

FORM DPT-1

CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT INVITING DEPOSITS

[Pursuant to section 73 (2)(a) and section 76 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014]

1. GENERAL INFORMATION

- a. Name, address, website and other contact details of the Company:
GODREJ AND BOYCE MANUFACTURING COMPANY LIMITED
Address of Registered Office/H.O.: Pirojshanagar, Vikhroli, Mumbai 400 079
Tel No: Direct: 022 - 6796 5134 / 6796 5144 / 6796 5109 Board: 6796 5656 / 6796 5959
Fixed Deposit Team – Cell Nos: 98339 95135 / 99201 96709 / 98209 80585
E-mail: deposits@godrej.com **Website:** www.godrejandboyce.com
CIN: U28993MH1932PLC001828
- b. Date of incorporation of the Company: 3rd March, 1932
- c. Business carried on by the Company and its subsidiaries with the details of branches or units, if any:

I. The Company is engaged in the business of:

CONSUMER DURABLES: Refrigerators, Washing Machines, Air Conditioners, Microwave Ovens, Home Safes, Home Storwels, Home Furniture, Mattresses, Locks, Latches & Door Accessories, Cash Boxes & Coffers, Video Door Phones.

INSTITUTIONAL SOLUTIONS: Office Furniture and Storage Systems, Interiors, Seating & Desking Systems, Computer Furniture, Laboratory Furniture, Healthcare Furniture, Open Plan Office Systems, Filing Cabinets & Recording Systems, Audio-Visual Solutions, Safes, Strongroom Doors, Safe Deposit Lockers, Burglary and Fire Resisting Record / Filing Cabinets, Electronic Security Systems and Premises Security Solutions, Vending Machines & Premises.

INDUSTRIAL PRODUCTS: Forklift Trucks, Warehousing Equipment, Multiflex & Heavy-Duty Storage Systems, Workshop Equipment, Process Plant & Equipment, Precision Toolings & Components/Equipment, Compressed Air Control Systems, Compressors, Specialised and General Purpose Electric Motors.

The Company is also engaged in the business of Ready-Mix Concrete, Property Development, Construction & Real Estate Services, Turnkey Electrical/ MEP/ Power Infrastructure/ Renewable Energy Contracts, Energy Conservation and Green Building Consultancy Services, Calibration and Testing Services.

II. Business carried on by the subsidiaries of the Company:

A. Incorporated in India:

GODREJ INFOTECH LTD. : ERP Software Consultancy & Implementation Services

B. Incorporated Outside India:

GODREJ INFOTECH AMERICAS INC. : ERP Software Consultancy & Implementation Services

GODREJ INFOTECH (SINGAPORE)

PTE. LTD. : ERP Software Consultancy & Implementation Services

LVD GODREJ INFOTECH NV : ERP Software Consultancy & Implementation Services

GODREJ (SINGAPORE) PTE. LTD. : Steel Furniture and Equipment

GODREJ UEP (SINGAPORE)

PTE. LTD. : Research & Development, Manufacturing, Selling, Trading, Marketing, Distributing and Servicing Electrical Energy Storage Systems and Products

GODREJ UEP PVT. LTD. : Research & Development on Zn-MnO₂ battery

J T DRAGON PTE. LTD. : Investment Holding Company

GODREJ (VIETNAM) CO. LTD. : Steel Furniture and Security Equipment

VEROMATIC INTERNATIONAL BV. : Table Top Hot and Cold Vending Machines

GODREJ AMERICAS INC. : Marketing and Sale of Industrial Products

SHEETAK INC. : Development of proprietary cooling technology

The Company has Branch Offices/ Retail Stores at Ahmedabad, Bangalore, Bhopal, Bhubaneswar, Chandigarh, Chennai, Coimbatore, Guwahati, Hyderabad, Jaipur, Kochi, Kolkata, Lucknow, Mumbai, Delhi, NCR (Faridabad & Ghaziabad), Patna, Pune, Raipur, Ranchi, Nagpur, Thiruvananthapuram, Kozhikode (Calicut), Visakhapatnam, Vijayawada.

d. Brief particulars of the management of the Company:

The Company is managed by the Chairman & Managing Director, Executive Directors and a team of professional managers, subject to the superintendence, control and direction of the Board of Directors.

e. Names, addresses, DIN and occupations of the Directors:

Name	Address	DIN	Occupation
Mr. J. N. Godrej (Chairman & Managing Director)	Godrej & Boyce Mfg. Co. Ltd., Pirojshanagar, Vikhroli, Mumbai 400 079	00076250	Industrialist
Mr. A. B. Godrej	Godrej Industries Ltd., Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai 400 079	00065964	Industrialist
Mr. N. B. Godrej	Godrej Industries Ltd., Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai 400 079	00066195	Industrialist
Mr. V. M. Crishna	Godrej & Boyce Mfg. Co. Ltd., Pirojshanagar, Vikhroli, Mumbai 400 079	00066267	Industrialist
Mr. K. N. Petigara	801 Citadel, 18B Ruparel Marg, Malabar Hill, Mumbai 400 006	00066162	Business
Mr. P. P. Shah	72A Embassy Apartments, 46 Napean Sea Road, Mumbai 400 026	00066242	Investment Advisor
Mrs. A. Ramachandran	2401-2402, 'A' Wing, Raheja Atlantis, Ganpatrao Kadam Marg, Worli Naka, Mumbai 400 018	00118188	Human Resource Consultant
Mr. A. G. Verma (Executive Director & President)	Godrej & Boyce Mfg. Co. Ltd., Pirojshanagar, Vikhroli, Mumbai 400 079	02366334	Company Director
Mr. K. M. Elavia	Flat No. 603, 36AB (previously known as Anand Bhavan) 36th. Road, Near National College, Bandra West, Mumbai- 400 050	00003940	Chartered Accountant
Mrs. Nyrika Holkar (Executive Director)	Godrej & Boyce Mfg. Co. Ltd., Pirojshanagar, Vikhroli, Mumbai 400 079	07040425	Company Director
Mr. N. J. Godrej	Godrej & Boyce Mfg. Co. Ltd., Pirojshanagar, Vikhroli, Mumbai 400 079	03049821	Company Director

f. Management's perception of risk factors:

The Company has been in the consumer durables and industrial products segment for more than 120 years and enjoys a strong brand image and recall with its customers in both segments. The consumer appliance segment is intensely competitive, marked by presence of large MNCs, intense price competition and fluctuations in commodity pricing and foreign exchange rates can lead to volatility in operating margin. Management believes, performance of the other consumer durables segments and the industrial segment fetching comparatively higher margin, is a key positive contributory factor. We see challenges to the economy in financial year 2021-22 due to the disruption's due to Covid-19-induced lockdown in fiscal 2022 coupled with a general slowdown in the macro-economic scenario. We have drawn up scenarios for the projected recovery and are operating in a market that is constrained by demand but also simultaneously prepared to meet the rebound in demand when it occurs later in the year and are prepared to adapt and operate in a post lockdown world. The nature of our diversified business presence insulates the company from downturn in any individual business segment. Management believes that Company's cash accruals will remain healthy over the medium term, driven by its diversified revenue profile and contribution of stable lease rental, supported by comfortable gearing and debt protection metrics. Further, healthy listed equity portfolio and valuable real estate holding will continue to support its strong financial flexibility.

g. Details of default, including the amount involved, duration of default and present status, in repayment of

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- i) statutory dues - NIL
 - ii) debentures and interest thereon - NIL
 - iii) loan from any bank or financial institution and interest thereof - NIL

2. PARTICULARS OF THE DEPOSIT SCHEME

- a. Date of passing of Board Resolution: 27th August, 2021
- b. Date of passing of Resolution in the General Meeting authorizing the invitation of such deposits: 9th June 2014
- c. Type of deposits, i.e., whether secured or unsecured: UNSECURED
- d. Amount which the Company can raise by way of deposits as per the Companies Act, 2013 (the Act) and the Rules made thereunder, and the aggregate of deposits actually held on the last day of the immediately preceding financial year and on the date of issue of the Circular or advertisement and amount of deposit proposed to be raised and amount of deposit repayable within the next twelve months:
 - i) Amount which the Company can raise by way of deposits as per the Act and the Rules made thereunder, on the basis of the Balance Sheet as at 31st March, 2021:

Deposits from Public	: Rs. 918.92 crore
Deposits from Shareholders (Members)	: <u>Rs. 367.57 crore</u>
Total	: <u>Rs. 1,286.49 crore</u>
 - ii) Aggregate of deposits actually held as at 31st March, 2021 : Rs.1,070.98 crore
 - iii) Aggregate of deposits on the date of issue of the circular: Rs.1046.50 crore (27th August, 2021)
 - iv) Amount of deposits Company can raise in the financial year 2021-22: up to Rs.1,286.49 crore [item d(i)].
 - v) Amount of deposits repayable / renewable in the current financial year 2021-22: As at 31st March, 2021, Deposits from Public: Rs.422.47 crore and Deposits from Shareholders: Rs.205.50 crore.
- e. Terms of raising of deposits (with effect from 1st October 2021)
 - i) Interest on Deposits from Public:

- (1) Fixed Deposit from Public (**for Senior Citizens above 60 years**), and All Employees, Retired Employees, and Spouses of Deceased Employees / Deceased Retired Employees (Duration 3 Years)
 - a. @ 6.65% p.a. payable at the end of each calendar month and on maturity.
 - b. @ 6.75% p.a. payable half-yearly on 30th September, 31st March and on maturity.
 - (2) Fixed Deposit from Public (**for General Category under 60 years**) (Duration 3 Years)
 - a. @ 6.40% p.a. payable at the end of each calendar month and on maturity
 - b. @ 6.50% p.a. payable half-yearly on 30th September, 31st March and on maturity
 - ii) Interest on Deposits from Shareholders (Duration 3 Months) @ 6.85% p.a. payable at the end of each calendar month and on maturity.
 - iii) Mode of payment and repayment: Payment of interest and principal will be made by direct credit in sole/first-named depositor's bank account through NEFT.
- f. Proposed time schedule mentioning the date of opening of the Scheme and the time period for which the circular or advertisement is valid: The Company accepts/renews deposits from public. This is a statutory advertisement issued by the Company, pursuant to Section 73(2)(a) and Section 76 of the Companies Act, 2013 read with Rule 4(1) and 4(2) of Companies (Acceptance of Deposits) Rules, 2014, and shall be effective from 1st October 2021. This advertisement issued shall be valid till 30th September, 2022 or the date of the Company's next Annual General Meeting, whichever is earlier.
 - g. Reasons or objects of raising the deposits: Source of medium-term finance for the business of the Company.
 - h. Credit rating obtained:
Name of the Credit Rating Agencies: CRISIL Ratings Limited
Rating obtained: FAA+/Stable
Meaning of the rating obtained: This rating indicates that the degree of safety regarding timely payment of interest and principal is strong. Such rated instruments carry very low credit risk.
Date on which rating was obtained: 30th July, 2021
 - i. Short particulars of the charge created or to be created for securing such deposits, if any: Not applicable as the deposits are unsecured.
 - j. Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons. : Members can place as Members' Deposits for a period of 3 months, and their interest rate would be different from that compared with that payable to Fixed Deposits from Public (both General & Senior Citizen category), and, Fixed Deposits from All Employees, Retired Employees, and Spouses of Deceased Employees / Deceased Retired Employees.
3. DETAILS OF ANY OUTSTANDING DEPOSITS (as at 27th August, 2021)
- a. Amount Outstanding: Rs. 1046.50 crore
 - b. Date of acceptance: Over the last 3 years
 - c. Total amount accepted (Net): Rs. 1046.50 crore
 - d. Rate of interest: In the range of 6.85% pa to 10.25% pa
 - e. Total number of depositors: 18,174
 - f. Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved: NIL
 - g. Any waiver by the depositors, of interest accrued on deposits: No

4. FINANCIAL POSITION OF THE COMPANY

- a. Profits of the Company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of circular or advertisement:

For the Financial Year ended	Profit before Exceptional Items & Taxes	Profit before Taxes	Profit / (Loss) after Taxes
	(Rs.in Crore)	(Rs.in Crore)	(Rs.in Crore)
31 st March 2019	355.88	355.88	229.26
31 st March 2020	344.52	342.33	224.13
31 st March 2021	165.89	151.86	99.77

- b. Dividends declared by the Company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid or interest payable)

For the Financial Year ended	Dividends	Interest Coverage Ratio
31 st March 2019	2000%	3.65
31 st March 2020	2000%	3.60
31 st March 2021	NIL	3.39

- c. A summary of the financial position of the Company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement:

(Rs.in Crore)							
Liabilities	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2019	Assets	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2019
Share Capital	6.78	6.78	6.78	Non-Current Assets	11,385.65	8,974.11	9,513.81
Other Equity	10,262.38	7,734.11	9,199.69	Current Assets	6,577.71	6,362.41	6,064.07
Non-Current Liabilities	1,466.89	2,158.96	1,082.35				
Current Liabilities	6,227.31	5,436.67	5,289.06				
Total	17,963.36	15,336.52	15,577.88	Total	17,963.36	15,336.52	15,577.88

- d. Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement:

		For the Financial Year ended (Rs. In Crore)		
		31 st March 2021	31 st March 2020	31 st March 2019
i)	Cash flows from operating activities	1,223.02	811.74	484.78
ii)	Cash flows from investing activities	(415.91)	(489.92)	(323.33)
iii)	Cash flows from financing activities	(691.83)	(383.02)	(199.35)
iv)	Net increase/(decrease) in cash and cash equivalents	115.28	(61.20)	(37.90)

- e. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company:

With effect from 1st April 2019 the Company has adopted Ind AS 116 "Leases" using the modified retrospective method, applied to lease contracts as on the transition date. In accordance with this transition method, the comparatives have not been adjusted. The Company recognises Rs. 568.12 crore as at 31st March 2020, as a right-of-use asset and Rs. 586.06 crore as a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases and leases of low value assets. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset, amounting to Rs. 104.07 crore for the year ended 31st March 2020. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made, resulting in a charge of Rs. 44.09 crore for the year ended 31st March 2020.

The Ministry of Company Affairs has notified the Companies (Indian Accounting Standards) Amendment Rules, 2020 on 24th July 2020. The amendments include a practical expedient for a lessee to elect not to assess whether a rent concession as a direct consequence of the COVID-19 pandemic and meeting certain laid down conditions, is a lease modification. The Company has applied such practical expedient and an amount of Rs.16.18 crore has been recognised as a credit to the Statement of Profit and Loss for the year ended 31st March 2021.

5. A DECLARATION BY THE DIRECTORS THAT-

- a. the Company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest on such deposits;
- b. the Board of Directors have satisfied themselves fully with respect to the affairs and prospects of the Company and that they are of the opinion that having regard to the estimated future financial position of the Company, the Company will be able to meet its liabilities as and when they become due and that the Company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;
- c. the Company has complied with the provisions of the Companies Act, 2013 ('the Act') and the Rules made thereunder;
- d. the compliance with the Act and the Rules does not imply that repayment of deposits is guaranteed by the Central Government;
- e. the deposits accepted by the Company before the commencement of the Act have been repaid (or will be repaid along with interest thereon on maturity and until they are repaid, they shall be treated as unsecured and ranking pari-passu with other unsecured liabilities);
- f. In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
- g. the deposits shall be used only for the purposes indicated in the circular or circular in the form of advertisement;
- h. the deposits accepted by the Company (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank pari-passu with other unsecured liabilities of the company.

6. **DISCLAIMER:** It is to be distinctly understood that filing of circular or circular in the Form of Advertisement with the Registrar should not in any way be deemed or construed that the same has been cleared or approved by the Registrar or Central Government. The Registrar or Central Government does not take any responsibility either for the financial soundness of any deposit scheme for which the deposit is being accepted or invited or for the correctness of the statements made or opinions expressed in the circular in the Form of Advertisement. The depositors should exercise due diligence before investing in the deposits scheme.

This Circular is issued on the authority and in the name of the Board of Directors of the Company, the text hereof has been approved by the Board of Directors at its Meeting held on 27th August, 2021 and a copy thereof, signed by a majority of the Directors of the Company, has been filed with the Registrar of Companies, Maharashtra, Mumbai.

BY ORDER OF THE BOARD

Sd/-	--	--	-ABSENT-
<hr/> J. N. GODREJ	<hr/> A.B. GODREJ	<hr/> N.B. GODREJ	<hr/> V.M. CRISHNA
Sd/-	Sd/-	Sd/-	Sd/-
<hr/> K. N. PETIGARA	<hr/> P.P. SHAH	<hr/> A.G. VERMA	<hr/> A. RAMACHANDRAN
Sd/-	Sd/-	Sd/-	
<hr/> K. M. ELAVIA	<hr/> NYRIKA HOLKAR	<hr/> N.J. GODREJ	

27th August 2021

Ref: NKJ / G&B / RM / 2021-22 /91

To,
The Board of Directors,
Godrej & Boyce Manufacturing Company Limited

INDEPENDENT AUDITORS' CERTIFICATE PURSUANT TO THE SECOND PROVISION RULE 4 SUB-RULE (1) OF THE COMPANIES (ACCEPTANCE OF DEPOSITS) AMENDMENT RULES, 2018 AND AS AT MARCH 31, 2021

1. This certificate is issued in accordance with the terms of our engagement letter (REF: NKJ/G&B/CRS/2020-21 / 02) dated 30th September, 2020.

INTRODUCTION

2. We, Deloitte Haskins & Sells LLP, Chartered Accountants (Firm's Registration Number 117366W/W-100018), the Statutory Auditors of Godrej & Boyce Manufacturing Company Limited (the 'Company'), having its Registered Office at Pirojshanagar, Vikhroli, Mumbai have examined the audited books of account and other relevant records and documents maintained by the Company. This includes our unmodified reports on the financial statements of the Company as at and for the years ended March 31, 2019, March 31, 2020 and March 31, 2021.

MANAGEMENT'S RESPONSIBILITY

3. The Management is responsible for the adherence with the relevant provisions of the Companies Act, 2013 (the 'Act'), the applicable Rules (including the Companies (Acceptance of Deposits) Rules, 2014) and the directives of the Reserve Bank of India ('RBI') relating to the acceptance of deposits by the Company and ensuring that there are no defaults in the repayment of deposits and payment of interest on such deposits accepted either before or after the commencement of the Act. This responsibility includes the design, implementation and maintenance of internal control relevant to the compliance.

AUDITORS' RESPONSIBILITY

4. Our procedures have been planned to obtain all information and explanations that we considered necessary to provide reasonable assurance on the absence of defaults in the repayment of deposits or in the payment of interest on such deposits accepted either before or after the commencement of the Act and the making good of defaults, if any, identified. Further, it is our responsibility to verify, based on the information and explanations provided to us by the Management, that, in case the Company has committed a default in the repayment of deposits accepted either before or after the commencement of the Act or in the payment of interest on such deposits, the Company had made good the default and a period of five years has lapsed since the date of making good the default as the case may be.



Deloitte Haskins & Sells LLP

In carrying out our procedures, we have considered the following criteria:

- a. Assertions made by us in our reports on the financial statements as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 with regard to the compliance with the directives issued by the RBI and the provisions of sections 73 to 76 and other relevant provisions of the Act and the rules framed thereunder, or, as the case may be, the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under, where applicable, with regard to deposits accepted from the public.
 - b. Assertions made by the Board of Directors in their reports to members for the years ended March 31, 2021, March 31, 2020, March 31, 2019 with regard to deposits accepted from the shareholders and from the public.
 - c. Forms DPT-1 for the years ended March 31, 2021, March 31, 2020, March 31, 2019 containing in the case of DPT-1 declarations made by the Directors of the Company to the effect that the Company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act, or payment of interest thereon for the years ended March 31, 2021, March 31, 2020, March 31, 2019.
 - d. Monthly email declarations made during the period April 1, 2020 to March 31, 2021 by the treasury team on behalf of management to the credit rating agencies viz. CRISIL and ICRA, as applicable, that there has been no delay / default in repayment of interest / principal of debt.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India ("ICAI") and Standards on Auditing specified under Section 143(10) of the Act, which include the concepts of test checks and materiality. The Guidance note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
 6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC 1), Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

7. Based on our examination as stated in paragraph 4 above and according to the information, explanations and representations provided to us by the Company, in our opinion, the Company has not committed any default in the repayment of deposits or in the payment of interest on such deposits accepted either before or after the commencement of the Act that were outstanding during the year and that there were no defaults that had to be made good as of March 31, 2019, March 31, 2020 and March 31, 2021.

RESTRICTION ON USE

8. This certificate is issued to the Board of Directors of the Company, for onward submission to the Registrar of Companies along with Form DPT 1 for the year ended March 31, 2021, and should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



N. K. Jain
Partner

Membership No. 045474
UDIN: 21045474AAAAFA6933

Mumbai, August 27, 2021