

Report on Corporate Governance

1. Company's Philosophy on Corporate Governance:

At Godrej, Corporate Governance has been practiced over the past 113 years.

The Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, lenders and the Government. The Company is committed to achieve and maintain the highest standards of Corporate Governance. The Company believes that all its actions must serve the underlying goal of enhancing overall stakeholder value over a sustained period of time.

The Company continues to enjoy a corporate governance rating of CGR2+ (pronounced as CGR two plus) and Stakeholder Value Creation and Governance Rating of SVG1 (pronounced as SVG 1) assigned by ICRA.

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.



2. Board of Directors:

a) *Composition of the Board:*

As of March 31, 2010, the Board of Directors of Godrej Consumer Products Limited (GCPL) consisted of twelve Directors, three of whom are Whole-time Executive Directors. The remaining nine are Non-Executive Directors, with six being Independent Directors.

Mr. Hoshedar Press, Vice Chairman, is retiring from the Company on April 30, 2010 after a long and illustrious career with the Godrej group.

The composition of the Board of Directors as on March 31, 2010 is given in Table 1.

b) *Number of Board Meetings:*

The Board of Directors of GCPL held eight meetings during the year on April 30, 2009, May 27, 2009, July 25, 2009, October 30, 2009, November 25, 2009, December 15, 2009, January 23, 2010 and March 26, 2010. The maximum gap between any two board meetings during the year was 96 days.



c) Directors' Attendance Record and Directorships Held:

Table 1: Details about GCPL's Board of Directors

Name of Director	Category	Board Meetings Held During the Year	Attendance at		Directorship in Companies, Chairmanship / Membership in Board Committees		
			Board Meeting	Last AGM	Director @	Committee Member @@	Committee Chairperson @@
Mr. Adi Godrej	Promoter, Chairman Whole-time & Non-Independent Director	8	8	Yes	11(3)	1	4
Mr. Jamshyd Godrej	Promoter, Non-Executive & Non-Independent Director	8	5	Yes	9(5)	3	1
Mr. Nadir Godrej	Promoter, Non-Executive & Non-Independent Director	8	7	Yes	14(6)	2	1
Mr. Bala Balachandran	Non-Executive & Independent Director	8	4 (and 4 by telephone)	Yes	2(1)	1	-
Ms. Rama Bijapurkar	Non-Executive & Independent Director	8	5 (and 1 by telephone)	Yes	8(6)	2	-
Mr. Bharat Doshi	Non-Executive & Independent Director	8	7	Yes	8(4)	1	2
Dr. Omkar Goswami	Non-Executive & Independent Director	8	3 (and 3 by telephone)	No	10(8)	7	2
Mr. A. Mahendran	Non-Executive & Non-Independent Director	8	8	Yes	12(2)	2	2
Mr. Aman Mehta	Non-Executive & Independent Director	8	5	Yes	7(6)	4	3
Mr. Hoshedar Press (retiring on April 30, 2010)	Whole Time & Non-Independent Director	8	6	Yes	3(1)	2	-
Mr. D. Shivakumar	Non-Executive & Independent Director	8	5 (and 1 by telephone)	Yes	1(1)	1	-
Mr. Dalip Sehgal	Whole Time & Non-Independent Director	8	8	Yes	1(1)	1	-

Notes:

@ Does not include Directorships in Private Companies, Section 25 companies and Foreign Companies.

Figures in brackets denote Directorships in listed companies.

@@ Does not include Chairmanship / Membership in Board Committees other than the Audit Committee, the Shareholders' Grievance Committee and Chairmanship / Membership in Board Committees in companies other than public limited companies registered in India.

According to the Clause 49 of the listing agreement, “independent director” shall mean a non-executive director of the company who:

- a) apart from receiving director’s remuneration, does not have any material pecuniary relationships or transactions with the Company, its promoters, its directors, its senior management or its holding company, its subsidiaries and associates which may affect independence of the Director;
- b) is not related to promoters or persons occupying management positions at the board level, or at one level below the board;
- c) has not been an executive of the Company in the immediately preceding three financial years;
- d) is not a partner, or an executive, or was not partner or an executive during the preceding three years, of any of the following:
 - i) the statutory audit firm, or the internal audit firm that is associated with the Company; and
 - ii) the legal firm(s) and consulting firm(s) that have a material association with the company.
- e) is not a material supplier, service provider or customer, or a lessor, or lessee of the Company, which may affect independence of the director; and
- f) is not a substantial shareholder of the Company i.e. owning two percent or more of the block of voting shares.
- g) is not less than 21 years of age.

None of the Directors is a member of more than 10 board-level committees, or a Chairman of more than five such committees, as prescribed under Clause 49 of the listing agreement.

d) Re-appointment of Directors Liable to Retire by Rotation:

According to the Articles of Association of GCPL, at every annual general meeting of the Company one-third of the Directors are liable to retire by rotation.

Thus Ms. Rama Bijapurkar, Mr. Bharat Doshi and Mr. Nadir Godrej shall retire at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. The abbreviated resumes of the Directors seeking re-appointment are as follows

Name of Director	Ms. Rama Bijapurkar
Date of Birth	February 12 ,1957
Qualifications	PGDM from Indian Institute of Management, Ahmedabad
Specialised Expertise	Marketing strategy and consumer related issues in India
No. of Shares held in GCPL	3980
Directorships in Companies	<p>Public Companies Godrej Consumer Products Ltd. CRISIL Ltd. CRISIL Risk & Infrastructure Solutions Ltd. Axis Bank Ltd. Mahindra Holidays & Resorts India Ltd. Mahindra & Mahindra Financial Services Ltd. ICI Prudential Life Insurance Company Ltd. Bharat Petroleum Corporation Ltd.</p> <p>Private/Section 25 companies Ambit Holdings Pvt. Ltd. Give Foundation</p>
Committee positions held *	<p>Member <u>Audit Committee</u> Mahindra Holidays & Resorts Ltd. Mahindra & Mahindra Financial Services Ltd.</p>

Name of Director	Mr. Bharat Doshi
Date of Birth	June 12, 1949
Qualifications	B.Com, LLM (Bombay University), FCA, FCS. Mr. Doshi has also participated in the program for Management Development at the Harvard Business School
Specialised Expertise	Finance, Corporate Affairs and General Management
No of Shares held in GCPL	13,714
Directorships in Companies	<p>Public Companies Mahindra & Mahindra Limited Mahindra Intertrade Limited Mahindra & Mahindra Financial Services Ltd. Tech Mahindra Ltd. Mahindra Holdings Limited Mahindra Navistar Automotives Limited NSE.IT Limited Godrej Consumer Products Limited</p> <p>Private Companies Mahindra Navistar Engines Private Limited</p> <p>Foreign Companies Mahindra USA Inc.</p> <p>Section 25 Companies The Mahindra United World College of India, (Position held member of the Board of Governors) Bombay Chamber of Commerce & Industry (Position held: President)</p>

Name of Director	Mr. Bharat Doshi
Committee positions held *	<p>Chairman <u>Audit Committee</u> Mahindra Navistar Automobiles Ltd. Godrej Consumer Products Ltd.</p> <p>Member <u>Share Transfer and Shareholder / Investor Grievance Committee</u> Mahindra & Mahindra Ltd.</p>

Name of Director	Mr. Nadir Godrej
Date of Birth	August 26, 1951

Qualifications	B.S Chem. Engg. (M.I.T, U.S.A), M.S Chem. Engg. (Stanford, U.S.A), MBA (Harvard Business School)
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Specialised Expertise	Industrialist
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No. of Shares held in GCPL	2,215,744 (includes 1,028,724 shares held for the benefit of minor son)
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Directorships in Companies	<p>Public Companies Godrej Industries Ltd. Godrej Agrovet Ltd. Godrej Tyson Foods Ltd. Godrej Oil Palm Ltd. Godrej & Boyce Mfg. Co. Ltd. Godrej Properties Ltd. Godrej Consumer Products Ltd. Mahindra & Mahindra Ltd. Godrej Sara Lee Ltd. KarROX Technologies Ltd. Godrej Gold Coin Aquafeed Ltd. The Indian Hotels Company Ltd. Tata Teleservices (Maharashtra) Ltd. Cauvery Palm Oil Ltd.</p> <p>Foreign Companies Godrej International Ltd. Godrej Global Mid East FZE ACI Godrej Agrovet Pvt. Ltd., Bangladesh Keyline Brands Ltd. Rapidol (Pty) Limited Godrej Nigeria Limited</p> <p>Section 25 Companies Poultry Processors' Association of India</p>
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Committee positions held *	<p>Chairman <u>Shareholders Committee</u> Godrej Consumer Products Ltd.</p> <p>Member <u>Audit Committee</u> Godrej Sara Lee Ltd. Mahindra & Mahindra Ltd.</p>
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e) Information supplied to the Board:

Among others, this includes:

- i) Annual operating plans and budgets and any updates.
- ii) Capital budgets and any updates.
- iii) Quarterly results for the Company and its operating divisions or business segments.
- iv) Minutes of meetings of audit committee and other committees of the board.
- v) Information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- vi) Show cause, demand, prosecution notices and penalty notices, which are materially important.
- vii) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- viii) Any material default in financial obligations to and by the Company, or substantial non payment for goods sold by the Company.
- ix) Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the company.
- x) Details of any joint venture or collaboration agreement.
- xi) Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- xii) Significant labour problems and their proposed solutions, any significant development in Human Resources/Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme, etc.
- xiii) Sale of material nature, of investments, subsidiaries, assets, which is not in the normal course of business.

*The Committee positions disclosed above comprise of only those committees as are mandatory under Clause 49 of the listing agreement.

- xiv) Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- xv) Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

The Board of GCPL is regularly presented with all information under these heads, whenever applicable. These are submitted either as part of the agenda papers well in advance of the Board meetings, or are tabled in the course of the Board meetings.

3. Committees of the Board:

a) **Audit Committee:**

i) **Constitution:**

The Audit Committee, constituted by the Board of Directors at its meeting held on April 28, 2001, in accordance with Section 292A of the Companies Act, 1956 and Clause 49 of the listing agreement with the stock exchanges, was last reconstituted on May 1, 2009.

The composition of the Audit Committee is as under:

Name of the Director	Category	Position in the Audit Committee
Mr. Bharat Doshi	Independent Director	Chairperson
Mr. Bala Balachandran	Independent Director	Member
Mr. Aman Mehta	Independent Director	Member
Dr. Omkar Goswami	Independent Director	Member
Mr. D. Shivakumar (appointed in the committee w.e.f May 1, 2009)	Independent Director	Member

The Company Secretary of the Company acts as the Secretary to the Committee.

Mr. Bharat Doshi, the Chairman of the Audit Committee, is knowledgeable in all areas of finance, accounts, company law and has vast experience in corporate affairs. All the members of the committee are eminent professionals and draw upon their experience and expertise across a wide spectrum of functional areas such as finance, information systems, marketing and corporate strategy. Minutes of each Audit Committee meeting are placed before and discussed in the full Board.

ii) **Terms of Reference:**

The terms of reference of the Audit Committee includes the matters specified in Section 292A of the Companies Act, 1956, as well as Clause 49 of the listing agreement (as amended) with the stock exchanges such as:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgement by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of the internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

8. Discussion with internal auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity, or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit, as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism.

iii) Meetings and Attendance During the year:

The Audit Committee met four times during the year on April 30, 2009, July 25, 2009, October 30, 2009 and January 23, 2010.

The attendance at the Audit Committee meetings was as under:

Name of Director	No. of Meetings	Meetings Attended
Mr. Bharat Doshi (Chairperson of the Committee)	4	4
Mr. Bala Balachandran	4	3 (and 1 by teleconference)
Dr. Omkar Goswami	4	3 (and 1 by teleconference)
Mr. Aman Mehta	4	4
Mr. D. Shivakumar (appointed in the committee with effect from May 1, 2009)	3	3

b) Human Resources & Compensation Committee:

i) Constitution:

Setting up of a remuneration committee for determining the Company's policy on remuneration packages for Executive Directors constitutes a non-mandatory provision of Clause 49 of the listing agreement with stock exchanges.

The Company has also set up a Employee stock option scheme for the benefit of the employees of the Company and of the subsidiaries of the Company. The SEBI (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines requires stock option schemes to be administered and supervised by

the compensation committee consisting majority of Independent Directors.

GCPL had set up two separate committees viz. Human Resources Committee (which was set up in April 2001 in line with the non mandatory recommendation of the listing agreement) and Compensation Committee (which was set up on January 20, 2007 in pursuance of the SEBI ESOP guidelines for administration of Employee stock option plan).

The above separate committees were merged into one committee namely Human Resource & Compensation Committee with effect from May 1, 2009.

The erstwhile Human Resource Committee which was in existence till April 30, 2009 consisted of the following Independent Directors viz. Ms. Rama Bijapurkar as Chairperson, Mr. Bala Balachandran, Mr. Bharat Doshi, Dr. Omkar Goswami and Mr. Aman Mehta.

The erstwhile Compensation Committee which was in existence till April 30, 2009 consisted of the following Independent Directors viz. Mr. Bala Balachandran as Chairman, Ms. Rama Bijapurkar, Mr. Bharat Doshi, Dr. Omkar Goswami and Mr. Aman Mehta.

Ms Rama Bijapurkar was appointed as Chairperson of the merged committee viz. Human Resource & Compensation Committee with effect from May 1, 2009. Mr. D. Shivakumar who joined the Board as an Independent Director with effect from April 30, 2009 was also inducted into the Human Resource & Compensation Committee with effect from May 1, 2009.

The composition of the merged Human Resources & Compensation Committee is as under:

Name of the Director	Category	Position in the Human Resources & Compensation Committee
Ms. Rama Bijapurkar	Independent Director	Chairperson
Mr. Bala Balachandran	Independent Director	Member
Mr. Bharat Doshi	Independent Director	Member
Mr. Aman Mehta	Independent Director	Member
Dr. Omkar Goswami	Independent Director	Member
Mr. D. Shivakumar (appointed in the committee with effect from May 1, 2009)	Independent Director	Member

The Company Secretary of the Company acts as the Secretary to the Committee.

ii) Brief Description of Terms of Reference:

The following are terms of reference of the Human Resources & Compensation Committee:

1. Review of human resource policies and practices of the Company and in particular, policies regarding remuneration of whole-time Directors and Senior Managers.
2. In principle approval of Compensation Philosophy.
3. Review of senior management compensation.
4. Induction of new people, attrition, etc.
5. To formulate detailed terms and conditions of Employee Stock Option Plan (ESOP) including -
 - i. The quantum of Employee Stock Options to be granted under the GCPL ESOP Scheme per Employee and in aggregate.
 - ii. The eligibility criteria.
 - iii. The conditions under which the Employee Stock Options vested in Employees may lapse in case of termination of employment for misconduct.
 - iv. The exercise period within which the employee should exercise the Options and the Options that would lapse on failure to exercise the same within the exercise period.
 - v. The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee.
 - vi. The procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate action such as rights issues, bonus issues, merger, sale of division and others. In this regard the following shall be taken into consideration by the Compensation Committee:
 - a) the number and the price of the GCPL ESOP shall be adjusted in a manner such that the total value of the GCPL ESOP remains the same after the corporate action;

b) for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad shall be considered;

c) the Vesting Period and the life of the Employee Stock Options shall be left unaltered as far as possible to protect the rights of the Option Grantee.

- vii. The grant, vesting and exercise of Employee Stock Options in case of employees who are on long leave.
- viii. The procedure for cashless exercise of Options, if required.
- ix. Frame suitable policies and systems to ensure that there is no violation of (a) Securities and Exchange Board of India (Insider Trading) Regulations, 1992; and (b) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, by any employee.
- x. Fixing the exercise price.
- xi. Approve forms, writings and/or agreements for use in pursuance of the Employee Stock Option Plan.
- xii) To form a Trust and appoint Trustees.

Remuneration Policy

GCPL has adopted EVA as a tool for driving performance, and has linked improvements in EVA to Performance Linked Variable Remuneration (PLVR) for Whole-Time Directors, Managers and Officers of the Company.

iii) Meetings and Attendance during the Year:

During the year ended March 31, 2010, the erstwhile Human Resource Committee which was in existence till April 30, 2009, met once on April 30, 2009. All the members of that committee were present in the meeting.

The erstwhile Compensation Committee which was in existence till April 30, 2009 also met once on April 30, 2009. All the members of that committee were present in the meeting

The merged Human Resource & Compensation Committee which was formed on May 1, 2009 met on October 30, 2009 and December 15, 2009. The Committee also passed five resolutions in circulation.

The attendance record of the Human Resources & Compensation Committee is as under:

Name of Director	No. of Meetings	Meetings Attended
Ms. Rama Bijapurkar, Chairperson of the Committee	2	2
Mr. Bala Balachandran	2	1 (and one by teleconference)
Mr. Bharat Doshi	2	2

Name of Director	No. of Meetings	Meetings Attended
Dr. Omkar Goswami	2	One by teleconference
Mr. Aman Mehta	2	2
Mr. D. Shivakumar (appointed in the committee with effect from May 1, 2009)	2	2

iv) Remuneration of Directors:

Sitting fees, salary, perquisites and commission:

The details of the remuneration package of Directors and their relationships with each other are as under:

(in Rs. lac)

Name of Director	Relationship with other Directors	Sitting Fees	Profit Commission	Salary and Allowances	PLVR	Monetary Value of Perquisite	Total
Mr. Adi Godrej	Brother of Mr. Nadir Godrej	N.A	N.A	74.56	308.33	181.95	564.84
Mr. Jamshyd Godrej	None	1.00	10.00	NA	NA	NA	11.00
Mr. Nadir Godrej	Brother of Mr. Adi Godrej	1.40	10.00	NA	NA	NA	11.40
Mr. Bala Balachandran	None	1.10	10.00	NA	NA	NA	11.10
Ms. Rama Bijapurkar	None	1.20	10.00	NA	NA	NA	11.20
Mr. Bharat Doshi	None	1.80	10.00	NA	NA	NA	11.80
Dr. Omkar Goswami	None	0.85	10.00	NA	NA	NA	10.85
Mr. A. Mahendran	None	1.60	10.00	NA	NA	NA	11.60
Mr. Aman Mehta	None	1.40	10.00	NA	NA	NA	11.40
Mr. D. Shivakumar	None	1.25	10.00	NA	NA	NA	11.25
Mr. Hoshedar Press	None	N.A	N.A	135.82	350.17	14.18	500.17
Mr. Dalip Sehgal	None	N.A	N.A	139.89	287.72	19.96	447.57
Total		11.60	90.00	350.27	946.22	216.09	1614.18

Notes:

- In the case of Mr. Adi Godrej, salary includes basic salary and leave travel assistance. The monetary value of perquisites include accommodation, furnishing, club fees, electricity and telephone expenses, reimbursement of medical / hospitalisation expenses incurred for self and family, medical insurance premium paid by the Company and Company's contribution to provident fund.
- In the case of Mr. Hoshedar Press and Mr. Dalip Sehgal, salary includes basic salary, house rent allowance, education allowance, medical reimbursement, supplementary allowance, leave encashment and leave travel assistance. The monetary value of perquisites includes expenses on car, accommodation, furnishing, food vouchers, telephone reimbursement, petrol reimbursement, and Company's contribution to provident fund.
- The Performance Linked Variable Remuneration to Mr. Adi Godrej, Mr. Hoshedar Press and Mr. Dalip Sehgal is the amount payable for the financial year 2009-10. The same is based on the Economic Value Added (EVA) in the business and other relevant factors.
- The service contract of Mr. Adi Godrej is for a period of three years beginning from April 1, 2007. Pursuant to the resolution passed by the shareholders in the Annual General Meeting held on July 25, 2009, Mr. Adi Godrej has been reappointed as Chairman for a period of three years from April 1, 2010.

The service contract of Mr. Hoshedar Press is for a period of three years and one month beginning from April 1, 2007. Mr. Hoshedar Press is retiring from the service of the Company at the close of working hours on April 30, 2010

The service contract of Mr. Dalip Sehgal is for a period of three years beginning from April 1, 2009.

The contracts with all the above directors are terminable with a notice period of three months by either side.

5. The Non-Executive Directors are eligible for a Commission on Profits at the rate of 1% of the net profits, or Rs.10 lac for each director, whichever is lower.
6. Vide special resolution passed on March 14, 2007, the shareholders have granted approval to the Company for the setting up of an Employee Stock Option Plan (ESOP) for the eligible employees / Directors of the Company and of the Company's subsidiaries. In accordance with the GCPL ESOP and pursuant to the approval of shareholders, the Company has set up an independent trust viz. Godrej Consumer Products Ltd Employee Stock Option Trust (GCPL ESOP Trust). The Company or its subsidiaries provides loan to the GCPL ESOP trust at an interest rate which is not less than the bank rate, to enable the GCPL ESOP trust to acquire shares of the Company from the secondary market. Against the shares so acquired, options are granted to the employees of the Company or the employees of the respective subsidiary company. Mr. Dalip Sehgal, Managing Director has been granted 2,00,000 options on June 18, 2009 and 1,00,000 options on August 13, 2009. The vesting dates for these options are three years from the respective date of grant of options and the same shall be exercisable within 2 years from the respective dates of vesting. The exercise price will be the market price on the day prior to the date of grant of options plus interest at a rate not less than the bank rate.

c) Nomination Committee:

i) Constitution:

As a part of its Corporate Governance initiatives, the Board of Directors of GCPL at its meeting held on October 27, 2004, constituted a Nomination Committee although the same is not required under Clause 49 of the listing agreement. The current constitution of the Committee is as under:

Name of the Director	Category	Position in the Nomination Committee
Ms. Rama Bijapurkar	Independent Director	Chairperson
Mr. Bala Balachandran	Independent Director	Member
Mr. Bharat Doshi	Independent Director	Member

Name of the Director	Category	Position in the Nomination Committee
Mr. Aman Mehta	Independent Director	Member
Dr. Omkar Goswami	Independent Director	Member
Mr. D. Shivakumar (appointed in the committee with effect from May 1, 2009)	Independent Director	Member

The Company Secretary of the Company acts as the Secretary to the Committee.

ii) Terms of Reference:

The terms of reference of the Nomination Committee are as below:

1. Identify and nominate for the Board's approval, suitable candidates to fill Board vacancies as and when they arise.
2. Drawing up selection criteria and appointment procedures for Directors.
3. Periodically review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board with regard to any changes.
4. Board Evaluation.

iii) Meetings and Attendance During the Year:

During the year ended March 31, 2010, the Committee was not required to hold any meeting.

d) Shareholders' Committee:

i) Constitution:

The Shareholders' Committee constituted by the Board of Directors at its meeting held on April 28, 2001 was last reconstituted on October 30, 2009. The constitution of the Committee is currently as under:

Name of the Director	Category	Position in the Shareholders' Committee
Mr. Nadir Godrej	Promoter, Non-Executive Director	Chairperson
Mr. Jamshyd Godrej	Promoter, Non-Executive Director	Member
Mr. Adi Godrej	Promoter and Chairman	Member
Mr A Mahendran (appointed in the committee with effect from October 30, 2009)	Non-Executive Whole-time Director	Member

Name of the Director	Category	Position in the Shareholders' Committee
Mr. Hoshedar Press	Vice Chairman and Whole-time Director	Member
Mr Dalip Sehgal (appointed in the committee with effect from May 1, 2009)	Managing Director	Member

The Company Secretary of the Company acts as the Secretary to the Committee.

ii) Terms of Reference:

Among other functions, this Committee looks into redressing of shareholder complaints like transfer of shares, non-receipt of balance sheet and non-receipt of declared dividends, as required in clause 49 of the Listing Agreement.

iii) Meetings and Attendance during the Year:

During the year, the Committee met on April 2, 2009, April 23, 2009, July 9, 2009, July 23, 2009, August 20, 2009, September 10, 2009, October 8, 2009, November 9, 2009, November 26, 2009, December 24, 2009, January 14, 2010, January 28, 2010, February 16, 2010, March 2, 2010 and March 22, 2010.

Name of Director	No. of Meetings	Meetings Attended
Mr. Nadir Godrej (Chairman of the Committee)	15	14
Mr. Adi Godrej	15	12
Mr. Jamshyd Godrej	15	11
Mr. A. Mahendran (appointed in the committee with effect from October 30, 2009)	8	4
Mr. Hoshedar Press	15	13
Mr. Dalip Sehgal (appointed in the committee with effect from May 1, 2009)	13	10

iv) Name and Designation of Compliance Officer:

Mr. P. Ganesh, Executive Vice President (Finance & Commercial) & Company Secretary is the Compliance Officer.

Number of shareholders complaints/queries received so far, number not solved to the satisfaction of shareholders, number of pending share transfers are given in the table below:

Sr. No.	Nature of Complaint/Query	Total Received	Total Replied
1.	Non-Receipt of Dividend	127	121
2.	Non Receipt of shares lodged for transfer/exchange	68	68
3.	Non-receipt of refund order	1	1

Sr. No.	Nature of Complaint/Query	Total Received	Total Replied
4.	Non-receipt of Annual Report	11	11
5.	Rights / Issue related Complaints	1	1

Six complaints for non-receipt of dividend pending as on March 31, 2010 has since been resolved.

There are no pending share transfers as on March 31, 2010.

On the Company's request, The Bombay Stock Exchange Limited and the National Stock Exchange of India Limited have confirmed that there were no pending complaints registered against the Company as on March 31, 2010.

4. General Body Meetings

The details of last three Annual General Meetings of GCPL are as follows:

Date & Time	Venue
August 3, 2007 10.00 a.m.	Y. B. Chavan Centre, General Jaganath Bhosale Marg, Nariman Point, Mumbai – 400 021
July 25, 2008 3.30 p.m.	Y. B. Chavan Centre, General Jaganath Bhosale Marg, Nariman Point, Mumbai – 400 021.
July 25, 2009 3.30 p.m.	Y. B. Chavan Centre, General Jaganath Bhosale Marg, Nariman Point, Mumbai – 400 021

GCPL will hold its next AGM on July 24, 2010. Details are as follows:

Date & Time	Venue
July 24, 2010 3.30 p.m.	Y. B. Chavan Centre, General Jaganath Bhosale Marg, Nariman Point, Mumbai – 400 021.

Special Resolutions passed in the last three Annual General Meetings:

August 3, 2007	Payment of commission on profits to non executive Directors at a rate not exceeding 1% of the net profits of the Company in any financial year (computed in the manner provided in Section 349 & 350 of the Companies Act, 1956) or Rs.10 lac per Director per annum whichever is lower.
July 25, 2008	None
July 25, 2009	Appointment of Mr. Dalip Sehgal as Managing Director for a period of three years from April 1, 2009 to March 31, 2012
	Appointment of Mr. Adi Godrej as Whole-time Director designated as "Chairman" for a period of three years from April 1, 2010 to March 31, 2013
	Utilisation of the remainder of Rights issue proceeds in the manner and within the time frame provided in the resolution
	Modification of GCPL Employee Stock Option Plan

The details of the last three Extraordinary General Meetings (EGM) of the shareholders of the Company are as follows:

Date and Time	Venue	Purpose
April 24, 2008 9.30 a.m.	Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai-400 079.	Approval of grant of loan to Godrej Consumer Products Ltd. ESOP Trust to enable the trust to acquire 2,500,000 shares for grant of options to employees of the Company and of the Company's subsidiaries.
July 3, 2008 11.00 a.m.	Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai-400 079.	According consent for alteration of Articles of Association of the Company and utilising of the share premium account for adjusting written down value of intangibles –Trade Marks and Brands.
February 10, 2010 2.00 p.m.	Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai-400 079	To announce the results of postal ballot in respect of resolutions passed for acquisition of balance 51% stake in Godrej Sara Lee Ltd., Utilisation of rights issue proceeds for funding the acquisition of balance 51% stake in Godrej Sara Lee Ltd., Increase in Authorised Capital, Alteration in Capital Clause of the Memorandum of Association, Alteration in Articles of Association and Further issue of securities upto an amount of Rs.3000 crore, Creation of Mortgage on the Company's assets, Borrowing in excess of paid up capital and reserves.

5. Postal Ballot:

During the year 2009-10, the Company had conducted one postal ballot. The notice of postal ballot was mailed to all the shareholders alongwith a postage prepaid envelope. Mr. Kalidas Vanjpe, Practising Company Secretary who was the Scrutinizer for conducting the postal ballot process in a fair and transparent manner submitted his report to the Chairman. The results were announced by the Chairman on February 10, 2010. The details of the resolutions and the voting pattern are as below:

Resolution Number	Nature of Resolution	Item	Total No. of Votes Polled	Shares represented in the ballot forms received	Shares in favour %	Shares against %	Invalid votes %
1	Special	Acquisition of balance 51% stake in Godrej Sara Lee Ltd subject to the provisions of Section 372A of the Companies Act, 1956	2897	263,411,144	99.98	0.00	0.02
2	Special	Utilisation of rights issue proceeds for funding of the acquisition of balance 51% stake in Godrej Sara Lee Ltd.	2897	263,411,144	99.97	0.01	0.02
3	Ordinary	Increase in the authorised capital from Rs.35.71 crore divided into 347,100,000 equity shares of nominal value Re.1 each and 10,000,000 unclassified shares of Re.1 each to Rs.42 crore divided into 410,000,000 equity shares of nominal value Re.1 each and 10,000,000 unclassified shares of Re.1 each	2897	263,411,144	99.97	0.00	0.03
4	Special	Alteration in the capital clause of the Memorandum of Association consequent to the increase in authorized capital as stated above	2897	263,411,144	99.97	0.00	0.03
5	Special	Alteration in the Article 3 of the Articles of Association consequent to the increase in authorised capital as stated above	2897	263,411,144	99.96	0.01	0.03
6	Special	Further issue of capital under Section 81 of the Companies Act, 1956 upto an amount of Rs.3000 crore	2897	263,411,144	89.26	10.70	0.04
7	Ordinary	Creation of mortgage and/or charge on all or any of the Company's moveable, immovable and/or intangible assets	2897	263,411,144	91.09	8.87	0.04
8	Ordinary	Borrow in excess of paid up capital and free reserves pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956	2897	263,411,144	91.00	8.96	0.04

Note: All resolutions were passed with the requisite majority.

The Board of Directors in its meeting held on March 26, 2010, approved the following proposals subject to the approval of shareholders by means of a postal ballot.

Sr. No.	Resolution Type	Item
1	Special	Utilisation of rights issue proceeds for funding the acquisition of Tura, Nigeria/ Megasari, Indonesia.
2	Special	Acquisition of balance 51% stake in Godrej Sara Lee Ltd subject to the provisions of Section 372A of the Companies Act, 1956 at a revised consideration amount not exceeding Rs.1200 crore

The Company has completed the dispatch of the postal ballot forms alongwith postage prepaid envelope on April 16, 2010.

Mr. Kalidas Vanjpe, Practising Company Secretary or failing him Mr. Bharat Shemlani, Practising Chartered Accountant, has been appointed as the Scrutinizer for conducting the Postal Ballot in a fair and transparent manner. The last date for return of the postal ballot form to the Scrutinizer is Friday, May 21, 2010, on or before the close of the working hours (05.30 p.m.). The Chairman or the Managing Director or any other Director of the Company will announce the results of the Postal Ballot on Tuesday, May 25, 2010 at 11.00 a.m. at the Company's Registered Office viz. Pirojshanagar, Eastern Express Highway, Vikhroli (E), Mumbai 400 079.

6. Disclosures:

a) Details of Shares held by the Directors and Dividend paid to them:

Name of Director	Shares held as on March 31, 2010	Dividend paid during the year (Rs.)
Mr. Adi Godrej	100	450
Mr. Jamshyd Godrej	Nil	Nil
Mr. Nadir Godrej *	2,215,744	13,960,648
Mr. Bala Balachandran	Nil	Nil
Ms. Rama Bijapurkar	3,980	14,925
Mr. Bharat Doshi	13,714	61,713
Dr. Omkar Goswami	Nil	Nil
Mr. A. Mahendran	Nil	Nil
Mr. Aman Mehta	Nil	Nil
Mr. D. Shivakumar	Nil	Nil
Mr. Hoshedar Press	10,088	45,396
Mr. Dalip Sehgal	Nil	Nil
Total	2,243,626	14,083,132

* Includes 10,28,724 shares held on behalf of minor son.

b) **Materially significant related party transaction that may have potential conflict with the interests of the Company at large:**

During 2009-10, there were no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

c) **Particulars of Loans / Advances and Investments:**

The shareholders of the Company vide special resolution passed on March 14, 2007 approved the setting up of Godrej Consumer Products Ltd. Employee Stock Option Plan (GCPL ESOP), to be administered by a trust viz. Godrej Consumer Products Ltd Stock Option Trust (GCPL ESOP Trust). Pursuant to the approvals received in the above meeting and in the meeting dated April 24, 2008, the Company can grant Loans to the GCPL ESOP Trust, to enable the trust to acquire a maximum of 4,500,000 equity shares for allotting a maximum of 4,500,000 stock options convertible into 4,500,000 equity shares of face value Re.1 each to the eligible employees of the Company.

The Company has granted a loan amounting to Rs.4430.84 lac (being the maximum amount of loan outstanding during the year) to the Godrej Consumer Products Limited ESOP Trust, a trust set up for administering the Employee Stock Option Plan of the Company set up for the employees / Directors of the Company and / or of the Company's subsidiaries and the balance outstanding as at the year end is Rs.5221 lac (including interest outstanding) to the GCPL ESOP Trust.

The Trust shall repay the Loan commencing from the date on which the first employee has exercised his option under the Employee Stock Option plan or at the end of five (5) years from the date of grant of the loan, whichever is earlier.

The interest rate shall not be less than the bank rate prevailing from time to time. The current interest rate is @ 10.00% p.a.

The trust has used the loan for acquiring 3,109,000 equity shares of the Company till March 31, 2010 against which options have been granted to eligible employees of the Company. As on March 31, 2010, 2,834,000 options are outstanding. The options granted shall vest in the eligible employees within such period as may be prescribed by the Compensation Committee, which period

shall not be less than one year and may extend up to three years from the date of grant of the option. Vesting may occur in tranches subject to the terms and conditions of vesting. The option is exercisable within two years after vesting.

The Company has not given any loans or advances in the nature of loans to subsidiaries or associates or loans and advances in the nature of loans where there is no repayment schedule, or repayment is beyond seven years, or no interest or interest is payable below the limit stipulated under section 372A of the Companies Act, 1956.

There are no loans and advances in the nature of loans to firms/companies in which Directors are interested.

d) Whistle Blower Policy:

With a view to establish a mechanism for protecting employees reporting unethical behaviour, frauds or violation of the Company's Code of Conduct, the Board of Directors has adopted a Whistle Blower Policy (a non-mandatory requirement as per Clause 49 to the listing agreement). During the year 2009-10, no person has been denied access to the Audit Committee.

e) Details of Compliance with Mandatory Requirements:

Particulars	Clause of Listing Agreement	Compliance Status Yes / No
I. Board of Directors	49(I)	
(A) Composition of Board	49 (IA)	Yes
(B) Non-Executive Directors' compensation & disclosures	49 (IB)	Yes
(C) Other provisions as to Board and Committees	49 (IC)	Yes
(D) Code of Conduct	49 (ID)	Yes
II. Audit Committee	49 (II)	
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes
(B) Meeting of Audit Committee	49 (IIB)	Yes
(C) Powers of Audit Committee	49 (IIC)	Yes
(D) Role of Audit Committee	49 (IID)	Yes
(E) Review of Information by Audit Committee	49 (IIE)	Yes
III. Subsidiary Companies	49 (III)	Yes
IV. Disclosures	49 (IV)	

Particulars	Clause of Listing Agreement	Compliance Status Yes / No
(A) Basis of related party transactions	49 (IV A)	Yes
(B) Disclosure of Accounting treatment	49 (IV B)	Yes
(C) Board Disclosures	49 (IV C)	Yes
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	Yes
(E) Remuneration of Directors	49 (IV E)	Yes
(F) Management	49 (IV F)	Yes
(G) Shareholders	49 (IV G)	Yes
V. CEO/CFO Certification	49 (V)	Yes
VI. Report on Corporate Governance	49 (VI)	Yes
VII. Compliance	49 (VII)	Yes

f) Details of Non-compliance:

There has not been any non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges, or SEBI, or any statutory authority, on any matter related to capital markets.

7. Means of Communication:

GCPL has sent the Chairman's statement and unaudited financial results for the half-year ended September 30, 2009, to all the shareholders. Moreover GCPL has its own web-site www.godrejcp.com. All vital information relating to the Company and its performance, including quarterly results, press releases and performance updates/corporate presentations are posted on the web-site. The quarterly, half-yearly and annual results of the Company's performance are generally published in leading English dailies such as The Economic Times, Business Standard, and Business Line and also in the Marathi newspaper Maharashtra Times. The Chairman holds conference calls/meetings with financial analysts once a quarter and their transcripts are posted on the website soon thereafter.

Pursuant to Clause 51 of the listing agreement which was in existence till March 31, 2010, the Company had filed quarterly results and the annual report on the Electronic Data Information Filing and Retrieval (EDIFAR) website which was maintained by National Informatics Centre (NIC). With effect from April 1, 2010, SEBI has deleted clause 51 of the listing agreement and inserted clause 52, pursuant to which the Company is required to file in the Corporate Filing and Dissemination System (CFDS), viz., www.corpfilings.co.in such statements and reports as

may be specified by the stock exchanges. The quarterly results of the Company are also available on the website of The Bombay Stock Exchange Limited and National Stock Exchange of India Ltd viz. www.bseindia.com and www.nseindia.com respectively

8. Management:

a) *Management Discussion and Analysis:*

This annual report has a detailed chapter on management discussion and analysis.

b) *Disclosures by Management to the Board:*

All details relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussion, nor do they vote on such matters.

9. Shareholders:

a) *Communication to Shareholders:*

The Chairman's statement and unaudited financial results for the half year ended September 30, 2009, was sent to all the shareholders. The quarterly and annual results, official press releases and presentations to analysts/performance updates are posted on the web-site i.e. www.godrejcp.com and a copy of the same are sent to the stock exchanges.

b) *Investor Grievances:*

As mentioned before, the Company has constituted a Shareholders' Committee to look into and redress shareholders and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.

c) *Share Transfer:*

GCPL has outsourced its share transfer function to M/s. Computech Sharecap Ltd., which is registered with the SEBI as a Category 1 Registrar.

d) *Dividends for Financial Year 2009-10:*

Dividend Type	Declared at Board Meeting Dated	Dividend rate per share on shares of face value Re.1 each	Record Date
1st Interim for FY 2009-10	July 25, 2009	Re. 1.00	August 4, 2009
2nd Interim for FY 2009-10	October 30, 2009	Re. 1.00	November 16, 2009
3rd Interim for FY 2009-10	January 23, 2010	Re. 1.00	February 2, 2010
4th Interim for FY 2009-10	April 26, 2010	Rs.1.25	May 4, 2010
Total		Rs.4.25	

10. Declaration by Chairman for compliance with Code of Conduct:

The declaration by the Chairman pursuant to Clause 49(1)(D) of the listing agreement, stating that all the Board Members and senior management personnel have affirmed their compliance with the said code of conduct for year ended March 31, 2010, is annexed to the corporate governance report.

11. Auditor's Certificate on Corporate Governance:

As stipulated in Clause 49 of the Listing Agreement, the auditor's certificate regarding compliance of conditions of corporate governance is annexed to the Directors' Report.

12. General Shareholder Information:

a) *Annual General Meeting:*

Date and time : Saturday, July 24, 2010 at 3.30 p.m.

Venue : Y. B. Chavan Centre, General Jaganath Bhosale Marg, Nariman Point, Mumbai - 400 021.

b) *Financial Calendar:*

Financial year : April 1 to March 31
 For the year ended March 31, 2010, results were announced on:

- First quarter : July 25, 2009
- Half yearly : October 30, 2009
- Third quarter : January 23, 2010
- Fourth quarter and annual : April 26, 2010

c) *Book Closure:*

There was an annual book closure on March 23, 2010, pursuant to Clause 16 of the listing agreement. There will be no book closure at the time of the Annual General Meeting.

e) Listing:

The Company's shares are listed and traded on the following stock exchanges:

1. The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai - 400 001.
2. The National Stock Exchange of India Limited
Exchange Plaza, 4th Floor, Bandra-Kurla Complex,
Mumbai - 400 051.

Godrej Consumer Products Ltd. scrip figures in the BSE "A" Group.

f) Stock Code:

Name of the Stock Exchange	Stock Code
The Bombay Stock Exchange Limited	532424
National Stock Exchange of India Limited	GODREJCP

The ISIN Number of GCPL on both the NSDL and the CDSL is INE102D01028.

g) Market Price Data:

The monthly high and low prices and volumes of GCPL at The Bombay Stock Exchange Ltd., (BSE) and the National Stock Exchange of India Ltd., (NSE) for the year ended March 31, 2010, are as under:

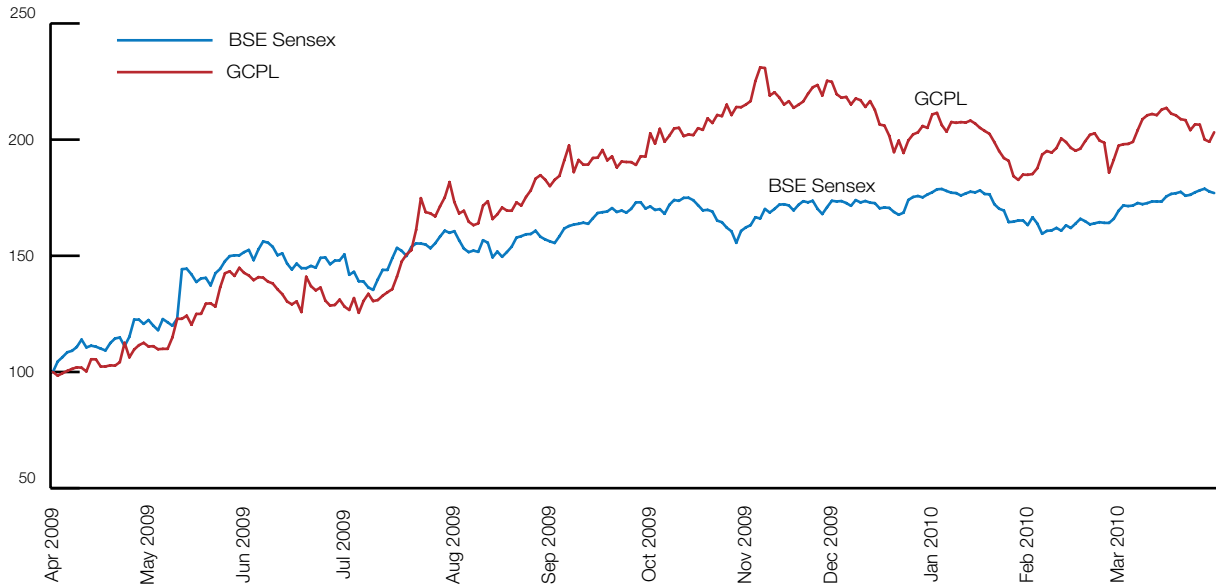
Month	Price in BSE			Price in NSE		
	High (Rs.)	Low (Rs.)	Volume (No. of shares)	High (Rs.)	Low (Rs.)	Volume (No. of shares)
April 2009	154.90	125.00	757,573	155.00	125.50	2,225,116
May 2009	186.90	139.00	3,081,979	186.90	139.00	3,678,751
June 2009	191.00	158.05	598,266	198.60	152.20	230,443
July 2009	235.00	160.35	1,339,570	233.00	160.00	3,902,521
August 2009	248.00	203.50	1,181,850	249.90	202.00	2,929,563
September 2009	266.40	231.05	1,653,755	265.00	226.05	3,015,046
October 2009	293.00	242.05	928,225	292.80	209.00	1,517,636
November 2009	304.00	268.10	899,485	303.80	268.50	1,657,674
December 2009	290.85	248.00	1,368,659	293.80	248.00	2,684,799
January 2010	283.00	225.00	321,422	298.30	227.60	1,165,731
February 2010	269.00	230.20	2,430,048	268.50	234.00	3,465,239
March 2010	282.40	248.00	1,621,548	283.00	244.00	1,334,367

Source: websites of the respective stock exchanges.

Note: High and low are in rupees per traded share. Volume is the total monthly volume of trade (in numbers) in GCPL shares on BSE and NSE respectively.

h) GCPL's Share Price at the BSE versus the Sensex:

GCPL share performance compared to the BSE Sensex for FY 2009-10



Note:

Both BSE Sensex and GCPL share price are indexed to 100 at the beginning of the financial year.

i) Registrar and Share Transfer Agents:

Computech Sharecap Ltd.
 147, M.G. Road, Opp. Jehangir Art Gallery, Mumbai-400001
 Tel. No. : +91 22 22635000/01
 Fax No. : +91 22 22635005
 E-mail ID : gcpl@computechsharecap.com
 Website : www.computechsharecap.com

j) Share Transfer:

Share transfers and related operations for GCPL are conducted by Computech Sharecap Ltd., which is registered with the SEBI as a Category 1 registrar. Share transfer is normally effected within the maximum period of 30 days from the date of receipt, if all the required documentation is submitted.

k) Distribution of Shareholding:

Distribution of shareholding by size class as of March 31, 2010:

Number of Shares	Number of Shareholders	Shareholders %	Number of shares held	Shareholding %
1 – 500	78,816	89.55%	10,151,360	3.29%
501 – 1000	6,462	7.34%	4,344,824	1.41%
1001 – 2000	1,796	2.04%	2,540,693	0.82%
2001 – 3000	358	0.41%	892,409	0.29%
3001 – 4000	144	0.16%	517,790	0.17%
4001 – 5000	93	0.11%	425,944	0.14%
5001 – 10000	139	0.16%	995,100	0.32%
10001 & above	202	0.23%	288,321,924	93.55%
Total	88,010	100.00%	308,190,044	100.00%

Distribution of shareholding by ownership as of March 31, 2010:

Category	Shares held (Nos.)	% of holding
Promoter's Holding		
Promoters	221,237,387	71.79%
Institutional Investors		
Mutual Funds & UTI	2,455,225	0.80%
Financial Institutions and Banks	334,824	0.11%
Insurance Companies	360,706	0.12%
Foreign institutional investors	57,003,025	18.50%
Others		
Private Corporate Bodies	5,733,129	1.86%
Indian Public	19,468,197	6.32%
NRI	1,597,551	0.52%
Total	308,190,044	100.00%

l) Shares Held in Physical and Dematerialised Form:

Break up of physical and dematerialised shares as on March 31, 2010:

Mode	Shares		Folios	
	No. of shares	% of total shares	No. of Folios	% of total folios
Physical	7,755,796	2.52%	42,902	48.75%
Demat	300,434,248	97.48%	45,108	51.25%
Total	308,190,044	100.00%	88,010	100.00%

m) Outstanding GDRs / ADRs / Warrants Convertible Instruments and their Impact on Equity:

GCPL does not have any outstanding GDRs / ADRs / warrants / convertible instruments.

n) Details of Public Funding Obtained in the Last Three Years:

The Company had not obtained any public funding in the year 2009-10.

During the year 2008-09, the Company made a rights issue of 32,263,440 equity shares of nominal value Re.1 each at a premium of Rs.122 per equity share in the ratio of one share for every seven shares held. Against the above issue, the Company received valid subscription for 32,232,316 equity shares aggregating to Rs.3,964,574,868. The balance 31,124 equity shares have been kept in abeyance due to various suits filed in courts/forums by third parties for which final order is awaited. Consequently, during the financial year 2008-09 the subscribed and paid-up capital of the Company has increased by Rs.32,232,316 and security premium

by Rs.3,932,342,552. The Company has also during the year 2008-09 bought back 1,122,484 equity shares of Re.1 each at an average price of Rs.132.74 per share aggregating to Rs.148,999,990

The Company has not obtained any public funding in the year 2007-08.

o) Plant Locations:

1. U-30, Industrial Area, Malanpur, District Bhind, Madhya Pradesh - 477 116.
2. Plot No. 85-88, EP IP Phase II Village Thana, Tehsil Nalagarh District Solan, Himachal Pradesh - 173 104.
3. Plot No. 6, Apparel Park cum Industrial Area, Katha PO Baddi, Tehsil Nalagarh, District Solan, Himachal Pradesh - 173 104.
4. Shed Nos. 9 to 12, Bamauni Maidan Industrial Estate Bamauni Maidan, Guwahati - 781021, Assam.
5. Village - Mamring, Namthang Road, P.O. - Mamring (via - Rangpo), District - Namchi, (South Sikkim), Sikkim - 737 132.

p) Address for Correspondence:

Members can contact us at our Registered Office:
Godrej Consumer Products Limited,
Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai - 400 079.
Tel. No.: +91 22 25188010/20/30
Fax No.: +91 22 25188040
E-mail ID: investor.relations@godrejcp.com
Website: www.godrejcp.com

Investor correspondence should be addressed to:

Computech Sharecap Ltd
147, M.G. Road, Opp. Jehangir Art Gallery
Mumbai-400 001.

Tel.No.: +91 22 22635000/01

Fax No.: +91 22 22635005

E-mail ID: gcpl@computechsharecap.com

Website: www.computechsharecap.com

To allow us to service shareholders with greater speed and efficiency, the Company strongly recommends e-mail based correspondence on all issues which do not require signature verification for being processed.

q) National Electronic Clearing Services (NECS) for Payment of Dividend:

The NECS facility administered by RBI ensures faster credit of dividends as dividends are directly credited in electronic form to the bank accounts of the shareholders. Moreover, by availing this facility, shareholders avoid the risk of loss of dividend warrants in postal transit or fraudulent encashment.

Shareholders holding shares in physical form and who have not opted for NECS may post the NECS declaration form to Computech Sharecap Ltd. (at above mentioned address). Shareholders can obtain the NECS declaration form either from GCPL's registered office or from Computech Sharecap Ltd. or download the same from the Investors page of the Company's website www.godrejcp.com.

Shareholders holding shares in demat form are requested to provide details to NSDL/CDSL through their respective depository participants. It may be noted that if the shareholders holding shares in

demat form provide the NECS data directly to the Company, the Company will not be able to act on the same and consequently dividends cannot be remitted through NECS.

r) Demerger: Computation of Acquisition Cost for Capital Gains:

With effect from April 1, 2001, the consumer products division of Godrej Soaps Limited (GSL) was de-merged and transferred to Godrej Consumer Products Limited (GCPL), and Godrej Soaps Limited was renamed Godrej Industries Limited (GIL). As a consequence, the face value of each equity share of GIL was reduced from Rs.10 to Rs.6, and each equity shareholder in GSL was allotted one share of GCPL with a face value of Rs.4 (which has been subdivided into shares of face value of Re.1 each with effect from September 1, 2006).

In respect of shares of GCPL allotted to erstwhile shareholders of GSL, for the purpose of computing capital gains, the date of acquisition will be the same as the date of acquisition of GSL shares. Thus, the cost of acquisition of GCPL shares will differ with respect to each shareholder, and is equal to: cost of acquisition of GSL shares x (net book value of assets transferred to GCPL, i.e. Rs.45.6 crore) / (net worth of GSL immediately before de-merger i.e. Rs.286.9 crore). i.e. 15.89% of the cost of acquisition of GSL shares.

s) Consolidation of Shares Under One Folio:

The Company would urge shareholders holding shares of GCPL under different folios but in the same order of names, to consolidate the shares under one folio. This would substantially reduce paper work and transaction costs, and benefit both shareholders and the Company. Shareholders can do so by writing to the registrar with details of the folio numbers, order of names, shares held under each folio and the folio under which all shareholding should be consolidated. The certificates need not be sent.

Declaration by Chairman

I, Adi Godrej, Chairman of Godrej Consumer Products Limited (GCPL), hereby confirm pursuant to Clause 49(1)(D) of the listing agreement, that:

- The Board of Directors of GCPL has laid down a code of conduct for all Board members and senior management of the Company. The said code of conduct has also been posted in the Investors/Board of Directors page in the Company's website viz. www.godrejcp.com
- All the Board Members and senior management personnel have affirmed their compliance with the said code of conduct for year ended March 31, 2010.

Mumbai, April 26, 2010

Adi Godrej
Chairman