

DIRECTORS' REPORT
AND MANAGEMENT
DISCUSSION
& ANALYSIS

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

Your Directors have pleasure in presenting their Report along with the Audited Accounts for the year ended on March 31, 2015.

1. REVIEW OF OPERATIONS

Your Company has continued to grow ahead of the overall FMCG sector, as well as home and personal care categories that it participates in, despite a challenging macro environment.

Godrej Consumer Products Limited's ("GCPL") expanding footprint is driven by a focused 3x3 strategy – a presence in three business categories (personal care, hair care and home care) in three geographies (Asia, Africa and Latin America) – to become an emerging markets FMCG leader. Despite challenges across geographies, its businesses have performed well, with the company's salience of international revenues at 47%.

GCPL's focus has been to accelerate innovation and back new products with strong marketing investments. In the past year, GCPL made several new launches in its domestic and international businesses, expected to further enhance the company's competitiveness, improve the equity of its brands and drive increased penetration and consumption. Over 40% of GCPL's growth now comes from new products and

renovations. It was also the highest ranked Indian company (at number 24) on Forbes' list of the 'World's 100 Most Innovative Growth Companies 2015', for the second year in a row.

Today, your Company is one of the largest household and personal care companies in India; the leader in hair colour, household insecticides and liquid detergents, the number two player in toilet soaps and a fast-growing new entrant in air care. Significant marketing investments have driven higher consumption and penetration across the board. GCPL's superior global supply chain and future-ready sales organisation leverage the latest technology for sharper execution and better decision making, thus strengthening market positions.

Your Company was ranked the number 1 FMCG Company to work for in the 'Great Place to Work – Best Workplaces in India 2014' list; its eleventh consecutive year on the list. It was also ranked number 14 on the 'Great Place to Work – Best Workplaces in Asia 2014' list and ranked among the 'Aon Hewitt Best Employers in India – 2015' survey.

Your Company's financial performance for the year under review is summarised below:

Figures in ₹ (Crore)

Financials Abridged Profit and Loss Statement	Consolidated		Standalone	
	FY 2014-15	FY 2013-14	FY 2014-15	FY 2013-14
Net Sales	8242.20	7582.57	4369.25	4024.74
Other Operating Income	34.16	19.84	60.55	55.10
Total Income from Operations	8276.36	7602.41	4429.80	4079.84
Total Expenses other than Depreciation & Finance Cost	6907.80	6418.88	3590.13	3326.87
Profit from Operations before Other Income, Finance Cost, Exceptional Items & Depreciation	1368.56	1183.53	839.67	752.97
Depreciation	90.78	81.85	41.67	35.52
Profit from Operations before Other Income, Finance Cost & Exceptional Items	1277.78	1101.68	798.00	717.45
Foreign Exchange Gain / (Loss)	(3.25)	(26.78)	2.27	(5.94)
Other Income	91.51	62.71	55.24	40.00

Financials Abridged Profit and Loss Statement	Consolidated		Standalone	
	FY 2014-15	FY 2013-14	FY 2014-15	FY 2013-14
	Profit before Finance Costs & Exceptional Items	1366.04	1137.61	855.51
Finance Cost	100.15	107.37	36.92	38.52
Profit after Finance Costs but before Exceptional Items	1265.89	1030.24	818.59	712.99
Exceptional Items	(17.17)	(0.57)	8.60	0.00
Profit Before Tax	1248.72	1029.67	827.19	712.99
Tax Expense	272.29	210.37	172.74	148.15
Net Profit after Tax before Minority Interest	976.43	819.30	654.45	564.84
Share of Profit in Associate Company	0.04	(0.05)	-	-
Minority Interest	(69.35)	(59.52)	-	-
Net Profit for the period	907.12	759.73	654.45	564.84

2. APPROPRIATION

Your Directors recommend appropriation as under:

GCPL Standalone	FY 2014-15 ₹ (Crore)	FY 2013-14 ₹ (Crore)
Surplus as at the end of previous year	1270.33	1010.09
Add: Net Profit for the year	654.45	564.84
Available for appropriation	1924.78	1574.93
Add: Transfer to Debenture Redemption Reserve	20.39	(23.53)
Less: Interim Dividend	187.24	178.70
Less: Tax on distributed profits	36.73	30.37
Less: Transfer to General Reserve	-	56.50
Less: Adjustment on amalgamation of Godrej Hygiene Products Limited	-	15.50
Less: Depreciation Adjustment pursuant to implementation of Schedule II of the Companies Act, 2013	0.83	-
Total Appropriation	204.41	304.60
Surplus Carried Forward	1720.37	1270.33

3. DIVIDEND

For the year 2014-15, four interim dividends were paid on shares of face value ₹ 1/- each, the details of which are mentioned below:

Dividend Type	Declared at Board Meeting Dated	Dividend rate per share on shares of face value ₹ 1 each	Record Date
1 st Interim for FY 2014-15	July 28, 2014	₹ 1.00	August 4, 2014
2 nd Interim for FY 2014-15	November 1, 2014	₹ 1.00	November 12, 2014
3 rd Interim for FY 2014-15	February 5, 2015	₹ 1.00	February 13, 2015
4 th Interim for FY 2014-15	April 28, 2015	₹ 2.50	May 6, 2015
TOTAL		₹ 5.50	

Your Directors recommend that the aforesaid interim dividends aggregating to ₹ 5.50/- per equity share be declared as final dividend for the year ended on March 31, 2015.

4. BOARD OF DIRECTORS

Six Board meetings were held during the year. Details of the meetings and the attendance record of the directors are in the Corporate Governance section of the Annual Report.

At the last Annual General Meeting (“**AGM**”) held on July 28, 2014, Mr. Narendra Ambwani who was earlier appointed as an Independent Director under the provisions of the Listing Agreement retired by rotation and was appointed as an Independent Director for a period of five years till July 27, 2019, in compliance with Clause 49 of the Listing Agreement and the Companies Act, 2013.

The shareholders through a resolution passed by Postal Ballot on September 23, 2014 appointed Prof. Bala Balachandran, Mr. Bharat Doshi, Dr. Omkar Goswami, Mr. Aman Mehta, Mr. D Shivakumar and Ms. Ireena Vittal as Independent Directors for a period of five years from September 26, 2014 till September 25, 2019 in compliance with Clause 49 of the Listing Agreement and the Companies Act, 2013.

Prof. Bala Balachandran and Mr. A Mahendran resigned from the Board with effect from close of business hours on March 31, 2015. The Board of Directors placed on record its appreciation of their individual contributions during their tenure.

All the Independent Directors have given their declaration of independence as required under Section 149(6) of the Companies Act, 2013 and this has been recorded by the Board of Directors.

A familiarisation programme for the Independent Directors was conducted to familiarise them with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc.

The same may also be accessed through the following link: <http://www.godrejcp.com/Resources/pdf/Familiarisation-Programme-for-Independent-Directors.pdf>

In the forthcoming Annual General Meeting, Mr. Nadir Godrej will retire by rotation and being eligible is considered for re-appointment.

Your Company has an Audit Committee in compliance with the Listing Agreement and the provisions of the Companies Act, 2013. The Committee consists entirely of the Independent Directors. The composition of the Committee is given in the Corporate Governance section of the Annual Report.

5. CHANGES IN KEY MANAGERIAL PERSONNEL

Mr. P Ganesh, Executive Vice President (Finance & Commercial) & Company Secretary resigned with effect from close of business hours on March 31, 2015. As a part of talent rotation within the Group, Mr. P Ganesh has moved to another Group Company from April 1, 2015. Mr. V Srinivasan has been appointed as the Chief Financial Officer and Company Secretary of the Company with effect from April 1, 2015.

6. REMUNERATION POLICY

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as **Annexure 'A'** to the Directors' Report. The Company's total rewards framework aims at holistically utilising elements such as fixed and variable compensation, long-term incentives, benefits and perquisites and non-compensation elements (career development, work-life balance and recognition).

The non-executive directors receive sitting fees and commission in accordance with the provisions of the Companies Act, 2013.

The Company also has a Board Diversity Policy in place and is annexed as **Annexure 'B'**. The criteria for determining qualification, positive attributes and independence of directors is as per the Board Diversity Policy, Listing Agreement and Companies Act, 2013.

7. REMUNERATION TO DIRECTORS

The disclosure on the details of remuneration to directors and other employees pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure 'C'**. Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available at the Registered Office of the Company during working hours before 21 days of the Annual General Meeting and shall be made available to any shareholder on request. Such details are also available on your Company's website in the Annual Report section of the Investor's page.

Mr. Adi Godrej, Chairman; Ms. Nisaba Godrej, Executive Director, Innovation and Mr. Vivek Gambhir, Managing Director receive remuneration from your Company. Mr. Adi

Godrej receives commission from your Company's holding company viz. Godrej & Boyce Manufacturing Company Limited.

8. PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS, ITS INDIVIDUAL MEMBERS AND ITS COMMITTEES

We recently conducted a formal Board Effectiveness Review as part of our efforts to evaluate, identify improvements and thus enhance the effectiveness of the Board, its Committees, and Individual Directors. This was in line with the requirements mentioned in the Companies Act, 2013 and the listing agreement.

The Corporate HR team of Godrej Industries Limited and Associate Companies (GILAC) worked directly with the Chairman and the Nomination and Remuneration Committee of the Board, to design and execute this process which was adopted by the Board. Each Board Member completed a confidential online questionnaire, providing vital feedback on how the Board currently operates and how it could improve its effectiveness.

The survey comprised four sections and compiled feedback and suggestions on:

- Board Processes (including Board composition, strategic orientation and team dynamics)
- Individual Committees
- Individual Board Members
- Chairman

The following reports were created, as part of the evaluation:

- Board Feedback Report
- Individual Board Member Feedback Report
- Chairman's Feedback Report

The overall Board Feedback Report was facilitated by Mr. Bharat Doshi with the Independent Directors. The Directors were vocal about the Board functioning effectively, but also identified areas that show scope for improvement. The Individual Committees and Board Members' feedback was shared with the Chairman. Following his evaluation, a Chairman's Feedback Report was also compiled.

9. FINANCE

A. Non-Convertible Debentures

The Unsecured Redeemable Zero Coupon Non-Convertible Debentures issued in October 2012 on private placement basis, aggregating to ₹ 250 crore for a tenor of two years, having a credit rating of [ICRA] AA (Stable), have been redeemed during the year as per the terms of the issue.

Your Company issued 2,500 Unsecured Redeemable Zero Coupon Non-Convertible Debentures on October 16, 2014 on private placement basis, aggregating to ₹ 250 crore for a tenor of 1 year and 63 days (428 days). The said Debentures have been given a credit rating of "ICRA AA+ (Stable)" by ICRA.

B. Particulars of Loans, Guarantees and Investment

Following are the particulars of Loans, Guarantees and Investments made by the Company during the year:-

Sr. No.	Company name	Amount USD (Mio)	Amount ₹ (Crore)
INVESTMENTS:			
1	Godrej Consumer Products Mauritius Limited	7.85	47.68
2	Godrej Global Middle East FZE *	(1.25)	(5.74)
3	Godrej Consumer Products Holding (Mauritius) Limited	1.50	8.98
4	Godrej Household Products (Bangladesh) Pvt. Limited	1.50	8.95
5	Godrej Consumer Products Mauritius Limited **	(0.50)	(2.28)
6	Godrej Mauritius Africa Holdings Limited	1.00	6.22
7	Godrej East Africa Holdings Limited	3.60	22.12
Total		13.70	85.94

Note: * Investments transferred to another wholly owned subsidiary.

** Investment in preference capital.

All investments except the investment mentioned in Sr. No 5 above are in equity capital.

No Loans or Corporate Guarantees were given during the year.

10. RELATED PARTY TRANSACTIONS

In compliance with Clause 49 of the Listing Agreement, the Board has adopted a policy for transactions with Related Parties ("**RPT Policy**"). The RPT policy is available on the Company website, viz. www.godrejcp.com, on the Investors page, under the section titled "Compliance".

This may also be accessed through the following link:
<http://www.godrejcp.com/Resources/pdf/Related-Party-Transactions-Policy.pdf>

Apart from the Related Party Transactions in the ordinary course of business and at arm's length basis, details of which are given in the notes to the financial statements, there were no other Related Party Transactions requiring disclosure in the Directors' Report, for compliance with Section 134(3)(h) of the Companies Act, 2013. Therefore, a Nil Report is annexed as **Annexure 'D'** in the format prescribed i.e. Form AOC-2.

11. ACQUISITIONS & MERGERS

Your Company entered into the following agreements during the year for various acquisitions:

- With the Darling Group on October 1, 2014 to acquire 100% stake in its hair extensions business in Ghana through its wholly-owned subsidiary, Weave Business Holdings Mauritius Private Limited.
- With Frika Pty Limited, South Africa on January 6, 2015, for the acquisition of 100% equity stake in its hair extensions business in South Africa.
- With the Darling Group on February 24, 2015, for increasing the Company's shareholding in Darling Group's South Africa and Mozambique businesses to 90% in line with the intent of gradually scaling up its ownership of the Darling business.

Certain Subsidiaries of your Company have merged with another subsidiary, the details of which are given in the para on Subsidiaries and Associates below.

12. SUBSIDIARIES & ASSOCIATES

During the year, the following companies became subsidiaries of your Company:

DGH Phase 3 Mauritius
Weave Ghana Limited
Godrej Easy IP Holding Limited
Darling Trading Company Limited
Godrej Africa Holdings Limited
Godrej Indonesia IP Holdings Limited
Godrej Megasari Holdings Limited
Frika Weave Pty Limited

Pursuant to a scheme of amalgamation sanctioned by the Supreme Court of Mauritius, Godrej Kinky Holdings Limited, a wholly owned subsidiary of your Company has merged with Godrej Consumer Investment Holding Limited, another wholly owned subsidiary. The merger is effective from April 1, 2014.

Pursuant to another scheme of amalgamation sanctioned by the Supreme Court of Mauritius, the wholly owned subsidiaries named below merged into Godrej Mauritius Africa Holdings Ltd, another wholly owned subsidiary.

Godrej Consumer Investment Holding Limited
Godrej Weave Holdings Limited
DGH Mauritius Private Limited
Weave Business Holding Mauritius Private Limited
DGH Phase 3 Mauritius

The merger is effective from March 31, 2015.

Inecto Manufacturing Limited, U.K and Issue Group Uruguay S.A were dissolved during the year.

The details of business of the key subsidiaries are given in the Management Discussion & Analysis section of the Directors' Report. The performance and financial position of each subsidiary and associate company is given in form AOC 1 which forms part of Consolidated Financial Statements.

The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India, also forms part of the Annual Report and Accounts of your Company.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the Company has placed the financial statements of its subsidiaries on the Company's website www.godrejcp.com.

In compliance with the Listing Agreement, the Board has adopted a policy for determining material subsidiaries. This policy is available on the Company's website www.godrejcp.com, in the Investors page, under the section titled "Compliance".

This may also be accessed at the following link:
<http://www.godrejcp.com/Resources/pdf/Policy-on-Material-Subsidiaries.pdf>

13. DISCLOSURE ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Annexure 'E' to this Report provides information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, required under Section 134 (3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 which forms a part of the Directors' Report.

14. RISK MANAGEMENT POLICY

The Board has constituted a Risk Management Committee. Elements of risks to the Company are given in the Management Discussion & Analysis section of this Report under the heading “Risks & Concerns”.

15. CORPORATE SOCIAL RESPONSIBILITY

Your Company has a policy for meeting its Corporate Social Responsibility (“CSR”). Details of CSR projects are provided in **Annexure ‘F’** in the prescribed format.

16. VIGIL MECHANISM

Your Company has adopted a Vigil Mechanism Policy.

The purpose of the policy is to enable employees to raise concerns about unacceptable improper practices and/or any unethical practices being carried out in the organisation without the knowledge of management. All employees shall be protected from any adverse action for reporting any unacceptable/improper practice and/or any unethical practice, fraud or violation of any law, rule or regulation. This Whistle Blower policy will also be applicable to the Directors of the Company.

The Audit Committee reviews on a quarterly basis, reports made under this policy and implements corrective actions, wherever necessary.

17. THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In Compliance with Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 your Company constituted an “Internal Complaints Committee” (“Committee”). Twenty-six workshops were conducted to create awareness about sexual harassment among employees.

Since the number of complaints filed during the year was NIL the Committee prepared a NIL complaints report. This is in compliance with Section 22 of the Act.

18. AUDIT COMMITTEE

Your Company has an Audit Committee in compliance with Section 177 of the Companies Act, 2013 and the Listing Agreement. The Audit Committee consists of the following Independent Directors: Mr. Bharat Doshi as Chairman of

the Committee and Mr. Narendra Ambwani, Prof. Bala Balachandran, Dr. Omkar Goswami, Mr. Aman Mehta, Mr. D Shivakumar and Ms. Ireena Vittal as members. Prof. Bala Balachandran has ceased to be a member of the Committee with effect from the close of business hours on March 31, 2015 since he has resigned from the Board.

19. EMPLOYEE STOCK GRANT SCHEME

The shareholders have on March 18, 2011, approved the Employee Stock Grant Scheme (GCPL ESGS 2011). The scheme envisages the issue of up to 2,500,000 fully paid equity shares at a nominal value of ₹ 1/- each in the Company to certain eligible employees of the Company and/ or its subsidiaries. In terms of the GCPL ESGS 2011, 174,121 grants are outstanding and not vested as at March 31, 2015.

The eligible employees shall be entitled to exercise the options vested in them, within one month from the date of vesting or such dates as may be determined by the Nomination and Remuneration Committee. The equity shares vested in the eligible employees shall be allotted on payment of the exercise price of ₹ 1/- per share.

The details of the grants allotted under GCPL ESGS 2011, as also the disclosures in compliance with Section 62 1(b) read with Rule 12(9) of the Companies (Share Capital & Debentures) Rules, 2014 are set out in **Annexure ‘G’** to this report.

Under the scheme of amalgamation between your Company and Godrej Household Products Limited (GHPL), the Employee Stock Option Scheme of the erstwhile unlisted GHPL has become part of your Company. The equity shares of ‘Godrej Industries Limited’ are the underlying equity shares for the stock option scheme. As at April 1, 2014, 10,40,000 options convertible into 10,40,000 equity shares of Godrej Industries Limited (GIL) were outstanding. As at March 31, 2015, 35,000 options convertible into 35,000 equity shares of GIL were outstanding.

The Company has not given any loan to any person under any scheme for the purpose of or in connection with the subscription or purchase of shares in the Company or the Holding Company. Hence there are no disclosures on voting rights not directly exercised by the employees in respect of shares to which the scheme relates.

20. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions contained in Section 134(5) of the Companies Act, 2013, your Directors, based on the representation received from the Operating Management, and after due enquiry, confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f) the Directors have devised a proper system to ensure compliance with the provisions of all applicable laws and this system is adequate and operating effectively.

21. UNCLAIMED SHARES

In compliance with Clause 5A of the Listing Agreement with the Stock Exchanges, your Company has transferred the unclaimed shares into a demat account, viz. "Unclaimed-Suspense Account". As and when an allottee approaches the Company, after proper verification, either credit the shares lying in the Unclaimed Suspense Account to the demat account of the allottee to the extent of the allottee's entitlement, or deliver the physical certificates after re-materialising them, depending on what has been opted for by the allottee.

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year;	5,808	882,849
Number of shareholders and aggregate shares transferred to Unclaimed Suspense Account during the year;	-	-
Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year and aggregate shares transferred;	52	9,112
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year and the aggregate shares transferred;	52	9,112
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year.	5,756	873,737

22. LISTING

The shares of your Company are listed at The BSE Limited and The National Stock Exchange of India Limited.

2500 Non-Convertible Debentures of face value ₹ 10 lakh each aggregating ₹ 250 crore issued in October, 2014 on private placement basis, are listed in the whole sale debt segment on The National Stock Exchange of India Limited.

The applicable annual listing fees have been paid to the Stock Exchanges before the due date.

23. EXTRACT OF ANNUAL RETURN

Annexure 'H' to this Report provides the Extract of Annual Return to be filed by the Company under the Companies Act, 2013.

24. AUDITORS AND AUDITORS' REPORT

A. Statutory Auditors

In accordance with Section 139 of the Companies Act, 2013 and rules made thereunder, M/s. Kalyaniwalla & Mistry, Chartered Accountants, Mumbai, have been appointed as statutory auditors to hold office from the conclusion of the 14th Annual General Meeting till the conclusion of the 17th Annual General Meeting which will be held in 2017 (subject to ratification of re-appointment by the members at every AGM held after the AGM in which the appointment was made) of the Company, on a remuneration as may be agreed upon by the Board of Directors and the Auditors.

The notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further explanation.

B. Cost Auditors

Pursuant to directions from the Department of Company Affairs, M/s. P. M. Nanabhoy & Co., Cost Accountants have been appointed as Cost Auditors for the applicable products of the Company for the year 2014-15. They are required to submit the report to the Central Government within 180 days from the end of the accounting year.

C. Secretarial Auditors

The Board has appointed A. N. Ramani & Co., Company Secretaries, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as **Annexure 'I'** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

25. CORPORATE GOVERNANCE

The Company continues to enjoy a Corporate Governance Rating of CGR2+ (pronounced as CGR 2 plus) and a Stakeholder Value Creation and Governance Rating of SVG1 (pronounced as SVG one). The '+' sign indicates relatively higher standing within the category indicated by the rating. The above ratings are on a rating scale of 1 to 6, where 1 is the highest rating. The two ratings evaluate whether a Company is being run on the principles of Corporate Governance and whether the practices followed by the Company lead to value creation for all its shareholders.

The CGR2 rating is on a rating scale of CGR1 to CGR6, where CGR1 denotes the highest rating. The CGR2+ rating implies that in ICRA's current opinion, the rated Company has adopted and follows such practices, conventions and codes as would provide its financial stakeholders a high level of assurance on the quality of corporate governance.

The SVG1 rating is on a rating scale of SVG1 to SVG6, where SVG1 denotes the highest rating. The SVG1 rating implies that in ICRA's current opinion, the Company belongs to the highest category on the composite parameters of stakeholder value creation and management as also corporate governance practices.

Pursuant to Clause 49 of the Listing Agreement, the Management Discussion & Analysis Report and the Report on Corporate Governance are included in the Annual Report. The Auditors' Certificate certifying the Company's compliance with the requirements of Corporate Governance in terms of Clause 49 of the Listing Agreement, is attached as **Annexure 'J'** and forms a part of this Annual Report.

26. MANAGEMENT DISCUSSION & ANALYSIS

In order to avoid duplication between the Directors' Report and Management Discussion & Analysis, your Directors give a composite summary of the various businesses and functions of the Company, in the following pages.

OVERVIEW

Macro Economic Environment

Over the last year, we have seen a revival in the Indian economy, with macroeconomic indicators now starting to trend in the right direction. GDP growth has increased to 7.4% from 6.9% in the previous year. Consumer inflation dropped to 6% from 9.5%. The fiscal deficit target too, has been reduced to 3.9% of the GDP for fiscal year 2016, from 4.1% in fiscal year 2015. The current account deficit and the Government's subsidy bill, both fell by nearly 50 basis points (as a percentage of GDP) and have consequently, helped in fiscal consolidation.

Steps have also been taken to improve the investment climate in the country. This includes the fast-tracking of projects under the Cabinet Secretariat, increase in the insurance sector FDI limit to 49% from 26%, and the initiation of regulatory reforms in labour, environment clearances and the mining sector. While India continues to be the highest-ranking country in Nielsen's Consumer Confidence Index, for the sixteenth quarter in a row, demand on the ground is yet to pick up. The ease of lending rates and structural reforms such as the implementation of the Goods & Services Tax and enactment of the land acquisition bill will be key drivers of demand, going ahead.

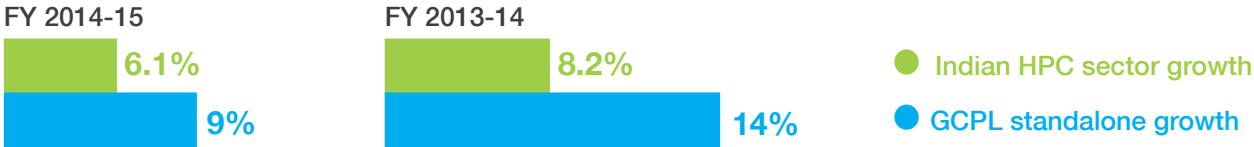
Depreciating currencies and weakening growth continue to remain significant challenges for our businesses, globally. Our teams are however, navigating them with a sharp focus on costs and constant innovation.

FMCG Sector

Consequent to the turbulent macroeconomic scenario, the FMCG sector registered a sluggish growth in the first half of fiscal year 2015. Consumer demand in the second half of the year, however, started to show early signs of a recovery. While we see this as a gradual process, we expect the overall Indian economy to pick up pace in fiscal year 2016. Pro-growth initiatives by the government, such as the passing of the Goods & Services Tax Bill, will be greatly beneficial for this.

In this environment, our business has delivered strong, competitive double-digit growth across categories. We have also further strengthened our leadership positions across our core categories. Our robust performance is on the back of the gradual improvement we are seeing in the FMCG growth in India. This is aided by our continued focus on innovations and brand building, supported by competitive marketing investments and enhancements to our go-to-market infrastructure.

GCPL outperforms the Home & Personal Care sector in India



GCPL delivers a strong performance over the last 5 years

Consolidated Net Sales



EBITDA



GCPL is becoming more international

International sales as a percentage of consolidated sales



EXTENDING
LEADERSHIP IN OUR
CATEGORIES IN INDIA

PERSONAL CARE

Second largest toilet soaps company in India



- 1 Largest Grade 1 quality soap in India (simply put: more soap in each soap)
- 2 Offers you 'Nature's way to glowing skin' with carefully chosen natural ingredients to make your skin beautiful
- 3 Refreshes brand identity
- 4 Launches a new facewash in a tube and India's first ever multi-use facewash sachet
- 5 Brand crosses ₹ 1,000 crore
- 6 Ranks #15 in Personal Care in the 'Economic Times – Brand Equity Most Trusted Brands Survey 2014'

CINTHOL



- 1 Built on the high-energy proposition of 'Alive is Awesome', it inspires you to step out of the stale and embrace the fresh, the new
- 2 With premium international fragrances and innovative designs, it is one of the most refreshing grooming experiences across soaps, deodorants, talcs and shower gels
- 3 Latest online campaign #AlivelsOffline, is a runaway success
- 4 Launches Cinthol Confidence+ with 99.9% germ protection; its insta deo fragrance provides an amazing bathing experience
- 5 Brand crosses ₹ 500 crore
- 6 Ranks #11 in Personal Care in the 'Economic Times – Brand Equity Most Trusted Brands Survey 2014'

PERSONAL CARE

Our new health and wellness platform





- 1 Delightful, differentiated and efficacious range of products across the health, wellness and personal protection platforms
- 2 Range comprises hand washes, a hand sanitiser and a personal mosquito repellent spray
- 3 Introduces India's first instant foam hand wash and alcohol-free sanitiser with 8-hour germ protection
- 4 Naturally derived ingredients and unique design-led, recyclable packaging

HAIR CARE

Leader in hair colour in India





- 1 India's largest selling hair colour, used by over 40 million satisfied consumers
- 2 Innovative solutions include crème hair colour in a sachet and a powder hair colour with a unique gel technology, at unbelievably democratised prices
- 3 Godrej Expert Rich Hair Crème is the fastest growing brand in the crème hair colour segment; features in Nielsen's 'Breakthrough Innovation Report 2014'
- 4 Launches new premium Godrej Expert Rich Hair Crème shades of Cinnamon Red and Honey Brown
- 5 Hosts successful integrated marketing campaigns and unique initiatives like extensive engagement with salons, barber training, innovative media and communication
- 6 Ranks #26 in Personal Care in the 'Economic Times – Brand Equity Most Trusted Brands Survey 2014'



- 1 Largest selling henna brand in India in terms of market share
- 2 Most penetrated henna brand in the country; used by more than 10 million households

HOME CARE

Leader in household insecticides in India



- 1 Built on the promise of 'protecting happy moments', aims to delight consumers through a deep understanding of their needs
- 2 Good knight Fast Card, India's first paper-based mosquito repellent, becomes a ₹ 100 crore brand in just 11 months – among the highest run ups for a new FMCG brand
- 3 Good knight Xpress liquid vapouriser, the fastest and most powerful of its kind in the market, continues to perform well
- 4 Launches a Neem Activ+™ Low Smoke Coil variant to premiumise our coil franchise
- 5 Brand crosses ₹ 1,500 crore
- 6 Ranks #1 in Household Care in the 'Economic Times – Brand Equity Most Trusted Brands Survey 2014'



- 1 Clear leader in the aerosols market, focused on killing pests and offering great efficacy
- 2 Innovating ways to make our products easy to use, safe and affordable to help homemakers win the battle against pests
- 3 Hit Anti Roach Gel continues to outperform
- 4 Campaign on 'Kill Pests, Kill Diseases' creates tremendous brand equity
- 5 Ranks #8 in Household Care in the 'Economic Times – Brand Equity Most Trusted Brands Survey 2014'

HOME CARE

Number 3 player in air care in India





- 1 Delightful range of home and car air fresheners
- 2 Intuitive designs – aer click comes with a simple button to switch it on and off; aer twist sits pretty on the dashboard, and can also make itself at home in the cup-holder of a car
- 3 Innovative gel format and consumer engagement aids sales and distribution ramp up
- 4 Launches two new delightful spray variants – morning.misty.meadows and violet.valley.bloom
- 5 Ranks #11 in Household Care in the 'Economic Times – Brand Equity Most Trusted Brands Survey 2014'

HOME CARE

Leader in liquid detergents in India





Scan me to watch our heart-warming 'Ezee Hugs' video

Last winter, we launched an 'Ezee Hugs' campaign, in conjunction with our Godrej Ezee 'Raahat - Ek Abhiyaan' initiative. As part of this drive, our team donated clean woollens, washed with Ezee, to over 31,000 underprivileged school-going children across eight cities in north India.



CAPITALISING ON INTERNATIONAL GROWTH POTENTIAL



INDONESIA

Range of household and personal care products, household insecticides, wet wipes and air fresheners

Business performs well despite a tough macroeconomic environment

#1 in air fresheners and wet wipes

#1 in key modern formats of household insecticides
(aerosols, liquid vapourisers and mats)



Stella, the number one player in air fresheners



Mitu, our leading range of wet wipes and baby toiletries



Hit, the number one brand across all key modern formats



AFRICA

Range of hair extensions, hair colours, household insecticides and personal wash

Continue scaling up businesses; now have a presence in South Africa, Mozambique, Kenya, Nigeria, Ghana, Uganda, Tanzania and Angola

#1 in ethnic hair colours (14 countries) and hair extensions (10 countries)

#2 in hair extensions (Nigeria)

#3 in Caucasian hair colours (South Africa)

Source: Management estimates



Darling, the number one player in hair extensions in 14 African countries



Frika, our latest acquisition, is a leading premium hair extensions brand in South Africa



Inecto, the market leader in ethnic hair care, has been offering African women up to 100% grey coverage for over 60 years now



Renew is a leading player in the Caucasian hair colour market in South Africa



ARGENTINA

Range of products across hair colour, hair care and styling

Sales growth led by value market share gains and new product launches

#2 in hair colours



Issue, the iconic leading hair colour in Argentina, offers a fun and stylish line of hair treatments



Roby, the leading hair styling spray in Argentina, is an over 30-year old heritage brand



CHILE

Range of products across hair colour, hair care, colour cosmetics, styling, depilation and skin care

Sales growth led by value market share gains and new product launches

#2 in depilatory products

#2 in hair colours

#3 in colour cosmetics



ilicít, the number one brand in hair colour in Chile, reaches out to over 1 million women and counting



Pamela Grant, a leading colour cosmetics and skin care player in Chile



UNITED KINGDOM

Range includes skin care, sanitisers, sun care and female deodorants

Business continues to outperform; investments in innovation and brand development drive healthy growth in a challenging macroeconomic environment

#1 in stretch marks treatment

#2 in hand sanitisers

#4 in sun care

#4 in female deodorants



Touch of Silver, a unique range of salon inspired products for blonde, white and silver hair



Cuticura offers anti-bacterial protection for the entire family



Our Soft & Gentle range of female deodorants



BANGLADESH, SRI LANKA & NEPAL

Strong presence in Bangladesh, Sri Lanka and Nepal

Range of products across household insecticides, air fresheners and hair colours

Business performs well despite a tough macroeconomic environment

#1 in household insecticides in Nepal

#2 in powder hair colour in Bangladesh

#1 in hair colour in Sri Lanka



Our Good knight and Hit brands hold leadership positions in household insecticides in Nepal



Expert, Renew and Abha are leading players in their respective hair care segments in Bangladesh and Sri Lanka



MIDDLE EAST

Range of household care, hair care and personal care products, including soaps, deodorant sprays, hair colour and air care

Business performs well despite a tough geopolitical environment

Leading player in the powder hair colour and henna segments

Strong market position in soaps (among consumers from the Indian subcontinent)

Strong entry into the air care segment in the region, with the launch of Godrej aer



Godrej aer makes a strong entry into the air care segment



Cinthol holds a strong market position among consumers from the Indian subcontinent



Leading player in the powder hair colour and henna segments

ACCELERATING INNOVATION AND RENOVATION

INDIA

Godrej No. 1 Facewash

- 1 Foray into skin cleansing
- 2 Builds on the natural beauty proposition of Godrej No. 1
- 3 Nature White Fairness and Nature Clear Pimple Control facewash variants in tube and sachet formats
- 4 Introduces India's first multi-use facewash sachet



Scan me to find out
more about our
foray into facewash

AB FACE WASH SE PAAIYE KESARI NIKHAAR.

SIRF ₹35* MEIN.

Introducing the new Godrej No.1 Fairness Face Wash.
It's enriched with complexion enhancing Kashmiri Kesar and gentle
cleansing Floral Extracts, that give you 50% more brightness*.



Godrej



Fairness Face Wash

INDIA

Cinthol Confidence+

- 1 Only dual action soap that offers 99.9% germ protection
- 2 Insta deo fragrance provides an amazing bathing experience
- 3 Impactful launch video receives an overwhelming 2.3 million views on YouTube and other social media platforms



Scan me to learn
about how Cinthol
Confidence+ offers
an amazing bathing
experience



CINTHOL
ALIVE IS AWESOME

**OVERCOME
DIRT AND GERMS
WITH CINTHOL
CONFIDENCE+**

99.9% germ protection* soap with Insta Deo fragrance.

* Reduction on contact with product. As per lab test.

INDIA

Good knight Neem Activ+™ Low Smoke Coil

- 1 For the first time, Neem Activ+™ is used as a constructive solution against mosquitoes
- 2 Advanced technology offers 12 hours of effective, enhanced protection
- 3 Available at a price point of just ₹ 33 for 10 coils



Scan me to find out how
our Low Smoke Coil's
Neem Activ+™ formula
effectively drives
mosquitoes away

नीम ऐक्टिव+™ अंदर,
मच्छर बाहर.



ADVANCED

NEEM
ACTIV+™
LOW SMOKE COIL



INDIA

BBLUNT

- 1 Foray into premium hair care
- 2 In collaboration with BBLUNT salon founder and celebrity stylist Adhuna Bhabani-Akhtar and her team, we create India's first integrated style system: the BSYSTEM

- 3 Specifically designed for Indian hair and Indian weather, it works through a unique three-fold approach:

Prep: shampoo-conditioner systems, for every hair type

Style: styling products and tools, bringing salon smarts into your hands

Transform: hair colour and hair extensions, for quick and easy makeovers



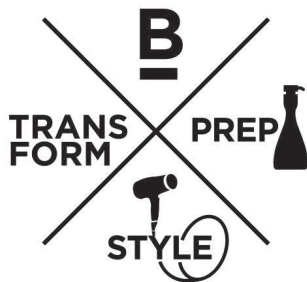
Need to do something
with your hair? Scan
me to find out what to
do next!

BBLUNT

Salons+Products+Expertise



Introducing India's first integrated style system:



BSYSTEM

Prep: shampoo-conditioner systems, for every hair type

Style: styling products and tools, bringing salon smarts into your hands

Transform: hair colour and hair extensions, for quick and easy makeovers



To find the perfect match for your hair or to be inspired by on-trend salon looks, go to bblunt.com

INDONESIA

Stella Daily Freshness

- 1 Stella becomes the market leader in membranes in 8 months
- 2 Range designed to appeal to whole family; a major contributor to success
- 3 New home range combines natural oils and fresh, long-lasting fragrances in a unique no-leak packaging
- 4 Popular animated characters and festive theme-led marketing programmes drive adoption



Scan me to learn more
about our delightful
Stella car membrane

LASTS UP TO
30 DAYS

STELLA[®]

Daily Freshness



Stella Daily Freshness is the latest innovation from Stella Air Freshener in the form of perfume concentrate which provides a long-lasting freshness up to 30 days.

Freshen up your days with STELLA DAILY FRESHNESS



Stella Air Freshener | www.stella-airfreshener.com

AFRICA

Darling Ombré Braid

- 1 New Ombré braids in South Africa, build on a larger global trend towards ombré styles
- 2 First three-colour Ombré blend in the South African market
- 3 Ombré now a colour variant in both our entry level PP and Yaki Braids, as well as the more premium One Million Braid range
- 4 Ombré braids pegged at an 8% premium to valorise the braids category



Scan me to find out
more about our stylish
new Ombré braid

One Million Braids®

100% PREMIUM QUALITY HAIR



DARLING®

PASSION FOR HAIR

NEW
OMBRE™
COLOUR BLEND



@DarlingHairSA



Facebook/DarlingSouthAfrica

www.darling.co.za

LATIN AMERICA

Illicit Ammonia Free

- 1 New ammonia free hair colour with 100% grey coverage, available in 15 shades
- 2 Ammonia free formula protects hair structure during colouring
- 3 Its pleasant fragrance makes hair colouring a unique, aromatic experience
- 4 Post colour treatment enriched with natural oils and keratin



Scan me to learn
more about Illicit's new
ammonia free hair
colour



ilicit[®]

color **AMMONIA FREE**

PERMANENT HAIR COLOR

AMMONIA FREE

100% GRAY COVERAGE

LOVE YOUR HAIR



LONG LASTING COLOR • CLEAR UP TO 2 TONES NATURAL HAIR

LATIN AMERICA

Dermo Capil

- 1 Anti-hairfall regenerator for men and women
- 2 Acts from the hair root, stopping loss of hair, increasing thickness and stimulating growth
- 3 Increases the body and volume of hair, providing shine and smoothness without making the scalp oily
- 4 Visible results in only six weeks



Scan me to see how
our revolutionary
product works!

"I can lose everything,
but my hair."

Álvaro Morales



NEW

DERMO CAPIL

ANTI-HAIRFALL REGENERATOR

100% VERIFIED CLINICAL
EFFECTIVENESS



6 weeks for
Visible
Results

FORMULATED FOR
MEN & WOMEN
HYPOALLERGENIC

www.dermocapil.cl



UNITED KINGDOM

Soft & Gentle

- 1 New compressed cans last just as long as the regular size cans; smaller cans means we are kinder to the environment
- 2 Our ground-breaking new Skin Science range is clinically proven to provide advanced, ultra-effective and natural hair minimising protection



Scan me to find
out more about our
sensationally long-
lasting deodorant

Soft &
Gentle

SKINscience

Ultra-effective
deodorant with the
**feel good
factor**



Step out with confidence with Soft & Gentle **VISIBLY SMOOTH**.
Enriched with Kelisoft™, it doesn't just help skin stay
smoother for longer, it contains moisturising ingredients
for long lasting softness too!

BUILDING A FUTURE READY SALES SYSTEM



nupur
coccolat
henna

Conditioning of Henna & Nourishment of Coconut Oil
in a Crème Hair Colour

3/4

नेसबिक तत्वानी यमूदु

No.1

इंडियाचा नं. 1 प्युअरेस्ट सोप

CINTHOL
Rs.10
50g

No.1

CINTHOL
4

CINTHOL
3

CINTHOL

Good Knight

aer
violet
thorn
petal
petal
fresh
fresh

वाहक
देवी भवः
अनुरोध

शुक्र
9 6
12 17
19
26

- 1 Leverage technology to drive greater portfolio penetration in urban markets; over 1,800 salesmen in urban markets use handheld terminals
- 2 Strengthen go-to-market in urban markets; sustain efficiency development and coverage; urban direct outlet coverage expands by over 20% in the last 18 months
- 3 Quality of coverage in rural markets and augmenting expansion efforts lead to significant benefits; rural coverage expands to 55,000 villages
- 4 Sales force enhanced to drive greater expansion of new markets and greater depths in existing markets
- 5 Continue to enhance functional capabilities through customised development programmes and business intelligence deployment
- 6 Augment go-to-market approach; set up a zonal structure to drive growth

Picture

Left: A GCPL sales team member at a kirana store in Mumbai

MAKING OUR
SUPPLY CHAIN
BEST IN CLASS



- 1 Leveraging best-in-class practices to become more agile: Demand-driven Supply Chain, Theory of Constraints, Total Productive Maintenance, Lean, Six Sigma and Low Cost Automation
- 2 Cutting edge replenishment practices now mapped to the Advanced Planning and Optimisation module of SAP
- 3 Ability to respond to constantly changing consumer demand patterns, leading to high fill rates; now an industry benchmark
- 4 Global strategic sourcing with significant benefits to the bottom-line
- 5 Project on bar coding shippers is progressing well; improves ‘freshness’ of products at time of sale, better logistics practices and product traceability
- 6 Enhancing manufacturing capacity, across geographies
- 7 Gearing up for the implementation of the Goods & Service Tax in India
- 8 Strengthening supply chain processes in international businesses: integration into one SAP ERP, Lean and Kaizen implemented
- 9 Driving sustainable manufacturing and supply chain practices results in significant improvements in energy and water consumption, carbon footprint, waste generation and renewable energy

Pictures

Top Left: Inside GCPL's largest soap manufacturing facility at Malanpur

Bottom Left: Inside the new Gunung Putri factory in Indonesia, where we produce our popular Hit and Mitu products

BUILDING AN AGILE AND HIGH PERFORMANCE CULTURE



1 Strengthening our employer brand across geographies

Core to our employer brand, is the philosophy of tough love. We expect a lot from our team members, differentiate on the basis of performance and potential through career opportunities and rewards, and lay particular emphasis on developing, mentoring and training. We believe that passionate, rounded individuals with diverse interests make for better Godrejites.



Your Canvas



Tough Love



Whole Self

2 Innovative approach to recruitment

Godrej LOUD, our radically different approach to business school recruitment, encourages students to live out their unfulfilled personal dreams and offers sponsorship and summer internships with Godrej

3 Strong focus on careers

100 Leaders Programme with individually tailored development plans runs across geographies

Pictures

Top Left: The GALLOP management trainee batch of 2015 meets Adi Godrej on their first day at Godrej

Bottom Left: Winners of the 2014 edition of Godrej LOUD

4 Investing in leadership development

World class training programmes with professors from global business schools

5 Building an inspiring place to work

Ranks #1 in the FMCG category in the 'Great Place to Work – Best Workplaces in India 2014' list; we have featured on this list for 11 years in a row

Ranks #14 on the 'Great Place to Work – Best Workplaces in Asia 2014' list

Ranks among the Best Employers in India in the 'Aon Hewitt Best Employers 2015' survey



Pictures

Top Right: Bharat Anand, professor of strategy at Harvard Business School, conducts a special workshop with our senior team members

Bottom Right: Our Godrej Fellows 2016 batch. This programme brings together exceptional young Godrejites to lead change projects across our Group.



DIVERSITY

Fostering an inclusive Godrej

We take pride in being an equal opportunities employer

“We recognise merit and perseverance and encourage diversity at Godrej. We do not tolerate any form of discrimination on the basis of nationality, race, colour, religion, caste, gender identity or expression, sexual orientation, disability, age or marital status and will allow for equal opportunities for all our team members.”

We understand that our team members play multiple roles and our policies like flexi time are designed to enable them to do so.

Godrejite Resource Groups

Godrej Alliance for Parents

Our team members, along with their partners, share experiences on child care and work-life balance through meetings, parenting sessions and workshops

Godrej Women’s Leadership Network

We aim to make Godrej a workplace of choice for women and offer mentoring, leadership development and regular networking opportunities through this platform

Pictures

Top Right: One of our Godrej Alliance for Parents events, on spending quality time with our children

Bottom Right: Godrej hosts the MINGLE Indian LGBT Youth Leadership Summit 2015



BEYOND BUSINESS
— GOOD & GREEN



Saloni



GOOD & GREEN

Building a more inclusive and greener India



As a Group, we have always actively championed social responsibility. We are now exploring ways to further this commitment through 'shared value' initiatives that create both social and business benefits.

As part of Good & Green by 2020, as a group we will aspire to:

Employability

Train 1 million youth in skills that will enhance their earning potential

As of March 31, 2015, GCPL has trained 85,000 youth in skills that will enhance their earning potential. These programmes comprise:

- 1 Beautician training for low income women
- 2 Channel sales training
- 3 Rural entrepreneurship training for women
- 4 Sales training in general trade

Pictures

Top Left: Godrej Saloni, our beautician training programme for low income women in India

Bottom Left: Godrejites engage in skill-based, long-term volunteering projects with our NGO partners



Greener India

Achieve zero waste to landfill, carbon neutrality and a positive water balance, while reducing specific energy consumption and optimising the use of renewable energy

At a Group level, the progress achieved by our factories in improving environmental sustainability performance, compared to a 2011 baseline, is as below.

Greener India Goal 2020	Achievement to date
Become carbon neutral	36% reduction in specific greenhouse gas emissions
Have a positive water balance	33% reduction in specific water consumption
Have zero waste to landfill	61% reduction in waste to landfill
Reduce specific energy consumption by 30%	30.8% reduction in specific energy consumption
Increase renewable energy sources by 30%	37.6% of total energy consumption from renewable sources

Product Innovation

Generate a third of our portfolio revenues from 'good' and/or 'green' products

Through innovation in our product pipeline, we are developing products that are safe and environmentally sustainable.



Good knight Fast Card

About 3.3 billion people are at risk of malaria, worldwide. India alone sees 24 million cases of malaria each year, with 90% of our population residing in malaria prone areas.

In rural India, in particular, penetration of household insecticides is very low because current products are either expensive or require electricity. With Good knight Fast Card, our idea was to launch a product that would break the price barrier (available at just ₹1 per card), work instantly and not require electricity.

We leveraged the idea of this revolutionary paper-based mosquito repellent from our Indonesia business and substantially modified the product for the Indian market.

Pictures

Top Left: We own and care for the largest privately managed belt of mangroves in Mumbai

27. INTERNAL CONTROL AND ADEQUACY

We have a proper system of Internal Controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised, recorded and reported correctly.

Our Corporate Audit & Assurance Department which is ISO 9001: 2008 certified, issues well documented operating procedures and authorities, with adequate built-in controls at the beginning of any activity and during the continuation of the process, if there is a major change.

The internal control is supplemented by an extensive programme of internal, external audits and periodic review by the management. This system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets.

The GCPL Head Office and all major factories and offices across India operate on an Information Security Management System which is ISO/IEC 27001 certified.

28. RISKS AND CONCERNS

With our presence in three continents i.e. Asia, Africa and Latin America, we are exposed to risks which can adversely impact our operating performance, cash flows, financial performance, management performance and overall sustainability. We have an active risk management strategy in place and a Risk Committee, whose role is to identify potential risks, create mitigation strategies and monitor the occurrence of risk.

The risks that may affect us include, but are not limited to:

- Economic conditions.
- Inflationary pressures and other factors affecting demand for our products.
- Increasing costs of raw material, transport and storage.
- Supplier and distributor relationships and retention of distribution channels.
- Competitive market conditions and new entrants to the market.
- Labour shortages and attrition of key staff.
- Exchange rate fluctuation and arbitrage risk.
- Integration risks for acquired companies.
- Compliance and regulatory pressures including changes to tax laws.
- Seasonal fluctuations.
- Political risks associated with unrest and instability in countries where we have a presence or operation

29. OPPORTUNITIES AND THREATS

Close to 40% of our growth now comes from new products and renovations. We believe that there are tremendous long-term growth opportunities in emerging markets. These geographies are home to 80% of the world's population. Estimates suggest that these markets will contribute to close to 36% of the forecasted increase in the world's population over the next five years. Close to half of the total global consumption is also slated to come from here. We believe that there are significant opportunities for growth in our core geographies and categories.

On the domestic front, the fundamentals of the FMCG sector remain strong and there is still significant growth potential, given the low penetration and consumption rates for many FMCG categories in the country.

In terms of threats, the key threats are compliance and regulatory pressures including changes to tax law, seasonal fluctuations and unrest and instability in countries where we have a presence or operation.

OUTLOOK

We expect to see a gradual recovery in the macroeconomic environment and for the Indian economy to consequently, gather pace in fiscal year 2016. While macroeconomic factors remain challenging in some of our international markets, we believe that we are well placed to continue our strong sales and profitability growth momentum. Overall, our focus will be on sustaining and extending leadership in our core categories. We are investing for the longer term and accelerating the pace of new product launches, to capitalise on the uptick in consumer sentiment and demand. We are confident that with our clear strategic focus, differentiated product portfolio, superior execution and top-notch team, we will continue to deliver industry-leading results in the future.

30. ACKNOWLEDGEMENT

Your Directors wish to extend their sincere thanks to the Central and State Governments as also all the Government agencies, banks, customers, shareholders, vendors and other related organisations who, through their continued support and co-operation have helped as partners, in your Company's progress.

For and on behalf of the Board of Directors

Adi Godrej
Chairman

Mumbai, April 28, 2015

ANNEXURE 'A'

GCPL TOTAL REWARDS POLICY

GCPL's Total Rewards Framework aims at holistically utilising elements such as fixed and variable compensation, long-term incentives, benefits and perquisites and non-compensation elements (career development, work-life balance and recognition).

Highlights

The rewards framework offers to employees the flexibility to customise different elements, basis need. It is also integrated with GCPL's performance and talent management processes and designed to ensure sharply differentiated rewards for our best performers.

The total compensation for a given position is influenced by three factors: position, performance and potential. As a broad principle, for high performers and potential employees, GCPL strives to deliver total compensation at the 90th percentile of the market.

Total Cash Compensation

Employee's total cash compensation has three components:

1. 'Fixed Compensation' comprises the basic salary and retirement benefits like provident fund and gratuity.
2. 'Flexible Compensation' is a fixed pre-determined

ANNEXURE 'B'

BOARD DIVERSITY POLICY

Godrej Consumer Products Limited (the "Company")

The Company is committed to equality of opportunity in all aspects of its business and does not discriminate on the grounds of nationality, race, colour, religion, caste, gender, gender identity or expression, sexual orientation, disability, age, or marital status.

The Company recognises merit and continuously seeks to enhance the effectiveness of its Board. The Company

believes that for effective corporate governance, it is important that the Board has the appropriate balance of skills, experience and diversity of perspectives.

component of an employee's compensation. Employees can allocate this amount to different components, as per their grade eligibility, defined at the start of each financial year.

3. 'Variable Compensation (Performance Linked Variable Remuneration)' rewards employees for delivering superior business results and individual performance. It is designed to provide a significant upside earning potential without cap for over achieving business results. It has a 'Collective' component, linked to the achievement of specified business results, measured by Economic Value Added or other related metrics, relative to the target set for a given financial year and an 'Individual' component, based on an employee's performance, as measured by the performance management process.

Long Term Incentives (Employee Stock Grant Scheme)

This scheme aims at driving a culture of ownership and focus on long-term results. It is applicable to Godrej Leadership Forum members, grades Vice President and above. Under this scheme, performance-based stock grants are awarded basis performance, measured by employee's annual review rating. The value of the stock grant is proposed by the management and approved by the compensation committee.

believes that for effective corporate governance, it is important that the Board has the appropriate balance of skills, experience and diversity of perspectives.

Board appointments will be made on a merit basis and candidates will be considered against objective criteria, with due regard for the benefits of diversity on the Board. The Board believes that such merit-based appointments will best enable the Company to serve its stakeholders.

The Board will review this Policy on a regular basis to ensure its effectiveness.

ANNEXURE 'C'

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- 1) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

A. Whole-time Directors, Chief Financial Officer and Company Secretary

Sr. No.	Name of the KMP	% increase in remuneration in the financial year 2014-15	Ratio of remuneration of each Director to the median remuneration paid/payable to all employees for FY 2014-15
1	Adi Godrej	39**	264:1
2	Nisaba Godrej	*	90:1
3	Vivek Gambhir	*	258:1
4	P. Ganesh	60**	Not Applicable

* Not comparable since figures for FY 2013-14 are effective July 1, 2013.

** Remuneration increase includes actual variable bonus paid out based on performance.

Comparison of Remuneration of KMP against performance of the Company : Standalone net profit of the Company during the financial year grew from ₹ 564 crore to ₹ 654 crore (an increase of 15.8%)

B. Non-Executive Directors

Sr. No.	Name of the Director	% increase in remuneration in the financial year 2014-15	Ratio of remuneration of each Director to the median remuneration paid/payable to all employees for FY 2014-15
1	Jamshyd Godrej	46	3.8:1
2	Nadir Godrej	62	4.2:1
3	Tanya Dubash	54	4.0:1
4	Narendra Ambwani	36	3.8:1
5	Bala Balachandran	38	3.6:1
6	Bharat Doshi	54	4.0:1
7	Omkar Goswami	46	3.8:1
8	A. Mahendran	(96)	3.4:1
9	Aman Mehta	43	4.0:1
10	D. Shivakumar	36	3.8:1
11	Ireena Vittal	67	4.0:1

Note:

- i. As per the approval received from the shareholders at the Annual General Meeting held on July 28, 2014, Non-Executive Directors are entitled to a Commission on Profits at a rate not exceeding 1% of the net profits subject to a maximum of ₹ 15 lac per director, for a period of three financial years beginning from 2014-15. For the financial year ended on March 31, 2014, Non-Executive Directors were entitled to a Commission on Profits at a rate not exceeding 1% of the net profits subject to a maximum of ₹ 12.50 lac per director. Remuneration to Non-Executive Directors include sitting fees for attending Board/committee meetings. The sitting fees payable to each Director for attending Board meetings and Committee meetings during FY 2013-14 was ₹ 20,000 per meeting and ₹ 5,000 per meeting respectively. The sitting fees payable during FY 2014-15 has been increased to ₹ 1,00,000 for Board meetings and ₹. 20,000 for Committee meeting, which is within the limits as per the Companies Act, 2013.
- ii. Mr. A Mahendran was the Managing Director of your Company during the period April 1, 2013 to June 30, 2013 and was entitled to a remuneration. With effect from July 1, 2013 he is a Non-Executive Director and entitled to Commission on Profits at the rates mentioned in note 1 above. Hence the change in remuneration is not comparable.

2) Median remuneration of all the employees of the Company for the financial year 2014-2015: ₹ 4.98 Lac

3) The percentage increase in the median remuneration of employees in the financial year: 10.9%

4) The number of permanent employees on the payrolls of company as on March 31, 2015 : 2239.

5) Relationship between average increase in remuneration and company performance:

The average increase in remuneration (including performance bonus) during FY 2015 was 29.3% as compared to the previous financial year. Income from operations of the Company during the financial year grew from ₹ 4,079.84 crore to ₹ 4,429.80 crore (an increase of 8.6%) and Net Profit of the Company during the financial year grew from ₹ 564.84 crore to ₹ 654.45 crore (an increase of 15.8%).

6) Comparison of the remuneration of key managerial personnel against the performance of the Company is given in point 1.

7) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year, and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offering in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.

	As at March 31, 2015 ₹ (Crore)	As at March 31, 2014 ₹ (Crore)	Percentage increase / (decrease)
Market capitalisation	35,434	28,990	22%
Price earnings ratio	54	51	6%

The closing market price of the shares of the Company, as at March 31, 2015 in BSE, was ₹ 1,040.80. The Company has not come out with any public offer since its inception in 2001.

8) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof.

Total managerial remuneration comprises of remuneration of the Whole-time Directors and commission paid to Non-Executive Directors. The Whole-time Directors' remuneration is as per the resolution approved by the shareholders and will not exceed 5% of the Company's net profits as permitted by the Companies Act, 2013. The shareholders have approved Commission on Profits to Non-Executive Directors at a rate not exceeding 1% of the net profit subject to a maximum amount of ₹ 15 lakh per director. Overall increase in managerial remuneration is within the above limits. Average percentile increase in salary of employees other than managerial personnel is 28.6%. Percentile increase in managerial remuneration is given in point 1.

- 9) The key parameters for any variable component of remuneration availed by the directors;

The variable component of the remuneration of the Whole-time Directors is determined based on improvement in profitability and optimum utilisation of capital employed over last year.

- 10) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.

Since no employee of the Company receives remuneration in excess of the highest paid director, i.e. Mr. Adi Godrej, Chairman, the same is not applicable.

- 11) Remuneration is as per the remuneration policy of the company.

ANNEXURE 'D'

Form AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

- | | | |
|----------|--|------------|
| 1 | Details of contracts or arrangements or transactions not at arm's length basis | NIL |
| | a. Name(s) of the related party and nature of relationship | |
| | b. Nature of contracts/arrangements/transactions | |
| | c. Duration of the contracts/arrangements/transactions | |
| | d. Salient terms of the contracts or arrangements or transactions including the value, if any | |
| | e. Justification for entering into such contracts or arrangements or transactions | |
| | f. date(s) of approval by the Board | |
| | g. Amount paid as advances, if any : | |
| | h. Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 | |
| 2 | Details of material contracts or arrangement or transactions at arm's length basis | NIL |
| | a. Name(s) of the related party and nature of relationship | |
| | b. Nature of contracts/arrangements/transactions | |
| | c. Duration of the contracts/arrangements/transactions | |
| | d. Salient terms of the contracts or arrangements or transactions including the value, if any : | |
| | e. Date(s) of approval by the Board, if any: | |
| | f. Amount paid as advances, if any: | |

For Godrej Consumer Products Limited

sd/-
Adi Godrej
Chairman

ANNEXURE 'E'

INFORMATION PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014 IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy

I. Steps taken or impact on conservation of energy:

CENTRAL WEST CLUSTER

1. Installed an energy-efficient water based vacuum system in place of a steam-based system in soap dryers in order to eliminate the use of steam. Accrued Saving during 2014-15 – 8.9 lac KWH.
2. Provided an energy-efficient roots blower for transferring soap noodles which resulted in reducing power consumption. Accrued Saving during 2014-15 – 29,000 KWH.
3. Provided an energy-efficient air compressor, which is based on VFD and generates 35% more air than a motor rating of the same size. Accrued Saving during 2014-15 – 52,000 KWH.
4. Shifted CFA tanks from old RO location to new RO location in order to reduce power and steam consumption for transferring from old plants to new plants. Accrued Saving during 2014-15 – 2.86 lac KWH.

SOUTH CLUSTER

5. Installation of Heat recovery unit in coil 9 unit and energy efficient electrical devices.

II. Steps taken by the company to utilise alternate sources of energy:

The Company has started using briquette as fuel in place of coal in hot air generators of coil units in the North-east.

III. The capital investment on energy conservation equipment:

The Company made capital investment of ₹ 1.92 crore during the year.

B. Technology Absorption

The Research and Development function of your organisation continued to play a key role in ensuring the following successful launches during the year:

1. Godrej No. 1 Facewash – Two variants
2. Godrej Expert Hair colour Crème – Two new shades
3. Godrej aer Car and Home fresheners – Five new fragrances
4. Godrej No. 1 Lavender Soap
5. Godrej No. 1 Nature Soft – Glycerine & Honey
6. BBLUNT range of products – 17 products comprising Shampoos, Conditioners, Temporary Hair Colours, Men & Women's Styling Products
7. Protect range of products – Hand Wash, Hand Sanitiser and mosquito repellent spray

The current year, like previous years, also saw a sharp focus on consumer-centric and relevant, design led innovation.

I. Specific R&D Product Categories initiated by the Company:

1. Hair Care
2. Skin Care

3. Household Insecticides
4. Customer Centricity
5. Packaging Development
6. Fabric Care
7. Hygiene Products

II. Benefits derived as a result of the above R&D efforts:

Strong R&D led initiatives with innovation projects have led to successful launches of several new products in the marketplace in the current financial year. R&D has played a pivotal role in improving cost optimisation across product categories by contributing through both, product and process related innovations and improvements.

We believe that the three key pillars of consumer centricity, new product development and training-led skill upgradation will continue to propel your Company ahead of competition in its strategy of innovation led value creation.

Future Plan of Action:

R&D shall continue to play a key role in the advancement and successful execution of newer innovations in the marketplace, for both domestic and international business. Our R&D team shall constantly endeavour to deliver superior innovative products thereby delighting, both domestic and international customers by:

1. Ensuring successful commercial launches within Hair Care and Household Insecticides categories for the coming year;
2. Engaging in providing support on global innovation strategies for various product categories within our international businesses and extending support on relevant product development for international markets;
3. Focussing on newer consumer relevant product experiences within all categories such as Skin Care, Household Insecticides, Hair Care and Fabric Care;
4. Maintaining a strong focus on R&D training needs and people development.

III. Imported Technology:

The Company has not imported any technology since its incorporation.

IV. Expenditure on R&D

		₹ Crore	
		FY 2014-15	FY 2013-14
(a)	Capital	0.34	0.50
(b)	Recurring	14.85	11.50
(c)	Total	15.19	12.00
(d)	Total R&D expenditure as a percentage of total sales turnover	0.35%	0.30%

C. Foreign Exchange earnings and outgo:

		₹ Crore	
		FY 2014-15	FY 2013-14
I.	Foreign exchange used	199.31	195.64
II.	Foreign exchange earned	175.48	170.63

ANNEXURE 'F'

CSR Report

1	A brief outline of the company's CSR policy, including an overview of projects or programmes proposed to be undertaken, with a URL to the CSR policy and initiatives	<p>GCPL is committed to the Godrej Group's "Good & Green" vision of creating a more inclusive and greener India. The Good & Green CSR Policy focuses on addressing critical social, environmental and economic needs of the marginalised and less privileged sections of the society. Through our Good & Green CSR policy, we align our CSR strategy with the Godrej Group's Good & Green vision and goals. We adopt an approach that integrates the solutions to these problems into the strategy of the company, to benefit communities at large and deliver social and environmental impact.</p> <p>The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013. The policy as well as projects and programmes falling under the CSR policy are on the Company website. The URL is as follows: http://www.godrejcp.com/Resources/pdf/CSR-Policy.pdf.</p>
2	Composition of the CSR Committee	<ol style="list-style-type: none"> 1. Nadir Godrej, Chairman 2. Tanya Dubash, Director 3. Nisaba Godrej, Executive Director, Innovation 4. Vivek Gambhir, Managing Director 5. Narendra Ambwani, Independent Director
3	Average Net Profit of the company for last 3 financial years	₹ 620.72 crore
4	Prescribed CSR expenditure (2% of this amount as in item 3 above)	₹ 12.41 crore
5	Details of CSR spend for the financial year: a) Total amount to be spent for the financial year b) Amount unspent, if any c) Manner in which the amount spent during the financial year	The Company has spent ₹16.08 crore against the mandated amount of ₹12.41 crore. The manner in which the amount is spent is given in Table 1 which is annexed.

Table 1 - Details of CSR expenditure for the FY 2014-15

Amount in ₹ (Crore)

Sr. No.	CSR Project/ Activity identified	Sector in which the Project is covered	Projects/ Programmes 1) Local area or other 2) specify the State and district where projects or programmes were undertaken	Amount outlay (budget) project / programme-wise	Amount spent on the project / programs Sub-heads: 1) Direct expenditure on projects or programmes 2) Overheads	Cumulative spend up to the reporting period	Amount spent (Direct / implementing agency)
1.	Project Sakhi Entrepreneurship training for rural women	Schedule VII (ii) Livelihood Enhancement Projects	Bihar, Districts -Madhubani and Bhagalpur Assam, Districts - Sonitpur, Sibsagar Darrang, Sootea Golaghat, Jorhat	0.30	Direct 0.36 Overhead 0.01 Total 0.37	0.37	Through Drishtee
2.	Project Saloni Beautician training for low income women	Schedule VII (ii) Livelihood Enhancement Projects	Pan-India	2.15	Direct 2.54 Overhead 0.13 Total 2.67	2.67	Through NSDC partner/ various NGOs (total of 325 such entities)
3.	Project Vijay Training in Channel sales for rural youth	Schedule VII (ii) Livelihood Enhancement Projects	20 districts spread over the following states: Andhra Pradesh, Delhi, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Tamil Nadu, Uttar Pradesh & West Bengal	0.75	Direct 0.83 Overhead 0.04 Total 0.87	0.87	Through Labournet, Lok Bharti

Sr. No.	CSR Project/ Activity identified	Sector in which the Project is covered	Projects/ Programmes 1) Local area or other 2) specify the State and district where projects or programmes were undertaken	Amount outlay (budget) project / programme-wise	Amount spent on the project / programs Sub-heads: 1) Direct expenditure on projects or programmes 2) Overheads	Cumulative spend up to the reporting period	Amount spent (Direct / implementing agency)
4.	Adopting Advanced Energy Efficient Technologies to ensure environmental sustainability	Schedule VII (iv) Environmental Sustainability	Madhya Pradesh, Dist. Bhind	1.15	Direct 1.30 Overhead 0.06 Total 1.36	1.36	Direct
5.	Renewable Energy Development	Schedule VII (iv) Environmental Sustainability	Madhya Pradesh, Dist. Bhind	6.75	Direct 8.03 Overhead 0.42 Total 8.45	8.45	Direct
6.	Sweater Donation Drive Alleviating winter hardship of underprivileged school going children	Schedule VII (i) Promoting Preventive Healthcare	Delhi, Gurgaon, Lucknow, Kanpur, Chandigarh, Jalandhar, Ludhiana, Patiala and Amritsar	1.75	Direct 1.90 Overheads 0.09 Total 1.99	1.99	Through Aarohan
7.	Donations	Schedule VII (viii) Contribution to PM Relief Fund and Schedule VII (vii) Training to promote rural sports		0.25	0.37	0.37	Direct to PM Relief Fund, Foundation for Promotion of Sports
Total				13.10	16.08	16.08	

The implementation and monitoring of this CSR policy, is in compliance with the CSR objectives and policy of the Company.

sd/-

Nadir Godrej, Chairman of the CSR Committee

sd/-

Vivek Gambhir, Managing Director
& member of the CSR Committee

ANNEXURE 'G'

INFORMATION IN RESPECT OF EMPLOYEE STOCK OPTIONS GRANTED UNDER THE EMPLOYEE STOCK GRANT SCHEME, 2011 (PURSUANT TO RULE 12(9) OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014)

Sr. No.	Heading	Godrej Consumer Products Limited Employee Stock Grant Scheme
A	Options granted	393,989
B	The pricing formula	Nominal value ₹ 1/- per equity share
C	Options vested up to March 31, 2015	149,529
D	Options exercised up to March 31, 2015	149,440
E	The total number of shares arising as a result of exercise of option	68,591 during FY 2014-15 149,440 up to March 31, 2015
F	Options lapsed	70,428
G	Variation of terms of options	None
H	Money realised by exercise of options up to March 31, 2015	₹ 0.01 crore
I	Total number of options in force	174,121
J	Employee wise details of options granted to:-	
	i) Key Managerial personnel	As per Note 1 below
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	As per Note 2 below
	iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil

Notes :

- Employee wise details of options granted to key managerial personnel

Names & designation	Number of Options Granted	Number of Options Outstanding
Vivek Gambhir, Managing Director	23,118	34,970
P. Ganesh, Chief Financial Officer & Company Secretary (till March 31, 2015)	2,312	Nil

- Employees to whom options amounting to 5% or more were granted in one year

Names & designation	Number of Options Granted	Grant Year	Status as at March 31, 2015
Vivek Gambhir, Managing Director	17,778	FY 2013-14	11,852 options unvested and outstanding
Vivek Gambhir, Managing Director	23,118	FY 2014-15	Unvested and outstanding

ANNEXURE 'H'**Extract of Annual Return in form MGT-9**

as on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I.	REGISTRATION AND OTHER DETAILS:	
a.	CIN	L24246MH2000PLC129806
	Registration date	29-November-2000 (Date of Incorporation) 15-December-2000 (Date of Commencement of Business)
	Name of the Company	Godrej Consumer Products Limited
b.	Category/Sub Category (Government Company / Small Company / One Person Company / Subsidiary of Foreign Company / NBFC / Guarantee Company / Limited by shares / Unlimited Company / Company having share capital / Company not having share capital / Company Registered under Section 8)	Company having share capital
c.	Listing Status, if applicable	Listed on BSE and NSE
d.	Company's registered office address and contact details	Godrej Consumer Products Limited Pirojshanagar, Eastern Express Highway, Vikhroli (E), Mumbai - 400 079 Maharashtra, India Email: investor.relations@godrejcp.com Phone - +91 - 022 - 25188010/20/30 Fax - +91 - 022 - 25188040
e.	Registrar & Transfer Agent's Name, Address and Contact details	Computech Sharecap Limited, 147, Mahatma Gandhi Road, Opp Jehangir Art Gallery, Fort, Mumbai - 400 001, India Telephone: +91 - 022 - 22635000/5001 Fax: +91 - 022 - 22635005 Email: gcpl@computechsharecap.com
II.	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY - all business activities contributing 10% or more of the total turnover of the Company shall be stated:	
a.	Name and Description of main products / services	Personal Care, Hair Care and Home Care
b.	NIC Code of the Product/service	Household Insecticides - NIC code 20211 Soaps - NIC Code 20231 Hair Colours - NIC Code 20236
c.	% to total turnover of the Company	91.94%
III.	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:	Annexure 'H-1'
IV.	SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)	Annexure 'H-2'

V. **INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment:

₹ (Crore)

Particulars	Secured Loan excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal amount	0.93	284.63	-	285.56
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	0.93	284.63	-	285.56
Changes in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	0.59	23.99	-	24.58
Net Change	0.59	23.99	-	24.58
Indebtedness at the end of the financial year				
(i) Principal amount	0.34	260.64	-	260.98
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	0.34	260.64	-	260.98

VI. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

A. **Remuneration to MD/WTD/Manager and Remuneration to KMP other than MD/Manager/WTD (CEO, CS & CFO)**

₹ (Crore)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount	KMP other than MD/ Manager/WTD	
		Adi Godrej	Nisaba Godrej	Vivek Gambhir		P Ganesh	Total Amount
1.	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.19	4.49	12.41	29.09	1.96	1.96
	(b) Value of perquisites u/s. 17(2) of the Income-tax Act, 1961	0.99	-	-	0.99	-	-
	(c) Profits in lieu of salary u/s. 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-
2.	Stock Option	-	-	0.47	0.47	0.61	0.61
3.	Sweat Equity	-	-	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-	-
	Total (A)	13.18	4.49	12.88	30.55	2.57	2.57
	Ceiling as per the Act	42.72	42.72	42.72	85.43	NA	NA

B. Remuneration to Independent/other Non Executive Directors

₹ (Crore)

Sr. No.	Particulars of Remuneration	Names of Independent Directors						Names of other Non Executive Directors					Total
		Narendra Ambwani	Bala Bala-chandran	Bharat Doshi	Omkar Goswami	Aman Mehta	D Shivakumar	Ireena Vittal	Jamshyd Godrej	Nadir Godrej	Tanya Dubash	A Mahendran	
1.	Sitting Fees	0.04	0.03	0.05	0.04	0.05	0.04	0.05	0.04	0.06	0.05	0.02	0.47
2.	Commission	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	1.65
3.	Others	-	-	-	-	-	-	-	-	-	-	-	-
	Total	0.19	0.18	0.20	0.19	0.20	0.19	0.20	0.19	0.21	0.20	0.17	2.12
	Total Managerial Remuneration												32.67
	Ceiling as per the Act												93.98

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT / COURT]	Appeal made, if any (give Details)
A. Company Penalty Punishment Compounding			NIL		
B. Directors Penalty Punishment Compounding			NIL		
C. Other Officers in Default Penalty Punishment Compounding			NIL		

ANNEXURE 'H-1'

Sr. No.	Name of the Company	Address of the Company	Effective Control	CIN/GLN	Holding/ Subsidiary /Associate	Applicable Section
1.	Godrej & Boyce Manufacturing Company Limited	Pirojshanagar, Vikhroli (West), Mumbai- 400 079, India	35.00%	U28993MH1932PLC001828	Holding	2(46)
2.	Godrej Household Products Lanka (Prvated) Limited	No 7 C, Post Masters Place, Off Templers Road, Mount Lavinia, Sri Lanka	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
3.	Godrej Household Products (Bangladesh) Pvt. Limited	HB- Tower (Level-5), Flat no. 601 and 602, House No. 1A, Road No.23, Gulshan- 1, Dhaka-1212, Bangladesh	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
4.	Godrej Consumer Products Bangladesh Limited	9 Mohakhali C/A, 11th floor, Dhaka 1212, Bangladesh	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
5.	Godrej South Africa (Proprietary) Limited	11 Young Road, Pinetown 3610, South Africa	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
6.	Godrej Netherlands B.V.	SGG Netherlands Claude Debussylaan 24, 1082 MD Amsterdam, Netherlands	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
7.	Godrej UK Limited (Erstwhile Godrej Consumer Products (UK) Limited)	1st Floor, Falcon House, 115-123, Staines Road, Hounslow, Middlesex, TW3 3LL, United Kingdom	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
8.	Godrej Consumer Products (UK) Ltd. (Erstwhile Keyline Brands Limited)		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
9.	Godrej Consumer Investments (Chile) Spa	Vargas Fontecilla 3830, Quinta Normal, RM Santiago, Chile	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
10.	Godrej Holding (Chile) Limitada		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
11.	Cosmetica Nacional		60.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
12.	Plasticos Nacional	Vargas Fontecilla 3984, Quinta Normal, RM Santiago, Chile	60.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
13.	Godrej Consumer Products Mauritius Limited	C/O Cim Corporate Services Ltd, Les Cascades Building, Edith Cavell Street, Port Louis, Republic Of Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
14.	Godrej Easy IP Holding Limited		50.00%	NA-Foreign Company	Associate	2(6)
15.	Godrej Nigeria Limited	Plot No 2A, Ayodele Diyan Street, Ikeja, Lagos, Nigeria	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
16.	Godrej Argentina Dutch Cooperatief U.A.		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
17.	Godrej Netherlands Argentina Holding B.V.	SGG Netherlands Claude Debussylaan 24, 1082 MD Amsterdam, Netherlands	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
18.	Godrej Netherlands Argentina B.V.		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
19.	Panamar Produccioness S.A.		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
20.	Argencos S.A.	Empedrado 2435 – Ciudad Autónoma de Buenos Aires – Argentina	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
21.	Laboratoria Cuenca S.A.		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
22.	Consell S.A.		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
23.	Deciral S.A.	Calle Osvaldo Cruz 5398 Codigo Postal 12200 – Montevideo - Uruguay	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
24.	Issue Group Brazil Limited	Rod. João Leopoldo Jacomel 12475 – Sl 02 -Pinhais (Cep 83323-4100) – Parana - Brasil	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
25.	Godrej Consumer Products Holding (Mauritius) Limited	C/O Cim Corporate Services Ltd, Les Cascades Building, Edith Cavell Street, Port Louis, Republic Of Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
26.	Godrej Indonesia IP Holdings Limited		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
27.	Godrej Megasari Holdings Limited		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
28.	Godrej Global Mid East FZE	B2-23, PO Box. 7966 Sharjah Airport International Free Zone Sharjah, UAE	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
29.	Indovest Capital Limited	Portcullis Trustnet (Labuan) Limited, Level 6(D), Main Office Tower, Financial Park Labuan Comple Jalan Merdeka 87000 Labuan F. T., Malaysia	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
30.	Godrej Consumer Products Dutch Cooperatief U.A.		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
31.	Godrej Consumer Products (Netherlands) B.V.	SGG Netherlands Claude Debussylaan 24, 1082 MD Amsterdam, Netherlands	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
32.	Godrej Consumer Holdings (Netherlands) B.V.		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
33.	PT Indomas Susemi Jaya	Jl. Raya Narogong KM. 15 Kampung Ciketing Barat RT.003 RW.001, Ciketing Udik Bantar Gebang Bekasi 17153, Indonesia	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
34.	PT Intrasaraya	Jl. Pancasila IV Cicadas Raya KM. 9 Gunung Putri, Bogor 16965	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
35.	PT Megasari Makmur	Jl. Pancasila V RT.04 RW.13 Cicadas Gunung Putri, Bogor 16965, Indonesia	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	Effective Control	CIN/GLN	Holding/ Subsidiary /Associate	Applicable Section
36.	PT Ekamas Sarijaya	Jl. Raya Narogong Paal 10 RT.02 RW.03 Limus Nunggal, Cileungsi Bogor 16965, Indonesia	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
37.	PT Sarico Indah	Jl. Pancasila IV RT.02 RW.04 Cicadas Gunung Putri, Bogor 16965, Indonesia	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
38.	Godrej Mauritius Africa Holdings Limited	C/O Cim Corporate Services Ltd., Les Cascades Building, Edith Cavell Street, Port Louis, Republic of Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
39.	Darling Trading Company Mauritius Limited	C/O Cim Corporate Services Ltd., Les Cascades Building, Edith Cavell Street, Port Louis, Republic of Mauritius	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
40.	Godrej Africa Holdings Limited		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
41.	Frika Weave Pty Limited	30 Auckland Street, Paarden Eiland Cape Town, 7405, South Africa	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
42.	Weave Ghana Limited	Plot No 128, Spintex Road, Near Polytank Factory, Greater Accra, Ghana	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
43.	Kinky Group (Proprietary) Limited	11 Young Road, Pinetown 3610, South Africa	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
44.	Lorna Nigeria Limited	Plot No 2A, Ayodele Diyan Street, Ikeja, Lagos, Nigeria.	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
45.	Godrej West Africa Holdings Limited	C/O Cim Corporate Services Ltd, Les Cascades Building, Edith Cavell Street, Port Louis, Republic Of Mauritius	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
46.	Weave IP Holding Mauritius Private Limited	C/O Cim Corporate Services Ltd., Les Cascades Building, Edith Cavell Street, Port Louis, Republic Of Mauritius	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
47.	Subinite Pty Limited	7 Potgieter Street, Alrode 1449, Johannesburg, Private Bag X 035, Unit 21, Alberton, 1450, South Africa	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
48.	Weave Mozambique Limitada	Av. Samora Machel, 6819-EN4, Maputo-Witibank KM 15Maputo, Mozambique	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
49.	Weave Trading Mauritius Private Limited	C/O Cim Corporate Services Ltd., Les Cascades Building, Edith Cavell Street, Port Louis, Republic of Mauritius	51.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
50.	Hair Trading (Offshore) S.A.L.	Corniche Al-Mazraa- Mama Strt. - Chamat Bldg., Beirut- Lebanon	51.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
51.	Godrej East Africa Holdings Limited	C/O Cim Corporate Services Ltd, Les Cascades Building, Edith Cavell Street, Port Louis, Republic of Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
52.	DGH Phase Two Mauritius Private Limited	C/O Cim Corporate Services Ltd., Les Cascades Building, Edith Cavell Street, Port Louis, Republic of Mauritius	51.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
53.	Style Industries Limited	L.R No.1870/1/575, 1st Floor, Empress Plaza, Westlands, P.O Box 30682, 00100, Nairobi, Kenya	51.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
54.	Godrej Tanzania Holdings Limited	C/O Cim Corporate Services Ltd, Les Cascades Building, Edith Cavell Street, Port Louis, Republic Of Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
55.	DGH Tanzania Limited	C/O Cim Corporate Services Ltd., Les Cascades Building, Edith Cavell Street, Port Louis, Republic Of Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
56.	Sigma Hair Industries Limited	11th Floor, PPF Tower, Ohio Street/ Garden Avenue, P O Box 1160, Dar Es Salaam, Tanzania	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
57.	Bhabhani Blunt Hairdressing Private Limited	Ground Floor, Block No. 1, Kohinoor Building, 29 Hughes Road, Mumbai - 400007, Maharashtra, India	30.00%	U93020MH2004PTC148187	Associate	2(6)

ANNEXURE 'H-2'

SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	16,054,647	-	16,054,647	4.72%	16,054,647	-	16,054,647	4.72%	0.00%
b) Central Govt.	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt.(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	199,441,435	-	199,441,435	58.59%	199,441,435	-	199,441,435	58.58%	0.00%
e) Banks/Fl	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any Other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (A) (1):-	215,496,082	-	215,496,082	63.31%	215,496,082	-	215,496,082	63.30%	0.00%
(2) Foreign									
a) NRIs - Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other – Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Banks/Fl	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Any Other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (A)(2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Total Shareholding of Promoter (A)=(A)(1) + (A)(2)	215,496,082	-	215,496,082	63.31%	215,496,082	-	215,496,082	63.30%	0.00%
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	719,895	14,904	734,799	0.22%	1,105,059	14,904	1,119,963	0.33%	100.00%
b) Banks/Fl	971,933	3,780	975,713	0.29%	1,112,893	3,780	1,116,673	0.33%	0.00%
c) Central Govt.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Co.	4,287,292	-	4,287,292	1.26%	4,323,787	-	4,323,787	1.27%	0.00%
g) FIs	96,692,544	23,200	96,715,744	28.41%	97,906,378	23,200	97,929,578	28.77%	78.43%
h) Foreign Venture Capital Fund	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (Specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B) (1)	102,671,664	41,884	102,713,548	30.18%	104,448,117	41,884	104,490,001	30.69%	89.07%
(2) Non Institutional									
Bodies Corp.									
i) Indian	2,641,384	71,582	2,712,966	0.80%	2,492,753	71,494	2,564,247	0.75%	7.55%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	12,201,570	5,988,258	18,189,828	5.34%	11,371,520	5,661,949	17,033,469	5.00%	7.87%
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakh	1,265,886	-	1,265,886	0.37%	863,102	-	863,102	0.25%	-11.81%
c) Others (specify)									
Clearing Member	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals									
- Non Resident Indians (Repat)	-	-	-	0.00%	-	-	-	0.00%	12.02%
- Non Resident Indians (Non Repat)	-	-	-	0.00%	-	-	-	0.00%	3.76%
Trust	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub total (B)(2)	16,108,840	6,059,840	22,168,680	6.51%	14,727,375	5,733,443	20,460,818	6.01%	0.54%
Total Public shareholding (B)=(B)(1) + (B)(2)	118,780,504	6,101,724	124,882,228	36.69%	119,175,492	5,775,327	124,950,819	36.70%	45.11%
C. Shares held by Custodian for GDRs & ADRs									
	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	334,276,586	6,101,724	340,378,310	100.00%	334,671,574	5,775,327	340,446,901	100.00%	17.59%

II. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Godrej & Boyce Mfg. Co. Ltd.	122,411,815	35.96%	0.00%	119,163,815	35.00%	0.00%	0.96%
2	Godrej Industries Ltd.	77,029,620	22.63%	0.00%	80,277,620	23.58%	0.00%	-0.95%
3	Adi Burjorji Godrej	500	0.00%	0.00%	500	0.00%	0.00%	0.00%
4	Parmeshwar Adi Godrej	4	0.00%	0.00%	4	0.00%	0.00%	0.00%
5	Tanya Arvind Dubash	1,071,054	0.31%	0.00%	1,071,054	0.31%	0.00%	0.00%
6	Pirojsha Adi Godrej	1,071,075	0.31%	0.00%	1,071,075	0.31%	0.00%	0.00%
7	Nisaba Adi Godrej	1,071,061	0.31%	0.00%	1,071,061	0.31%	0.00%	0.00%
8	Jamshyd Naoroji Godrej and others as Trustee of Raika Godrej Family Trust	-	0.00%	0.00%	1,606,808	0.47%	0.00%	-0.47%
9	Navroze Jamshyd Godrej	1,606,809	0.47%	0.00%	1,606,809	0.47%	0.00%	0.00%
10	Raika Jamshyd Godrej	1,606,808	0.47%	0.00%	-	0.00%	0.00%	0.47%
11	Nadir Burjorji Godrej	917,454	0.27%	0.00%	917,454	0.27%	0.00%	0.00%
12	Nadir Burjorji Godrej (for the benefit of his son Burjis Nadir Godrej)	633,724	0.19%		633,724	0.19%		0.00%
13	Rati Nadir Godrej (for the benefit of her son Sohrab Nadir Godrej)	633,728	0.19%	0.00%	633,728	0.19%	0.00%	0.00%
14	Hormazd Nadir Godrej	1,028,728	0.30%	0.00%	1,028,728	0.30%	0.00%	0.00%
15	Nyrika Vijay Crishna	1,612,088	0.47%	0.00%	1,612,088	0.47%	0.00%	0.00%
16	Freyan Vijay Crishna	1,612,090	0.47%	0.00%	1,612,090	0.47%	0.00%	0.00%
17	Rishad Kaikhushru Naoroji	3,189,524	0.94%	0.00%	3,189,524	0.94%	0.00%	0.00%
	Total:	215,496,082	63.31%	0.00%	215,496,082	63.30%	0.00%	0.01%

III. Change in Promoters' Shareholding

Sr. No.	Name	Shareholding		Date	Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding	
		No of shares at the beginning/ end of the period	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Godrej & Boyce Mfg Co. Ltd.	122,411,815	35.96%	01-04-2014				35.96%
				20-06-2014	(500,000)	Inter Se Transfer	121,911,815	35.82%
				23-09-2014	(490,000)	Inter Se Transfer	121,421,815	35.67%
				16-12-2014	(835,000)	Inter Se Transfer	120,586,815	35.42%
				23-12-2014	(626,000)	Inter Se Transfer	119,960,815	35.24%
				19-03-2015	(797,000)	Inter Se Transfer	119,163,815	35.00%
				31-03-2015			119,163,815	35.00%
2.	Godrej Industries Ltd.	77,029,620	22.63%	01-04-2014				22.63%
				20-06-2014	500,000	Inter Se Transfer	77,529,620	22.78%
				23-09-2014	490,000	Inter Se Transfer	78,019,620	22.92%
				16-12-2014	835,000	Inter Se Transfer	78,854,620	23.16%
				23-12-2014	626,000	Inter Se Transfer	79,480,620	23.35%
				19-03-2015	797,000	Inter Se Transfer	80,277,620	23.58%
				31-03-2015			80,277,620	23.58%
3.	Raika Jamshyd Godrej	1,606,808	0.47%	01-04-2014				0.47%
				06-06-2014	(1,606,808)	Inter Se Transfer	Nil	-
				31-03-2015			Nil	-
4.	Jamshyd Naoroji Godrej and others as Trustee of Raika Godrej Family Trust	Nil	Nil	01-04-2014				-
				06-06-2014	1,606,808	Inter Se Transfer	1,606,808	0.47%
				31-03-2015			1,606,808	0.47%

IV. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	Shareholding		Date	Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding	
		No. of shares at the beginning/end of the period	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Aberdeen Global Equity (Mauritius) Limited	12,700,000	3.73%	01-04-2014				3.73%
				09-05-2014	(21,414)	Transfer	12,678,586	3.72%
				17-10-2014	(11,658)	Transfer	12,666,928	3.72%
				24-10-2014	(92,824)	Transfer	12,574,104	3.69%
				31-10-2014	(239,886)	Transfer	12,334,218	3.62%
				07-11-2014	(180,798)	Transfer	12,153,420	3.57%
				12-11-2014	(124,834)	Transfer	12,028,586	3.53%
				20-02-2015	(16,820)	Transfer	12,011,766	3.53%
				27-02-2015	(39,115)	Transfer	11,972,651	3.52%
				06-03-2015	(244,065)	Transfer	11,728,586	3.45%
				13-03-2015	(187,418)	Transfer	11,541,168	3.39%
				20-03-2015	(241,164)	Transfer	11,300,004	3.32%
				27-03-2015	(391,359)	Transfer	10,908,645	3.20%
				31-03-2015	(85,129)	Transfer	10,823,516	3.18%
				31-03-2015			10,823,516	3.18%
2.	Baytree Investments (Mauritius) Pte Limited	12,530,166	3.68%	01-04-2014				3.68%
				31-03-2015			12,530,166	3.68%
3.	Arisaig Partners (Asia) Pte Ltd A/C Arisaig India Fund Ltd.	9,294,996	2.73%	01-04-2014				2.73%
				31-03-2015			9,294,996	2.73%
4.	National Westminster Bank Plc As Depository Of First State Asia Pacific Leaders Fund A Sub Fund Of First State Investments Icv	7,416,256	2.18%	01-04-2014				2.18%
				16-05-2014	704,481	Transfer	8,120,737	2.39%
				23-05-2014	69,330	Transfer	8,190,067	2.41%
				30-05-2014	108,875	Transfer	8,298,942	2.44%
				06-06-2014	316,662	Transfer	8,615,604	2.53%
				13-06-2014	115,120	Transfer	8,730,724	2.57%
				20-06-2014	402,341	Transfer	9,133,065	2.68%
				12-09-2014	(52,589)	Transfer	9,080,476	2.67%
				29-09-2014	(94,851)	Transfer	8,985,625	2.64%
				30-09-2014	(166,832)	Transfer	8,818,793	2.59%
				10-10-2014	(176,559)	Transfer	8,642,234	2.54%
				28-11-2014	78,287	Transfer	8,720,521	2.56%
				31-03-2015			8,720,521	2.56%
5.	Life Insurance Corporation of India	4,287,292	1.26%	01-04-2014				1.26%
				02-05-2014	34,307	Transfer	4,321,599	1.27%
				12-11-2014	35,000	Transfer	4,356,599	1.28%
				13-03-2015	(32,812)	Transfer	4,323,787	1.27%
				31-03-2015			4,323,787	1.27%
6.	Aberdeen Global-Emerging Markets Smaller Companies Fund	3,000,000	0.88%	01-04-2014				0.88%
				11-04-2014	(250,000)	Transfer	2,750,000	0.81%
				18-04-2014	(30,145)	Transfer	2,719,855	0.80%
				25-04-2014	(7,256)	Transfer	2,712,599	0.80%
				23-05-2014	(2,173)	Transfer	2,710,426	0.80%
				12-09-2014	(82,089)	Transfer	2,628,337	0.77%
				19-09-2014	(7,247)	Transfer	2,621,090	0.77%
				30-09-2014	(1,452)	Transfer	2,619,638	0.77%
				12-12-2014	(68,339)	Transfer	2,551,299	0.75%
				09-01-2015	(20,510)	Transfer	2,530,789	0.74%
				16-01-2015	(31,151)	Transfer	2,499,638	0.73%
				30-01-2015	(64,275)	Transfer	2,435,363	0.72%
				06-02-2015	(52,725)	Transfer	2,382,638	0.70%

Sr. No.	Name	Shareholding		Date	Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding	
		No. of shares at the beginning/ end of the period	% of total shares of the Company				No. of shares	% of total shares of the Company
				20-03-2015	(17,409)	Transfer	2,365,229	0.69%
				27-03-2015	(30,625)	Transfer	2,334,604	0.69%
				31-03-2015	(6,724)	Transfer	2,327,880	0.68%
				31-03-2015			2,327,880	0.68%
7.	First State Investments (Hongkong) Limited A/C First State Asian Equity Plus Fund	2,897,557	0.85%	01-04-2014				0.85%
				06-06-2014	99,942	Transfer	2,997,499	0.88%
				13-06-2014	29,194	Transfer	3,026,693	0.89%
				19-09-2014	(3,265)	Transfer	3,023,428	0.89%
				30-09-2014	(10,665)	Transfer	3,012,763	0.88%
				10-10-2014	(11,288)	Transfer	3,001,475	0.88%
				28-11-2014	198,622	Transfer	3,200,097	0.94%
				23-01-2015	(110,195)	Transfer	3,089,902	0.91%
				30-01-2015	(27,031)	Transfer	3,062,871	0.90%
				06-02-2015	(69,666)	Transfer	2,993,205	0.88%
				20-02-2015	(74,105)	Transfer	2,919,100	0.86%
				27-02-2015	(43,919)	Transfer	2,875,181	0.84%
				31-03-2015				0.00%
8.	Aberdeen Global-Asian Smaller Companies Fund	2,682,558	0.79%	01-04-2014				0.79%
				04-07-2014	398,000	Transfer	3,080,558	0.90%
				12-12-2014	(120,000)	Transfer	2,960,558	0.87%
				09-01-2015	(49,805)	Transfer	2,910,753	0.85%
				16-01-2015	(150,195)	Transfer	2,760,558	0.81%
				23-01-2015	(49,245)	Transfer	2,711,313	0.80%
				30-01-2015	(98,158)	Transfer	2,613,155	0.77%
				06-02-2015	(247,597)	Transfer	2,365,558	0.69%
				13-02-2015	(190,000)	Transfer	2,175,558	0.64%
				20-02-2015	(44,173)	Transfer	2,131,385	0.63%
				27-02-2015	(17,380)	Transfer	2,114,005	0.62%
				13-03-2015	(96,860)	Transfer	2,017,145	0.59%
				20-03-2015	(1,175)	Transfer	2,015,970	0.59%
				31-03-2015	(26,397)	Transfer	1,989,573	0.58%
				31-03-2015			1,989,573	0.58%
9.	The India Fund, Inc	2,334,014	0.69%	01-04-2014				0.69%
				11-04-2014	(190,000)	Transfer	2,144,014	0.63%
				09-01-2015	(62,895)	Transfer	2,081,119	0.61%
				16-01-2015	(77,879)	Transfer	2,003,240	0.59%
				31-01-2015	(2,003,240)	Transfer	0	-
				31-03-2015			0	-
10.	Government Of Singapore	2,296,509	0.67%	01-04-2014				0.67%
				04-04-2014	59,119	Transfer	2,355,628	0.69%
				11-04-2014	(41,395)	Transfer	2,314,233	0.68%
				02-05-2014	(42,694)	Transfer	2,271,539	0.67%
				30-05-2014	(33,988)	Transfer	2,237,551	0.66%
				06-06-2014	(33,332)	Transfer	2,204,219	0.65%
				20-06-2014	(5,910)	Transfer	2,198,309	0.65%
				30-06-2014	(12,177)	Transfer	2,186,132	0.64%
				04-07-2014	(4,278)	Transfer	2,181,854	0.64%
				11-07-2014	(1,177)	Transfer	2,180,677	0.64%
				01-08-2014	(49,498)	Transfer	2,131,179	0.63%
				04-08-2014	(7,639)	Transfer	2,123,540	0.62%
				29-08-2014	(14,810)	Transfer	2,108,730	0.62%
				05-09-2014	(15,888)	Transfer	2,092,842	0.61%
				12-09-2014	1,190	Transfer	2,094,032	0.62%

Sr. No.	Name	Shareholding		Date	Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding	
		No. of shares at the beginning/end of the period	% of total shares of the Company				No. of shares	% of total shares of the Company
				30-09-2014	(19,528)	Transfer	2,074,504	0.61%
				10-10-2014	23,587	Transfer	2,098,091	0.62%
				17-10-2014	(1,229)	Transfer	2,096,862	0.62%
				24-10-2014	(6,383)	Transfer	2,090,479	0.61%
				31-10-2014	(22,821)	Transfer	2,067,658	0.61%
				07-11-2014	51,637	Transfer	2,119,295	0.62%
				21-11-2014	(1,577)	Transfer	2,117,718	0.62%
				28-11-2014	(3,901)	Transfer	2,113,817	0.62%
				05-12-2014	(8,324)	Transfer	2,105,493	0.62%
				12-12-2014	3,903	Transfer	2,109,396	0.62%
				19-12-2014	(1,865)	Transfer	2,107,531	0.62%
				31-12-2014	(10,668)	Transfer	2,096,863	0.62%
				16-01-2015	36,790	Transfer	2,133,653	0.63%
				13-02-2015	33,662	Transfer	2,167,315	0.64%
				20-02-2015	(1,583)	Transfer	2,165,732	0.64%
				06-03-2015	2,026	Transfer	2,167,758	0.64%
				27-03-2015	8,859	Transfer	2,176,617	0.64%
				31-03-2015			2,176,617	0.64%

V. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding		Date	Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding	
		No. of shares at the beginning/end of the period	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Adi Godrej	500	<0.01%	01-04-2014				<0.01%
				31-03-2015			500	<0.01%
2.	Jamshyd Godrej and others as Trustee Of Raika Godrej Family Trust	Nil	Nil	01-04-2014				
				06-06-2014	1,606,808	Inter Se Transfer	1,606,208	0.47%
				31-03-2015			1,606,208	0.47%
3.	Nadir Godrej	917,454	0.27%	01-04-2014				0.27%
				31-03-2015			917,454	0.27%
4.	Nadir Godrej (for the benefit of his son Burjis Godrej)	633,724	0.19%	01-04-2014				0.19%
				31-03-2015			633,724	0.19%
5.	Tanya Dubash	1,071,054	0.31%	01-04-2014				0.31%
				31-03-2015			1,071,054	0.31%
6.	Nisaba Godrej	1,071,061	0.31%	01-04-2014				0.31%
				31-03-2015			1,071,061	0.31%
7.	Vivek Gambhir	Nil	Nil	01-04-2014				
					5,926	Exercise of ESOP'S	5,926	<0.01%
				31-03-2015			5,926	<0.01%
8.	Narendra Ambwani	1,000	<0.01%	01-04-2014				<0.01%
				01-03-2015			1,000	<0.01%
9.	Bharat Doshi	13,714	<0.01%	01-04-2014				<0.01%
				31-03-2015			13,714	<0.01%
10.	P Ganesh	5,962	<0.01%					
				11-07-2014	3470	Exercise of ESOP'S	9432	<0.01%
				08-08-2014	751	Exercise of ESOP'S	10183	<0.01%
				22-08-2014	-2500	Transfer	7683	<0.01%
				27-03-2015	2579	Exercise of ESOP'S	10262	<0.01%

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED ON March 31, 2015**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Godrej Consumer Products Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Godrej Consumer Products Limited (hereinafter called the 'company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Godrej Consumer Products Limited's books, papers, minute books, forms and returns filed and other records maintained by the company, and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Godrej Consumer Products Limited for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.;
- (vi) Other laws applicable to the company as per the representation given by the company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India – Not applicable as not yet effective.
- (ii) The Listing Agreements entered into by the Company with BSE Limited & The National Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the nature of appointment of independent directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were passed unanimously in the meetings of the Board.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has

- i. Issued shares on exercise of option under the Employee Stock Grant Scheme of the Company.
- ii. Issued Commercial papers and unsecured redeemable zero coupon non convertible debentures on private placement basis.

For A. N. Ramani & Co.,
Company Secretaries
Unique Code - P2003MH000900

sd/-

Ashok N. Ramani
Partner
FCS – 6808, COP - 5342

Place:- Thane

Date:- 27 April, 2015

This report is to be read with our letter of even date which is annexed and forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members
Godrej Consumer Products Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Statutory and other records are the responsibility of the management of the company. Our responsibility is to express an opinion on these records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of Accounts of the company. We have relied on the report of the statutory auditor in respect of the same as per the guidance of the Institute of Company Secretaries of India.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. Company was following system of obtaining reports from various departments to ensure compliance with applicable laws and now is in the process of implementing electronic system for compliance management to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For A. N. Ramani & Co.,
Company Secretaries
Unique Code - P2003MH000900

sd/-

Ashok N. Ramani
Partner
FCS – 6808, COP - 5342

Place:- Thane

Date:- 27 April, 2015

Auditors' Certificate on Corporate Governance

To the Members of
Godrej Consumer Products Limited,
Mumbai.

We have examined the compliance of conditions of Corporate Governance by Godrej Consumer Products Limited (the Company) for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreements of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit, nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants
Firm Regn. No. 104607W

Roshni R. Marfatia
Partner
Membership No.: 106548

Mumbai, April 28, 2015