

**Headline:** 'GST will only accelerate India's growth in the coming years': says Adi Godrej

**Description:** The GST reform will be beneficial for the Godrej Group, says our Chairman

**Date:** June 12, 2017

**Publication:** Livemint

**Author:** Sapna Agarwal

**Link:**

<http://www.livemint.com/Companies/VrpsTFOvyPStE5E2AIAvMI/GST-will-only-accelerate-Indias-growth-in-the-coming-years.html>

India is one of the fastest growing global economies and the soon-to-be implemented Goods and Services Tax (GST) will only accelerate growth in the coming years, Adi Godrej, chairman of the Godrej Group, said at the India Beauty and Hygiene Association conclave in Mumbai.

GST will be beneficial for the group as well, said Godrej, who stepped down as Executive Chairman of Godrej Consumer Products Ltd (GCPL) in May and was succeeded by his daughter, Nisaba.

Edited excerpts from an interview on the sidelines of the event:

### **Are you prepared for GST?**

Yes, we are prepared. In the past we had done a similar exercise when state tax was changed to Value-added Tax (VAT).

### **A lot of consumer-packaged goods are priced in the lower tax bracket of 18 per cent as compared to the current regime. Can we expect prices to come down?**

This will help consumption. Prices will be under control. At least when commodity prices go up there usually are price increases and that may not be necessary. It is difficult to tell whether prices will come down. It's too early. We still have to evaluate. It is possible that prices could come down. The brand managers will have to take these decisions.

**Can you tell us what are your projections for growth following the implementation of GST?**

We are expecting rapid growth in all our businesses at the group level. Our fastest growing business is real estate. The economy is doing very well and we think with the implementation of GST there will be further growth for all our businesses.

**There have been worries about destocking and transition effects of GST in the short term...**

Whenever something new comes along, there are transition issues. I think there will be some clarifications that are expected when it comes to destocking. There will be some further clarifications on 11 June (when the GST Council meets) but it's nothing major.

**GCPL has in the last decade done a lot many acquisitions overseas. Will this change now to focus on India?**

We are always open to acquisitions. We have said that we will look at acquisitions in the developing world and India is a part of that. We are open to acquisitions in India wherever it is strategic. We will look at growth in any direction -- organic and inorganic.