

TRANSCRIPT OF THE ANNUAL GENERAL MEETING

**TRANSCRIPT OF THE
NINETY-THIRD ANNUAL GENERAL MEETING
OF THE MEMBERS OF
GODREJ & BOYCE MFG. CO. LTD.
HELD ON FRIDAY, 13TH SEPTEMBER, 2024
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-Third 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”

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

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

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

“The Notice dated 9th August, 2024 convening this Annual General Meeting and a copy of the Annual Report for the financial year ended 31st March, 2024 have already been circulated on email to all the Members of the Company.”

“The Auditors’ Report on the Standalone and Consolidated Financial Statements and the Secretarial Audit Report for the financial year ended 31st March, 2024 do not contain any qualifications, reservations, adverse remarks or disclaimer. Accordingly, these Reports are not required to be read out in the Meeting as per the provisions of the Companies Act, 2013.”

“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 & Chief Executive Officer to briefly touch upon the business performance of the Company for the financial year 2023-24.”

MR. A.G. VERMA STATED:

“The Company went into financial year 2023-24 with a set of assumptions pivoted around real Gross Domestic Product growth of 6%; Government investments in sectors like Infrastructure, Defense; private sector investments facilitated by Production Linked Incentive scheme and strong urban consumption. Some of the headwinds the Company had factored in revolved around monsoon deficit, volatility in commodity prices, stress in some of the US and European banks and heightened geopolitical tensions. In this context, it took a revenue plan of Rs.16,000 crore with a year-on-year growth of 13% and a year-on-year profit growth of 14% at Rs. 450 crore.”

“In the first quarter of financial year 2023-24, the Company experienced a tepid demand in discretionary mass categories while the premium segment saw good traction. Moderation in commodity prices helped alleviate some of the margin pressures that it experienced in financial year 2022-23. However increased competitive intensity capped the gains.”

“The Company witnessed government and Private sector capex in select sectors like EHV Projects, Defense, Space, Data Centers. It closed the quarter clocking a revenue of Rs. 3,719 crore (which was 97% achievement of Plan and 11% year on year growth) and Profit of Rs. 37 crore (which was 69% achievement of Plan, Rs. 70 crore year-on-year improvement).”

“The second quarter of financial year 2023-24 which has historically been a quiet quarter saw the continuation of economic scenario seen in the first quarter. Margin pressures on account of heightened competitive intensity coupled with lower than planned revenue led us to a loss of Rs. 2 crore in the quarter. Revenue at Rs. 3,366 crore was 3% below Plan and came in at a year-on-year growth of 8%.”

“With the festive and marriage season in the third quarter, the Company saw an improved consumer sentiment although rural recovery still remained muted. Private sector investments continued to be in ‘wait and watch’ mode while Government investments continued in sectors like Power, Infra and Railways. The third quarter also saw a surge in geopolitical tensions with breakout of Israel-Hamas conflict. Amidst this economic scenario, the Company’s revenue came in at Rs. 3,695 crore (which was 95% achievement of Plan, 13% year on year growth) and Profit at Rs. 62 crore (which was 62% achievement of Plan, twice year-on-year improvement).”

“The fourth quarter has always been a very important quarter for the Company as many of our businesses see good traction in this quarter. This quarter lived up to this trend with the Company garnering an all-time high revenue and profit of Rs. 5,026 crore and Rs. 408 crore respectively.”

“For the financial year 2023-24, most of the Company’s assumptions set forth at the start of the year except for commodity prices which remained benign and thus impacted the Company favorably played out in the manner it had anticipated. Recovery of rural markets due to an uneven monsoon, high inflation as well as higher interest rates which raised borrowing costs impacted disposable incomes crucial for the purchase of the discretionary categories that the Company is in. The Company closed the financial year 2023-24 with a revenue of Rs. 15,807 crore (which was 99% achievement of Plan, 11% year on year growth) and Profit of Rs. 505 crore (which was 112% achievement of Plan and 2.4 times of financial year 2023-24).”

“A few highlights of the year are as under:

- 4 of our 14 Business Units (‘BUs’) achieved sales greater than Rs. 1,000 crore each;
- 10 BUs grew by more than 12% over financial year 2022-23;
- 10 BUs were profitable;
- 8 BUs met their profit plan;
- 11 BUs improved profitability over financial year 2022-23;
- Appliances Division significantly reduced its losses year on year;
- Memorandum of Units with Defense Public Sector Units;
- Qualification of Electricals & Electronics division for participation in greenfield 400kV and select 765kV projects;
- Licensor qualification with Topsoe, Denmark by Process Equipment Division for Green Hydrogen play
- Exports at Rs. 1,389 crore grew by 35% year on year”

“The Company has a favourable outlook for financial year 2024-25 riding on strong real GDP growth projected in excess of 6.5%. Above normal monsoon as predicted by IMD is likely to augur well for disposable income and help in driving demand for some of the Company’s mass discretionary categories. Domestic political stability and revival of consumption is expected to boost private sector capex. Government capex is likely to continue with sustained focus on infra

and defense. However, downside risks remain with respect to Commodity Prices which have already seen increases in the last couple of months. China revival might further stoke inflationary pressures on Commodities. Geopolitical tensions, growing nationalism, supply chain disruptions, higher freight rates could impact exports.”

“The Company has a list of key imperatives outlined for itself which it will focus in financial year 2024-25:

- Financial performance
 - Grow revenue
 - Improve profitability
 - Increase working capital efficiency
 - Generate Operating Cash Flows to fund investments
- Innovation & customer centricity - New products, platforms, manufacturing practices, business processes.
- Attract, manage and retain talent; Good & Green initiatives; strengthen ecosystem partnerships.
- Invest to secure the future - Manufacturing capacity, capability, technology, IT & digital initiatives, and brand.”

“The Company will be moving forward having completed a thorough identification of entity level risks and their mitigation plans. Accordingly, it is projecting revenue to be in the range of Rs.17,500 to Rs. 18,000 crore and Profit in the range of Rs. 575 to Rs. 625 crore. At the higher end of the range, the Company intend to grow its revenue by 14% and Profit by 24%.”

MR. J.N. GODREJ STATED:

“Thank you, Anil.”

“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, 2024 together with the Reports of the Board of Directors and Auditors thereon”

“May I request a proposer and seconder for this item?”

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)

“I declare the Resolution carried with requisite majority.”

2. **“Resolution No. 2: To appoint a Director in place of Mrs. Nyrika Holkar (DIN: 07040425), who retires by rotation and, being eligible, offers herself for re-appointment”**

“May I request a proposer and seconder for this item?”

MRS. P.J. GODREJ STATED:

“I propose Resolution No. 2.”

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)

“I declare the Resolution carried with requisite majority.”

3. **“Resolution No. 3: To appoint a Director in place of Mrs. F.C. Bieri (DIN: 09197779), who retires by rotation and, being eligible, offers herself for re-appointment”**

“May I request a proposer and seconder for this item?”

MR. N.J. GODREJ STATED

“I propose Resolution No. 3.”

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)

“I declare the Resolution carried with requisite majority.”

4. **“Resolution No. 4: To ratify the remuneration payable to the Cost Auditors for the financial year 2024-25”**

“May I request a proposer and seconder for this item?”

MRS. S.G. CRISHNA STATED

“I propose Resolution No. 4.”

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)

“I declare the Resolution carried with requisite majority.”

5. **“Resolution No. 5: To appoint Mr. V.R. Mehta (DIN: 00352598) as an Independent Director of the Company”**

“May I request a proposer and seconder for this item?”

MRS. NYRIKA HOLKAR STATED:

“I propose Resolution No. 5.”

MRS. F.C. BIERI 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)

“I declare the Resolution carried with requisite majority.”

6. **“Resolution No. 6: To appoint Ms. Gauri A. Kirloskar (DIN: 03366274) as an Independent Director of the Company”**

“May I request a proposer and seconder for this item?”

MRS. F.C. BIERI 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)

“I declare the Resolution carried with requisite majority.”

7. **“Resolution No. 7: To approve the appointment of Mr. K.N. Petigara (DIN: 00066162) as Director, to be designated as ‘Non-Executive Non-Independent Director’ on the Board of the Company”**

“May I request a proposer and seconder for this item?”

MR. N.J. GODREJ STATED:

“I propose Resolution No. 7.”

MRS. F.C. BIERI 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)

“I declare the Resolution carried with requisite majority.”

8. **“Resolution No. 8: To approve the appointment of Mr. P.P. Shah (DIN: 00066242) as Director, to be designated as ‘Non-Executive Non-Independent Director’ on the Board of the Company”**

“May I request a proposer and seconder for this item?”

MRS. NYRIKA HOLKAR STATED:

“I propose Resolution No. 8.”

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)

“I declare the Resolution carried with requisite majority.”

9. **“Resolution No. 9: To approve the appointment of Mrs. Anita Ramachandran (DIN: 00118188) as Director, to be designated as ‘Non-Executive Non-Independent Director’ on the Board of the Company”**

“May I request a proposer and seconder for this item?”

MRS. S.G. CRISHNA STATED:

“I propose Resolution No. 9.”

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)

“I declare the Resolution carried with requisite majority.”

10. **“Resolution No. 10: To approve the appointment of Mr. K.M. Elavia (DIN: 00003940) as Director, to be designated as ‘Non-Executive Non-Independent Director’ on the Board of the Company”**

“May I request a proposer and seconder for this item?”

MRS. F.C. BIERI STATED:

“I propose Resolution No. 10.”

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)

“I declare the Resolution carried with requisite majority.”

“I would like to inform all the Members that since I am deemed interested in Resolution No. 11, which pertains to payment of commission to the Non-Executive Directors of the Company including my son, Mr. Navroze Godrej, it is necessary to elect one of the Directors present at the Meeting, as the Chairman of the Meeting to conduct the proceedings thereof, in terms of Article 95 of the Articles of Association of the Company.”

MR. K.N. PETIGARA STATED:

“I propose that Mr. Anil Verma be appointed as the Chairman of the Meeting, in view of the fact that Mr. Jamshyd Godrej is deemed interested in Resolution no. 11.”

MR. K.M. ELAVIA STATED:

“I second the proposal made by Mr. Kavas Petigara.”

Thereafter, Mr. A.G. Verma took the Chair and proceeded with the Meeting.

MR. A.G. VERMA STATED:

11. “Resolution No. 11: To approve payment of commission to the Non-Executive Directors of the Company”

“May I request a proposer and seconder for this item?”

MR. P.D. LAM STATED:

“I propose Resolution No. 11.”

MRS. P.J. GODREJ STATED:

“I second the Resolution.”

MR. A.G. VERMA STATED:

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

(ALL)

“I declare the Resolution carried with requisite majority.”

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

MR. J.N. GODREJ STATED:

“Thank you, Anil.”

12. **“Resolution No. 12: To approve increase in the limit for borrowing monies pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013.”**

“May I request a proposer and seconder for this item?”

MRS. P.J. GODREJ STATED:

“I propose Resolution No. 12.”

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)

“I declare the Resolution carried with requisite majority.”

13. **“Resolution No. 13: To approve creating mortgages/ charges on the assets of the Company, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013.”**

“May I request a proposer and seconder for this item?”

MRS. S.G. CRISHNA STATED:

“I propose Resolution No. 13.”

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)

“I declare the Resolution carried with requisite majority.”

MRS. F.C. BIERI STATED:

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