

To Meet Growing Consumer Demand for Rental Equipment, Godrej & Boyce will invest INR 100 Crores in its Material Handling Business

~ Expands reach across sectors in response to the surging rental equipment market.

Mumbai, 30th May 2023: Godrej & Boyce, the flagship company of the Godrej Group, announced that its business **Godrej RenTRUST**, a leading player in the material handling rental industry, has planned to invest **INR 100 crores** in capital assets over the **next three years**. This strategic move comes as the company foresees a significant surge in material handling requirements across the country. In Q4 of FY23, **Godrej RenTRUST secured orders deploying 100+ units of equipment** to esteemed clients across multiple industries such as shipping, 3PL, ecommerce, FMCG, manufacturing and F&B, demonstrating the company's commitment to long-term partnerships.

With a strong belief in the potential of the rental market, Godrej RenTRUST aims to cater to the evolving needs of industries including auto, engineering, chemicals and pharma, F&B, FMCG, logistics, 3PL, ecommerce and retail.

The Indian rental market, estimated at INR 2200 crores, has shown a remarkable growth trajectory, with the organized segment gaining ground year after year. By opting for equipment rentals, customers significantly reduce their involvement in servicing requirements. Industry studies indicate that in the entire lifecycle of equipment, service consumes approximately 20% of the cost and 15% of the time of consumers. Reducing either of these aspects empowers industry players to become more competitive in their respective sectors.

Renting equipment has become a preferred option for businesses seeking managed services and bypassing high upfront costs. Compared to purchasing equipment, rentals offer a cost-effective solution that allows companies to choose optimal equipment tailored to their specific requirements. By embracing rental solutions, businesses can eliminate hidden and obvious costs associated with equipment ownership, thereby increasing productivity, meeting compliance standards, and achieving overall cost savings.

Over the past five years, Godrej RenTRUST has achieved a CAGR of 20%, solidifying its position as a trusted and leading player in the material handling rental industry and growing further. In this highly unorganized industry, Godrej RenTRUST continues to provide marquee services to enable fully compliant and safe operations with certified operators and high-quality equipment, that can be digitally monitored in real time by the clients. Customers benefit from their extensive reach in India across 300+ sites, optimized space and cost of warehouses, safer material handling movements till 12.5 meters height with increased throughput, with 80% of fleet being electric powered.

Commenting on this, Mr Anil Lingayat, Executive VP and Business Head, Godrej Material Handling, says, "We are thrilled to announce our investment of INR 100 crores in capital assets for Godrej RenTRUST, reflecting our strong belief in the rising demand for material handling solutions across the country. At Godrej RenTRUST, our focus is on empowering businesses to thrive by providing flexible rental options that eliminate high upfront costs and offer optimal equipment tailored to their specific needs. By delivering transparent rental contracts, exceptional service, and hassle-free maintenance, we aim to enhance our customers' productivity, drive operational efficiencies, and enable them to stay ahead in today's competitive landscape. This strategic investment underscores our commitment to revolutionize the material handling rental industry and deliver exceptional value to our valued customers."

One of the key advantages of Godrej RenTRUST's rental contracts is the transparency it provides in operational expenses. Customers can benefit from a predetermined cost structure, enabling them to determine operational efficiencies needed for their core business. Additionally, rental contracts ensure that no unforeseen expenses arise during the operational cycle, minimizing surprises and providing peace of mind. Companies are increasingly transitioning from capital expenditures to rental solutions leveraging the flexibility it offers in meeting expansion needs, greenfield projects, and fleet replacements.

With a customer-centric approach, Godrej RenTRUST is poised to cater to the ever-growing demands of the Indian market and ensure seamless and efficient material handling for businesses across various sectors.

About Godrej & Boyce Mfg. Co. Ltd

Godrej & Boyce ('G&B'), a Godrej Group Company, was founded in 1897 and has contributed to India's journey of self-reliance through manufacturing. G&B patented the world's first springless lock and since then, has diversified into 14 businesses across various sectors from Security, Furniture, Aerospace to Infrastructure and Defence. Godrej is one of India's most trusted brands serving over 1.1bn customers worldwide daily.

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