

**TRANSCRIPT**  
**OF THE**  
**NINETY-FIRST ANNUAL GENERAL MEETING**  
**OF THE MEMBERS OF**  
**GODREJ & BOYCE MFG. CO. LTD.**  
**HELD ON**  
**TUESDAY, 13<sup>TH</sup> SEPTEMBER, 2022**  
**AT 11:00 A.M. (IST)**  
**THROUGH THE MEDIUM OF VIDEO CONFERENCING (VC)**

## **GODREJ & BOYCE MFG. CO. LTD.**

### **MR. J.N. GODREJ STATED:**

“It gives me great pleasure to welcome you all to this Ninety-First Annual General Meeting of the Company. The Company is conducting this Annual General Meeting through video conferencing pursuant to the Circulars issued by the Ministry of Corporate Affairs”

“The Chairman of the Audit Committee, the Chairperson of the Nomination and Remuneration Committee, the Chairman of the Stakeholders Relationship Committee and the Chairperson of the Corporate Social Responsibility Committee, are present at this Meeting.”

“All Directors of the Company, are present at this Annual General Meeting.”

“The Statutory Auditors and the Secretarial Auditors of the Company are present at the Meeting.”

“The Notice of the Meeting was sent on email to all the Members. The Company has made every feasible effort to enable the Members to participate and attend the Meeting through the medium of video conferencing.”

“All the Members who are participating through the medium of video conferencing will be considered present for the Meeting.”

“This Meeting has the requisite quorum; I declare the Meeting duly constituted.”

“Before we commence to take up the Resolutions mentioned in the Notice of this Annual General Meeting, I would like Mr. Anil Verma, Executive Director & President to briefly touch upon the business performance of the Company for the financial year 2021-22.”

### **MR. A.G. VERMA STATED:**

**“At the time of making our plan for FY 2021-22, the Indian economy was recovering from the first Covid wave. The plan was optimistic with a bit of stretch keeping in mind that the rapid increase in vaccination would help put the scourge of the Covid virus behind us. Also, the Government of India’s pronouncement that lives need to be protected along with livelihoods was an acknowledgement of the intent that the economic impact of stringent lockdowns needed to be considered whilst imposing restrictions of any kind.**

**However, the second wave of Covid that began in March 2021, was devastating. Restrictions in market operations, advisories for office closure and non-availability of permission to work at project sites hit us hard. Images of patients waiting for hospital beds and media coverage of severe oxygen shortage impacted the national psyche. In the summer of 2021, with market restrictions in place, our B2C business, especially Appliances were dealt with a body blow. We closed Q1 of FY 2021-22 with a deficit on both revenues and the bottom line, though the base effect saw us clocking a strong performance- twice the growth on revenues and a Rs. 212 crore improvement on bottom line-year on year.**

The second quarter of FY 2021-22 provided a breather. The opening of markets and offices released pent-up demand. We restated our FY 2021-22 plan to factor in the impact of a devastating Q1 on Appliances. While elevated input costs, higher shipping costs and supply chain disruption continued, optimism was in the air. Corporates spoke of reviving their Capex plans. We closed Q2 of FY 2021-22 with revenues and profits that exceeded our plan.

Historically, our third quarter revenues are fuelled by festival sales. However, the festive sales for FY 2021-22 saw a major shift in demand towards premium priced, high-end products across categories. The vast majority of consumers that usually buy goods that are at more affordable price, curbed their discretionary spends due to inflation, uncertainty arising about the Omicron variant and the continued drop in incomes due to Covid. Consequently, manufacturers offering value priced products targeted at the mass segment saw sluggish sales. We did not get the festival sales traction that we had hoped for. The uncertainty about Omicron led to trade channels unwilling to stock and Corporates in many sectors postponing their Capex plans. With the base effect waning, we still grew revenues for FY 2021-22 on a Year-on-Year basis, though we were marginally short on plan. However, rising input costs and our inability to fully pass them on to consumers due to market forces, severely dented our bottom line. Consequently, we posted 35% of the profits we planned for.

We began the fourth quarter with the Omicron variant caseload gradually reducing. However, any upswings in sentiments were soon negated by the Russia-Ukraine war and its impact on the global economy. Rising inflation, elevated commodity price hikes and disrupted supply chain played spoilsport. However, a spectacular March, 2022 helped us exceed our Q4 revenue plan, improving our overall FY 2021-22 numbers.

We closed the year as under:

1. Revenue (NBV) achieved is Rs. 11,819 crore which was 99% achievement on plan and a 24% increase Year-on-Year
2. Profit (NOS) earned is Rs. 150 crore which was 46% achievement on plan and 2.7 times of last year's profit.

Notwithstanding the challenges faced in FY 2021-22, there are many areas where we did well. 11 of our 14 Business Units made profits with 8 exceeding their profit plan. Our Locks business performed splendidly exceeding their revenue plan and posting Rs. 130 crore in profits. A greater demand for warehouses led by e-Commerce firms provided tailwinds to both our Storage Solutions Group business which crossed the Rs. 1,000 crore revenue mark, and our Material Handling Equipment business which returned to profitability. Our Industrial businesses (Godrej Precision Engineering, Aerospace and Process Equipment Division) posted significant profits bolstered by healthy order banks. Our diversified portfolio helped cushion us against the drop in the financials of B2B Projects and B2C Business Units.

We also take satisfaction from the fact that we have applied our learnings from FY2020-21 to the following year. We maintained a tight control on fixed costs, operating below plan by Rs. 280 crore. We have maintained the focus on e-commerce, as a channel, where we grew by 12.5% over FY 2020-21.

The markets are gradually returning to normalcy over the last 3 months, though some uncertainty remains because of the Russian-Ukraine war. Consumer sentiment dampeners such as rising inflation global inflation, higher interest costs and elevated commodity prices persist. However, our endeavour will be to capitalize on the opportunities the market provides. We have planned assuming consumer sentiment will improve significantly and investments in Capex by the Private sector will kick in, catalysed by the Production Linked Incentive Scheme and the investments announced by the Government of India in the Union Budget. We are also aiming for a higher growth in exports through a slew of initiatives both within the Business Units and across the organization. These include building a product portfolio which is fit for exports, improving our pricing competitiveness, leveraging the offset and Atmanirbhar policies of the Government of India and driving efficiency in order execution.

We believe that we have set our plans in place to deliver a far better performance for FY 2022-23. Our resilience has been tested in FY 2021-22 and we are increasingly confident of tackling any challenges as well as seizing opportunities on our journey to meet our objectives.”

**MR. J.N. GODREJ STATED:**

“Thank you, Anil.”

“If the Members have any questions, in relation to the items of business of this Annual General Meeting, I request that the same may be put forward now and I shall answer them.”

Since, no questions were asked, Mr. J.N. Godrej continued with the proceedings of the Meeting.

**MR. J.N. GODREJ FURTHER STATED:**

“Do I take the Notice convening the Meeting as read?”

**MRS. NYRIKA HOLKAR ANSWERED:**

“Mr. Godrej, since we have received the Notice in advance and have read the same, we request you to call out only the Agenda Item nos. and the subject matter of the Resolutions of the Notice to be taken up for Members’ approval.”

**MR. J.N. GODREJ STATED:**

“I will now proceed to take up the Ordinary and Special Business mentioned in the Notice of this Annual General Meeting. I request all the Members to switch on their videos till the voting by show of hands is complete.”

1. **“Resolution No. 1: To receive, consider and adopt the Audited Standalone Financial Statements and the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon”**

**MRS. NYRIKA HOLKAR STATED**

“I propose Resolution No. 1.”

**MR. N.J. GODREJ STATED**

“I second the Resolution.”

**MR. J.N. GODREJ STATED**

“I will now proceed to put the motion to vote. Those in favor are requested to raise their hands.”

(ALL)

“Those against to raise their hands”.

(NONE)

“I declare the Resolution carried with requisite majority.”

“I would like to inform all the Members that since I am deemed interested in the Resolution No.2, which pertains to my son, Mr. N.J. Godrej who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment, it is necessary to elect one of the Directors present at the Meeting, as the Chairman of the Meeting and conduct the proceedings thereof, in terms of Article 95 of the Articles of Association of the Company.”

**MRS. NYRIKA HOLKAR STATED**

“I propose that Mr. Keki Elavia be appointed as the Chairman of the Meeting, in view of the fact that Mr. J.N. Godrej is deemed interested in Resolution no. 2.”

**MRS. S.G. CRISHNA STATED**

“I second the proposal made by Mrs. Nyrika Holkar.”

Thereafter, Mr. Keki Elavia took the Chair and proceeded with the Meeting.

**MR. KEKI ELAVIA STATED**

2. **“Resolution No. 2: To appoint a Director in place of Mr. N.J. Godrej (DIN: 03049821), who retires by rotation and, being eligible, offers himself for re-appointment”**

**MRS. S.G. CRISHNA STATED**

“I propose Resolution No. 2.”

**MRS. NYRIKA HOLKAR STATED**

“I second the Resolution.”

**MR. KEKI ELAVIA STATED**

“I will now proceed to put the motion to vote. Those in favor are requested to raise their hands.”

(ALL)

“Those against to raise their hands”.

(NONE)

“I declare the Resolution carried with requisite majority.”

“I now request Mr. J.N. Godrej to Chair the Meeting and proceed to take up the remaining items of Ordinary and Special Business.”

**MR. J.N. GODREJ STATED**

“Thank you, Keki.”

3. **“Resolution No. 3: To appoint a Director in place of Mr. N.B. Godrej (DIN: 00066195) who retires by rotation and, being eligible, offers himself for re-appointment”**

**MR. N.J. GODREJ STATED**

“I propose Resolution No. 3.”

**MRS. NYRIKA HOLKAR STATED**

“I second the Resolution.”

**MR. J.N. GODREJ STATED**

“I will now proceed to put the motion to vote. Those in favor are requested to raise their hands.”

(ALL)

“Those against to raise their hands”.

(NONE)

“I declare the Resolution carried with requisite majority.”

**4. “Resolution No. 4: To appoint the Statutory Auditors of the Company and to fix their remuneration”**

**MRS. S.G. CRISHNA STATED**

“I propose Resolution No. 4.”

**MR. N.J. GODREJ STATED**

“I second the Resolution.”

**MR. J.N. GODREJ STATED**

“I will now proceed to put the motion to vote. Those in favor are requested to raise their hands.”

(ALL)

“Those against to raise their hands”.

(NONE)

“I declare the Resolution carried with requisite majority.”

**5. “Resolution No. 5: To appoint Mrs. Freyan Crishna Bieri (DIN: 09197779) as a Non-Executive Director of the Company”**

**MR. N.J. GODREJ STATED**

“I propose Resolution No. 5.”

**MRS. P.J. GODREJ STATED**

“I second the Resolution.”

**MR. J.N. GODREJ STATED**

“I will now proceed to put the motion to vote. Those in favor are requested to raise their hands.”

(ALL)

“Those against to raise their hands”.

(NONE)

“I declare the Resolution carried with requisite majority.”

**6. “Resolution No. 6: To ratify the remuneration payable to the Cost Auditors for the financial year 2022-23”**

**MRS. P.J. GODREJ STATED**

“I propose Resolution No. 6.”

**MRS. S.G. CRISHNA STATED**

“I second the Resolution.”

**MR. J.N. GODREJ STATED**

“I will now proceed to put the motion to vote. Those in favor are requested to raise their hands.”

(ALL)

“Those against to raise their hands”.

(NONE)

“I declare the Resolution carried with requisite majority.”

**MRS. NYRIKA HOLKAR STATED**

“I would like to thank Mr. J.N. Godrej, Chairman & Managing Director of the Company for conducting the Annual General Meeting.”