



## About Godrej Industries Ltd

Godrej Industries is one of the holding companies of Godrej Group. It is one of the leading manufacturers of oleochemicals on a standalone basis. Godrej Industries is promoter of Godrej Agrovet Ltd and Godrej Properties Ltd. It also has stake in Godrej Consumer Products Ltd. Revenue Mix FY22 Chemicals: ~21%, Animal Feed: ~30%, Estate & Property Development: ~18% Veg Oils: ~15%, Crop Protection: ~8%, Dairy: ~8%, Finance & Investments: ~1% Geographical Split FY22 India: 86% and Outside India: 14%

## Highlights of Latest Quarter Update

Godrej Industries (GIL) – a holding company: GIL derives major value from its listed subsidiaries and associates, viz. Godrej Consumer, Godrej Properties and Godrej Agrovet. Apart from these companies, GIL is also running its oleo-chemical business (standalone operations). The palm oil trading business is housed under its 100% subsidiary Godrej International.

Revenue increases 51% Y-o-Y and Operating Margins improves from 7.37% to 11.50%. Y-o-Y. EBITDA margin increased to 17% in Q2FY23 from 16.9% in Q2FY22.

Godrej Industries Limited (GIL) reported PAT of Rs172.07 in Q2FY22 vs Rs115.89 in Q2FY21.

EBIT and Net Margins were 3.6% and 4.02 in Q2FY22 vs 6.09 and 5.06 in Q2FY21.

GIL has increased its investment in Godrej Capital to 91.8% stake for a total consideration of Rs14,940mn.

GPL Recoded highest ever 1st half sales - booking value stood at ₹ 4,929 crore. Added 2 new projects in MMR and Bangalore with an expected booking value of ₹ 1,950 crore.

Crop Protection Business: In Q2FY23, Consolidated revenues stood at ₹ 370 crore a growth of 44% as compared to the corresponding quarter of the previous year. Dairy: In Q2FY23 revenues stood at ₹361 crore a growth of 27% as compared to the corresponding quarter of the previous year

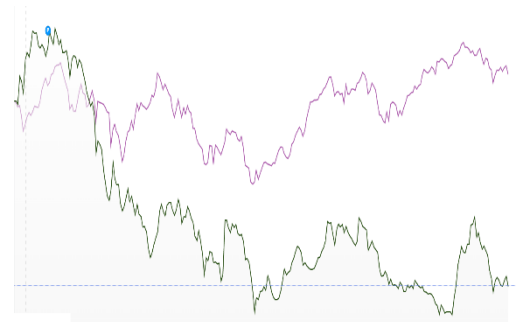
## Overview

Market Cap	14,759.90 Cr
Enterprise Value	29,255 Cr
Total Debt	₹14,448.65 Cr
Cash	₹4,822.15 Cr
Shares Outstanding	33,66,38,257
Beta	0.69
52-Week Range	₹401.45 - 662.00
PE Ratio (TTM)	23.24
EPS	21.74

## Shareholding Pattern

Promoters	67.17%
Public	20.86%
DII	11.96%
FII	0
Others	0

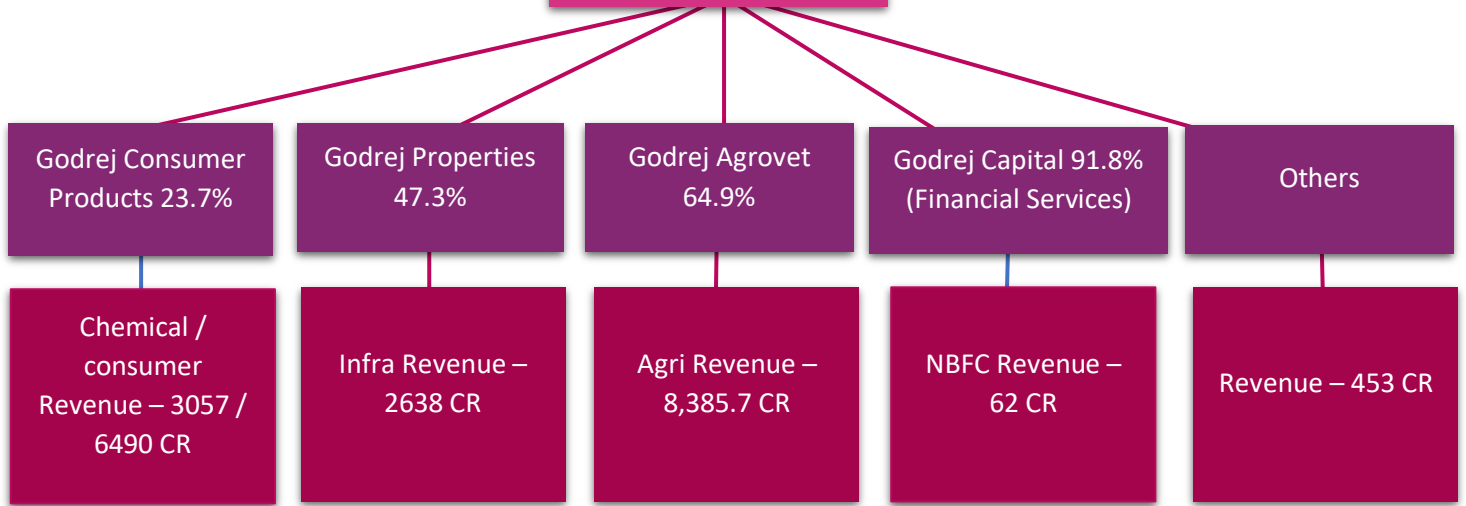
## Comparisons (1 Yr.)



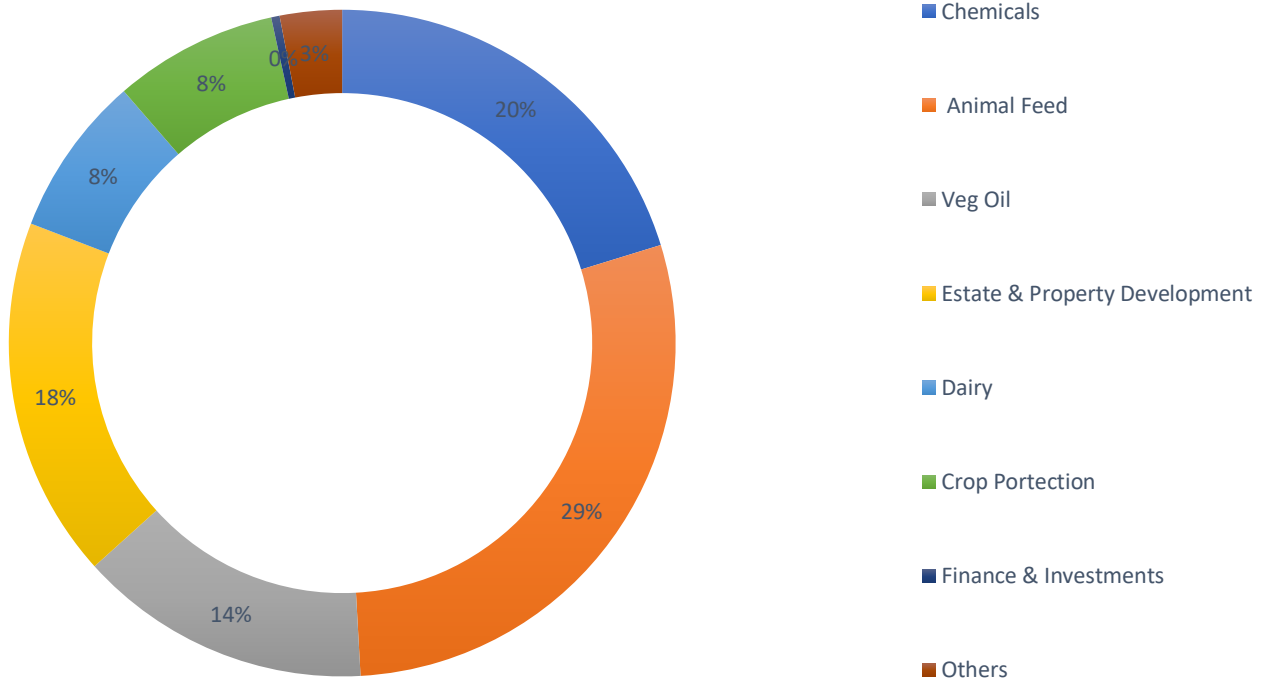
**What should investors do?**

**We valued this company's stock of INR 625 for next one year based on our relative valuation metric and the company's future plans.**

# Godrej Ind



## Total Income



## Key Risk

- A rapid increase in the cost of raw materials could also affect how much GIL is worth.
- Any changes to group structure and ownership could affect how much different subsidiaries and GIL are valued.
- A sharp increase in the level of competition in any GIL business category could have an effect on valuation.

## Financial Summary

Quarterly Update						
	Sep-22	Jun-22	% Ch	Sep-21	% Ch	Jun-21
Revenue	4,021.04	4,024.55	-0.1%	3,280.18	23%	2,890.49
Other Income	254.88	217.91	17%	221.67	15%	210.41
Total Income	4,275.92	4,242.46	1%	3,501.85	22%	3,100.90
Total Expenditure	3,800.61	3,707.81	3%	3,111.59	22%	2,748.36
EBITDA	144.8	245.17	-41%	101.87	42%	78.54
Interest	223.24	188.16	19%	147.26	52%	133.58
Exceptional Items	--	--	--	--	--	--
PBDT	252.07	346.49	-27%	243	4%	218.96
Depreciation	75.63	71.57	6%	66.72	13%	63.59
PBT	176.44	274.92	-36%	176.28	0%	155.37
Tax	4.37	60.34	-93%	60.39	-93%	51.18
Profit after Tax	172.07	214.58	-20%	115.89	48%	104.19
Net Margin (%)	4.02	5.06	7.95	2.98	3.31	3.36
Minority Interest	-63.05	-53.65	18%	-57.31	10%	-47.43
Share of Associate	47.16	43.02	10%	85.02	-45%	81.8
Consolidated Profit	156.18	203.95	-23%	143.6	9%	138.56
Equity Capital	33.66	33.66	0%	33.66	0%	33.66

Profit & Loss Account					
PARTICULARS	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22
<b>Net Sales</b>	<b>1,958.33</b>	<b>2,144.37</b>	<b>1,968.72</b>	<b>1,855.53</b>	<b>3,339.60</b>
<b>Total Expenditure</b>	<b>1,721.52</b>	<b>1,750.24</b>	<b>1,675.73</b>	<b>1,718.76</b>	<b>2,955.69</b>
<b>Operating Profit</b>	<b>236.81</b>	<b>394.13</b>	<b>292.99</b>	<b>136.77</b>	<b>383.91</b>
<b>Other Income</b>	<b>33.7</b>	<b>42.11</b>	<b>60.93</b>	<b>64.05</b>	<b>74.61</b>
<b>Interest</b>	<b>212.43</b>	<b>239.59</b>	<b>228.99</b>	<b>237.51</b>	<b>363.9</b>
<b>Depreciation</b>	<b>68.58</b>	<b>54.3</b>	<b>68.62</b>	<b>72.18</b>	<b>74.8</b>
<b>Exceptional Items</b>	<b>267.38</b>	<b>-243.79</b>	<b>-25.62</b>	<b>1.27</b>	<b>-64.01</b>
<b>Profit Before Tax</b>	<b>256.88</b>	<b>-101.44</b>	<b>30.69</b>	<b>-107.6</b>	<b>-44.19</b>
<b>Tax</b>	<b>15.37</b>	<b>-0.07</b>	<b>-0.12</b>	<b>-0.06</b>	<b>0</b>
<b>Net Profit</b>	<b>241.51</b>	<b>-101.37</b>	<b>30.81</b>	<b>-107.54</b>	<b>-44.19</b>
<b>Adjusted EPS (Rs.)</b>	<b>7.18</b>	<b>-3.01</b>	<b>0.92</b>	<b>-3.19</b>	<b>-1.31</b>

<b>Balance Sheet</b>					
<b>PARTICULARS</b>	<b>Mar-18</b>	<b>Mar-19</b>	<b>Mar-20</b>	<b>Mar-21</b>	<b>Mar-22</b>
<b>Equity and Liabilities</b>					
Share Capital	33.63	33.64	33.65	33.66	33.66
Total Reserves	1,781.48	1,609.34	1,596.99	1,492.64	1,449.56
Borrowings	405.49	625	562.5	1,955.58	3,301.78
Other N/C liabilities	6.17	8.34	18.82	51.64	44.65
Current liabilities	2,757.31	3,036.19	2,809.24	3,219.23	3,859.14
Total Liabilities	4,984.08	5,312.51	5,021.20	6,752.75	8,688.79
<b>Assets</b>					
Net Block	1,493.87	1,482.77	1,483.19	1,769.69	1,746.31
Capital WIP	7.66	8.72	17.95	72.83	38.13
Intangible WIP	0	0	0	0	0
Investments	2,828.22	2,705.21	2,613.92	2,682.47	4,786.11
Loans & Advances	42.48	60.57	50.67	55.63	79.93
Other N/C Assets	2.43	1.39	0.73	1.88	1.76
Current Assets	609.42	1,053.85	854.74	2,170.25	2,036.55
Total Assets	4,984.08	5,312.51	5,021.20	6,752.75	8,688.79

<b>Cashflow Statement</b>					
	<b>Mar-18</b>	<b>Mar-19</b>	<b>Mar-20</b>	<b>Mar-21</b>	<b>Mar-22</b>
Cash From Operating Activities	1,689.00	1,240.35	392.01	-672.16	-1,756.19
Cash Flow from Investing Activities	-	-1,373.46	-1,874.31	-5,152.05	42.76
Cash from Financing Activities	-959.26	1,055.71	1,349.19	5,772.23	1,915.93
Net Cash Inflow / Outflow	-286.09	922.6	-133.11	-51.98	202.5

<b>Key Ratio</b>					
	<b>Mar-18</b>	<b>Mar-19</b>	<b>Mar-20</b>	<b>Mar-21</b>	<b>Mar-22</b>
Cash Conversion Cycle	238	111	104	327	217
Working Capital Days	76	73	110	257	218
ROCE (%)	6.35	9.49	10.75	4.81	8.29
ROE (%)	4.34	7.61	10.88	0.58	9.65
ROA (%)	0.91	1.72	2.93	0.16	2.27
Debt to Equity	1.5	2	1.8	2.9	4.2

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