



REPORT ON CORPORATE GOVERNANCE

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Company's Philosophy on Corporate Governance:

The Company is part of the 116 year old Godrej Group which has established a reputation for honesty, integrity and sound governance.

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.

1. Board of Directors:

Board Procedures

GCPL currently has a 14 member Board, with 7 independent directors. The independent directors are eminent professionals from diverse fields such as finance, information systems, marketing and corporate strategy. None of the independent directors have had any material association with the Godrej group in the past. GCPL's Board has a lead independent director, in line with accepted best practices, to strengthen the focus and quality of discussion at the Board level.

The Board meets at least once in a quarter to review the quarterly performance and financial results. Board meetings are governed with a structured agenda. The Board periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company. Before the commencement of the Audit Committee meeting, the members of the Audit Committee which consists entirely of independent directors have discussion with the Statutory Auditors without the management team or whole time directors being present in that meeting. For all major items, comprehensive background information is provided to the Board to enable them to take an informed decision. Once in a year, the Board members participate in a strategy meeting in which it also interacts with the management teams of the Company. During the strategy meeting process, the independent directors also have a meeting amongst themselves after which they provide their valuable insight to the entire Board and the management team.

a. Composition of the Board:

The composition of the Board is as under:

Category	No. of Directors as at March 31, 2013	No. of Directors as at the date of this report
(i) Non Independent Directors		
Executive Chairman	1	1
Managing Director	1	1
Other Non-Executive Directors (including 4 promoter directors)	4	5
Sub Total	6	7
(ii) Independent Directors	6	7
Total Strength (i + ii)	12	14

b. Board Meetings held during the year:

Dates on which the Board meetings were held	Total Strength of the Board	No of Directors Present
April 30, 2012	12	12
June 26, 2012	12	6 (and 2 on telephone)
August 4, 2012	12	12
November 3, 2012	12	11 (and 1 on telephone)
January 31, 2013	12	10

The maximum gap between any two Board meetings during the year was 99 days (calculated with respect to the gap between January 21, 2012, Board meeting and April 30, 2012, Board meeting).

c. Other Relevant Details of the Directors

Name of Director	Date of Appointment	Relationship with other Directors	Category	Number of Directorships held in Indian Public Limited Companies (including GCPL)*	Committee Positions including GCPL**	
					Committee Chairperson**	Committee member (excluding Committee Chairperson)**
Mr. Adi Godrej	November 29, 2000	Brother of Mr. Nadir Godrej, Father of Ms Tanya Dubash and Ms Nisaba Godrej	Promoter / Chairman / Whole-time	8 (3)	2	1
Mr. Nadir Godrej	November 29, 2000	Brother of Mr. Adi Godrej	Promoter / Non-Executive	10 (6)	1	1
Mr. Jamshyd Godrej	March 1, 2001	None	Promoter / Non-Executive	8 (5)	1	2
Ms. Tanya Dubash	May 2, 2011	Daughter of Mr Adi Godrej, Sister of Ms Nisaba Godrej	Promoter / Non-Executive	6 (2)	None	1
Ms. Nisaba Godrej	May 2, 2011	Daughter of Mr Adi Godrej, Sister of Ms Tanya Dubash	Promoter / Non-Executive	2 (1)	None	None
Mr. A. Mahendran	June 18, 2008	None	Managing Director / Whole-time	5 (1)	None	2
Mr. Vivek Gambhir	April 30, 2013	None	Non Executive	1 (1)	None	None
Mr. Narendra Ambwani	May 2, 2011	None	Non-Executive / Independent	3 (3)	None	4

Name of Director	Date of Appointment	Relationship with other Directors	Category	Number of Directorships held in Indian Public Limited Companies (including GCPL)*	Committee Positions including GCPL**	
					Committee Chairperson**	Committee member (excluding Committee Chairperson)**
Prof. Bala Balachandran	April 1, 2001	None	Non-Executive / Independent	3 (3)	None	2
Mr. Bharat Doshi	April 1, 2001	None	Non-Executive / Independent	7 (4)	1	1
Dr. Omkar Goswami	June 18, 2008	None	Non-Executive / Independent	11 (8)	4	6
Mr. Aman Mehta	April 26, 2006	None	Non-Executive / Independent	6 (6)	2	3
Mr. D. Shivakumar	April 1, 2009	None	Non-Executive / Independent	1 (1)	None	1
Ms. Ireena Vittal	April 30, 2013	None	Non-Executive / Independent	3	None	1

- Mr. Vivek Gambhir is appointed as Non – Executive Director from April 30, 2013.
- Mr. A. Mahendran will be a non-executive director from July 1, 2013 and Mr Vivek Gambhir will be the Managing/Whole-time director from July 1, 2013.
- Ms. Nisaba Godrej is appointed as Executive Director from July 1, 2013.

Notes

Figures in brackets denote Directorships in listed companies

- * Does not include Directorships in Private Companies, Section 25 Companies and Foreign 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:

- 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;
- is not related to promoters or persons occupying management positions at the board level, or at one level below the board;
- has not been an executive of the Company in the immediately preceding three financial years;
- is not a partner, or an executive, or was not partner or an executive during the preceding three years, of any of the following:
 - the statutory audit firm, or the internal audit firm that is associated with the Company; and
 - the legal firm(s) and consulting firm(s) that have a material association with the company.
- is not a material supplier, service provider or customer, or a lessor, or lessee of the Company, which may affect independence of the director;

f) is not a substantial shareholder of the Company i.e. owning two percent or more of the block of voting shares; and

g) is not less than 21 years of age.

d. Reappointment 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, Mr. Nadir Godrej, Mr. Bharat Doshi and Dr. Omkar Goswami shall retire at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for reappointment. The abbreviated resumes of the Directors seeking reappointment are as follows.

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>Listed Public Companies</p> <ol style="list-style-type: none"> 1. Mahindra & Mahindra Limited 2. Mahindra & Mahindra Financial Services Limited 3. Tech Mahindra Ltd. 4. Godrej Consumer Products Limited <p>Other Public Companies</p> <ol style="list-style-type: none"> 5. Mahindra Intertrade Limited 6. Mahindra Holdings Limited 7. NSE.IT Limited

	<p>Section 25 Companies</p> <ol style="list-style-type: none"> 8. The Mahindra United World College of India 9. Indian Council on Global Relations <p>Foreign Companies</p> <ol style="list-style-type: none"> 10. Mahindra USA Inc. 11. SsangYong Motor Company Limited
Committee Positions held	<p>Chairmanships</p> <p><i>Audit Committee</i></p> <p>Godrej Consumer Products Limited</p> <p>Memberships</p> <p><i>Investor Grievance Committee</i></p> <p>Mahindra & Mahindra Limited</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)
Specialised Expertise	Industrialist
No. of shares held in GCPL	1,732,765 (includes 1,028,724 shares beneficially held on behalf of his son)
Directorships in Companies	<p>Listed Public Companies</p> <ol style="list-style-type: none"> 1. Godrej Industries Limited 2. Godrej Consumer Products Ltd. 3. Mahindra & Mahindra Ltd. 4. Godrej Properties Ltd. 5. The Indian Hotels Company Ltd. 6. Tata Teleservices (Maharashtra) Ltd. <p>Other Public Companies</p> <ol style="list-style-type: none"> 7. Godrej & Boyce Mfg. Co. Ltd. 8. Godrej Agrovet Ltd. 9. Godrej Tyson Foods Ltd. 10. Isprava Technologies Ltd.

	Section 25 Companies 11. Poultry Processors' Association of India Foreign Companies 12. Godrej International Ltd. U.K 13. Godrej Global Mid East FZE,UAE 14. ACI Godrej Agrovet Pvt. Ltd., Bangladesh 15. Keyline Brands Ltd. U.K 16. Godrej South Africa (Pty) Limited 17. Godrej Nigeria Ltd., Nigeria
Committee Positions held	Chairmanships <i>Investor Grievance Committee</i> Godrej Consumer Products Limited Memberships <i>Audit Committee</i> Mahindra & Mahindra Limited
Name of Director	Dr. Omkar Goswami
Date of Birth	August 29, 1956
Qualifications	D. Phil (PH.D) in Economics, University of Oxford, 1982
Specialised Expertise	Economist and Corporate Consultant; Finance; Corporate Governance; Macroeconomics
No. of shares held in GCPL	Nil
Directorships in Companies	Listed Public Companies 1. Ambuja Cements Limited 2. Bajaj Finance Limited 3. Cairn India Limited 4. Crompton Greaves Limited 5. Dr.Reddy'S Laboratories Ltd 6. Godrej Consumer Products Limited 7. IDFC Limited 8. Infosys Limited Other Public Companies 9. Max Healthcare Institute Limited 10. Avantha Power & Infrastructure Limited 11. Infosys BPO Limited

	Private Companies 12. CERG Advisory Private Limited 13. DSP BlackRock Investment Managers Private Limited
Committee Positions held	Chairmanships <i>Audit Committee</i> 1. Dr Reddy Laboratories Ltd. 2. Crompton Greaves Ltd. <i>Investor Grievance Committee</i> 3. Cairn India Ltd. 4. Infosys Technologies Ltd. Memberships <i>Audit Committee</i> 5. IDFC Ltd. 6. Cairn India Ltd. 7. Godrej Consumer Products Ltd. 8. Bajaj Finance Ltd. 9. Infosys BPO <i>Investor Grievance Committee</i> 10. IDFC Ltd.

e. Reappointment of Mr. Adi Godrej as Chairman

The Board of Directors at its meeting held on January 31, 2013 reappointed, Mr Adi Godrej as whole-time director designated as "Chairman" for a further period of three years from April 1, 2013 to March 31, 2016. The members' approval is being sought at the forthcoming Annual General Meeting and accordingly a special resolution is included in the notice of the Annual General Meeting. The brief resume of Mr Adi Godrej is given below:

Name of Director	Mr. Adi Godrej
Date of Birth	April 3, 1942
Qualifications	BS, MS (MIT,USA)
Specialised Expertise	Industrialist having rich business experience
No. of shares held in GCPL	500
Directorships in Companies	Listed Public Companies 1. Godrej Consumer Products Ltd. 2. Godrej Industries Ltd. 3. Godrej Properties Ltd.

Other Public Companies

4. Godrej & Boyce Mfg. Co. Ltd.
5. Godrej Agrovvet Ltd.
6. Swadeshi Detergents Ltd.
7. Vora Soaps Ltd.
8. Godrej Hygiene Products Limited

Private Companies

9. Godrej Investments Pvt. Ltd.

Foreign Companies

10. Godrej Consumer Products (UK) Ltd.
11. Keyline Brands Ltd.
12. Godrej South Africa (Pty) Ltd.
13. Godrej International Ltd.
14. Godrej Global Mid East FZE
15. Godrej Consumer Products Mauritius Ltd.
16. Godrej Kinky Holdings Ltd.
17. Godrej Consumer Products Holding (Mauritius) Ltd.
18. Kinky Group Pty. Ltd.
19. Godrej Consumer Products Dutch Cooperatief U.A.
20. Godrej Consumer Products (Netherlands) B.V.
21. Godrej Consumer Holdings (Netherlands) B.V.
22. Godrej East Africa Holdings Ltd.
23. Godrej Mauritius Africa Holding
24. Godrej Nigeria Ltd.
25. Godrej Weave Holdings Ltd.
26. PT Megasari Makmur
27. PT Ekamas Sarijaya
28. PT Sarico Indah
29. PT Indomas Susemi Jaya
30. PT Intrasari Raya
31. Godrej Indonesia Netherlands Holding B.V.
32. Godrej Argentina Dutch Cooperatief U.A.
33. Laboratoria Cuenca S.A.
34. Consell S.A.
35. Godrej Netherlands Argentina Holding B.V.
36. Godrej Netherlands Argentina B.V.
37. Argencos S.A.
38. Panamar Procuccioness Sri
39. DGH Mauritius Pvt. Ltd.

Committee**Positions held****Chairmanships***Investor Grievance Committee*

1. Godrej Properties Limited
2. Godrej Industries Limited

Memberships*Investor Grievance Committee*

Godrej Consumer Products Limited

f. Appointment of Directors

Mr. A. Mahendran, the Managing Director has indicated that he would like to retire when his current term as Managing Director expires on June 30, 2013, to devote time to his family businesses.

Based on the nomination committee's recommendations, Mr. Vivek Gambhir, Chief Strategy Officer, Godrej Industries and its Associated Companies, has been identified as the successor to Mr. Mahendran. Accordingly Mr. Vivek Gambhir has been appointed an additional non-executive director with effect from April 30, 2013 and as the Managing Director with effect from July 1, 2013. The Board of Directors has also appointed Mr. A Mahendran as an additional non- executive director with effect from July 1, 2013. In compliance of clause 49 of the listing agreement regarding board composition, the Board has inducted Ms. Ireena Vittal as an additional independent director with effect from April 30, 2013.

The Company has received notices from a member under Section 257 of the Companies Act, 1956, to propose the candidatures of Mr. Vivek Gambhir, Mr. A Mahendran and Ms. Ireena Vittal as Directors of the Company. Accordingly, resolutions for their appointment as Directors are included in the notice of the Annual General Meeting.

Their brief resumes are as follows :

Name of Director	Mr. A. Mahendran
Date of Birth	April 13, 1955
Qualifications	Chartered Accountant
Specialised Expertise	Finance and General Management
No. of shares held in GCPL	3,188 Equity Shares He also has the right to acquire 10,00,000 shares of the Company under the employee stock purchase plan, which has vested in him and which has to be compulsorily exercised by him within the exercise period as per the Scheme.
Directorships in Companies	<p>Listed Public Companies</p> <ol style="list-style-type: none"> Godrej Consumer Products Limited <p>Other Public Companies</p> <ol style="list-style-type: none"> Natures Baskets Ltd. Adhaar Retailing Ltd. Godrej Hygiene Products Limited Tahir Properties Limited <p>Private Companies</p> <ol style="list-style-type: none"> Great Learning Management Pvt. Ltd. <p>Section 25 Company</p> <ol style="list-style-type: none"> Great Lake Institute of Management Indian Beauty and Hygiene Association <p>Foreign Companies</p> <ol style="list-style-type: none"> Godrej Nigeria Limited Keyline Brands Ltd. Godrej South Africa (Pty) Ltd Kinky Group Pty. Ltd. PT Megasari Makmur PT Intrasari Raya PT Ekamas Sarijaya PT Indomas Susemi Jaya PT Sarico Indah Godrej Household Products Lanka (Pvt) Ltd. Godrej Household Products (Bangladesh) Pvt Ltd.

	<ol style="list-style-type: none"> DGH Mauritius Pvt. Ltd. Weave IP Holdings Mauritius Pvt Ltd. Godrej Consumer Products (UK) Ltd. Inecto Manufacturing Ltd.
Committee Positions held	<p>Memberships</p> <p><i>Investor Grievance Committee</i></p> <ol style="list-style-type: none"> Godrej Consumer Products Limited <p><i>Audit Committee</i></p> <ol style="list-style-type: none"> Natures Basket Limited

Name of Director	Mr. Vivek Gambhir
Date of Birth	November 27, 1968
Qualifications	MBA
Specialised Expertise	General Management
No of shares held in GCPL	Nil
Directorships in Companies	<p>Listed Public Companies</p> <ol style="list-style-type: none"> Godrej Consumer Products Ltd. <p>Foreign Companies</p> <ol style="list-style-type: none"> Cosmetica Nazionale, Chile

Name of Director	Ms. Ireena Vittal
Date of Birth	2nd October, 1968
Qualifications	MBA
Specialised Expertise	Understanding of Indian Consumers & winning business models in emerging markets, expertise in Indian Agriculture and Urban Space
No of shares held in GCPL	NIL
Directorships in Companies	<p>Listed Public Companies</p> <ol style="list-style-type: none"> Godrej Consumer Products Limited Axis Bank Ltd. Titan Industries Ltd.
Committee Positions held	<p>Memberships</p> <p><i>Audit Committee</i></p> <p>Godrej Consumer Products Limited</p>

2. Committees of the Board

The Company has set up an Audit Committee in accordance with Section 292A of the Companies Act, 1956 and clause 49 of the listing agreement with the Stock Exchanges. The Shareholders' Committee formed in accordance with clause 49 of the listing agreement inter alia looks into Investor Grievances. Apart from these, the Company has also formed two non mandatory committees' viz. Nomination Committee and HR & Compensation Committee

The composition of the Committees are as below:

Name of the Director	Category of the Director	Name of the Committee and Position held in that Committee			
		Audit Committee	HR & Compensation Committee	Nomination Committee	Shareholders' Committee
Mr. Adi Godrej	Promoter, Executive	NA	NA	NA	Member
Mr. Nadir Godrej	Promoter, Non Executive	NA	NA	NA	Chairman
Mr. Jamshyd Godrej	Promoter, Non Executive	NA	NA	NA	Member
Ms. Tanya Dubash	Promoter, Non Executive	NA	NA	NA	NA
Ms. Nisaba Godrej	Promoter, Non Executive	NA	NA	NA	NA
Mr. A. Mahendran	Executive	NA	NA	NA	Member
Mr Vivek Gambhir *	Non Executive	NA	NA	NA	NA
Mr. Narendra Ambwani	Independent	Member	Member	Member	NA
Prof. Bala Balachandran	Independent	Member	Chairman	Chairman	NA
Mr. Bharat Doshi	Independent	Chairman	Member	Member	NA
Dr. Omkar Goswami	Independent	Member	Member	Member	NA
Mr. Aman Mehta	Independent	Member	Member	Member	NA
Mr. D. Shivakumar	Independent	Member	Member	Member	NA
Ms Ireena Vittal *	Independent	Member	Member	Member	NA
Total Strength of the Committee		7	7	7	4
No. of Independent Directors in the Committee		7	7	7	-
No. of Non Independent Directors in the Committee		-	-	-	4

* w.e.f. from April 30, 2013

Mr. P. Ganesh, Executive Vice President (Finance & Commercial) & Company Secretary is the Secretary for all the Board Committees.

3. Attendance details at Board/Committee meetings and at the last Annual General Meeting

Name of Meeting	Board	Audit Committee	HR & Compensation Committee	Nomination Committee	Shareholders' Committee	AGM - August 4, 2012
No of Meetings held	5	4	3	1	12	
Attendance of the Director						
Mr. Adi Godrej	5	NA	NA	NA	11	Yes
Mr. Jamshyd Godrej	5	NA	NA	NA	4	Yes
Mr. Nadir Godrej	4	NA	NA	NA	9	Yes
Ms. Tanya Dubash	4	NA	NA	NA	NA	Yes
Ms. Nisaba Godrej	5	NA	NA	NA	NA	Yes
Mr. A. Mahendran	5	NA	NA	NA	10	Yes
Mr. Narendra Ambwani	5	4	3	1	NA	Yes
Prof. Bala Balachandran	3 (1)	3 (1)	2 (1)	(1)	NA	Yes
Mr. Bharat Doshi	4 (1)	4	2	1	NA	Yes
Dr. Omkar Goswami	4	4	3	1	NA	Yes
Mr. Aman Mehta	4 (1)	4	3	1	NA	Yes
Mr. D. Shivakumar	3	3	2	1	NA	Yes

Notes:

- 1) Board Meetings and Audit Committee meetings held on April 30, 2012, August 4, 2012, November 3, 2012 and January 31, 2013. Additionally, one board meeting was also held on June 26, 2012.
- 2) HR & Compensation Committee meetings were held on April 30, 2012, November 3, 2012 and January 31, 2013.
- 3) Nomination Committee meeting was held on November 3, 2012.
- 4) Shareholders' Committee meetings were held on April 12, 2012, May 28, 2012, June 8, 2012, July 12, 2012, August 21, 2012, September 12, 2012, October 12, 2012, November 15, 2012, December 18, 2012, January 15, 2013, February 12, 2013 and March 12, 2013.
- 5) Figures in bracket indicates participation through concall.

- 6) Leave of absence was granted to the directors whenever they could not be physically present for the Board/Committee Meeting.
- 7) NA indicates not a member of the Committee.

4. Constitution and Terms of Reference of Board Committees

A. Audit Committee:

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 April 30, 2013. 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.

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 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 judgment 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.

B. Human Resources & Compensation Committee (Non Mandatory Committee):

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 an 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. Accordingly the Company has set up the Human Resources & Compensation Committee.

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

- Review of human resource policies and practices of the Company and in particular, policies regarding remuneration of whole-time Directors and Senior Managers.
- In principle approval of Compensation Philosophy.
- Review of senior management compensation.
- Induction of new people, attrition, etc.
- To formulate detailed terms and conditions of Employee Stock Option Plan (ESOP), Employee Stock Purchase Plan (ESPP) and Employee Stock Grant Plan (ESGP) (collectively referred to as 'Employee stock benefits' including -
- The quantum of Employee stock benefits to be granted under the relevant plans per Employee and in aggregate.
- The eligibility criteria.
- The conditions under which the Employee stock benefits vested in Employees may lapse in case of termination of employment for misconduct.
- The exercise period within which the employee should exercise the Employee stock benefits and the stock benefits that would lapse on failure to exercise the same within the exercise period.
- The specified time period within which the employee shall exercise the vested stock benefits in the event of termination or resignation of an employee.
- 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:
 - o the number and the price of the stock benefits shall be adjusted in a manner such that the total value of the stock benefits remains the same after the corporate action;

- o for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad shall be considered;
- o The Vesting Period and the life of the stock benefits shall be left unaltered as far as possible to protect the rights of the employee.

- The grant, vesting and exercise of stock benefits in case of employees who are on long leave.
- The procedure for cashless exercise of stock benefits, if required.
- 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.
- Fixing the exercise price.
- Approve forms, writings and/or agreements for use in pursuance of the Employee Stock benefit plans.
- To form a Trust and appoint Trustees.

C. Nomination Committee (Non Mandatory Committee):

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

- Identify and nominate for the Board's approval, suitable candidates to fill Board vacancies as and when they arise.
- Drawing up selection criteria and appointment procedures for Directors.
- 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.
- Board Evaluation.

D. Shareholders' Committee:

The terms of reference of the Shareholders Committee include looking 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.

5. Remuneration Policy

a) Whole-time Directors, Managers and Officers of the Company

The components of the total compensation vary for different grades and are governed by industry norms, qualifications and experience of the employee, responsibilities handled and individual performance of the employee. GCPL has adopted EVA as a tool for driving performance, and has linked improvements in EVA to Performance Linked Variable Remuneration (PLVR). The Company has also stock benefit schemes as detailed in the Directors report, for eligible employees.

c) Remuneration of Directors:

The details of the remuneration package of Directors are as under:

(Amount in ₹ Lac)

Name of Director	Relationship with other directors	Sitting Fees	Commission	Salary, Allowances and other benefits	Company's Contribution to PF	PLVR	Monetary value of perquisites	Total
Mr. Adi Godrej	Brother of Mr. Nadir Godrej	-	-	268.12	12.24	67.80	330.88	679.04
Mr. Jamshyd Godrej	None	1.00	12.50	-	-	-	-	13.50
Mr. Nadir Godrej	Brother of Mr. Adi Godrej	0.80	12.50	-	-	-	-	13.30
Ms. Tanya Dubash	Daughter of Mr Adi Godrej	0.80	12.50	-	-	-	-	13.30
Ms. Nisaba Godrej	Daughter of Mr Adi Godrej	1.00	12.50	-	-	-	-	13.50
Mr. Narendra Ambwani	None	1.40	12.50	-	-	-	-	13.90
Mr. Bala Balachandran	None	0.85	12.50	-	-	-	-	13.35
Mr. Bharat Doshi	None	1.15	12.50	-	-	-	-	13.65
Dr. Omkar Goswami	None	1.20	12.50	-	-	-	-	13.70
Mr. A. Mahendran	None	-	-	433.16	17.28	50.00	58.45	558.89
Mr. Aman Mehta	None	1.20	12.50	-	-	-	-	13.70
Mr. D. Shivakumar	None	0.90	12.50	-	-	-	-	13.40
Total		10.30	125.00	701.28	29.52	117.80	389.33	1373.23

Notes:-

1. In the case of Mr. Adi Godrej, salary includes basic salary and various elements of flexible compensation. The monetary value of perquisites include accommodation, furnishing, car, electricity expenses, reimbursement of medical / hospitalisation expenses incurred for self and family, medical insurance premium paid by the Company.
2. In the case of Mr. A Mahendran salary includes basic salary and various elements of flexible compensation. The monetary value of perquisites includes accommodation, expenses on car, club fees and interest on housing loan.
3. The Performance Linked Variable Remuneration to Mr. Adi Godrej and Mr. A Mahendran is the amount payable for the financial year 2012-13. The same is based on the Economic Value Added (EVA) in the business and other relevant factors.
4. The service contract of Mr. Adi Godrej is for a period of three years beginning from April 1, 2010. The Board of Directors at its meeting held on January 31, 2013 reappointed, Mr Adi Godrej as whole-time director designated as "Chairman" for a further period of three years from April 1, 2013 to March 31, 2016. The members' approval is being sought at the forthcoming Annual General meeting and accordingly a special resolution is included in the notice of the Annual General Meeting.
5. The service contract of Mr. A Mahendran, the Managing Director is for a period of three years beginning from July 1, 2010. The contracts are terminable with a notice period of three months

by either side. Mr. A. Mahendran has indicated that he would like to retire when his current term as Managing Director expires on June 30, 2013, to devote time to his family businesses.

6. The Board of Directors in its meeting held on January 22, 2011 had approved an Employee Stock Purchase Plan for Mr. A. Mahendran which is administered by the GCPL ESOP Trust. The Company 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 upto 1,000,000 shares of the company from the secondary market.

Under the plan, 1,000,000 shares have been granted to Mr. A. Mahendran.

The shares so granted are held by the Trust for the benefit of Mr. A Mahendran. The shares have vested with Mr. A. Mahendran on March 30, 2012. Mr. A. Mahendran shall compulsorily exercise the shares within the exercise period as per the scheme. The exercise price shall be the closing market price on the day prior to the date of grant plus interest at a rate not less than the bank rate till the date of exercise.

6. Details of Shareholder Complaints

Sr. No.	Nature of Complaint/ Query	Total Received	Total Replied
1.	Non- Receipt of Dividend	38	38
2.	Non Receipt of shares lodged for transfer / exchange	24	24
3.	Non receipt of Annual Report	4	4
Total		66	66

There are no pending complaints or share transfers as on March 31, 2013.

7. General Body Meetings

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

Date	Time	Venue	Details of Special Resolutions passed
July 24, 2010	3.30 p.m.	Y. B. Chavan Centre, General Jaganath Bhosale Marg, Nariman Point, Mumbai – 400021.	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 and 350 of the Companies Act, 1956) or ₹ 10 lac per Director per annum whichever is lower.
July 23, 2011	3.30 p.m.	Y. B. Chavan Centre, General Jaganath Bhosale Marg, Nariman Point, Mumbai – 400021.	None
August 4, 2012	3.30 p.m.	Y. B. Chavan Centre, General Jaganath Bhosale Marg, Nariman Point, Mumbai – 400021.	None

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

Date	Time	Venue	Purpose of the meeting
February 21, 2012	11.30 a.m.	Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai 400 079	To accord consent for <ul style="list-style-type: none"> • Preferential allotment of shares to Baytree Investments (Mauritius) Pte Ltd • Payment of commission on profits to non- executive Directors • 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 and 350 of the Companies Act, 1956) or ₹ 12.50 lac per Director per annum whichever is lower.
October 11, 2012	3.30 p.m.	Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai 400 079	To accord consent for <ul style="list-style-type: none"> • Modification of employee stock option plan of erstwhile Godrej Sara Lee Ltd. • Service tax on Commission on Profits payable to Non-Executive Director
December 24, 2012	11.30 a.m.	Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai 400 079	To accord consent for <ul style="list-style-type: none"> • Increase in maximum number of directors of the Company from 12 to 15

8. Postal Ballot

No postal ballots were conducted during the year 2012-13.

9. Disclosures

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

Name of Director	Shares held as on March 31, 2013	Dividend paid during the year (Rs.)
Mr. Adi Godrej	500	2,375
Mr. Jamshyd Godrej	Nil	Nil
Mr. Nadir Godrej*	1,732,765	9,318,826
Ms. Tanya Dubash	1,263,332	6,363,553
Ms. Nisaba Godrej	1,263,339	6,363,593
Mr. Narendra Ambwani	500	6,125
Mr. Bala Balachandran	Nil	Nil
Mr. Bharat Doshi	13,714	65,141
Dr. Omkar Goswami	Nil	Nil
Mr. A. Mahendran	3,188	515,412
Mr. Aman Mehta	Nil	Nil
Mr. D. Shivakumar	Nil	Nil

*includes 1,028,724 shares beneficially held on behalf of his son

b) Materially significant related party transaction that may have potential conflict with the interest of the Company

During 2012-13, 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 Company at large. Attention of Members is drawn to the disclosures of transactions with related parties set out in note number 39 of notes to accounts.

c) Whistle Blower Policy

With a view to establish a mechanism for protecting employees reporting unethical behaviour, frauds or violation of 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). No person has been denied access to the Audit Committee.

d) Policy to prevent sexual harassment at the workplace

The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited both by law and by the Godrej group. To redress complaints of sexual harassment, a Complaint Committee for the group has been formed which is headed by Ms. Tanya Dubash.

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 II(D)	Yes
(E) Review of Information by Audit Committee	49 (IIE)	Yes
III. Subsidiary Companies	49 (III)	Yes
IV. Disclosures	49 (IV)	
(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

Particulars	Clause of Listing Agreement	Compliance Status Yes/No
(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

*Refer Note13 of the Notes to the Financial Statements for the year ended March 31, 2013 for Management explanation on Accounting Treatment.

f) Details of Non-compliance:

There has not been any non-compliance of mandatory requirements 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.

10. Means of Communication

GCPL has sent the Chairman's statement and unaudited financial results for the half-year ended September 30, 2012, 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 analyst once a quarter and their transcripts are posted on the website soon thereafter.

The Company files the quarterly results in the NSE Electronic Application Processing System (NEAPS). The quarterly results of the Company are

also available on the website of BSE Limited and National Stock Exchange of India Ltd viz. www.bseindia.com and www.nseindia.com respectively.

11. 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.

12. Shareholders

a) Communication to Shareholders:

The Chairman's statement and unaudited financial results for the half year ended September 30, 2012, 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.

13. 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, 2013, is annexed to the corporate governance report.

14. 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.

15. General Shareholder Information

a) Annual General Meeting:

Date and time : Saturday, August 3, 2013 at 3.30 p.m.

Venue : Y B Chavan Centre, General Jaganath Bhosale Marg, Nariman Point, Mumbai – 400021.

b) Financial Calendar:

Financial year	April 1 to March 31
Board Meeting for consideration of unaudited quarterly results.	Within forty-five days from the end of the quarter as stipulated under the Listing Agreement with the Stock Exchanges
Board meeting for consideration of Audited results.	Within two months from the end of the last quarter as stipulated under the Listing Agreement with the Stock Exchanges.

c) Book Closure:

There was an annual book closure on March 28, 2013, pursuant to clause 16 of the listing agreement. There will be no book closure at the time of the Annual General Meeting.

d) Dividends for Financial Year 2012-13:

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 2012-13	August 4, 2012	₹ 1.00	August 13, 2012
2nd Interim for FY 2012-13	November 3, 2012	₹ 1.00	November 9, 2012
3rd Interim for FY 2012-13	January 31, 2013	₹ 1.00	February 8, 2013
Proposed 4th Interim for FY 2012-13	April 30, 2013	₹ 2.00	May 9, 2013
TOTAL		₹ 5.00	

e) Listing:

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

Name & Address of the stock exchange	Stock /Scrip Code	ISIN number for NSDL/ CDSL
BSE Limited Phiroze Jeejeebhoy, Towers, Dalal Street, Mumbai 400001	532424	INE102D01028.
The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	GODREJCP	

The Privately placed Non-Convertible Debentures are listed on the Wholesale Debt Market Segment of the National Stock Exchange of India Limited.

ISIN Numbers with CDSL & NSDL for Privately Placed Debentures (₹ 50 Crore issued in April 2012)	INE102D08098
ISIN Numbers with CDSL & NSDL for Privately Placed Debentures (₹ 250 Crore issued in November 2012)	INE102D08106

f) Market Price Data:

The monthly high and low prices and volumes of GCPL at BSE Ltd., and the National Stock Exchange of India Ltd. (NSE) for the year ended March 31, 2013, are as under:

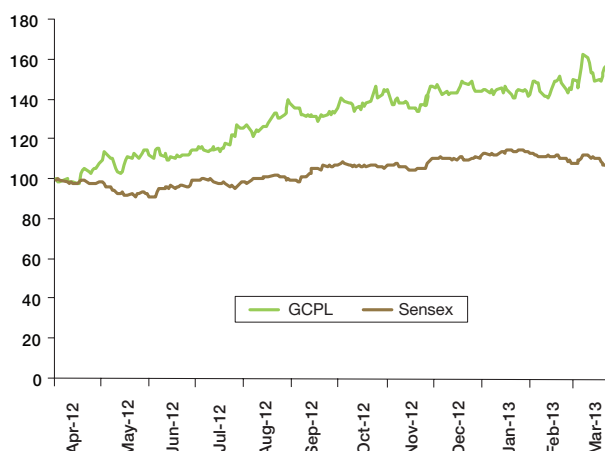
Month	Price in BSE			Price in NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of shares)
April 2012	544.25	482.00	12,61,188	543.70	478.75	4,073,396
May 2012	601.00	503.10	8,35,807	601.60	440.20	19,983,042
Jun 2012	583.70	465.00	21,67,158	689.00	542.25	4,255,184
July 2012	658.00	563.70	2,45,125	658.60	564.15	4,028,325
August 2012	701.90	600.30	2,29,487	702.00	600.55	6,221,405
September 2012	695.00	625.00	18,83,455	698.00	627.15	3,612,314
October 2012	744.60	663.05	3,14,312	745.00	599.70	4,060,809
November 2012	742.00	661.25	12,46,181	853.05	660.50	4,183,055
December 2012	767.80	678.95	1,34,223	799.65	700.10	2,257,302
January 2013	743.00	693.20	3,08,524	743.40	692.40	3,501,931
February 2013	766.45	701.05	2,13,799	767.95	700.10	3,064,175
March 2013	831.50	721.00	2,39,598	833.00	721.15	5,347,868

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.

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

GCPL share performance compared to the BSE Sensex for FY 2012-13



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

h) 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
 Email ID : gcpl@computechsharecap.com
 Website : www.computechsharecap.com

i) 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.

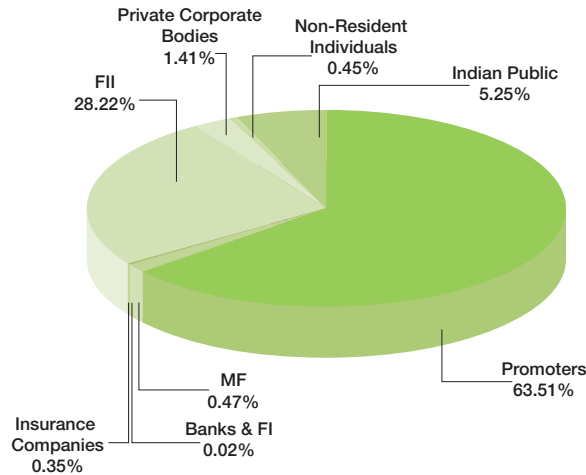
j) Distribution of Shareholding:

Distribution of shareholding by size class as of March 31, 2013

Number of Shares	Number of Shareholders	Shareholders %	Number of shares held	Shareholding %
1 – 500	74,233	89.84%	9,059,480	2.66%
501 – 1000	5,611	6.79%	3,780,144	1.11%
1001 – 2000	1,607	1.94%	2,273,489	0.67%
2001 – 3000	376	0.46%	933,688	0.27%
3001 – 4000	139	0.17%	500,477	0.15%
4001 – 5000	101	0.12%	469,685	0.14%
5001 – 10000	172	0.21%	1,219,572	0.36%
10001 & above	389	0.47%	322,090,390	94.64%
Total	82,628	100.00%	340,326,925	100.00%

Distribution of shareholding by ownership as of March 31, 2013:

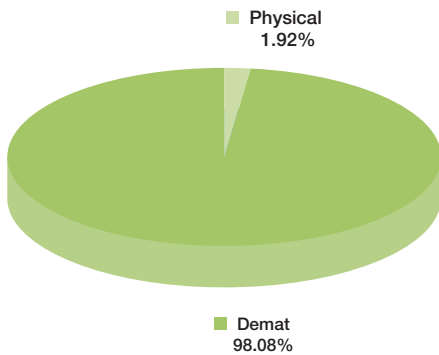
Category	Shares held (Nos.)	% of holding
Promoter's Holding		
Promoters	216,135,082	63.51%
Institutional Investors		
Mutual Funds	1,614,078	0.47%
Banks	81,409	0.02%
Financial Institutions	-	0.00%
Insurance Companies	2,253,992	0.66%
Foreign Institutional Investors	96,057,142	28.22%
Others		
Private Corporate Bodies	4,783,649	1.41%
Indian Public	17,869,556	5.25%
NRI	1,532,017	0.45%
Total	340,326,925	100.00%



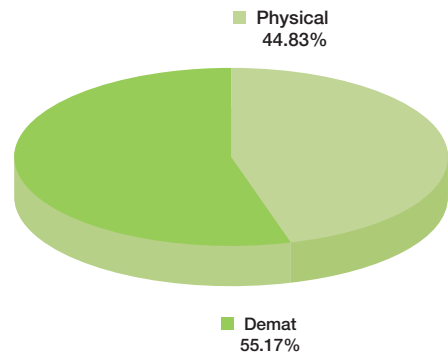
k) Shares Held in Physical and Dematerialised Form:

Break up of physical and dematerialised shares as on March 31, 2013:

Number of Shares



Number of Folios



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

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

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

The Company had not obtained any public funding in the year 2012-13.

During the financial year 2011-12, the Company had issued 16,707,310 equity shares of face value ₹ 1 each at a premium of ₹ 409 per equity share on a preferential basis to Baytree

Investments (Mauritius) PTE Ltd. The pricing was not less than the floor price calculated in accordance with SEBI guidelines.

During the financial year 2010-11 the Company had issued 15,400,100 equity shares of face value ₹ 1 each at a premium of ₹ 344 per equity shares to Qualified Institutional Buyers (QIB's). The pricing was equal to the floor price of ₹ 345 calculated in accordance with SEBI guidelines.

n) Plant Locations:

The Company's plants are located in the following states:

- Jammu & Kashmir- Kathua
- Himachal Pradesh- Thana, Baddi: Katha, Baddi
- Sikkim- Namchi
- Assam- Village Sila, Guwahati; Bamauni Maidan, Guwahati; Kalapahar; Lokhara, Guwahati
- Meghalaya- Burnihat, Rebhoi District
- Madhya Pradesh-Malanpur, Dist Bhind
- Goa- Bardez, Corlim
- Pondicherry- Kattukuppam, Manpet Post; Mannadipet Commune
- Tamil Nadu- Nedungadu Commune, Karaikal; Thirunallar Commune, Karaikal; Maraimalainagar

o) 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

Email 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 400001.

Tel.No. : +91 22 22635000/01

Fax No. : +91 22 22635005

Email 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.

p) 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 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.

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

With effect from 1 April 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 ₹ 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 ₹ 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. ₹ 45.6 crore) / (net worth of GSL immediately before

de-merger i.e. ₹ 286.9 crore). i.e 15.89% of the cost of acquisition of GSL shares.

r) 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, 2013.

Adi Godrej
Chairman
Mumbai, April 30, 2013