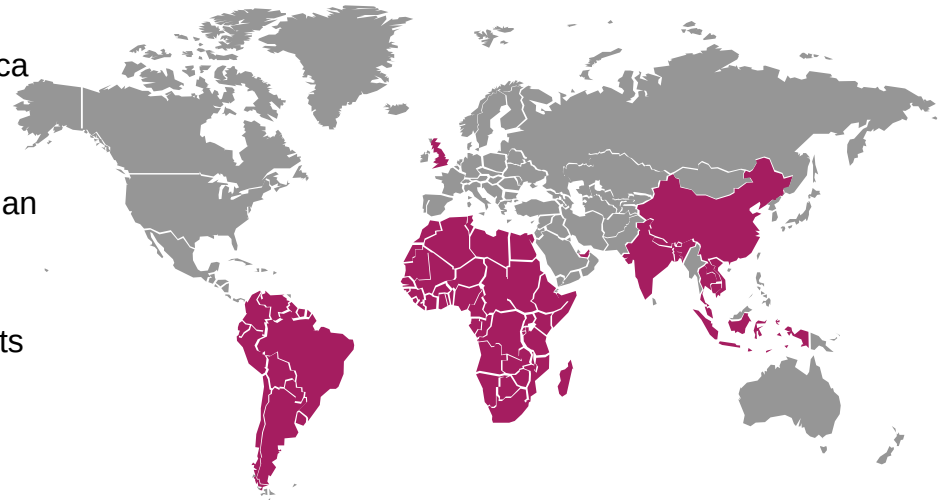
- ✓ Home care built around household insecticides
- ✓ Hair care built around hair colour
- ✓ Personal wash

Benefits of focus & scale

- ✓ Leverage a common innovation pipeline
- ✓ Compete effectively against global competitors
- ✓ Leverage scale and scope synergies in sourcing and operations
- ✓ Launch other GCPL categories in these geographies over time

Cross pollination between geographies

- ✓ Indian operations can use Latin America as a strong source of learning and innovation in hair colours
- ✓ Operational efficiency strengths in Indian insecticide operations transferred to Indonesia, Bangladesh, etc
- ✓ Common purchase of active ingredients and perfumes in both household insecticides and hair colours across global portfolio



GLOBALIZATION STRATEGY OBJECTIVES

Business focus

- ✓ Primary focus for growth will continue to be domestic (within India)
- ✓ However, we will also tap into growth opportunities available in attractive emerging markets
- ✓ This will be largely through acquiring strong local brands with seasoned management teams

Investment thesis

- ✓ Leverage GCPL's fundamental proposition (superior quality affordable products) in markets with significant middle and bottom of the pyramid population
- ✓ Add tremendous value to regional jewels in our markets of choice through the rigor of our processes, operational discipline, manufacturing and sourcing strengths, etc
- ✓ Bring back learnings and technology for the Indian market and strengthen our domestic portfolio

Goal for international business

- ✓ On a long term basis, not more than 30-40% of GCPL's revenues and profits
- ✓ We will look at strong regional brands with a relative market share > than 0.5

Employee proposition

- ✓ Great growth and developmental opportunities for our employees through global exposure

OUR 3 X 3 STRATEGY

Markets & categories

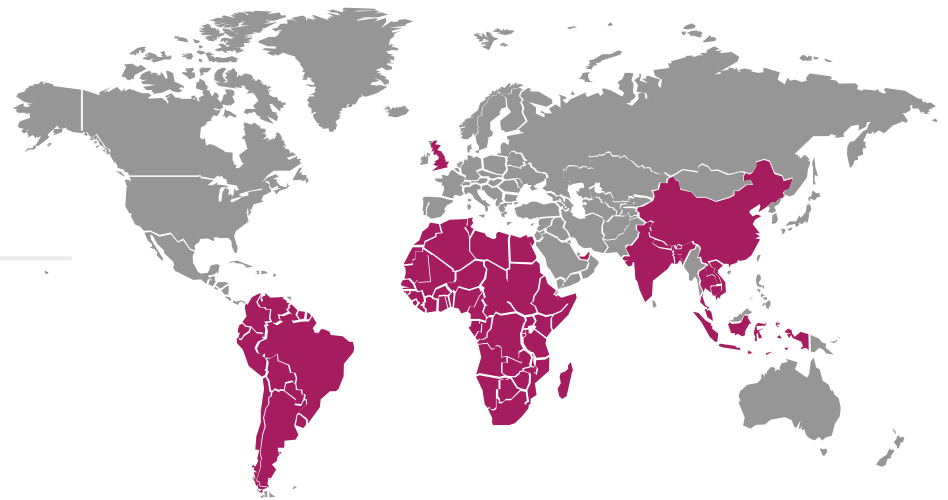
- ✓ Asia, Africa and South America are the world's fastest growing continents
- ✓ We operate household insecticides, hair colour and personal wash as our core categories in India
- ✓ We have focused on three core categories emerging from this strong local base in scanning the 3 identified continents - household care, hair care and personal wash
- ✓ Based on the development of these categories in the countries in these 3 continents, we have a further shortlist of countries within Asia – China, Indonesia, Malaysia, Vietnam and the SAARC countries

Values based Partnering approach

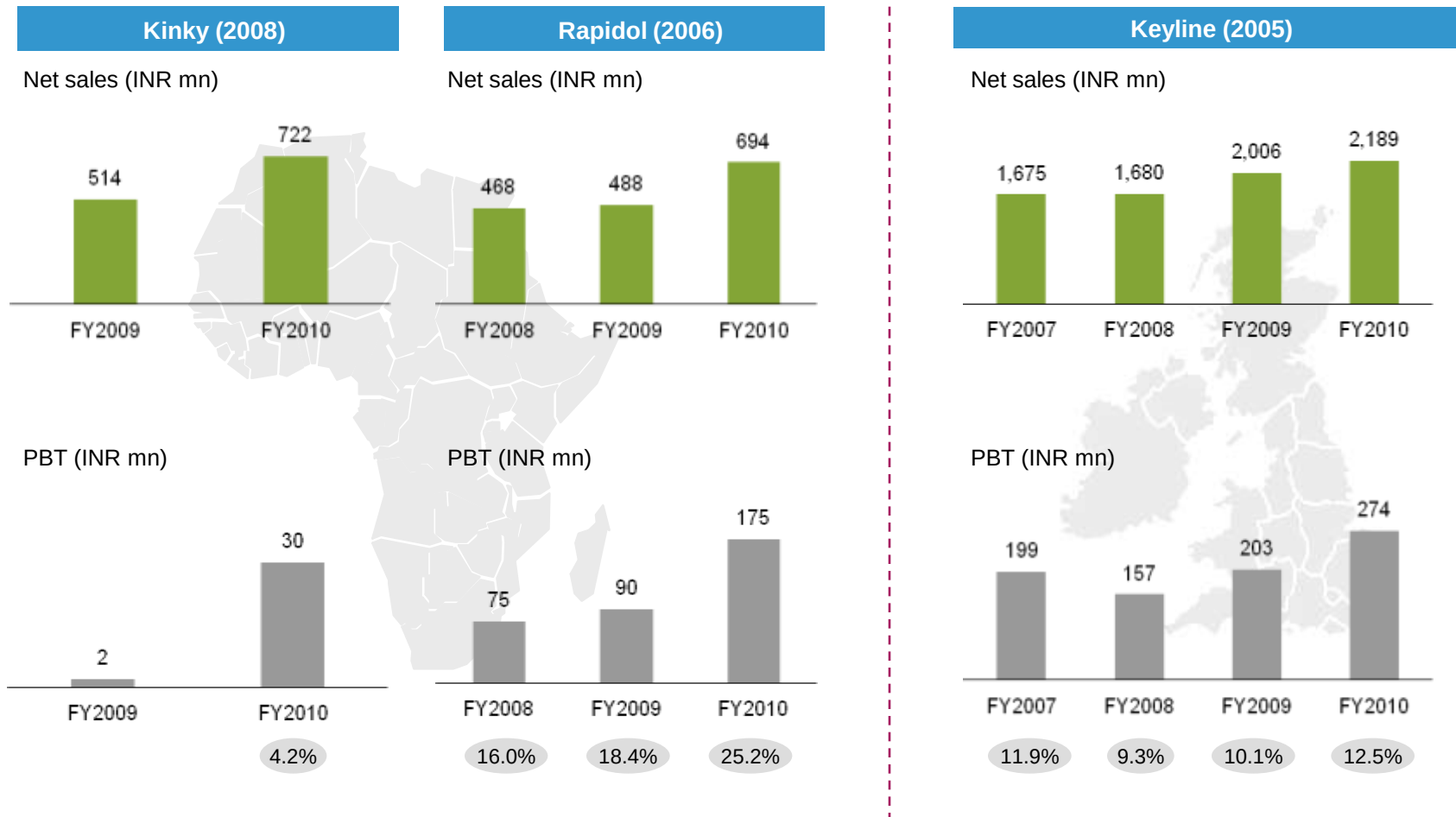
- ✓ Strength of management teams is one of the most critical criteria in assessing targets
- ✓ Aligning incentives with management teams for taking local businesses to full potential
- ✓ Ensure that autonomy is maintained - central resources are deployed as per need
- ✓ Deploy Godrej resources in HR, Finance and Operations to cross-pollinate Godrej processes
- ✓ Clear process for reviews and sharing

Disciplined M&A

- ✓ Rigorous screening of opportunities
- ✓ Strong understanding of each market
- ✓ Robust investment thesis
- ✓ Detailed due diligence



SUCCESSFUL TRACK RECORD THUS FAR OF INTEGRATING ACQUISITIONS

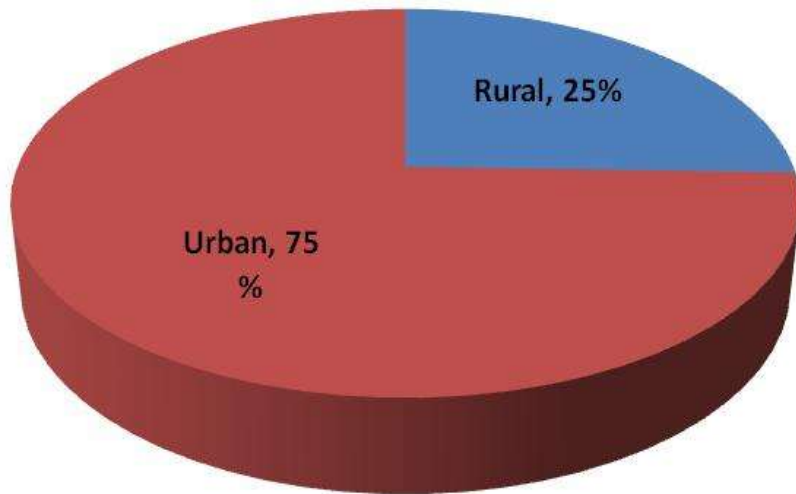


Under Godrej management , sales and profitability have grown significantly

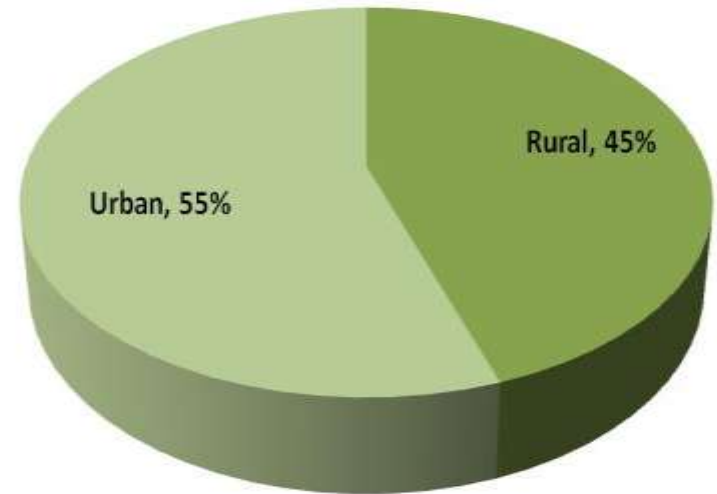
EXPANDING RURAL DISTRIBUTION

FY10 Superstockist Sales	Rs 2.9 bn	30% Growth
No. of Superstockist – Mar10	261	96 – Inc over LY
No. of Substockist – Mar10	5161	1593 – Inc over LY

Salience as a % of Sales

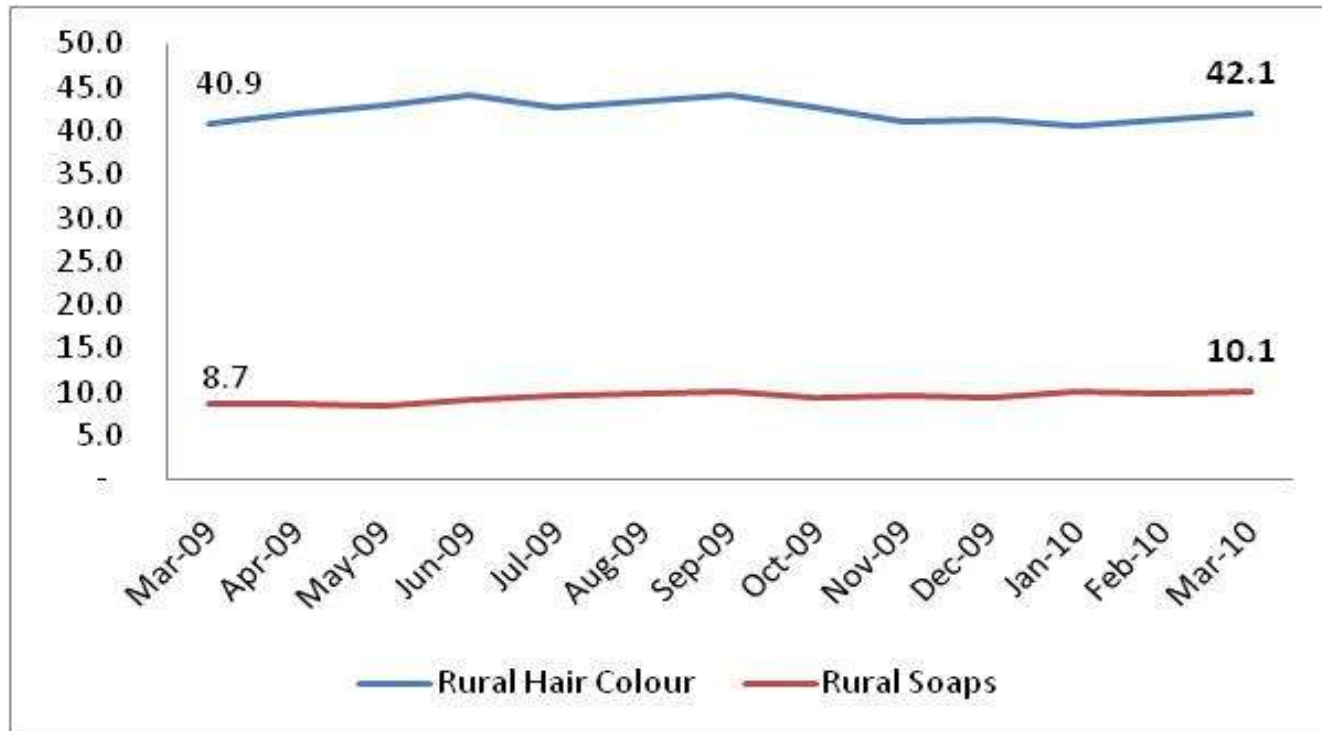


Contribution to % growth in Sales



EXPANDING RURAL DISTRIBUTION

MARKET SHARE TREND



SUCCESSFUL TRACK RECORD OF PRODUCT INNOVATION & LAUNCHES

Godrej Protekt – Hand Sanitizers, Hand Wash & Wipes Launched in 2010



Premium Hair Color Brand Launched in mid year 2010



Lime & Aloe Vera and Moisturizing Soap launched in 2010



Launched Salon Kit in 2010



Low Smoke Coils, Mosquito Cream, Mosquito Spray, Seek & kill insecticide spray



Launched toiletries range in 2010



SEASONED MANAGEMENT TEAM



Adi Godrej
Chairman
Experience -46 yrs



A Mahendran
MD GCPL & GHPL,
Experience -30 yrs



Dr. R K Sinha
COO, GCPL
Experience - 29 yrs



Tarun Arora
EVP Marketing
Experience -15 yrs



Bhupinder Sodhi
EVP, Sales
Experience -36 yrs



Ravi Venkateswar
COO, GHPL
Experience -26 yrs



Rahul Gama
VP HR
Experience -11 yrs



P Ganesh
EVP
Finance, Company
Secretary
Experience -15 yrs

FINANCIAL SUMMARY

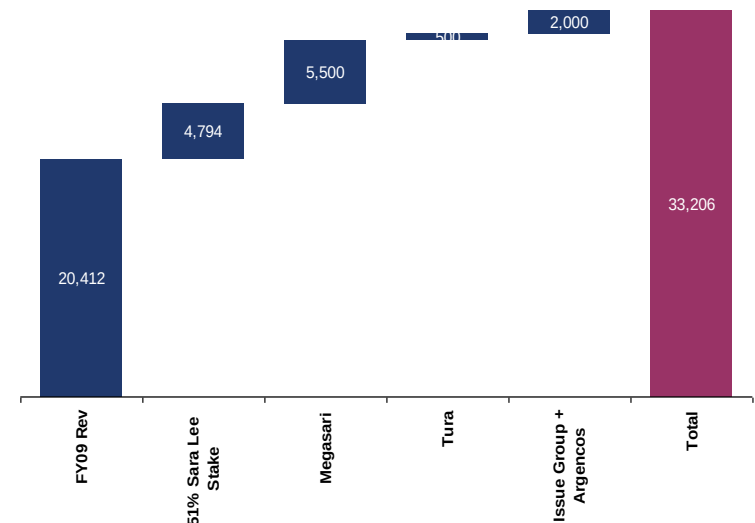
Rs. Mn.

Particulars	Q1 1011	FY 10	FY 09	FY 08	FY 07
Sales	6,431	20,412	13,930	11,026	9,532
Sales Growth		46.5%	26.3%	15.7%	36.2%
Operational EBITDA	1,213	4098	2108	2159	1797
EBITDA Margin (%)	18.9	20.1	15.1	19.6	18.9
Net Profit	1,164	3,396	1,733	1,592	1,585
EPS (Rs)	15.1	11.33	6.83	7.05	6.38
Networth	10,566	9,547	5,715	1,716	1,220
Total Debt	25,352	369	2,776	1,871	1,736
Cash & Bank Balance	4,114	3,052	3,783	426	475
RoNW (%)	44.1	35.6	30.3	92.8	129.9

Aggregate capital raising

- DEBT: ~USD 350 mn in off shore debt
- EQUITY: INR 5.3 Bn
- Long term Debt: Equity ratio targeted at 1:1

Proforma Consolidated Annual Revenues



THANK YOU FOR YOUR TIME AND CONSIDERATION

