

A conceptual image showing a hand holding a gold coin, symbolizing value and investment. Below the hand, a document with the text 'JAMES & PARTNERS' is visible. The entire scene is set against a blue background with a circular light effect.

corporate governance

Transparent disclosure norms and timely communication designed to ensure accountability and informed decision making.

Corporate Governance

1. Company's Philosophy on Corporate Governance

Godrej Consumer Products Ltd. (GCPL) is committed to corporate transparency and lays strong emphasis on business ethics in all its dealings.

GCPL belongs to the 107 year old Godrej Group that has over the years built a reputation for meeting its commitments to all its stakeholders and stands for quality and reliability. Being part of the Godrej Group allows GCPL to draw upon the rich heritage and experience of the Group. In line with GCPL's vision and long-term business objectives, all corporate decisions are independently taken by the Company's highly respected Board in conjunction with a competent management team, keeping in view the best interest of all its stakeholders.

This year, post surveillance, ICRA has upgraded the Corporate Governance rating from CGR2 to CGR2+ and the Stakeholder Value Creation and Governance Rating from SVG2 to SVG2+. The + sign indicates relatively higher standing within the category indicated by the rating. The upgrade in rating reflects the management's strong commitment to improve its Corporate Governance practices as well as to enhance value for all its stakeholders. The two ratings together seek to examine whether the 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 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 SVG2 rating is on a rating scale of SVG1 to SVG6 where SVG1 denotes the highest rating. The SVG2+ rating implies that in ICRA's current opinion, the Company belongs to the High 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, 2004, the GCPL Board consists of eight Directors, two of whom, including the Chairman and Managing Director are Whole-time Executive Directors. The remaining six are Non-Executive Directors, with four of them being independent Directors. Details are given in Table 1.

b) Number of Board Meetings

The Board of GCPL held four meetings during the year. These were on April 28, 2003; July 22, 2003; October 22, 2003 and January 31, 2004. The maximum gap between any two board meetings was 101 days.

c) Directors' attendance record and directorships held

See Table 1 for details.

Table 1: Details about GCPL's Board of Directors

Name of the Director	Category	Board Meetings held during the year	Board Meetings attended during the year	Whether attended last AGM	Number of Directorship		Number of Chairmanship/ membership in Board Committees	
					Public* Companies	Other Companies	# Chairmanship	# Membership
Adi Godrej	Promoter, Chairman and Managing Director	4	4	Yes	12 (3)	3	4	2
Jamshyd Godrej	Promoter, Non-Executive Director	4	3	Yes	13 (5)	8	2	4
Nadir Godrej	Promoter, Non-Executive Director	4	4	Yes	15 (4)	5	2	8
Bala Balachandran	Non-Executive and Independent Director	4	3	Yes	3 (2)	2	Nil	1
Rama Bijapurkar	Non-Executive and Independent Director	4	4	Yes	5 (5)	2	2	4
Bharat Doshi	Non-Executive and Independent Director	4	4	Yes	9 (2)	5	1	8 (3)
Anupam Puri	Non-Executive and Independent Director	4	4	Yes	5 (4)	1	6 (3)	5 (3)
Hoshedar Press	President and Whole-Time Director	4	4	Yes	1 (1)	Nil	Nil	1

* Figures in () denotes listed companies.

Figures in () denotes chairmanship/membership other than in the Audit Committee, the Shareholders' Grievance Committee and the Remuneration Committee.

Independent Director means a Director who, apart from receiving a Director's remuneration, does not have any other material pecuniary relationship or transactions with the Company, its promoters, its management, or its subsidiaries, which in the judgement of the Board may affect the independence of judgement of the Director.

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

d) Information supplied to the Board

Among others, this includes :

- annual operating plans and budgets, capital budgets, updates
- quarterly results of the Company along with detailed business analysis
- minutes of meeting of Audit Committee and other committees
- information on recruitment and remuneration of senior officers just below the Board level
- materially important show cause, demand, prosecution and penalty notices
- fatal or serious accidents or dangerous occurrences
- any materially significant effluent or pollution problems
- any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company

- any issue which involves possible public or product liability claims of a substantial nature
- details of any joint venture or collaboration agreement
- transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- significant labour problems and their proposed solutions
- significant development in the human resources and industrial relations fronts
- sale of material nature, of investments, subsidiaries, assets, which is not in the normal course of business
- quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement, and
- non-compliance of any regulatory, statutory nature or listing requirements as well as shareholder services such as non-payment of dividend and delays in share transfer.

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

Audit Committee

Brief description of terms of reference

The Audit Committee of GCPL performs the following functions :

- Overview of the Company's financial report process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the board, focusing primarily on
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgement by the management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with stock exchanges and legal requirements concerning financial statements.
 - Any related party transactions, i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.
- Reviewing with the management and external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of 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.
- Discussing with internal auditors any significant findings and following up.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussing with external auditors before the audit commences, nature and scope of audit as well as conducting post-audit discussion to ascertain any area of concern.

- Reviewing the Company's financial and risk management policies.
- Looking into the reasons for substantial defaults in payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors.

Composition, names of members and Chairperson

The GCPL Audit Committee consists of five Non-Executive Directors, four of whom are independent. They are Mr. Bharat Doshi (Chairman of the Committee and Independent Director); Mr. Nadir Godrej (Non-Executive Director); Mr. Bala Balachandran (Independent Director); Ms. Rama Bijapurkar (Independent Director) and Mr. Anupam Puri (Independent Director). 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 Company Secretary acts as secretary to the Audit Committee.

Meetings and attendance during the year

The Audit Committee met four times during the year : April 28, 2003, July 22, 2003, October 22, 2003 and January 31, 2004. Table 2 gives attendance record.

Table 2 : Attendance record of Audit Committee Members

Name of the Director	No. of Meetings	Meetings attended
Bharat Doshi (<i>Chairman of the Committee</i>)	4	4
Nadir Godrej	4	4
Bala Balachandran	4	3
Rama Bijapurkar	4	4
Anupam Puri	4	4

Human Resources Committee

Brief description of terms of reference and Remuneration Policy

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. GCPL has set up a human resources committee to review the human resources policies and practices of the Company and, in particular, policies regarding remuneration of whole-time Directors and Senior Managers. The committee discusses human resources policies such as compensation and performance management.

During the year 2003-04, the Board of Directors has added the following terms of reference for Human Resource Committee :

- In principle approval of compensation philosophy
- Review of senior management compensation
- Induction of new people, attrition etc.

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.

Composition, name of members and chairperson

GCPL's Human Resources Committee consists of the following directors : Mr. Anupam Puri (Chairman of the committee and Independent Director), Ms. Rama Bijapurkar (Independent Director), Mr. Jamshyd Godrej (Non-Executive Director) and Mr. Adi Godrej (Chairman and Managing Director).

Meetings and attendance during the year

During the year ended March 31, 2004, the committee met twice on April 28, 2003 and July 22, 2003. Table 3 gives attendance record of the Human Resources Committee.

Table 3 : Attendance record of Human Resources Committee Members

Name of the Director	No. of Meetings held	Meetings attended
Anupam Puri (<i>Chairman of the Committee</i>)	2	2
Rama Bijapurkar	2	2
Jamshyd Godrej	2	1
Adi Godrej	2	2

Remuneration of Directors : Sitting fees, salary, perquisites and commissions.

Table 4 gives the details of the remuneration package of Directors and their relationships with each other.

Table 4 : Remuneration to Directors for the year ended March 31, 2004

Rs.

Name of the Director	Relationship with other Directors	Sitting fees	Commission on profits	Salary	Performance linked variable remuneration	Monetary value of Perquisites	Total
Adi Godrej	Brother of Nadir Godrej	NA	NA	3250000	2634791	4969018	10853809
Jamshyd Godrej	None	40000	311475	NA	NA	NA	351475
Nadir Godrej	Brother of Adi Godrej	50000	311475	NA	NA	NA	361475
Bala Balachandran	None	45000	600000	NA	NA	NA	645000
Rama Bijapurkar	None	80000	600000	NA	NA	NA	680000
Bharat Doshi	None	70000	600000	NA	NA	NA	670000
Anupam Puri	None	80000	600000	NA	NA	NA	680000
Hoshedar Press	None	NA	NA	2440000	2634791	820246	5895037
Total		365000	3022950	5690000	5269582	5789264	20136796

NA denotes 'Not Applicable'

Notes :

- In the case of Mr. Adi Godrej, salary includes Basic Salary and Leave Travel Assistance. The monetary value of perquisites include perquisite value of Car, Accommodation, Furnishing, Electricity and Telephone Expenses, Reimbursement of Medical/Hospitalisation Expenses incurred for self and family, Medical and Personal Accident Insurance Premium paid by the Company and Company's Contribution to Provident Fund.
- In the case of Mr. Hoshedar Press, salary includes Basic Salary, House Rent Allowance and Leave Travel Assistance. The monetary value of perquisites includes perquisite value for provision of car, accommodation, furnishing, reimbursement of medical expenses, club fees, credit card fees and Company's contribution to Provident Fund.
- The performance linked variable remuneration to Mr. Adi Godrej and Mr. Hoshedar Press is the amount payable for the financial year 2003-04. The same is based on the Economic Value Added in the business and other relevant factors.
- The service contracts of Mr. Adi Godrej and Mr. Hoshedar Press are for a period of three years beginning from April 1, 2001. The contracts are terminable with a notice period of three months by either side.

Pursuant to the resolutions passed by the shareholders in the Annual General Meeting held on July 22, 2003, Mr. Adi Godrej has been reappointed as Chairman & Managing Director for a period of three years from April 1, 2004 and Mr. Hoshedar Press has been reappointed as Executive Director and President for a period of three years from April 1, 2004.

5. The Non-Executive Directors are eligible for a Commission on Profits at the rate of 1% of the net profits or Rs. 6 lac for each director, whichever is less. In the case of the Independent Directors, an amount of Rs. 6 lac for each Independent Director for the financial year 2003-04 will be paid during the year 2004-05. However, the two Non-Executive Directors i.e. Mr. Jamshyd Godrej and Mr. Nadir Godrej are also Directors of Godrej & Boyce Mfg. Co. Ltd.(G&B), which was the holding company of the Company till September 23, 2003. Since they were eligible for remuneration from G&B, no commission on profits was payable to them for the period till September 23, 2003 as per the provisions of the Companies Act, 1956. G&B has, however, ceased to be the holding company of the Company on September 23, 2003. Accordingly an amount of Rs. 3,11,475 is payable to each of the Non-Executive Directors (being the pro-rata commission amount payable @ Rs. 6 lac for 190 days i.e. from September 24, 2003 to March 31, 2004).

Shareholders Committee

Composition, name of members and Chairperson

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. The committee consists of the following members :

Mr. Nadir Godrej (Non-Executive Director)	-	Chairman of the Committee
Mr. Jamshyd Godrej (Non-Executive Director)	-	Member
Mr. Adi Godrej (Chairman and Managing Director)	-	Member
Mr. Hoshedar Press (Whole-time Director)	-	Member

During the year the committee met on April 10, 2003, April 24, 2003, May 8, 2003, May 22, 2003, June 12, 2003, June 26, 2003, July 10, 2003, July 24, 2003, August 4, 2003, August 28, 2003, September 11, 2003, September 25, 2003, October 10, 2003, October 30, 2003, November 14, 2003, November 27, 2003, December 18, 2003, January 8, 2004, January 15, 2004, February 5, 2004, February 12, 2004 and March 11, 2004.

Name and designation of Compliance Officer

Mr. S.S. Sapre, Vice President (Finance & Commercial) and Company Secretary is the compliance officer.

Number of shareholders complaints/query received so far/ Number not solved to the satisfaction of shareholders/ Number of pending share transfers.

Sr. No.	Nature of Complaint/Query	Total received	Total replied
1	Non-Receipt of Dividend	368	368
2	Non-Receipt of shares lodged for transfer/exchange	318	318
3	Other (buyback/TDS etc.)	21	21
		707	707

There are no pending share transfers as on March 31, 2004.

Based on the Company's request, The Stock Exchange, Mumbai and the National Stock Exchange have reported that there were no pending complaints registered against the Company's name as on March 31, 2004. In SEBI's record, one complaint was shown as unresolved as on March 31, 2004 which was relating to non-receipt of dividend. The Company had already resolved the complaint by March 31, 2004 and had written to SEBI for deletion of the said complaint. The actual deletion has since been done by SEBI.

4. General Body Meetings

GCPL was incorporated on November 29, 2000, and commenced operations on April 1, 2001 with the transfer of the consumer products business of the then Godrej Soaps Ltd., subsequent to its de-merger. It was first listed on the BSE on June 18, 2001, and has thereafter held only two AGMs since it became a listed Company.

The details are as follows :

Date : July 22, 2002

Time : 3.30 p.m.

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

Date : July 22, 2003

Time : 3.30 p.m.

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

GCPL will hold its third AGM after listing on July 22, 2004. The details are as follows :

Date : July 22, 2004

Time : 3.30 p.m.

Venue : Nehru Centre Auditorium,
Discovery of India Building, Dr. A. B. Road,
Worli, Mumbai - 400 018.

Till date, three Extraordinary General Meetings (EGM) of the shareholders of the Company have been held. The first EGM was held on January 9, 2002, at the Y.B. Chavan Centre, General Jagannath Bhosale Marg, Nariman Point, Mumbai and the second and third meeting were held at the registered office of the Company on January 8, 2003 and April 19, 2004 respectively. The purpose of all the three EGMs was to announce the results of the postal ballot in respect of the special resolution for approval of buyback of equity shares of the Company.

Postal Ballot

During the year, pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, GCPL conducted voting through postal ballot on a special resolution under Section 77A for approval of buyback of shares of the Company.

Mr. Kalidas Vanjpe, practising Company Secretary was appointed as the scrutiniser for the purpose of conducting the above postal ballot exercise.

The notice of the postal ballot dated January 31, 2004, the relevant explanatory statement and the postal ballot form were sent to all the Company's shareholders and the shareholders were required to return duly completed postal ballot form to the Company not later than March 31, 2004.

The Company received 7137 ballot forms, comprising an aggregate of 3,90,24,875 equity shares of the face value of Rs.4/- each. Out of them, 5777 forms comprising 3,88,98,080 equity shares (99.67%) were in favour of the resolution and 957 forms comprising 80,554 equity shares (0.21%) were against the resolution. 403 forms comprising 46,241 equity shares (0.12%) were found to be invalid. The results of the postal ballot were announced in the Extra Ordinary General Meeting held on April 19, 2004.

The Company complied with all the procedural formalities for the conduct of Postal Ballot.

5. Disclosures

Details of shares held by the Directors and dividend paid to them.

Name of the Director	Shares held as on March 31, 2004	Dividend paid during the year
Adi Godrej	25	200
Jamshyd Godrej	Nil	Nil
Nadir Godrej	747415	5979320
Bala Balachandran	Nil	Nil
Rama Bijapurkar	1000	8000
Bharat Doshi	1000	8000
Anupam Puri	Nil	Nil
Hoshedar Press	1115	8920
Total	750555	6004440

Disclosures on 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.

During 2003-04, 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.

The Directors, apart from drawing Directors' remuneration and dividend on shares held by them (wherever applicable), have no other materially significant related party transactions, pecuniary relationship or transaction with the Company.

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.

6. Means of Communication

GCPL has sent the Chairman's statement and unaudited financial results and segmental information for the half-year ended September 30, 2003 to all the shareholders. All vital information relating to the Company and its performance, including quarterly results along with segmental information, official press releases and presentations to analysts/performance updates are posted on the Company's website www.godrejcp.com. The quarterly, half-yearly and annual results of the Company's performance are generally published in leading English dailies such as *The Economic Times* and *Business Standard* and the Marathi newspaper *Maharashtra Times*. The Chairman and Managing Director has conference call with financial analyst once in each quarter and their transcripts are posted on the website soon thereafter.

The Company files quarterly results and the annual report and other information pursuant to clause 51 of the listing agreement, on the Electronic Data Information Filing and Retrieval (EDIFAR) website maintained by National Informatics Centre (NIC). The information filed by the Company can be accessed in the EDIFAR website viz. www.sebidifar.nic.in or through a link in the website of SEBI viz. www.sebi.gov.in.

7. Management

a) Management discussion and analysis

This is covered in detail on page 11 of this Annual Report.

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.

8. Shareholders

a) Disclosures regarding appointment or 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, Mr. Bharat Doshi and Mr. Anupam Puri shall retire at the annual general meeting of the Company and being eligible, offer themselves for re-election to shareholders. Given below are the abbreviated resumes of the two Directors seeking re-election.

Name of the Director	Mr. Bharat Doshi	Mr. Anupam Puri
Date of Birth	June 12, 1949	October 7, 1945
Date of Appointment	April 1, 2001	April 1, 2001
Specialised Expertise	Finance, Corporate Affairs and General Management	Strategy and Management Consultancy
Qualification	B.Com; LLM (Bombay University), FCA, FCS. Mr. Doshi has also participated in the program for Management Development at the Harvard Business School	B.A. (Economics - Delhi University), M.A, M. Phil (Economics - Oxford University)
Directorships in Companies	<ol style="list-style-type: none"> 1. Godrej Consumer Products Ltd. 2. Mahindra & Mahindra Ltd. 3. Mahindra Intertrade Ltd. 4. Mahindra & Mahindra Financial Services Ltd. 5. Mahindra Steel Service Centre Ltd. 6. Mahindra British Telecom Ltd. 7. Mahindra Consulting Limited 8. Mahindra Consulting Inc. 9. Mahindra Holdings & Finance Ltd. 10. Mahindra USA Inc. 11. Ford India Private Limited 12. NSE.IT Limited 13. Templeton Trust Services Private Limited 14. The Mahindra United World College of India 	<ol style="list-style-type: none"> 1. Godrej Consumer Products Ltd. 2. Dr. Reddy's Laboratories Ltd. 3. Mahindra & Mahindra Ltd. 4. Mahindra British Telecom Ltd. 5. ICICI Bank Ltd. 6. Daksh eServices Pvt. Ltd. 7. Patni Computer Systems Ltd.
Chairman/Member of Board Committees	<p>Chairman <u>Audit Committee</u> 1. Godrej Consumer Products Ltd.</p> <p>Member <u>Audit Committee</u> 1. Mahindra British Telecom Ltd. 2. Mahindra Consulting Ltd. 3. Ford India Private Ltd. 4. Mahindra Steel Service Centre Ltd.</p> <p><u>Loans & Investment Committee</u> 5. Mahindra & Mahindra Ltd. 6. Mahindra & Mahindra Financial Services Ltd.</p> <p><u>R & D Committee</u> 7. Mahindra & Mahindra Ltd.</p> <p><u>Share Transfer and Shareholders/Investors Grievance Committee</u> 8. Mahindra & Mahindra Ltd.</p>	<p>Chairman <u>Human Resources Committee</u> 1. Godrej Consumer Products Ltd.</p> <p><u>Remuneration Committee</u> 2. Patni Computer Systems Ltd.</p> <p><u>Compensation Committee</u> 3. Patni Computer Systems Ltd. 4. Daksh eServices Pvt. Ltd.</p> <p><u>Audit Sub Committee</u> 5. Mahindra British Telecom Ltd.</p> <p><u>Board Nominations Committee</u> 6. Dr. Reddy's Laboratories Ltd.</p> <p>Member <u>Audit Committee</u> 1. Godrej Consumer Products Ltd.</p> <p><u>Compensation Committee</u> 2. Dr. Reddy's Laboratories Ltd.</p> <p><u>Strategy Committee</u> 3. Dr. Reddy's Laboratories Ltd.</p> <p><u>Board Governance & Remuneration Committee</u> 4. ICICI Bank Ltd.</p> <p><u>Business Strategy Committee</u> 5. ICICI Bank Ltd.</p>

b) **Communication to shareholders**

The Chairman's statement and unaudited financial results and segmental information for the half year ended September 30, 2003 was sent to all the shareholders. The quarterly and annual results, official press releases and presentations to analysts/performance updates are posted on the website i.e. www.godrejcp.com and a copy of the same are sent to the stock exchanges.

c) **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.

d) **Share transfer**

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

9. **Auditors 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 Director's Report.

10. **General Shareholder Information**

A) **Annual General Meeting**

Date and time : July 22, 2004 at 3.30 p.m.

Venue : Nehru Centre Auditorium, Discovery of India Building,
Dr. A. B. Road, Worli, Mumbai - 400 018.

B) **Financial Calendar**

Financial year : April 1 to March 31

For the year ended March 31, 2004, results were announced on :

- First quarter : July 22, 2003
- Half yearly : October 22, 2003
- Third quarter : January 31, 2004
- Fourth quarter and annual : April 28, 2004

C) **Book Closure**

The Transfer books of the Company have been closed on February 10, 2004 for ascertaining the names of the shareholders eligible for the third interim dividend for financial year 2003-04. There will be no book closure at the time of the Annual General Meeting.

D) **Dividends for Financial Year 2003-04**

Four interim dividends have been declared by the Board of Directors in their meetings held on July 22, 2003 (Rs. 2 per share), October 22, 2003 (Rs. 2 per share), January 31, 2004 (Rs. 2 per share) and April 28, 2004 (Rs. 3 per share). The Record Dates for the first two dividends were July 31, 2003 and October 31, 2003 respectively. The register of members was closed on February 10, 2004 for ascertaining the names of the shareholders eligible for the third interim dividend for financial year 2003-04 declared by the Board of Directors on January 31, 2004. The Record Date for the fourth interim dividend is May 4, 2004.

As per the provisions of the Finance Act, 2003, with effect from April 1, 2003, no tax is deductible at source on dividend payments. However, the Company pays dividend distribution tax calculated @12.8125 % of the dividend amount.

E) **Listing**

Godrej Consumer Products Ltd. has been included in the BSE "A" Group with effect from November 3, 2003.

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

The Stock Exchange, Mumbai,

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.

National Stock Exchange of India Limited
Exchange Plaza, 4th Floor, Bandra-Kurla Complex, Mumbai 400 051.

The Calcutta Stock Exchange Association Ltd.
7, Lyons Range, Kolkata 700 001.

The Stock Exchange, Ahmedabad,
Kamdhenu Complex, Opp. Sahjanand College, Panjara Pole, Ahmedabad 380 015.

The Madras Stock Exchange Ltd.,
Exchange Building, 11, Second Line Beach, Chennai 600 001.

Delhi Stock Exchange Association Limited
DSE House, 3/1, Asaf Ali Road, New Delhi 110 002.

F) Stock Code

Name of the Stock Exchange	Stock Code
The Stock Exchange, Mumbai	532424
National Stock Exchange of India Limited	GODREJCP
The Calcutta Stock Exchange Association Limited	17425
The Stock Exchange, Ahmedabad	19251
The Madras Stock Exchange Limited	GCPL
Delhi Stock Exchange Association Limited	7239

The ISIN Number of GCPL on both the NSDL and the CDSL is INE102D01010

G) Market Price Data

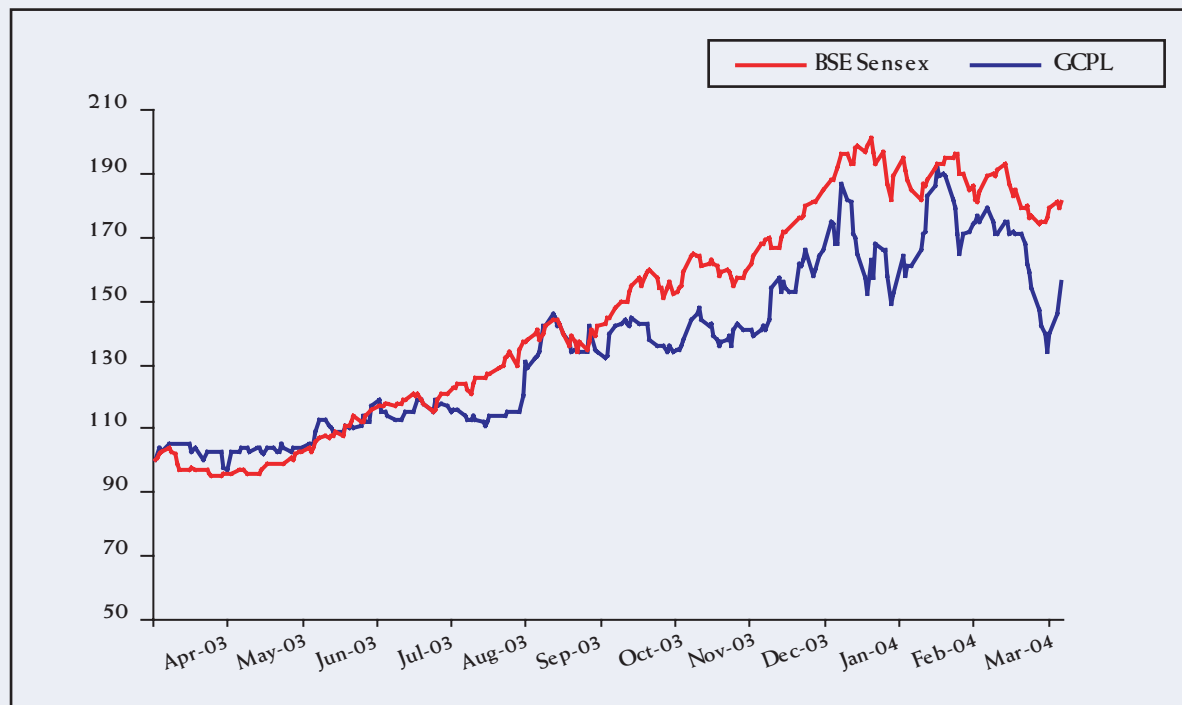
The monthly high and low prices and volumes of GCPL at The Stock Exchange, Mumbai (BSE) and the National Stock Exchange (NSE) for the year ended March 31, 2004 are as under :

Month	Price in BSE			Price in NSE		
	High (Rs.)	Low (Rs.)	Volume (No. of shares)	High (Rs.)	Low (Rs.)	Volume (No. of shares)
April 2003	112.00	100.00	192423	111.50	98.05	172146
May 2003	112.00	103.00	185628	110.90	98.00	271133
June 2003	125.25	109.00	341614	125.50	108.00	450163
July 2003	128.20	115.00	502083	140.00	117.00	324226
August 2003	145.00	115.00	573623	145.00	115.00	702441
September 2003	153.65	130.75	3293836	154.40	125.50	314061
October 2003	153.00	135.00	250282	152.50	136.00	300616
November 2003	158.00	135.00	124573	156.50	134.00	223680
December 2003	188.00	146.10	247315	185.00	145.10	428688
January 2004	212.10	155.75	276481	210.00	153.50	306011
February 2004	202.00	168.05	779590	205.00	170.00	242128
March 2004	190.70	140.00	206580	191.00	140.00	288864

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.

Chart A : GCPL share performance compared to the BSE Sensex for FY 2003-04



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 400 023
 Tel. No. : 022-22671824/25
 Fax No. : 022-22670380
 Email ID : helpdesk@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

Tables 1 and 2 give the distribution pattern of shareholding of GCPL by size class and ownership respectively as on March 31, 2004.

Table 1 : Distribution of shareholding by size class as of March 31, 2004

Number of shares	Number of shareholders	Shareholders %	Number of shares held	Shareholding %
1 – 500	108171	99.01%	5944301	10.45%
501 – 1000	649	0.60%	500604	0.88%
1001 – 2000	222	0.20%	309645	0.54%
2001 – 3000	48	0.04%	122994	0.22%
3001 – 4000	28	0.03%	97781	0.17%
4001 – 5000	12	0.01%	56031	0.10%
5001 – 10000	31	0.03%	219054	0.39%
10001 & above	88	0.08%	49611943	87.25%
Total	109249	100.00%	56862353	100.00%

Table 2 : Distribution of shareholding by ownership as of March 31, 2004

Category (as GCPL reports to stock exchanges)	Shares held (nos.)	% of holding
Promoter's holding		
Promoters	38417260	67.56%
Institutional investors		
Mutual funds & UTI	1301977	2.29%
Banks, financial institutions & insurance companies	133331	0.23%
Foreign institutional investors	9043045	15.91%
Others		
Private corporate bodies	541859	0.95%
Indian public	6971552	12.26%
NRI / OCBs	453329	0.80%
Total	56862353	100.00%

L) Shares held in physical and dematerialised form

As on March 31, 2004, 92.93% of GCPL's shares were held in dematerialised form and the remaining 7.07% in physical form.

Break-up of physical and dematerialised shares as on March 31, 2004

No. of Folios in Physical Mode	No. of Folios in Demat Mode	Total Folios	No. of Shares in Physical Mode	No. of Shares in Demat Mode	Total Shares
81442	27807	109249	4017921	52844432	56862353

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

GCPL has not obtained any public funding in the last three years.

O) Plant locations

1. U-30, Industrial Area, Malanpur,
Dist. Bhind, Madhya Pradesh.
2. Krishna Industrial Estate, Survey No. 906/1/1,
Village Amla, Silvassa - 396 230,
Union Territory of Dadra and Nagar Haveli.
3. Shed Nos. 9 to 12, Bamauni Maidan Industrial Estate,
Bamauni Maidan, Guwahati - 781 021, Assam.
4. Plot No. 85-88, EPIP Phase II
Village Thana, Tehsil Nalagarh
Dist. Solan, Himachal Pradesh.

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. : 25188010/20/30

Fax No. : 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 - 400 023.

Tel. No. : 022-22671824/25

Fax No. : 022-22670380

Email ID : gcpl@computechsharecap.com

Website : www.computechsharecap.com

Q) Electronic Clearing Services (ECS) for payment of dividend

The ECS facility 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.

Currently ECS facility is available for payments up to Rs. 5 lac at locations specified by RBI which currently covers the following places viz. Ahmedabad, Bangalore, Bhubaneswar, Chandigarh, Chennai, Delhi, Guwahati, Hyderabad, Jaipur, Kolkata, Mumbai, Nagpur and Trivandrum.

Shareholders holding shares in physical form and who have not opted for ECS may post ECS declaration form to Computech Sharecap Ltd. (at above mentioned address). Shareholders can obtain the ECS 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 provides the ECS data directly to the Company, the Company will not be able to act on the same and consequently dividends cannot be remitted through ECS.

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 has been 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.

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) Exchange of GIL shares for GCPL shares

Any shareholder who has not yet exchanged his old GSL shares for GCPL and GIL shares can do so by surrendering the GSL certificate(s) to our Registrar & Transfer Agents, after cancelling the certificate(s) and defacing them with the words " submitted for exchange". Kindly note that the share certificates of GSL or GGICL is not tradeable in the stock exchanges nor can they be dematerialised.

T) 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.