

Bloomberg Code	GCPL IN
No of share O/S (in Cr)	102
Market Cap (in Rs Cr)	95,673
Face Value (in Rs)	1.0
Dividend Yield (%)	0.00%
52 Wk High/Low (in Rs)	956/ 660

Shareholding (%)	
Promoters	63.22
Institutional	30.78
Public	6,01
Total	100

### **Key result highlights:**

- Godrej Consumer Products Ltd “GCPL” reported a consolidated revenue YoY growth of 9% to ₹3,599 cr (6.1% on QoQ basis) which was driven by 11% (YoY growth) in Indian business.
- EBITDA grew by 11.5% (YoY), amounting to ₹770 cr. There was an increase in EBITDA margin by 50bps (YoY) and 420bps due to the stabilization of Raw material costs. Other income had a whopping scale up by 92.4% (YoY) cumulating to ₹ 43cr.
- Net profit increased by 10.1% (YoY) amounting to ₹673 cr.
- With commodity pressures abating, a gradual recovery in consumption, expansion in gross margins, upfront marketing investments with a significant focus on reducing controllable costs and improvement in profitability is expected in the coming quarters.

### **SEGMENTAL PERFORMANCE**

#### **Home care**

- Home Care grew by 10% at 1,000 cr Performance in Household Insecticides was steady. Growth during the quarter was led by premium formats of electrics and aerosols. Non-mosquito portfolio continues to grow ahead of our mosquito portfolio.

## Personal Care

- Personal Care grew by 14% to ₹875 cr. Personal Wash & Hygiene maintained its growth momentum, delivering double-digit sales growth.
- Growth was driven by micro-marketing initiatives and consistent marketing investments. Godrej No. 1 became the second-largest brand by volume

## *International Business Update*

### Indonesia

- Indonesia business is recovering gradually. Sales declined by 3% in constant currency terms. Sales excluding Hygiene (Saniter) saw a growth of 2% in constant currency terms. EBITDA margins, contracted by 100 bps year-on-year due to upfront marketing investments and scale deleverage

### Africa, USA and Middle East

- Africa, USA and Middle East cluster delivered double-digit sales growth of 23% in constant currency terms. Strong sales growth momentum continues in Southern and West Africa. Dry Hair and FMCG category both grew in double digits. EBITDA margins contracted 160 bps year-on-year due to significant increase in working media investments.

## **VALUATION**

At the CMP of INR 936, the stock is trading at 37.1x FY25 P/E

# Financial Summary

Figures in Cr	Q3FY23	Q2FY23	QoQ (%)	Q3FY22	YoY (%)
Net Sales	3,599	3,392	6.1	3,303	9.0
Raw material cost	1,442	1,706	-15.5	1,429	0.9
<i>Employee Cost To Sales (%)</i>	<i>40.1</i>	<i>50.3</i>		<i>43.3</i>	
Employee Cost	292	259	12.5	283	3.2
<i>Employee Cost To Sales (%)</i>	<i>8.1</i>	<i>7.6</i>		<i>8.6</i>	
Other Expenses	506	506	9.3	463	-0.1
<i>Other Expenses To Sales (%)</i>	<i>14.1</i>	<i>14.9</i>		<i>14.0</i>	
EBITDA	770	582	32.3	690	11.5
<i>EBITDA Margin (%)</i>	<i>21.4</i>	<i>17.2</i>		<i>20.9</i>	
Depreciation	57	53	7.5	54	5.9
<i>Depreciation To Sales (%)</i>	<i>1.6</i>	<i>1.6</i>		<i>1.6</i>	
EBIT	712	529	34.8	636	12.0
<i>EBIT Margin (%)</i>	<i>19.8</i>	<i>15.6</i>		<i>19.3</i>	
Other Income	43	40	8.3	22	92.4
Interest	40	48	-17.2	26	56.5
Interest Coverage Ratio (X)	18	11		25	
<i>Interest Cost to Sales (%)</i>	<i>1.1</i>	<i>1.4</i>		<i>0.8</i>	
Profit Before Tax	673	480	40.0	611	10.1
<i>PBT Margin (%)</i>	<i>18.7</i>	<i>14.2</i>		<i>18.5</i>	
Tax	118	98	20.4	98	20.4
<i>Tax Rate (%)</i>	<i>17.5</i>	<i>20.4</i>		<i>16.0</i>	
Profit After Tax	546	359	52.3	528	3.5
<i>PAT Margin (%)</i>	<i>15.2</i>	<i>10.6</i>		<i>16.0</i>	
Adjusted EPS	5.3	3.5	52.3	5.2	3.5

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