

# Statutory Reports

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# Board's Report

Dear Members,

Your Directors, with great pleasure, present the Annual and Integrated Report for the year ended March 31, 2023.

## 1. Results of Our Operations

The financial performance of your company for the fiscal year under review is given below.

An overview of the performance of the company's

subsidiaries in various geographies is given separately in the Board's Report.

The shareholders may also refer to the Management Discussion and Analysis section, which gives more details on the functioning of the company.

₹ (Crore)

Financials: Abridged Profit and Loss Statement	Consolidated		Standalone	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Total revenue from operations	13,315.97	12,276.50	7667.17	6,951.56
Other income	168.41	89.71	139.48	69.18
Total income	13,484.38	12,366.21	7806.65	7,020.74
Total expenses, including depreciation and finance costs	11,297.54	10,201.48	5909.46	5,316.50
Profit/loss before exceptional items, share of profit of equity accounted investees, and tax	2,186.84	2,164.73	1897.19	1,704.24
Exceptional items	(54.11)	(9.75)	(27.59)	58.21
Share of profit of equity accounted investees (net of income tax)	-	0.28	-	-
Profit/loss before tax	2,132.73	2,155.26	1869.60	1,762.45
Tax expense	430.27	371.87	355.90	283.30
Profit/loss after tax	1,702.86	1,783.39	1513.70	1,479.15
Other comprehensive income	553.05	376.56	1.03	0.82
Total comprehensive income attributable to owners of the company	2,255.51	2,159.95	1514.73	1,479.97

## 2. Dividend

### A. Dividend Declared

The board did not declare any Interim Dividends during the fiscal year 2022-23 and also has not recommended any final dividend for the fiscal year.

### B. Dividend Distribution Policy

The Board of Directors adopted the Dividend Distribution Policy pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), which requires the top 1,000 listed companies (by market capitalisation) to formulate the same. The company's Dividend Distribution Policy may also be accessed through the following link<sup>[1]</sup>.

## 3. Board of Directors

### A. Number of Meetings

Four board meetings were held during the year. The details of the meetings and the attendance record of the directors are given in the Corporate Governance section of the Annual Report.

### B. Changes in the Board of Directors

During the fiscal year, there was no change in the Board composition.

The Board at its meeting held on May 19, 2022, approved the re-appointment of Ms. Nisaba Godrej as Whole-Time Director designated as "Executive Chairperson" for the period from October 1, 2022 to September 30, 2027. The same was approved by the shareholders at the AGM held on August 3, 2022.

The term of office of Ms. Ndidi Nwuneli and Ms. Pippa Armerding ended on March 31, 2022 and January 30, 2023 respectively. On the basis of recommendation of Nomination and Remuneration Committee, the Board had considered and approved their respective reappointments for a second term of five year, subject to approval of the shareholders. The approval of the shareholders was received by means of postal ballot.

In the forthcoming AGM, Mr. Pirojsha Godrej and Mr. Nadir Godrej will retire by rotation, and being eligible, they will be considered for reappointment.

After the close of the fiscal year, the Board at its meeting held on June 5, 2023, approved the appointment of Ms. Shalini Puchalapalli as an Independent Director with effect from Nov 14, 2023, in place of Mr. Narendra Ambwani who will retire from that date after completing his second term. The appointment of Ms. Shalini Puchalapalli is subject to the

approval of the shareholders at the ensuing annual general meeting. The profile of Ms. Shalini Puchalapalli is annexed in the notice of the annual general meeting forming part of this report.

### C. Audit Committee of the Board of Directors

Your company has an Audit Committee in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. The committee consists of the following Directors, viz., Mr. Sumeet Narang, Chairman of the Committee, and, Mr. Narendra Ambwani, Dr. Omkar Goswami, Ms. Ireena Vittal, Ms. Ndidi Nwuneli, Ms. Pippa Armerding, and Mr. Pirojsha Godrej, all being members of the committee.

### D. Declaration from Independent Directors

All the Independent Directors have given their declaration confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 and the Listing Regulations, and the same has been noted by the Board of Directors. The Independent Directors also confirmed the compliance with the code of conduct for directors and senior management.

<sup>[1]</sup> <https://godrejcp.com/sustainability/codes-and-policies>

**E. Enrolment of Directors in Independent Directors Data Bank**

As per the notification of the Ministry of Corporate Affairs dated October 22, 2019, all the Independent Directors of your company have registered their names for inclusion in the 'Independent Director's Data Bank' maintained by IICA.

**F. Familiarisation Programmes**

During the year, the Independent Directors were familiarised with the Annual Operating Plan, Global Categories Structures & Initiatives, Cluster wise performance for the fiscal year 2022-23. Additionally, at all the Board meetings, detailed presentations covering business performance and financial updates were made. The programmes were conducted by the members of the company management. The details of the same are available on the website of the company and can be accessed through the following link<sup>[2]</sup>.

**G. Board Diversity Policy & Independence Statement**

The company has in place a Board Diversity Policy which is attached as **Annexure 'A'**. The criteria for determining qualification, positive attributes, and independence

of Directors are as per the Board Diversity Policy, Listing Regulations, and the Companies Act, 2013.

The Board Independence Statement is available on the company website and can be accessed through the following link<sup>[3]</sup>.

**H. Remuneration Policy**

The company's Remuneration Policy for Directors, Key Managerial Personnel (KMP), and other employees is attached as **Annexure 'B'**.

The company's total rewards framework aims at holistically using elements such as fixed and variable compensation, long-term incentives, benefits and perquisites, and non-compensation elements (career development, work-life balance, and recognition).

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

**I. Remuneration to Directors**

The remuneration of Directors is in accordance with the Remuneration Policy formulated in accordance with various rules and regulations for the time being in force. The disclosure on the details of remuneration to Directors and other employees pursuant to Section 197

read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given under **Annexure 'C'**. With respect to the information under Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, members may request the same by sending an email to the company at [investor\\_relations@godrejcp.com](mailto:investor_relations@godrejcp.com) from their registered email address, quoting their name and folio number.

**J. Performance Evaluation of the Board of Directors, its Individual Members, and its Committees**

We conducted a formal Board effectiveness review, as part of our efforts to evaluate the performance of our Board and identify areas that need improvement to enhance the effectiveness of the Board, its Committees, and Individual Directors. This is in line with the requirements of the Companies Act, 2013 and the Listing Regulations.

The Corporate Human Resources team of Godrej Industries Limited and Associate Companies worked directly with the Chairperson and the Nomination and Remuneration Committee of the Board to design and execute this process. It was later adopted by the Board.

<sup>[2]</sup> [https://godrejcp.com/public/uploads/compliance\\_other\\_updates/FamiliarisationProgrammeforIDs2022-23.pdf](https://godrejcp.com/public/uploads/compliance_other_updates/FamiliarisationProgrammeforIDs2022-23.pdf)

<sup>[3]</sup> [https://godrejcp.com/public/pdfs/codes\\_policies/people/Board\\_Independence\\_Statement\\_May2023.pdf](https://godrejcp.com/public/pdfs/codes_policies/people/Board_Independence_Statement_May2023.pdf)

Each board member completed a confidential online questionnaire, sharing vital feedback on how the Board currently operates and how its effectiveness could be improved. This survey included four sections on the basis of which feedback and suggestions were compiled:

- Board Processes
- Individual Committees
- Individual Board Members
- Chairperson

The criteria for Board processes included Board structure, strategic orientation as well as Board functioning, and team dynamics.

Evaluation of each of the Board Committees covered whether they have well-defined objectives and the correct composition and whether they achieved their objectives.

The criteria for Individual Board Members included skills, experience, level of preparedness, attendance, extent of contribution to Board debates and discussions, and how each Director leveraged their expertise and networks to meaningfully contribute to the company. The criteria for the Chairperson's evaluation included leadership style and conduct of Board meetings. The performance evaluation criteria for Independent Directors included a check

on their fulfilment of the independence criteria and their independence from the management.

The following reports were created as part of the evaluation:

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

The overall Board feedback was facilitated by Ms. Ireena Vittal with the Independent Directors. The Directors put forth their views regarding the Board functioning effectively and identified areas that showed scope for improvement. Feedback from the Committees and Individual Board Members was shared with the Chairperson. Following her evaluation, a Chairperson's Feedback Report was compiled.

#### **K. Directors' Responsibility Statement**

Pursuant to the provisions contained in Section 134 (5) of the Companies Act, 2013, your Directors, based on the representation received from the operating management and after due inquiry, confirm the following points:

- a) In the preparation of annual accounts, the applicable accounting standards have been

followed and no material departures have been made from the same.

- b) They have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the company at the end of the fiscal year and of the profit of the company for that period.
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) They have prepared the annual accounts on a going concern basis.
- e) They have laid down internal financial controls to be followed by the company, and such internal financial controls are adequate and operating effectively.
- f) They have devised a proper system to ensure compliance with the provisions of all applicable laws, and this system is adequate and operating effectively.

## 4. Transfer to Investor Education and Protection Fund

In accordance with the applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer, and Refund) Rules, 2016 (IEPF Rules), all unclaimed dividends are required to be transferred by the company to the IEPF after completion of 7 years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for 7 consecutive years or more shall be transferred to the demat account of the IEPF authority. Accordingly, ₹ 1,30,79,598 unpaid/unclaimed dividends were transferred during the fiscal year 2022-23 to IEPF. No shares were transferred during the current year.

The company has appointed a Nodal Officer and a Deputy Nodal Officer under the provisions of IEPF Regulations, the details of which are available on the company website and can be accessed through the following link<sup>[4]</sup>.

The company has uploaded the details of unpaid and unclaimed amounts lying with

the company as on March 31, 2022, on the company website, which can be accessed through the following link<sup>[5]</sup>. The details of unpaid and unclaimed amounts lying with the company as on March 31, 2023, will be available on the same link within 60 days of the AGM.

## 5. Finance

### A. Loans, Guarantees, and Investments

The details of loans, guarantees, and investments as required by the provisions of Section 186 of the Companies Act, 2013 and the rules made thereunder are set out in the Notes to the Standalone Financial Statements of the company.

### B. Related Party Transactions

In compliance with the Listing Regulations, the company has a Policy for Transactions with Related Parties (RPT Policy). The RPT Policy is available on the company website and can be accessed through the following link<sup>[6]</sup>.

Apart from the Related Party Transactions in the ordinary course of business and on arm's length basis, the details of which are given in the Notes to Financial Statements, no other Related Party

Transactions require disclosure in the Board's Report for complying with Section 134(3)(h) of the Companies Act, 2013. Therefore, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

## 6. Acquisition

After the end of the fiscal year 2022-23, the Company entered into an agreement on April 27, 2023 for the acquisition of the business of Raymonds Consumer Care Limited (RCCL) through slump sale basis at a consideration of ₹ 2825 crore. RCCL is an Indian FMCG player operating primarily in deodorants and sexual wellness categories with two key brands - Park Avenue and Kamasutra. This acquisition allows the Company to complement its business portfolio and growth strategy with under-penetrated categories that offer a long runway of growth. The said acquisition was completed on May 08, 2023.

## 7. Subsidiaries, Associates, and Joint Venture

During the year, DGH Uganda ceased to be the subsidiary of your company with effect from November 20, 2022.

<sup>[4]</sup> <https://godrejcp.com/investors/details-of-shares-to-iepf#Details-of-Nodal-Officer>

<sup>[5]</sup> <https://godrejcp.com/investors/unclaimed-dividend>

<sup>[6]</sup> <https://godrejcp.com/sustainability/codes-and-policies>

The dissolution of Indovest Capital initiated in the previous fiscal year is under process.

#### **A. Report on the Performance of Subsidiaries and Associates**

The details of the cluster-wise performance are given below:

##### **Indonesia**

The fiscal year 2022-23 started showing strong signs of recovery in the second half of the year. The large Saniter base waned due to reduced demand as COVID-19 impact receded across the world.

The overall business top line declined by 3%, but ex- Saniter the business grew at 7% in terms of ₹. We continued to strengthen the fundamentals for the future, by doubling down on strong distribution expansion in our General Trade business. HIT had muted growth as the category slowdown continued, however, promising growth in Electrics segment as we continue to upgrade consumers from coil to electrics. Air fresheners had a strong growth driven by our strong media investments. We delivered strong growth in Baby Wipes segment and have clawed back share. We continued to strengthen our in-store execution in modern trade leveraging our strengths in data and analytics.

We also continued focusing on cost savings to fuel our growth investments, field macro environment, and

strengthen profitability. We will continue to focus sharply on category development with breakthrough innovation, strong brand building, and GTM strengthening.

##### **Africa, the Middle East, and the USA**

The fiscal year 2022-23 witnessed continued strong growth for our Africa, Middle East, and US business clusters. The overall business top line grew by 12% with the South cluster growing strongly at 11% and US market delivered 7% growth in ₹ terms despite various macro challenges. We faced significant cost headwinds across markets—input cost increases, adverse forex movement, and the continued tendency of consumers to shift away from value-added products resulting in an adverse portfolio mix. However, our robust cost-optimisation programmes and timely price increases helped minimise the impact on margins. Overall, despite a challenging year, we focused on strengthening the fundamentals for the future. We witnessed continued momentum on braid premiumisation in South Africa. We also significantly accelerated our GTM efforts in Nigeria, particularly last-mile distribution through the van model. Going forward, our focus would be to strengthen last-mile distribution across markets (including the salon channel) and continue improving margins by driving operational excellence, strengthening

our portfolio, investing in the consumer, and accelerating Wet Hair/FMCG growth. We will maintain laser-sharp focus on strong governance controls and maintain an unrelenting focus on employee/consumer safety.

##### **Latin America**

Our Latin America cluster closed a middling year in a challenging environment. Net sales (in ₹) declined by 3%, while EBITDA declined by 57%, in comparison with the past year's sales and EBITDA, respectively. This was driven by a sharp contrast in performance between Argentina and Chile.

Argentina business closed another year of profitable growth. The team delivered a top-line growth of 90% in local currency (10% in ₹), driven by go-to-market improvements, COMEX expansion, and innovation. EBITDA grew by 16% in local currency, achieving an EBITDA margin of 9% in local currency.

Our Chile saw a significant decline led by consumers moving back to salon habit of hair colours. Net sales declined by 23% in local currency (28% in ₹). EBITDA declined by 96% in local currency, driven by higher fixed costs and loss of scale benefits.

Looking ahead, we aim to bring Chile back to growth levels by focussing on profitable growth and working capital management.



## **B. Policy on Material Subsidiaries**

In compliance with the Listing Regulations, the Board has adopted a policy for determining material subsidiaries. This policy is available on the company website and can be accessed through the following link<sup>[7]</sup>.

## **C. Financial Performance**

A statement containing the salient features of the financial statements of subsidiary/joint venture/associate companies, of the company in the prescribed Form AOC-1, a part of consolidated financial statements (CFSs) in compliance with Section 129(3) and other applicable provisions, if any, of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014.

The said form also highlights the financial performance of each of the subsidiaries and joint venture companies included in the consolidated financial statement of the company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

## **8. The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013**

Your company has complied with the provisions relating to

the constitution of the Internal Committee in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, to consider and resolve all sexual harassment complaints reported by women. During the year, awareness regarding sexual harassment among employees was created through emails to employees.

There were 5 complaints reported during the calendar year 2022, and accordingly, the committee has filed the complaint report with the concerned authorities in accordance with Section 22 of the aforementioned Act.

## **9. Talent Management and Succession Planning**

Your company has the talent management process in place with the objective of developing a robust talent pipeline for the organisation, which includes the senior leadership team. As part of the talent process, we identify critical positions and assess the succession coverage for them annually. During this process, we also review the supply of talent, identify high-potential employees, and plan talent actions to meet the organisation's talent objectives. We continue to deploy leadership development initiatives to build succession for key roles.

## **10. Annual Return**

In compliance with the provisions Section 134(3)(a) of the Companies Act, 2013, the Annual Return as per Section 93(3) of the Companies Act, 2013, is available on the company website, which can be accessed through the following link<sup>[8]</sup>.

## **11. Risk Management**

The company has a well-defined process in place to ensure appropriate identification and mitigation of risks. The Risk Management Committee of the company has been entrusted by the Board with the responsibility of identification and mitigation plans for the 'Risks that Matter'.

Elements of risks to the company are listed in the Management Discussion and Analysis section of the Annual and Integrated Report.

## **12. Vigil Mechanism**

Your company has adopted a Whistle Blower Policy as a part of its vigil mechanism.

The purpose of the policy is to enable any person (employees, customers, or vendors) to raise concerns regarding unacceptable improper practices and/or any unethical practices in the organisation without the knowledge of the management. All employees shall be protected from any adverse action for reporting

<sup>[7]</sup> <https://godrejcp.com/sustainability/codes-and-policies>

<sup>[8]</sup> <https://www.godrejcp.com/investors/annual-reports>

any unacceptable or improper practice and/or any unethical practice, fraud, or violation of any law, rule, or regulation.

This policy is also applicable to the directors of the company.

Mr. V Swaminathan, Head Corporate Audit and Assurance, has been appointed as the Whistle Blowing Officer, and his contact details have been mentioned in the policy. Furthermore, employees are free to communicate their complaints directly to the Chairman/Member of the Audit Committee, as stated in the policy. The policy is available on the internal employee portal, and the company website and can be accessed through the following link<sup>[9]</sup>. The Audit Committee reviews reports made under this policy and implements corrective actions, wherever necessary.

## 13. Annexures

### A. Disclosure on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings, and Outgo

**Annexure 'D'** of this report provides information on the conservation of energy, technology absorption, foreign exchange earnings, and outgo required under Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, which forms a part of the Board's Report.

### B. Corporate Social Responsibility

The corporate social responsibility (CSR) Policy is available on the company website under the following link<sup>[10]</sup>. The CSR Report, along with details of CSR projects, are provided in **Annexure 'E'** of this report.

### C. Employee Stock Option Scheme

The company has a stock option scheme named as 'Employee Stock Grant Scheme, 2011'. The number and the resulting value of stock grants to be given to eligible employees are decided by the Nomination and Remuneration Committee, which are based on the closing market price on the date of the grants.

The vesting period, exercise period and the other terms of vesting, if any, are also decided by the Nomination and Remuneration Committee. Upon vesting, the eligible employee can exercise the grants and acquire equivalent shares of the face value of ₹ 1 per share.

The difference between the market price at the time of grants and that on the date of exercise is the gross gain/loss to the employee. The details of the grants allotted under the Godrej Consumer Products Limited Employee Stock

Grant Scheme, 2011 and the disclosures in compliance with Share Based Employee Benefits (SEBI) Regulations, 2014 and Section 62 (1) (b) read with Rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014 are set out in **Annexure 'F'**.

Your company has not given a loan to any person under any scheme for or in connection with the subscription or purchase of shares in the company or the holding company. Hence, there are no disclosures on voting rights not directly exercised by the employees.

## 14. Listing

The shares of your company are listed on the BSE Limited and National Stock Exchange of India Limited. The applicable annual listing fees have been paid to the stock exchanges before the due dates. Your company is also listed on the Futures and Options Segment of the National Stock Exchange of India.

## 15. Business Responsibility & Sustainability Report

Pursuant to Regulation 34 of the Listing Regulations, the Business Responsibility and Sustainability Report highlighting the initiatives taken by the company in the areas of environment, social, economics, and governance is

<sup>[9]</sup> <https://godrejcp.com/sustainability/codes-and-policies>

<sup>[10]</sup> <https://godrejcp.com/sustainability/codes-and-policies>

available on the website of the company and can be accessed through the following link<sup>[11]</sup>.

## 16. Auditors and Auditors' Report

### A. Statutory Auditors

During the year, M/s. B S R and Co., LLP, Chartered Accountants (Firm Regn. No. 101248W/W-100022) have been re-appointed as the statutory auditor for a second term of five years to hold the office from the conclusion of the 22<sup>nd</sup> AGM held on August 03, 2022, until the conclusion of the 27<sup>th</sup> AGM in the year 2027 at a remuneration as may be approved by the Board.

### B. Cost Auditors

The company is maintaining requisite cost records for its applicable products. Pursuant to directions from the Department of Company Affairs, M/s. P. M. Nanabhoy and Co., Cost Accountants, were appointed as cost auditors for the applicable products of the company for the fiscal year 2022-23. They are required to submit the report to the Central Government within 180 days of the end of the accounting year.

### C. Secretarial Auditors

The Board had appointed M/s. A. N. Ramani and Co., Company Secretaries, to conduct a secretarial audit for the fiscal year 2022-23. The Secretarial Audit Report for

the fiscal year that ended on March 31, 2023, is attached herewith as **Annexure 'G'**. The Secretarial Audit Report does not contain any qualification, reservation, or adverse remark.

The Company has also undertaken an audit for the fiscal Year 2022-23 for all the applicable compliances as per SEBI Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report for fiscal year 2022-23 has been submitted to the Stock Exchanges and is available on the website of the Company in the following link <sup>[12]</sup>.

## 17. Corporate Governance

Pursuant to the Listing Regulations, the Report on Corporate Governance is included in the Annual and Integrated Report. The Practising Company Secretary's Certificate certifying the company's compliance with the requirements of corporate governance, in terms of the Listing Regulations, is attached as **Annexure 'H'**.

## 18. Management Discussion and Analysis

Management Discussion and Analysis as stipulated under the Listing Regulations is presented in a separate section forming a part of this Annual and Integrated Report.

The details pertaining to the internal financial control and its adequacy are also a part of the Annual and Integrated Report.

## 19. Confirmations

- a. Your company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.
- b. Other than the acquisition of business of Raymond Consumer Care Ltd, which is mentioned in Note 59 of the standalone financial statements, there have been no material changes and commitments affecting the financial position of the company that have occurred between March 31, 2023, and the date of this Board's Report.
- c. There have been no instances of fraud reported by the auditors under Section 143 (12) of the Companies Act, 2013, and the rules framed thereunder, either to the company or to the Central Government.
- d. The company has not accepted any deposits from the public, and as such, no amount on the account of principal or interest on deposits from the public was outstanding as on the date of the balance sheet.

<sup>[11]</sup> <https://www.godrejcp.com/investors/annual-reports>

<sup>[12]</sup> [https://godrejcp.com/public/uploads/compliance\\_other\\_updates/AnnualSecComplianceReport2023.pdf](https://godrejcp.com/public/uploads/compliance_other_updates/AnnualSecComplianceReport2023.pdf)

- e. During the fiscal year 2022-23, there were no significant and material orders passed by the regulators or courts or tribunals that can adversely impact the going concern status of the company and its operations in the future.

## 20. Appreciation

Your Directors wish to extend their sincere thanks to the employees of the company, central and state governments, as well as government agencies, banks, customers, shareholders, vendors, and other related organisations that have helped in your company's progress, as partners, through their continued support and co-operation.

**For and on behalf of the  
Board of Directors**

**Nisaba Godrej  
Executive Chairperson**

Mumbai, June 5, 2023

### **ANNEXURE 'A'**

#### **BOARD DIVERSITY POLICY**

The case for boardroom diversity has never been stronger. In today's rapidly evolving business environment, we recognise the power of leveraging diverse perspectives, skills, and experiences to stay competitive. At Godrej Consumer Products, we seek board members with diverse backgrounds and viewpoints, who can provide a wide array of insights and ideas. The advantages of a diverse board extend beyond a social factor

to encompass better financial performance, decision-making, innovation, and adaptability to changing market conditions.

#### **Objective**

The Board Diversity policy aims to create an environment that values and fosters inclusiveness, embraces a broad spectrum of talent, and champions a culture of meritocracy. The policy strives to ensure that its Board reflects diversity in its broadest sense including but not limited to, business experience, geography, age, gender, nationality, ethnicity, and race. By doing so, we aim to contribute to the company's competitive advantage, stakeholder engagement, and overall business performance.

#### **Scope and Applicability**

This policy only applies to the Board of Directors of Godrej Consumer Products. It is crafted in line with Godrej Consumer Products' Code of Conduct and GCPL Human Right policy, which is committed to inclusion and diversity.

#### **Policy Statement**

We recognise and embrace the benefits of having a diverse Board and see increasing diversity at Board level as an essential element in maintaining a competitive advantage. Being a global company, we acknowledge to have diversity of thought and nationality to be able to best serve the consumers in regions where we operate. We aspire to maintain a balance with reference to:

- Membership of the Board includes a diverse mixture of skills, professional & industry backgrounds, geographical

experience & expertise, gender, tenure, nationality, ethnicity, race, and diversity of thought.

- Board will include and make good use of the differences in the competency of skills, capabilities, knowledge, industry experience, background, race, gender, nationality and other qualities of the individual members as a whole.
- Board will have diversity in thought and nationality to best represent the consumers served in emerging markets globally.
- Board will have a range of views, thoughts, insights, perspectives, and opinions to improve its decision-making and benefit the company's stakeholders.

#### **Diversity Objectives**

Our commitment and target is to have at least one woman director on the Board as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. However, our aspiration is to ensure that no more than 50% of any one gender is represented on the Board. We recognise that Board composition may result in temporary periods when we are not able to achieve this balance.

#### **Monitoring & Reporting**

The Nomination and Remuneration Committee is responsible for ensuring that the Board has the right balance of skills, experience, and knowledge and, in accordance with its terms of reference, shall:

- Periodically review Board composition, succession planning, talent development and the broader aspects of diversity.
- Identify/evaluate candidates for appointment to the Board on merit against the Board Diversity policy objective and have diverse skills, experience, background, and expertise of current members of the Board.
- Report in the Corporate Governance section of the Annual Report on the implementation of the Board Diversity Policy and other regulatory and statutory requirements.

#### Review

The Nomination and Remuneration Committee will review the policy periodically keeping in view the statutory requirement and need of the organisation and recommend the same to the Board for their approval.

#### ANNEXURE 'B'

##### GCPL TOTAL REWARDS POLICY

At GCPL (Godrej Consumer Products Limited), the Total Rewards Framework is designed to encompass a comprehensive approach to employee compensation and well-being. It incorporates various elements to create a comprehensive rewards package that considers both financial and non-financial aspects. The framework encompasses fixed and variable compensation, including salary and incentives, as well as long-term incentives to promote employee engagement and

long-term commitment. In addition to monetary rewards, benefits and perquisites are provided to enhance employee satisfaction and well-being. Furthermore, the framework also emphasizes non-compensation elements such as career development opportunities, work-life balance initiatives, and recognition programs, ensuring a well-rounded approach to employee rewards. By adopting this Total Rewards Framework, GCPL aims to provide a comprehensive package that supports employee growth, motivation, and overall satisfaction.

#### Highlights

The rewards framework implemented at GCPL provides employees with the flexibility to personalize various elements based on their specific needs. This framework is seamlessly integrated with GCPL's performance and talent management processes, ensuring that rewards are closely aligned with individual performance and contributions. A key focus of the framework is to deliver sharply differentiated rewards for our high-performing talent, recognizing their exceptional achievements and potential. Additionally, when determining total compensation, GCPL considers three significant factors: Position, Performance, and Potential. Specifically, for employees with high potential, GCPL aims to provide total compensation that exceeds the 75<sup>th</sup> percentile of the market, reflecting our commitment to attract and retain top talent. Through this approach, GCPL aims to create a culture of excellence and ensure that our employees are rewarded appropriately for their contributions and growth.

#### Total Cash Compensation

The total cash compensation includes all forms of direct monetary compensation that an employee receives, such as base salary, bonuses, incentives, and allowances, excluding non-cash benefits or perks. It has following two components:

- (a) Fixed Compensation:** comprising both "Fixed Compensation" and "Flexible Compensation." The Fixed Compensation encompasses basic salary, House Rent Allowance (HRA), and retirement benefits, including the provident fund and gratuity. On the other hand, the Flexible Compensation is a predetermined portion of the overall compensation that employees can allocate to different components based on their grade eligibility. At the beginning of each fiscal year, employees have the flexibility to distribute this amount among various options according to their individual needs and preferences.
- (b) Variable Compensation (Performance-Linked Variable Remuneration):** comprising employee rewards for delivering superior business results and individual performance. It is designed to provide a significant upside earning potential for overachieving business results. It has a 'Collective' component, linked to the achievement of specified business results, relative to the target set for a given fiscal year, and

an 'Individual' component, based on an employee's performance, as measured by the performance management process.

It also includes **Employee Stock Grant Scheme**. This scheme is applicable to GLF (Godrej Leadership Forum) members, under this scheme stock options are granted annually at face value to vest over multi-years. The value of the stock grant is proposed by the management and approved by the Nomination and Remuneration Committee. This component comprises of 15 to 20% of the CTC of our leadership team.

#### **Long-Term Incentive plans (2022):**

LTI (Long Term Incentives) at Godrej strive to drive a culture of ownership and focus on long term result, it also has element of retention.

This plan is applicable to the top leadership of GCPL. In 2022, we introduced a long-term incentive plan that is linked to sustained business success over a four-year plan period based on metrics of market capitalisation and profit after taxes. The payout under this plan is calculated at the end of the four-year period based on the business performance achieved during that time. To ensure the continuity of business success, half of the payout is deferred and paid out in the fifth year. This approach incentivises the top leadership to focus on the long-term growth and profitability of the company, driving sustainable value for all our stakeholders.

#### **CEO Compensation**

Our compensation philosophy is strategically designed to align a sizeable portion of our CEO's compensation with the attainment of business performance objectives and the best interests of our shareholders. This approach cultivates a culture of responsibility and fosters long-term value creation for all stakeholders. Our compensation philosophy seeks to achieve a harmonious equilibrium by rewarding the CEO for their exceptional leadership and accomplishments while also ensuring that their interests are closely aligned with our enduring business goals. It has following three components:

**(a) Fixed Compensation:** Fixed compensation encompasses base pay, allowances, perks, and benefits. It includes a fixed salary, guaranteed payouts, and annual increments linked to the business performance. This component ensures that our CEO receives a competitive and stable remuneration package that reflects their skills, experience, and performance.

**(b) Variable Compensation:** Variable pay is directly tied to a combination of the company's overall business performance and the CEO's individual performance. The performance measures are calculated based on three predefined financial and relative financial

metrics – Underlying Volume Growth, Reduction in Inventory & Account Receivables, and EBITDA & Working Media Growth. These financial and Operating metrics are set internally by the Management Committee and the Board of Directors.

This includes **Stock Option Grants** to incorporate external market performance measures, we grant our CEO stock options at face value. These options vest equally over a three-year period aligning the CEO's interests with the long-term success of the company. The stock options represent approximately 50% of their total compensation which demonstrates a substantial commitment to the company's success and strengthens the alignment between the CEO's performance and shareholder value.

#### **(c) Long Term Incentives (2021):**

A significant portion of the CEO compensation is tied to a long-term outlook and performance of the business which entails performance linked stock grant vesting and a component of cash payout on the achievement of a CAGR on market capitalization over a six-year timeframe. The threshold for the plan is an achievement of target revenue CAGR growth, PAT CAGR growth and relative performance to BSE FMCG index.

## ANNEXURE 'C'

### INFORMATION PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the fiscal year 2022-23; the percentage increase/decrease in the remuneration of each Director, Chief Financial Officer, and Company Secretary during the fiscal year 2022-23; and the comparison of remuneration of each KMP against the performance of the company are as follows:

#### Whole-Time Directors, Chief Financial Officer, and Company Secretary

Sr. No.	Name of the KMP	Designation	Percent Increase/ (Decrease) In Remuneration in the Fiscal Year 2022-23	Ratio of Median Remuneration of Each Director to the Median Remuneration Paid/Payable to all Employees for the Fiscal Year 2022-23
1	Nisaba Godrej	Executive Chairperson	38.84	146.26
2	Sudhir Sitapati	Managing Director & CEO	Please see note below	311.63
3	Sameer Shah	Chief Financial Officer	Please see note below	Not Applicable
4	Rahul Botadara	Company Secretary & Compliance Officer	Please see note below	Not Applicable

**Note:** Mr. Sudhir Sitapati has been appointed as the Managing Director & CEO w.e.f. October 18, 2021, Mr. Sameer Shah has been appointed as Chief Financial Officer and Mr. Rahul Botadara has been appointed as Company Secretary & Compliance Officer w.e.f. September 1, 2021. Since they have been appointed to their new roles in the mid of the fiscal year 2021-22, the remuneration is not comparable and hence percentage change in remuneration is not provided in the table.

Sr. No.	Name of Director	Percent Increase/(Decrease) in Remuneration in the Fiscal Year 2022-23	Ratio of Remuneration of Each Director to the Median Remuneration Paid/Payable to all Employees for the Fiscal Year 2022-23
1	Jamshyd Godrej	(4.35)	4.75
2	Nadir Godrej	-	5.40
3	Tanya Dubash	8.70	5.40
4	Pirojsha Godrej	-	5.40
5	Narendra Ambwani	-	8.86
6	Pippa Armerding	2.50	8.64
7	Omkar Goswami	-	8.64
8	Ndidi Nwuneli	-	8.64
9	Ireena Vittal	-	8.64
10	Sumeet Narang*	-	-

\*Mr. Sumeet Narang has voluntarily waived the remuneration receivable from the company.

**Note:**

- (i) The median remuneration of all the employees of the company for the fiscal year 2022-23: ₹ 4.63 lakhs
- (ii) The percentage decrease in the median remuneration of employees in the fiscal year 2022-23: 12.31%
- (iii) The number of permanent employees on the payrolls of the company as on March 31, 2023: 2510
- (iv) The average percentile increases already made in the salaries of the employees, other than the Managerial Personnel, in the last fiscal year and its comparison with the percentile increase in the managerial remuneration and justification thereof:

Total managerial remuneration comprises the remuneration of the Whole-Time Directors and commission paid to Non-Executive Directors. The Whole-Time Directors' remuneration is as per the resolution approved by the shareholders and will not exceed 10% of the company's net profits as permitted by the Companies Act, 2013. The Non-Executive Directors are also eligible for a sitting fee of 1 lakh per Board meeting attended and 20,000 per committee meeting attended. The shareholders at the AGM

held on July 30, 2018, has authorised the payment of commissions on profits to the Non-Executive Directors at the rate not exceeding 1% of net profits of the company with authority to the Board to determine the manner and proportion in which the amount be distributed among the Non-Executive Directors. The Board has authorised a base commission of ₹ 20 lakhs per annum to each Non-Executive Director. All the Independent Directors are paid an additional commission linked to their attendance at various committee meetings and Independent Directors' meetings. There is no change in the base amount of the commission on profits or sitting fees payable to Non-Executive Directors for attending meetings of the Board/Committee thereof. The percent change in remuneration represents a change in the pay-out based on actual attendance at meetings of the Board or Committee thereof for each of the Non-Executive Directors, compared with that in the previous year.

The average change in the salary of employees other than the Managerial Personnel is a decrease of 14%. This is largely due to lesser performance linked variable remuneration payout to all employees in FY 2022-23 as compared

to previous year. In case of salaries of Key Managerial persons, the figures are not strictly comparable as there were changes in KMP in the mid of FY 2021-22 and the remuneration reflected for FY 2022-23 is for the full year.

- (v) The remuneration is as per the Remuneration Policy of the company.

**ANNEXURE 'D'**

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

**A. Conservation of Energy**

Steps taken or impact of initiatives for conservation of energy, and steps taken by the company to use alternate sources of energy.

**I. North East Cluster**

The total expense on energy savings initiatives is ₹ 83 lacs. A few major energy/water conservation initiatives are as follows:

- Use of DM water in place of Distilled water for Developer batch making in crème manufacturing at New Guwahati, New



- Conso and Lokhra II units. Annual Energy Saving 11765 kwh  
Annual HSD saving – 96 KL
- Replacing Pakona with Ezee 40 gm multitrack machine at Lokhra II, Annual Energy Saving 145981 kwh
- RC-1 , RC-2 and RC-3 motor capacity reduced from 3HP to 1.5 HP at Meghalaya Coil. Annual Energy Savings – 70054 KWH
- Replacement of Pulver 25 hp motor with 15 hp motor at Kalapahar Coil. Annual Energy Savings – 13356 KWH
- Slider for material transfer from 1<sup>st</sup> floor to ground Floor at New Conso. Annual Energy Savings – 33600 KWH
- Crème Colorant process optimization at New Conso. Annual Energy Savings – 11321 KWH  
Annual Water Savings – 225 KL
- One rod heater(3.0KW) reduced in twist filling hopper at Kalapahar AER. Annual Energy Savings – 7488 KWH
- Upgraded Latest version of economizer installation in boiler to reduce diesel consumption at Lokhra li. Annual Energy Savings – 23063 KWH

- Outfeed conveyor of Flow wrap & Pakona interlock with Machine in AER Pocket at Sikkim. Annual Energy Savings – 5670 KWH

#### Awards

- GCPL India Meghalaya Coil unit selected as winner for the prestigious ‘The Machinist Super Shop floor Awards 2022’ in the category “Excellence in Environment, Health and Safety -SME”. The Machinist Super Shop floor Awards are organized by Worldwide Media (WWM), a fully owned subsidiary of The Times of India Group (BCCL).
- Our GCPL Factories have bagged Gold for New Conso, and Silver for Meghalaya Coil, New Guwahati, AER and Sikkim in 4<sup>th</sup> ICC National Occupational Health & Safety Award 2022 by Indian Chamber of Commerce
- Meghalaya Coil has received 4<sup>th</sup> Level Award: PRASHANSA PATRA and AER unit has received “Certificate of Appreciation” in NSCI Safety Award 2022 at Panjim, Goa.
- In 36<sup>th</sup> National Convention on Quality Concepts (NCQC-2022), 15 awards have been

received by our 7 teams including 2 par excellence award in Lean QC and 5 par excellence award in QCC.

## II. North Cluster

### Energy Conservation

The total capital investment on energy savings initiatives is ₹132.76 lakh, and savings in energy consumption is 12.08 lakh KWH per annum, which is equivalent to ₹ 72 lakh per annum. Some of energy conservation initiatives are as follows:

- Power saving due to elimination of 4 banding machine by merging output of 2 wrapping machine.
- Power saving by interlocking of roller conveyors and metal detectors.
- Energy saving by replacing UB cutter pneumatic cylinder with servo motor.
- Modification done in wrapping heater assembly.
- Power saving due to FG & mezzanine floor no. of light reduction.
- Power saving through speed synchronization by interlocking of MPC & eliminate idle running of TRM.
- Cooling tower motor rating reduction by replacement of fan.

- VFD installed in hot well motor pump.
- Replaced normal vacuum pump with VSD vacuum pump.
- Installation of VFD on chiller.
- Streetlights replaced with solar lights.
- Motion control sensor to be fixed in the office cabins.
- Replaced the old servo 3HP motor with 1HP servo motor of wrapping machine.
- Replacement of all old motor with energy efficient motors.
- 625KVA DG replaced with 325KVA DG set. Interchange with another unit.
- Admin office CFL lights convert to LED.
- Intermediate conveyor replaced with SS stand; base of stand made by acrylic sheet & installed LED light for monitoring quality defects. Per day 12.1 KWH & annual 363 KWH.
- Utilization of solar power system-65-70% to be load in solar system.
- Electricity power to be saved through utilization of 1500 KG bulk Mfg facilities in Liu 850KG for lime variant.

- Motion sensor-based lighting to on/-(lights-45watt, light qty-50) 20% lighting electricity to be saved.
- Electricity saving with the help of FBD system in Liu of tray dryer.
- Solar light tubes.
- Maintain the unit PF in electricity bill.
- CD reduction 50KVA.
- Energy saving by remove the idle run of flow wrap conveyor.
- Replacement of air-cooled brine chiller for individual line 2 & 3.
- Replacement of ordinary vacuum pump with VSD vacuum pump.
- Replacement of ordinary motor with energy efficient motor.
- Installation of solar tube lights to eliminate electrical light.
- Energy saving on BDH blower by timer implementation.
- Energy saving by fixing timer for hot water pump.
- Energy saving by removing 2 RC fans at wet stage each drier.

#### **Water Conservation**

The total capital investment on water conservation initiatives is ₹ 8.2 lakh, and savings in water consumption is 750 KL per

annum. The water conservation initiatives are as follows:

- RO waste water start to use for gardening purpose.
- Reuse of RO rejected water.
- Replacement of water cooled air compressor with VSD air cooled compressor in Katha & Kathua.

#### **Awards Won**

- Platinum & Super Star Award in CII National Technology Competition under Manufacturing Category.
- 4 Gold Awards in CII Poka-yoke National Kaizen Competition.
- 5 Silver Award Winner in Poka-yoke & Renovation Category at 41<sup>st</sup> CII National Kaizen Competition.
- 02 Star Challenger Award Winner in Restorative Kaizen at CII Challengers trophy 2022-23
- 2 Par Excellence, 9 Excellence & 2 Distinguish awards in NCQC.

### **III. South Cluster**

#### **Energy Conservation**

The total CAPEX utilized for energy conservation measures in fiscal year was ₹144 lakhs and the Energy conservation initiatives are as follows:

- Reduction in energy consumption by the installation of energy efficiency motors, VFDs, BLDC fans, Electric Screwdriver, Roof top Solar panels have all resulted in Discom Power savings of 2,71,240 Kwh/year covering all units.
- To reduce Carbon Footprint, use of Bio waste fuels, instead of Furnace oil, in our Hot air generators in our Pondicherry Coil Factory, to the extent of 3,835 MT.
- New Roof top Solar panel is installed in Coil 9 and Coil 6 unit with the capacity of 115 and 315 kWp. Roof top Solar panel installed in CONSO unit of capacity 99.6kWp has Generated the power of 1.31 lakhs of units which has saved 138 trees and carbon reduction by 105 MT.

**Water conservation:**

The total CAPEX utilized for Water conservation in fiscal year is ₹20 lakhs and the water conservation initiatives are as follows:

- Use of STP treated water for toilet flushing and gardening purposes.
- Water management using level sensors in water storage tanks.
- Rainwater harvesting system of 1lakh liter capacity in CONSO unit.

- Installation of sensor-based water taps in all the washrooms and Canteen areas.

**Awards**

- CII-EHS: MMN unit has got the Silver award and CONSO unit has got the Bronze Award in CII EHS Excellence Award 2022.
- National Safety Councils Safety Awards: CONSO unit has got the "Certificate of Appreciation" towards NSCI Safety Award 2022.
- CII – Best practices of Work at Height Award has got by Coil 6 unit.
- QCFI – EHS: MMN unit has got the Gold Award.
- CONSO and MMN Unit has won Excellence award and Par Excellence award respectively in 8<sup>th</sup> National 5S Conclave at Goa.
- MMN Unit won Platinum award in QCFI Chennai Chapter 5S Competition.

**Audits**

- Integrated Management Systems (IMS): South Units have successfully completed 3<sup>rd</sup> IMS surveillance audits without any NCs (ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018).
- Marai Malai Nagar (MMN) Unit has successfully

completed QCFI-JUSE 5S Re-Certification audit and obtain the certificate at National Convention at Aurangabad.

**Events**

- Safety theme based monthly celebrations organized in all units for the past 8 years.
- Safety infrastructures provided in the units are Fire detection system, Fire Hydrant Ring main line, Fire snipper system, Machine Guarding, Visitor safety animated Video, Roof lifeline, Skylight sheet mesh protection and Electrical safety etc.
- "World Environment Day" was celebrated based on the theme "Living sustainably in Harmony with nature", and tree saplings were planted in all units.
- The 34<sup>th</sup> National Road Safety was celebrated across the South Cluster based on the theme of "Sadak Suraksha – Jeevan Raksha".
- The 52<sup>nd</sup> National Safety Week was celebrated across the South Cluster based on the theme of "Our Aim Zero Harm".
- 21 Mock Drills are conducted across the South Cluster units to validate Emergency preparedness.

- Women's Day across the South Cluster where various competitions were conducted for contract workers and prizes were distributed to the Winners.
- We donated 15 Nos ECG Machines to government hospitals which posed a challenge in treating cardiac ailments as request from Health secretary of Puducherry on 25<sup>th</sup> November 2022.
- We donated a 60KVA DG Set to Madagadipet Commune Panchayat on 23<sup>rd</sup> September 2022 for the uninterrupted Power supply for the Drinking water pumps which cater to 28 nos Overhead Drinking water Tanks in Madagadipet Village.
- On account of "WORLD HEALTH DAY", we organized exercise event across all the south cluster units, wherein BC and WC employees were participated and did the exercise.
- In order to create the awareness on health diet, we organized "EAT NATURALLY EVENT" across all the units. Contract workers displayed the various healthy natural diet.
- International yoga day was organized in all the units to impart the goodness of yoga and maintain good health.
- 75<sup>th</sup> Independence day celebration done in a grand manner across all the units. Various competitions conducted to all category of employees and prizes distributed to the winners.
- As a part of health awareness creation, we conducted Eye screening program in Conso unit, wherein 127 employees participated and benefited in the camp.
- For COVID-19 Control, we organized Covid Booster Camp across all the units.
- We donated 2 computers and 1 printer to Govt primary school-Nallur as a part of CSR initiatives in developing Children's education.
- As a part of sustaining employee's health, We organized cardio exercise across all the south cluster units during "WORLD HEART DAY" event.
- Prepared Common Health awareness calendar across all the units and awareness program given as per the calendar.
- Children's day celebration done in all the units at nearby Schools.
- As a part of 5s, we did community cleaning at nearby villages.
- Christmas day celebration done for the first time in all the units of south cluster and CONSO unit selected as the runner up across all GCPL Units.
- As a part of GGWW, we organized Make Science fun event in the nearby schools wherein 395 school students benefited.
- Dengue awareness session given in Govt School.
- As a part of building safe work environment, we conducted POSH awareness session in all the units of South Cluster. 80 officers, 92 Blue collar and 1050 Contract Labors covered in this program.
- We renovated 5 Panchayats Public Toilet to improve the sanitation and Hygiene, lead to 500 Villagers benefit.
- We donated Science Life Labs to 30 Government Schools in Karaikkal and Pondicherry to enhance the Students Knowledge.

#### IV. Central West Cluster

The total capex utilized for energy conservation/ Renewable energy measures is ₹ 1140 lac. The energy conservation measures undertaken are as follows:

Under the Renewable & GHG head, following initiatives were implemented:

- Installed 1700 Kwp shed solar panels which reduced load on electricity board and reduced GHG emissions which has resulted in saving of 25 lac unit per annum.
- Maximized usage of Briquette by 4% with respect to fiscal year to reduce gas consumption and fossil fuel usage.

Under Specific Energy Consumption head, the following initiatives were implemented:

- Commissioned energy efficient vacuum pump in place of water ring pump which resulted in saving of power consumption by 2 lac units / annum.
- Evaporative type condenser installation in water chilling unit resulted in saving of 1.2 lac units per annum.
- Installed higher surface area heat exchanger in FADP 3 resulting in improved productivity and 3% reduction in steam consumption (Saving of ₹ 25 LPA ).
- Energy Saving in FSP 2 by improvement in Heat Balance by Heat Exchanger design change resulting in 4% reduction in specific fuel consumption (Saving of ₹ 12 LPA).

- Energy Saving in FADP 2 by improvement in Heat Balance by design change – 2.5% reduction in specific Fuel Consumption.
- Feed and energy improvement in MVC resulted in saving of ₹ 20 lac/annum.
- Reduction in steam & power consumption in new CSP plant resulted in saving of ₹ 138 lacs / annum.
- Installed energy efficient LED lights in offices in place of CFL resulted in reduction of power consumption by 6000 units /annum.
- Installed High flow rate impeller with Motor in process pumps resulted in reduction of power consumption by 1 lac unit/annum.

**Under specific Water Consumption Reduction head:** following initiatives were taken

- Installed rain water harvesting in new soap plant which has resulted in harvesting of approx. 15 lac litres of water / annum.
- In addition, Malanpur team improved productivity of soap noodle & feed rates of chemical plants which contributed in reduction of specific energy consumption.

- Increase in noodle output from 456 MT/day to 565 MT/day (including new CSP) resulting into energy efficient plant operations.
- Increase in FADP feed rates from 482 to 496 MT/day.
- Increase in FSP feed rates from 492 to 502 MT/day.

**Under IOT/Industry 4.0 following projects were completed:**

- Installed 128 numbers of AI based CCTV camera's in boundary of factory to monitor activity which can detect human trespassing and send alerts.
- Installed an integrated high speed soap line 5 & CSP plant which has SCADA system for monitoring of various process parameters which helps in taking timely decision to improve the productivity & reduce down time of plant.
- Installed Radar based Level transmitter along with SCADA for prevention of overflow of oil in storage tanks.
- Online monitoring of soap noodle bag counting in SM2 SCADA for all 3 Bag filling system.
- Installed online OPE measurement in line 2 helped in taking timely decisions to improve efficiency and reduce downtime.

**Awards won by the Malanpur unit**

- GCPL Malanpur received 10 Par Excellence awards, 1 Excellence award and 4 Quiz Awards in the 36<sup>th</sup> National Convention on Quality Concepts 2022, held at Aurangabad, Maharashtra from 27<sup>th</sup> to 30<sup>th</sup> December 2022.
- GCPL Malanpur bagged a total of 17 awards in case study presentation on various topics in the Indian National Suggestions Schemes' Association (INSAAN) held at New Delhi in various categories like Poem/Poster/Slogan Competition.
- GCPL Malanpur received 1 Quality Circle award, 10 LQC awards and 2 5S awards in the Gwalior Chapter of Quality Circle (GCCQC) 2022 held at Gwalior on 3<sup>rd</sup> September 2022.
- GCPL Malanpur received 6 par excellence awards in the 8<sup>th</sup> National conclave on 5S held at Agnel Institute of Technology & Design, Goa held on 25<sup>th</sup> June 2022.
- GCPL Malanpur received certificate of appreciation from NSCI (National Safety Council of India).

**B. Technology Absorption**

The Research and Development function of your organisation played a key role in ensuring the successful launches of the following products during the fiscal year 2022-23:

1. Jumbo Fast Card
2. HIT one push aerosol in Indonesia
3. Roll on
4. AER Power Pocket Range
5. Godrej Professional new shades
6. MG Hair styling Gel
7. Godrej Professional Keracare
8. Stella Mist Diffuser
9. HIT Goodknight LV
10. NYU Crème variants

The current year, like previous years, also saw a sharp focus on consumer-centric and relevant design led innovation. The company put lot of focus on Innovation in new technologies, which gives value for money to the consumer.

**I. R&D Product Categories Initiated by the company**

1. Home Care, which includes household insecticides, air fresheners, and fabric care etc.

2. Personal Care, which includes soaps & toiletries and hygiene range etc.
3. Hair care and hair colours
4. Wet hair and dry hair.

**II. Benefits Derived as a Result of the Above R&D Efforts**

R&D has played pivotal role in developing new technologies in AER, Hair Colours, Personal Wash and HI areas. Strong R&D led initiatives with innovative projects have led to successful launches of several new products in the marketplace in the current fiscal year. The company has launched range of health & hygiene products under different brands and has shown strong agility in development & technology commercialisation. R&D is continuously protecting its Innovations through Design and Product patents. The company has filed several patents both in India and abroad. R&D has played a pivotal role in improving cost optimization across product categories by contributing through both product and process related innovations and improvements.

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

**Future Plan of Action:**

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

1. Ensuring successful commercial launches within

Hair Care, Household Insecticides, Room Freshner and personal care categories for the coming year.

2. Engaging in providing support on global innovation strategies for various product categories within our international businesses and extending support on relevant product development for international markets.
3. Focusing on newer consumer relevant product experiences

within all categories such as Household Insecticides, Hair Care, AER, Fabric Care and Health & Hygiene.

4. Maintaining a strong focus on R&D training needs and people development.
5. Partnering collaborations with external stake holders and leading Institutions.
6. Sustainability in the core of Packaging and product.

**C. Expenditure on R&D**

	Fiscal Year 2022-23	Fiscal Year 2021-22
Capital	0.97	0.08
Recurring	21.20	20.57
<b>Total</b>	<b>22.17</b>	<b>20.66</b>
Total R&D expenditure as a percentage of total sales turnover	0.29%	0.30%

**D. Foreign Exchange Earnings and Outgo**

	Fiscal Year 2022-23	Fiscal Year 2021-22
I. Foreign exchange used	618.92	737.10
II. Foreign exchange earned	292.18	264.49

**ANNEXURE 'E'****CSR REPORT**

**A brief outline of the Company's CSR Policy, including an overview of projects or programmes proposed to be undertaken, with a URL to the CSR Policy and initiatives**

GCPL is committed to the Godrej Group's 'Good & Green' vision of creating a more inclusive and

greener world. The GCPL CSR policy focuses on addressing the critical social, environmental, and economic needs of the marginalised and less privileged sections of society. We adopt an approach that integrates the solutions to these problems into the strategy of the Company to benefit communities at large and deliver social and environmental impact. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act,

2013. The policy as well as projects and programmes under the CSR Policy are available on the Company website and can be accessed through the following link<sup>[13]</sup>.

An overview of the projects or programmes undertaken during the fiscal year 2022-23 is given below. We have aligned our programmes to national priorities and missions, and they are categorised as follows.

<sup>[13]</sup> <https://godrejcp.com/sustainability/codes-and-policies>

## **A. Community Development**

Godrej believes in people, planet, profit – meaning our focus is to improve and support people and communities, work towards sustainable environment and be a responsible company. As a part of our people focus, we work very closely with the communities around our operations. We understand that the need of every community may be different based on a lot of factors; the focus is to drive interventions that are need based and through the participation of the people. Through our various community projects focused on access to WASH, education, health, justice and entitlements, we have been able to unlock INR 1 cr of direct cash benefit and INR 50+ cr worth of insurance coverage by unlocking govt. schemes and benefits.

### **WASH**

Responding to the situation of depleting sanitation condition in schools, we constructed 4 toilets in a primary school in Meghalaya, and repaired one public toilet in Pondicherry, thus providing better and hygiene and sanitation to 250 students and over 1,000 people respectively.

Access to water is a major challenge in many locations. For communities to access drinking water – we constructed a borewell in Kathua, an under-ground water tank in Bari Brahma, renovated existing drinking

water facility in Meghalaya, provided a gen-set and trolley to draw ground water in Karaikal which will provide water to 6,000 people. Further, in Malanpur we installed Roof Rainwater Harvesting Systems in all community buildings in 4 villages, aiming at saving 1,565 KL of water per year going forward.

### **Enabling quality education**

Promoting STEM education, STEM labs were set up in 30 schools across Pondicherry and Karaikal, catering to over 3,800 students from low-income backgrounds. A computer lab and a classroom were set up in Kathua while classrooms were renovated in a primary school in Bari Brahma. In addition, 150 destitute children were supported in Mumbai by supporting their access to a safe and enabling living environment and quality education.

### **Access to better health**

We support health infrastructure around our operations to ensure quality and timely access to health services for the people. We donated 5 OT tables and 1 anaesthesia station in Guwahati Medical College & Hospital. The hospital caters to over 500 patients daily.

In Mumbai, we provide food kits to 200 TB patients and their families on a monthly basis, in partnership with Brihanmumbai Municipal Corporation under the TB Mukta Bharat Abhiyan.

### **Access to entitlements**

National and state government have introduced various welfare schemes to support the most vulnerable population and often, the target beneficiaries are unaware of the schemes or the process to access it. We at GCPL are working with our non-profit partners to provide awareness about and access to these schemes to communities around our factories. In Jammu, Baddi, and Malanpur, we helped unlock over INR 1 cr of direct cash benefit and INR 50+ cr worth of insurance coverage by unlocking govt. schemes and benefits (Jammu, Baddi, Malanpur) for close to 8,000 people and their families.

### **Access to justice for women**

While we have a robust justice system in India; however, accessing those especially by the most vulnerable and illiterate population can be a strenuous task – which may lead to further trauma for people already suffering from social challenges. To enable access to justice, a social justice centre was set up in the District Court in Bhand, especially for women – which has resulted in 15% increase in women accessing the same.

### **Disaster support**

The flood situation in Assam in June – July 2022 was very bad with over 55 lakh people across 32 out of 35 districts in the state affected. The worst affected districts were Barpeta, Cachar, Dima Hasao, Kamrup, and Karimganj. The



death toll figures crossed 100 people with extensive damage to property, farm animals, and agricultural land. Though partnerships with the district administration of Kamrup, and civil society implementation, we supported over 5,800 families affected by Assam floods were supported through flood relief food packets, support to revive livelihoods in the form of seeds and animal feed.

## **B. Employability and Livelihoods**

At Godrej, we collaborate with non-profit organisations and social enterprises to design and run several skilling programmes for youth from low-income sections of society. We aim to improve the earning potential of our trainees by building their skills and by empowering them. Apart from core domain skills, our programmes also focus on life skills training, entrepreneurship development, and postplacement support.

As of March 2023, we have trained over 4,47,000 young people in skills that will enhance their earning potential. Our projects are:

- Salon-i—our beauty and hair care training
- Beauty-preneur (BP), Home-preneur (HP) and Barber-preneur platform for nano and micro entrepreneurs in beauty industry

In Salon-I, we trained 2,900 young girls this year. Of this over 60% of the trainees were either placed in jobs or

opted for self-employment by setting up a small beauty parlour at home. The trainees who are placed have received an average starting salary of INR 4,500 per month. 80% of these trainees are first time job seekers and also first generation of females participating in workforce. In addition, we ran a pilot on providing conversational English learning platform to 500 trainees. Over 40% of them have shown improvement in learning and basic English conversational levels. This was introduced to boost their confidence in interacting with clients and improving their scope of placement at high end beauty-parlours.

As an extension of Salon-i, we support women micro entrepreneurs in the beauty and wellness sector in various parts of the country to grow their businesses. The Beautypreneur project aims to handhold nano entrepreneurs to help them stabilise and expand their enterprises. Since the fiscal year 2016-17, we have supported over 8,660 women entrepreneurs and in FY23 we welcomed 3,369 new entrepreneurs to the cohort. In addition, we have expanded our work with barbers and have trained and supported over 240 young men to on advanced hair styling skills and enterprise development.

In FY23, we also introduced short workshops wherein our trainers would teach specific topics and services to the participants. This

was introduced to provide women interested in skilling and upskilling themselves on certain areas in beauty and wellness – who may not be able to commit to a long-term training programme. Through these workshops, we reached over 7,163 women plus alumnis.

## **C. Elimination of Vector-Borne Endemic Diseases**

Project EMBED (Elimination of Vector-Borne Endemic Diseases) started in 2015 in Madhya Pradesh in partnership with the Ministry of Health & Family Welfare's National Centre for Vector Borne Diseases Control (erstwhile NVBDCP) focusing on malaria elimination in line with the Government of India's mission. Over the past 8 years, we extended our initiative to Madhya Pradesh, Uttar Pradesh and Chhattisgarh, and in FY 21, we extended our focus on dengue and chikungunya prevention in urban areas. We collaborate with NGOs and state governments to run intensive behaviour change programmes in regions with a high annual parasite index, where the case burden is the highest. We work in each location for 3 years, spreading awareness among households and people at the bottom of the pyramid and vulnerable and marginalised groups.

Our urban dengue and chikungunya project in five cities focuses on increasing the awareness of urban poor communities regarding the spread of mosquito-borne

diseases and educating them regarding how to keep their families and communities safe. The project runs in Bhopal and Gwalior in Madhya Pradesh and Lucknow and Kanpur in Uttar Pradesh. It aims to reduce dengue and chikungunya cases and associated mortality. Our third project under EMBED focused on providing technical support to the Government of India and Government of Uttar Pradesh to help develop an integrated vector management protocol and support the roll out of the same in endemic states. In FY23, we organised 1 national dengue conclave with NVBDCP in Delhi and 1 state dengue conclave in Lucknow, Uttar Pradesh.

In FY23, in addition to above we piloted a Civic action model of equipping community citizens – women and youth to take leadership in their communities for prevention of dengue. We ran awareness sessions for these select volunteers and equipped them with information on detection of larvae and working collaboratively with municipal corporation for prevention of dengue. We ran the pilot in Mumbai (Maharashtra), Ahmedabad (Gujarat), Delhi, Lucknow, and Kanpur (Uttar Pradesh).

- In our rural malaria project, we have met the target of zero malaria cases in 4 out of 9 districts (Mirzapur & Sonbhadra in UP and Sheopur and Shivpuri in MP). Further, we have seen a 44% reduction in SPR and

treatment completion rate is up by 18%.

- Increase in fever testing up by 332% and there has been 36% reduction in Dengue cases in intervention geographies. This has to a large part been due to our successful integration with communities and cross linkages between different municipal departments.
- Finally, we partnered with the National Centre for Vector Borne Diseases Control (NCVBDC) to organise a 'Technical Symposium on Dengue' in New Delhi on 22 & 23 March 2023, under the Chairmanship of Union Secretary, Ministry of Health & Family Welfare. The main objective of this Symposium was to develop a strategic plan and roadmap for Dengue control in India along with inputs from endemic states. A draft plan has been created and will be finalised and implemented by August 2023. This framework will become the foundation for GoI and all endemic states to manage and control Dengue, Chikungunya and Zika type diseases.

Through the successful implementation of all three projects, by the fiscal year 2025-26, we aim to protect 30 million people against vector-borne diseases.

#### **D. Waste Management**

As a global FMCG player and responsible corporate citizen, GCPL is committed to reducing waste across all its plants, processes, products, and supply chain. To this end we have been sending zero waste to landfills from our manufacturing units for the last 4 fiscal years. Beyond addressing the waste from our manufacturing processes, GCPL recognises its responsibility to work with communities to manage waste. We do this not just by collecting back 100% of the plastic waste we generate every year as per Indian EPR laws, but we go beyond and work with civic agencies, social enterprises, and citizens' groups to ensure that we work in partnership to increase reuse of material and recycle as much as possible.

To this end we are invested in helping communities around our offices and plant locations identify and mitigate their waste related issues through a variety of interventions by using circular economy principles.

Since the fiscal year 2020-21, we have partnered with the Puducherry Municipal Corporation to implement a community waste management project reaching out to over 200,000 people. We are digitally tracking the waste management process and raising awareness on door-to-door collection and source segregation. We have

diverted over 541 MT of waste from landfills through clean-up drives and have set up a sanitation park which now processes 4TPD of waste. We provided 385 waste workers access to medical camps. Further, the implementation team has proposed a detailed project plan to the Govt. of Puducherry with an action plan for sustainable waste management solutions for the state. This DPR has become the basis for the new tenders being released by the government.

In September 2022, we initiated an end to end waste management project in the newly formed Malanpur Nagar Parishad, where one of GCPL's oldest and biggest factories is based. The 3 year project will operate in all 15 wards of the Nagar Parishad with the aim of sending zero waste to landfill and breaking even on the operational cost of solid waste management by year 3. In FY23, the project has diverted 383 MT of waste from landfills.

GCPL has initiated an integrated decentralised solid waste management system in

Palashbari Municipal Board in Kamrup district of Assam in October 2022. Kamrup district currently houses several GCPL manufacturing units. The project will cover all 10 wards of the municipality as well as surrounding commercial zones that are open to partnering, in order to reach optimal capacity and break even from an operational cost perspective. In FY23, the project has diverted 125 MT of waste from landfills.

Baddi in Solan district of Himachal Pradesh houses two GCPL factories. Kasauli is one of the well known tourist destinations in Solan district and initiated a municipal waste management project to tackle the growing garbage issue in the region which mars the natural beauty of the geography. In FY23, we undertook a detailed baseline assessment in Kasauli cantonment area and 5 surrounding Panchayats (local population from 2011 census is ~8,000 + 35,000 tourists annually). Apart from the baseline, we also conducted several cleaning drives around

garbage blackspots, set up waste themed art installations to create interest in citizens and tourists, and worked with school children to build awareness about the issue. Through this project, we have been able to divert 325 kg of waste via cleaning drives. The full scale implementation will begin in FY24.

The state of Goa is one of the largest tourist hubs in the country and therefore needs to continually focus on waste management to ensure its natural beauty does not get negatively impacted. In FY23, GCPL in partnership with Goa State Pollution Control Board and Goa Waste Management Corporation, initiated a three year waste management project with Bicholim and Sattari Municipal Councils. The project is being implemented by Mineral Foundation of Goa (MFG) in partnership with Sampurna Earth. This project will cater to ~2.9 lakh people in the region. In FY23, the project has diverted 678 MT of waste from landfill.

**ANNEXURE -II FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020**

**1. Brief outline on CSR Policy of the Company.**

GCPL is committed to the Godrej Group's 'Good & Green' vision of creating a more inclusive and greener India. The GCPL CSR policy focuses on addressing the critical social, environmental, and economic needs of the marginalised and less privileged sections of society. We adopt an approach that integrates the solutions to these problems into the strategy of the Company to benefit communities at large and deliver social and environmental impacts. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013. The policy as well as projects and programmes under the CSR Policy are available on the Company website and can be accessed through the following link<sup>[14]</sup>.

**2. Composition of CSR Committee:**

Sr. No.	DIN	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	00591503	Nisaba Godrej	Executive Chairperson	2	2
2	00066195	Nadir Godrej	Non-Executive Director	2	2
3	00026028	Tanya Dubash	Non-Executive Director	2	1
4	00236658	Narendra Ambwani	Independent Director	2	2
5	09197063	Sudhir Sitapati	Managing Director & CEO	2	2

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

<https://www.godrejcp.com/sustainability/codes-and-policies>

<https://www.godrejcp.com/sustainability>

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).**

No impact assessments were conducted as no projects qualified as per MCA guidelines.

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Over and above 2% mandatory spend for the FY, INR 2.45 Crore is spent in lieu of CSR spends of FY14-15. A capital asset (briquette based boiler) was acquired by the company in FY 2014-15 wherein an investment of ₹9.32 Crore was treated as CSR expense as per the then prevailing rules, it was informed that such part of that asset cannot be alienated. The total spend that was required to be spent in FY15 was ₹ 12.41 Crore, however, the Company actually spent ₹ 16.08 Crore, largely due to the excess amount spent towards the investment in the Briquette boiler. The GCPL Board recommended that the asset would not be classified as CSR asset and the perceived underspend of ₹5.81 Crore (excluding overheads) in FY 2014-15 would be spent in FY23 and FY24, in addition to the statutory CSR obligation for the respective years.

<sup>[14]</sup> <https://www.godrejcp.com/sustainability/codes-and-policies>

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1	FY2022-23	NIL	-

**6. Average net profit of the company as per section 135(5).**

₹ 1599.70 Crore

**7. (a) Two percent of average net profit of the company as per section 135(5)**

₹ 31.99 Crore

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years

NA

(c) Amount required to be set off for the financial year, if any

NA

(d) Total CSR obligation for the financial year (7a+7b+7c).

₹ 31.99 Crore

**8. (a) CSR amount spent or unspent for the financial year:**

(₹ Crore)

Total Amount Spent for the Financial Year	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
31.69	0.30	21 April 2023	-	-	-

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

(₹ Crore)												
1	2	3	4	5	6	7	8	9	10	11		
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location Of the project	Project duration	Amount allocated for the project	Amount spent in the current FY	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation (Direct) (Yes/No)	Mode of Implementation - Through Implementing Agency		
				State	Districts						Name	CSR Registration no
1	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	GJ, MH, RJ, UP	Palanpur, Ahmedabad, Banaskantha, Baroda, Verawal, Surat	24	3.51	3.44	0.07	No	Saath Charitable Trust	CSR00000021
2	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	UP, KA, TN	Lucknow, Barabanki, Sitapur, Raibareilly, Mandya, Mysore, Chamrajnagar, Mangalore, Uttarkanda, Shimogga, Madurai, Selam, Coimbatore, Trichy	24	1.49	1.49	-	No	Vrutti	CSR000000538
3	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	MH	Mumbai, Pune, Nagpur	24	1.37	1.37	-	No	Save the Children India (Vipla Foundation)	CSR000001158
4	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	Delhi	Delhi central	14	0.32	0.32	-	No	Dhriti	CSR00001800
5	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	GJ	Dholka, Mehsana, Kadi, Kalol	14	0.64	0.64	-	No	Friends of the Women World Banking	CSR000000871

(₹ Crore)											
1	2	3	4	5	6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location Of the project	Project duration	Amount allocated for the project	Amount spent in the current FY	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implem-entation (Direct) (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	Districts			Name	CSR Registration no		
6	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	Assam Guwahati	24	0.88	0.88	-	No	Access Development	CSR00002703
7	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	MH Satara, Chiplun, Kamothe, Pune, Kolhapur	14	0.46	0.46	-	No	Mamdeshi Foundation	CSR0001923
8	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	Delhi Delhi central	14	0.13	0.13	-	No	Delhi Council for Child Welfare	CSR00005527
9	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	CH, MP, UP, WB, RJ, GJ, HP Bhatapura, Chindwara, Dabri, Mathura, Sankraji, Jaitaran, Nagaur, Chirawa, Gandhinagar, Nalaghar	14	0.91	0.91	-	No	Ambuja Cement Foundation	CSR00006913
10	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	UP Loni	14	0.18	0.18	-	No	Hope Foundation	CSR00000472
11	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	MH Mumbai	14	0.24	0.24	-	No	Ekiavya Foundation	CSR00013122
12	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	MH Mumbai	14	0.24	0.24	-	Yes	NA	NA
13	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	Maharashtra Mumbai	4	0.09	0.09	-	Yes	NA	NA

(₹ Crore)

1	2	3	4	5	6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location Of the project	Project duration	Amount allocated for the project	Amount spent in the current FY	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implem -entation (Direct) (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	Districts	Name					CSR Registration no
14	Salon-i	Schedule VII (i) livelihood enhancement projects	No	Maharashtra Mumbai	6	0.10	0.10	-	Yes	NA	NA
15	Salon-i	Schedule VII (i) livelihood enhancement projects	No	Maharashtra Mumbai	12	0.59	0.59	-	Yes	NA	NA
16	EMBED rural	Schedule VII (i) promoting preventive healthcare	No	UP, MP, CH Shivpuri, Sheopur, Balaghat Bareilly, Badaun, Mirzapur, Sonbhadra Bastar, Kondagaon	14	5.07	5.07	-	No	Family Health India	CSR00001169
17	EMBED urban	Schedule VII (i) promoting preventive healthcare	No	UP, MP, CH Shivpuri, Sheopur, Balaghat Bareilly, Badaun, Mirzapur, Sonbhadra Bastar, Kondagaon	14	4.60	4.60	-	No	Family Health India	CSR00001169
18	EMBED -IVM	Schedule VII (i) promoting preventive healthcare	No	Delhi, UP Delhi central, Lucknow	14	2.72	2.51	0.21	No	Centre for Health Research & Innovation	CSR00004757
19	EMBED - Civic action	Schedule VII (i) promoting preventive healthcare	No	MH Mumbai	14	0.34	0.34	-	No	Civis	CSR00020458
20	EMBED - Civic action	Schedule VII (i) promoting preventive healthcare	No	GJ, Delhi Ahmedabad, Delhi	14	0.21	0.21	-	No	Mahila Housing Trust	CSR00001364



(₹ Crore)											
1	2	3	4	5	6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location Of the project	Project duration	Amount allocated for the project	Amount spent in the current FY	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implem-entation (Direct) (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	Districts			Name	CSR Registration no		
21	Waste management	Schedule VII (iv) environment sustainability	Yes	MP	Blind	36	0.54	0.54	No	Feedback Foundation	CSR00004049
22	Waste management	Schedule VII (iv) environment sustainability	Yes	Assam	Kamrup	36	0.50	0.50	No	Feedback Foundation	CSR00004049
23	Waste management	Schedule VII (iv) environment sustainability	Yes	Goa	North Goa	36	0.65	0.65	No	Mineral Foundation of Goa	CSR00033496
24	Waste management	Schedule VII (iv) environment sustainability	Yes	HP	Solan	36	0.43	0.43	No	Waste Warriors Society	CSR00002589
25	Waste management	Schedule VII (iv) environment sustainability	Yes	Pondl	Pondl	14	0.14	0.14	Yes	Recity	NA
26	Waste management	Schedule VII (iv) environment sustainability	No	MH	Mumbai	14	0.23	0.23	Yes	Dasra	NA
27	Community projects	Schedule VII (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Assam	Guwahati	14	0.40	0.40	No	Habitat for Humanity India Trust	CSR00000402
28	Community projects	Schedule VII (ii) Promoting Education	No	MH	Mumbai	14	0.48	0.48	No	Intitute of Chemical Technology	CSR00006632
29	Community projects	Schedule VII (vii) Promoting nationally recognised sports	No	MH	Mumbai	14	0.35	0.35	No	Olympic Gold Quest	CSR00001100
30	Community projects	Schedule VII (ii) Promoting Education	No	MH	Mumbai	14	1.00	1.00	No	Asha Sadan	CSR00002137

(₹ Crore)

1	2	3	4	5	6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location Of the project	Project duration	Amount allocated for the project	Amount spent in the current FY	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implem-entation (Direct) (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	Districts	Name	CSR Registration no				
31	Community projects	Schedule VII (i) promoting preventive healthcare	Yes	MH	Mumbai	14	0.15	0.02	No	Niramaya Health Foundation	CSR00000186
32	Community projects	Schedule VII (i) promoting preventive healthcare	No	MH	Mumbai	14	0.20	-	No	Live Love Laugh Foundation	CSR00012198
33	Community projects	Schedule VII (ii) Promoting Education	Yes	MH	Mumbai	14	1.40	-	No	Teach To Lead	CSR00002271
34	Community projects	Schedule VII (ii) Promoting Education	No	MH	Mumbai	14	0.59	-	Yes	NA	NA
<b>TOTAL</b>						<b>31.15</b>	<b>30.84</b>	<b>0.30</b>			

(c) Details of CSR amount spent against other than ongoing projects for the financial year: NA

(d) Amount spent in Administrative Overheads

₹ 0.85 Crore

(e) Amount spent on Impact Assessment, if applicable.

NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

₹ 31.69 Crore

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 31.99 Crore
(ii)	Total amount spent for the Financial Year	₹ 31.69 Crore
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

(₹ Crore)

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years
				Name of the Fund	Amount	Date of Transfer	
1	FY21-22	6.24	5.89	-	0.35	-	0.35
2	FY20-21	0.51	0.51	-	-	-	-
3	FY19-20	-	-	-	-	-	-
	TOTAL	6.75	6.40	-	-	-	0.35

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(₹ Crore)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project – Completed / Ongoing
1	Watershed	2017	40 months	1.80	0.31	1.40	Ongoing
2	Briquetting	2018	40 months	0.92	0.92	0.92	Ongoing
3	Covid recovery	2022	14 months	0.76	0.18	0.76	Completed
4	Covid recovery	2022	14 months	0.22	0.11	0.22	Completed
5	Covid recovery	2022	14 months	0.13	0.07	0.13	Completed
6	Covid recovery	2022	36 months	0.41	0.11	0.35	Ongoing

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project – Completed / Ongoing
7	Covid recovery	2022	14 months	0.44	0.02	0.44	Completed
8	Beauty-preneur	2022	36 months	0.41	0.16	0.41	Ongoing
9	Beauty-preneur	2022	36 months	0.26	0.21	0.26	Ongoing
10	Beauty-preneur	2022	24 months	0.23	0.07	0.23	Completed
11	Beauty-preneur	2022	14 months	0.14	0.04	0.14	Ongoing
12	Beauty-preneur	2022	24 months	0.25	0.10	0.25	Ongoing
13	Beauty-preneur	2022	24 months	0.21	0.001	0.21	Completed
14	Beauty-preneur	2022	14 months	0.18	0.09	0.18	Completed
15	EMBED	2022	24 months	3.43	0.54	3.43	Ongoing
16	EMBED	2022	24 months	1.63	0.56	1.63	Ongoing
17	EMBED	2022	24 months	2.35	0.70	2.35	Ongoing
18	EMBED	2022	24 months	0.22	0.06	0.22	Completed
19	Waste management	2022	36 months	4.05	1.87	3.77	Ongoing
20	Community	2022	24 months	0.17	0.08	0.17	Completed
21	Beauty-preneur	2021	36 months	0.75	0.19	0.75	Completed
				<b>6.40</b>			

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spend in the financial year (asset-wise details).**

(₹ Crore)				
Sr. No.	Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital)
NIL				

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).**

GCPL spent 99% of its spend target in FY23 and only 1% remained unutilised under ongoing projects. INR 30.44 lakhs (0.9% of spend target) was transferred by three IPs in Apr 2023. The amount remaining unutilised was due to delays in project implementation by project partners.

Sd/-  
Sudhir Sitapati  
Managing Director & Chief Executive Officer

Sd/-  
Nadir Godrej  
Chairman of CSR Committee

## ANNEXURE 'F'

**AS PER THE DISCLOSURE REQUIREMENT SPECIFIED UNDER THE SEBI (SHARE-BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AND SECTION 62 (1) (B) OF THE COMPANIES ACT, 2013 READ WITH RULE 12 (9) OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES), RULES, 2014, THE FOLLOWING INFORMATION IS DISCLOSED IN RESPECT OF EMPLOYEE STOCK BENEFIT PLANS:**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Godrej Consumer Products Limited Employee Stock Grant Scheme</b>
1	Date of shareholders' approval for the options granted under the scheme	March 18, 2011
2	Total number of options approved for grants under the Scheme	25,00,000
3	Vesting requirements	As specified by the Nomination and Remuneration Committee, subject to minimum 1 year from the date of grant
4	Exercise price or pricing formula	₹ 1 per share
5	Maximum term of options granted	As may be decided by the Nomination and Remuneration Committee as per the prevalent regulatory provisions
6	Source of shares	Direct allotment
7	Variation of terms of options	None
8	Number of options outstanding as on April 1, 2022	6,16,102
9	Number of fresh options granted during the year	5,29,432
10	Number of options lapsed during the year	41,060
11	Number of options vested during the year	1,16,416
12	Number of options exercised during the year	1,14,239
13	Number of shares arising as a result of exercise of options	1,14,239
14	Money realised by exercise of options	1,14,239
15	Number of options outstanding and exercisable at the end of the year	9,90,235
16	Method used to account for the options	The company has calculated the employee compensation cost using the fair value of stock options, in accordance with IND AS
17	Weighted-average exercise prices and weighted-average fair values of options (shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock)	Exercise price: ₹ 1.00 per share Fair value: ₹ 824.69
18	Employee-wise details of options granted to —	
	i) Senior Managerial Personnel	
	ii) Any other employee who receives a grant in any one year of option amounting to 5 per cent or more of the option granted during that year	As per Note 1 below
	iii) Identified employees who were granted option, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil
19	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (IND AS) 33 'EPS'	₹ 14.80 per share (standalone) ₹ 16.65 per share (consolidated)
20	Description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	The fair value of the options granted has been calculated using the Black-Scholes Options pricing formula, and the significant assumptions made in this regard are as follows:
	i) Risk-free interest rate	6.36 per cent
	ii) Expected life	2.58 years
	iii) Expected volatility	35.72 per cent
	iv) Expected dividends	NIL
	v) The price of the underlying share in the market at the time of option grant	₹ 900.15

**Note 1: Employee-wise details of options granted to Senior Managerial Personnel and details of options granted more than 5 per cent in 1 year**

	Granted in fiscal year 2020-21 and outstanding as at March 31, 2023	Granted in fiscal year 2021-22 and outstanding as at March 31, 2023	Granted in fiscal year 2022-23 and outstanding as at March 31, 2023	Total outstanding options as at March 31, 2023
Venkateswara Yadlapalli, Head – R&D	600	851	42674*	44125
Omar Momin, Head - M&A	1000	1419	42674*	45093
Vijaykumar Kannan, Head – Business Transformation and Digital	-	-	42394*	42394
Robert Menzies, Head - Category & Innovation	1250	1773	44679*	47702
Sameer Shah, Chief Financial Officer	600	851	44679*	46130
Sudhir Sitapati, Managing Director & CEO	-	4,39,462*	92,329*	5,31,791
Rajesh Sethuraman, Business Head - Indonesia	-	-	80,970*	80,970

\*Option granted was more than 5 per cent of the options granted in 1 year

**ANNEXURE 'G'**

**Form No MR – 3**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,  
Godrej Consumer Products Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and

other records maintained by the company as well as the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner reported and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by company, for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; \*

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients; (Not applicable)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable)

\* Initially, in the Structural Digital Database (SDD), the company did not enter the names of designated persons with whom the information was shared within the organisation, however, afterwards they started entering the same. During the year under review,

BSE Limited had carried out inspection of the Structured Digital Database maintained by the Company and the Company has responded to the observations / queries raised by BSE Limited.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 / the Listing Agreements entered into by the Company with the BSE Limited and The National Stock Exchange of India Limited.

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

The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on their sector/industry are:

- a. Insecticide Act, 1968 and rules made thereunder.
- b. Legal Metrology Act and rules made thereunder.
- c. Drugs & Cosmetics Act, 1940.

**We report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied

with the above laws applicable specifically to the Company.

**We further report that**

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

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

All the decisions were passed by majority in the meetings of the Board and there were no dissenting views from the Board members.

**We further report** that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company has taken appropriate action against whistle blower complaints received.

We further report that during the audit period the company has:

1. Issued shares upon exercise of options under Employee Stock Grant Scheme, 2011

2. Passed Ordinary resolution for re-appointment of Ms. Nisaba Godrej as Whole time Director designated as "Executive Chairperson" for a period of five years from October 1, 2022 to September 30, 2027.

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

Bhavana Shewakramani  
Partner  
FCS - 8636, COP – 9577  
UDIN - F008636E000285871

Place: Thane  
Date : 10<sup>th</sup> May, 2023

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

**'Annexure A'**

The Members,  
Godrej Consumer Products Limited

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

1. Maintenance of Statutory and other records are the responsibility of the management of the company. Our responsibility is to express an opinion on these records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain

reasonable assurances about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of the financial records and books of Accounts of the company. We have relied on the report of the Statutory Auditor in respect of the same as per the guidance of the Institute of Company Secretaries of India.
4. We have conducted our audit on the basis of details / documents provided by company through email and/ or other digital mode. We had visited the client for few clarifications.

5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

6. The Company is following a system of obtaining reports from various departments

to ensure compliance with applicable laws. The company is following an electronic compliance management system for compliance management to ensure compliance with applicable laws, rules, regulations and guidelines.

7. The compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
8. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

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

Bhavana Shewakramani  
Partner  
FCS - 8636, COP – 9577

Place: Thane  
Date : 10<sup>th</sup> May, 2023



## **ANNEXURE 'H'**

### **Certificate from Practicing Company Secretary on Compliance with Corporate Governance**

To,  
The Members,  
**Godrej Consumer Products Limited**

We have examined the compliance of conditions of corporate governance by Godrej Consumer Products Limited ('the company') to the year ended on March 31<sup>st</sup> 2023, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('Listing Regulation').

#### **Management Responsibility**

The Compliance of conditions of Corporate Governance is the responsibility of the Company's

Management including the preparation and maintenance of all relevant supporting records and documents.

#### **PCS Responsibility**

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulations as applicable during the year ended March 31, 2023.

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

#### **Restriction on use**

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable any other purpose.

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

Bhavana Shewakramani  
Partner  
FCS -8636, COP -9577  
UDIN:- F008636E000285891

Place: Thane  
Date : 10<sup>th</sup> May, 2023

# Report on Corporate Governance

## Company's Philosophy On Corporate Governance

Corporate governance refers to the framework of rules and practices through which the Board of Directors ensures accountability, fairness, and transparency in a company's relationship with all its stakeholders.

The Company is a part of over 125 year young Godrej Group, which has established a reputation for honesty, integrity, and sound governance. Its philosophy on corporate governance envisages attaining the highest levels of transparency, accountability, and equity in all facets of its operations and interactions – whether it is with shareholders, employees, lenders, or the government. The Company is committed to achieve and maintain the highest standards of corporate governance. It believes that all its actions must serve the underlying goal of enhancing the overall stakeholder value over a sustained period.

### 1. BOARD OF DIRECTORS

Godrej Consumer Products Limited's (GCPL) corporate governance practices are shaped by its Board of Directors. The Board is committed to protect the long-term interests of all our

stakeholders, and considering this, it provides objective and prudent guidance to the management. Information related to the procedures, composition, committees, and several other factors of the Board is provided below.

#### A. Board procedures and effectiveness

Effective corporate governance is vital to us. The effectiveness of our Board of Directors, in particular, plays a critical role in the overall functioning and growth of our company. Our processes ensure that our Board is aligned with the interests of our shareholders and is consistently striving to enhance its performance.

GCPL currently has a 12-member Board, with 6 Independent Directors who are eminent professionals from diverse fields, with expertise in finance, information systems, marketing, and corporate strategy. None of the Independent Directors have had any material

association with the Godrej Group in the past. The Board of Directors also confirms that Independent Directors fulfil conditions specified in Listing Regulations and are independent of management. In line with the accepted best practices, to strengthen the focus and quality of discussion at the Board, GCPL's Board has appointed Ms. Ireena Vittal as the lead Independent Director. She has the following responsibilities:

- Provide leadership to the Independent Directors, chair the Independent Directors meeting;
- Liaise on their behalf and ensure the Board's effectiveness to maintain high-quality governance of the organization;
- Taking a lead role, along with Chairperson in the Board evaluation process;

- Any other role as may be assigned by the Board

**(i) Meeting and Attendance Requirements**

The Board meets at least once in a quarter to review the Company's quarterly performance and financial results. The Board meetings are governed with a structured agenda. The Board periodically reviews compliance reports with respect to laws and regulations applicable to the Company.

Regular participation in the Board Meetings is crucial for the smooth functioning of the Board. It ensures that all the Board members are on the same page and are actively contributing to the decision-making process.

Our average Board meeting attendance for FY 2022-23 stands at 96.03% of all meetings of the board of directors. The regulations require that every Board Meeting must have at least one-third of the Board members present i.e. 33% of the Board strength including at least one Independent Director. This requirement serves

to guarantee that every Board member is sufficiently involved in the Board's activities and decisions.

Before the commencement of the Audit Committee meeting, the Independent Directors are given an opportunity to have separate discussions with Internal Auditor and Statutory Auditors, without the presence of the management team. For all major items, comprehensive background information is provided to the Board members to enable them to take an informed decision.

Once a year, the Board members participate in a strategy meeting, in which they also interact with the management team of the Company. Every quarter, the Independent Directors also have a meeting among themselves, after which they provide their insights to the Chairperson.

**(ii) Board Performance Assessment**

Performance assessment is key to maintaining and enhancing the effectiveness of our Board. As part of our

commitment to this, we conduct a formal Board Effectiveness Review in line with the requirements of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The process is designed and executed by our Corporate HR team in close collaboration with the Chairperson and the Nomination and Remuneration Committee of the Board. As a part of the assessment, each Board member completed a confidential online questionnaire, providing essential feedback on the Board's operations and potential areas for the improvement. They also completed a self-assessment of their effectiveness, ensuring a comprehensive and balanced evaluation of our Board's performance.

Familiarisation programmes for the Independent Directors covered topics such as the Annual Operating Plan for the fiscal year 2022-23, Global Categories Structures & Initiatives and Cluster wise performance and financial updates. The details of the same are available on the website

of the Company and can be accessed through the following link<sup>[1]</sup>

**(iii) Board Election Process**

The process by which Board members are elected plays a crucial role in ensuring their accountability. The office of at least two thirds of the directors (other than Independent Directors and Executive Chairperson) is liable for retirement by rotation, of which every year at least one third of the director retires and offer themselves for reappointment. This process allows shareholders to vote off such Board members if they have concerns about their performance, thereby enhancing the Board's overall accountability and alignment with shareholders' interests. The average tenure of the Board members as on March 31, 2023 is 10 years.

**(iv) External Mandates**

The number of external directorships that Board members hold can have significant implications for their commitment and performance. Recognising this, the total number of mandates held

by a director has been regulated and capped by the Ministry of Corporate Affairs and SEBI.

As of FY 2022-23, the 5 Promoter group directors hold 4 or fewer other mandates in listed entities, all the 6 Independent Directors hold 3 or fewer other mandates in listed entities. The Managing Director & CEO does not have any other mandate in listed entity, demonstrating a strong commitment to our organisation.

**B. Matrix on skill sets possessed by the Board of Directors**

At GCPL, we recognise the importance of having a Board comprising of directors who have a range of experiences, capabilities, and diverse viewpoints. This helps us create an effective and well-rounded Board. The capabilities and experiences sought in our Directors are outlined here:

- **Strategy and Business–** Is or has been the Chief Executive Officer (CEO) or Chief Operating Officer, or has held any other leadership position

in an organisation, leading to significant experience in strategy or business management. Brings the ability to identify and assess strategic opportunities and threats in the context of the business.

- **Industry Expertise–** Has expertise with respect to the sector the organisation operates in. Has an understanding of the 'big picture' in the given industry and recognises the development of industry segments, trends, emerging issues, and opportunities.
- **Market Expertise–** Has expertise with respect to the geography the organisation operates in. Understands the macroeconomic environment, nuances of the business, and consumers and trade in the geography. Has the knowledge of the regulations and legislations of the market/(s) the business operates in.

<sup>[1]</sup> [https://godrejcp.com/public/uploads/compliance\\_other\\_updates/FamiliarisationProgrammeforIDs2022-23.pdf](https://godrejcp.com/public/uploads/compliance_other_updates/FamiliarisationProgrammeforIDs2022-23.pdf)

- **Technology Perspective –**  
Has expertise with respect to business-specific technologies such as in the field of research and development and manufacturing. Has experience and adds perspective on the future-ready skills required by the organisation such as e-commerce, digital, and sustainability.
- **People and Talent Understanding –**  
Has experience in human resource management such that they bring in a considered approach to the effective management

of people in an organisation.

- **Governance, Finance, and Risk –**  
Has an understanding of the law and application of corporate governance principles in a commercial enterprise of a similar scale. Capability to provide inputs for strategic financial planning, assess financial statements, and oversee budgets for the efficient use of resources. Ability to identify key risks for the business in a wide range of areas including legal and regulatory.

- **Diversity of Perspective –**  
Provides diverse views to the Board that is valuable for managing our customers, consumers, employees, key stakeholders, and shareholders.

### C. Process and criteria used for appointing new directors

The Nomination and Remuneration Committee evaluates the candidature of a new director in line with the Board Diversity Policy and the aforementioned skill sets and makes suitable recommendation to the Board for final approval. The appointment of all Directors is also subject to shareholders' approval.

Name of Directors	Age (Years)	Appointment Year	Gender	Committee Membership as on March 31, 2023	Strategy and Business	Industry Expertise	Market Expertise	Tech and Future Perspective	People and Talent Understanding	Governance, Finance, and Risk	Diversity of Perspective
Ms. Nisaba Godrej	45	May 2011	F	CSR, ESG RMC	√	√	√		√	√	
Mr. Jamshyd Godrej	74	Mar 2001	M	-	√		√			√	√
Mr. Nadir B. Godrej	72	Nov 2000	M	CSR, ESG RMC	√		√	√		√	√
Ms. Tanya Dubash	55	May 2011	F	CSR, ESG SRC	√		√			√	√
Mr. Pirojsha Godrej	43	Apr 2017	M	AC, SRC	√		√			√	√
Mr. Sudhir Sitapati	47	Oct 2021	M	CSR, ESG, RMC	√	√	√		√	√	
Mr. Narendra Ambwani	74	May 2011	M	AC, NRC, CSR, ESG, SRC	√	√	√		√	√	
Mr. Sumeet Narang	47	Apr 2019	M	AC, NRC	√		√	√		√	√
Mr. Omkar Goswami	67	Jun 2008	M	AC, RMC			√	√		√	√
Ms. Ireena Vittal	55	Apr 2013	F	AC, NRC	√	√	√		√	√	
Ms. Ndidi Nwuneli	48	Apr 2017	F	AC, ESG	√		√		√	√	√
Ms. Pippa Armerding	55	Jan 2018	F	AC, NRC	√		√		√	√	√

CSR-Corporate Social Responsibility Committee; NRC-Nomination & Remuneration Committee; RMC-Risk Management Committee; SRC- Stakeholders Relationship Committee; AC- Audit Committee; ESG-ESG Committee

## D. Board Composition & other relevant details

### (i) Composition of the Board

The Board composition is as follows:

Category	Number of Directors as on March 31, 2023
<b>i) Non-Independent Directors</b>	
Executive Chairperson	1
Managing Director	1
Non-Executive Promoter Directors	4
Subtotal	6
<b>ii) Independent Directors</b>	6
<b>Total Strength (i + ii)</b>	<b>12</b>

### (ii) Other relevant details of the Directors as on March 31, 2023

Name of Directors	Date of Original Appointment	Relationship With other Directors	Category	Number of Directorships Held in Indian Public Limited Companies (including GCPL)*	Committee Positions including GCPL		Shares Held
					Committee Member (Excluding Committee Chairperson)**	Committee Chairperson**	
Nisaba Godrej	May 02, 2011	Sister of Tanya Dubash and Pirojsha Godrej	Promoter/ Executive Chairperson	6 (5)	0	0	3,70,087#
Jamshyd Godrej	March 01, 2001	None	Promoter/ Non-Executive	5 (4)	0	0	0#
Nadir Godrej	November 29, 2000	None	Promoter/ Non-Executive	8 (5)	2	1	63#
Tanya Dubash	May 02, 2011	Sister of Nisaba Godrej and Pirojsha Godrej	Promoter/ Non-Executive	7 (5)	2	0	66#
Pirojsha Godrej	April 01, 2017	Brother of Tanya Dubash and Nisaba Godrej	Promoter/ Non-Executive	7 (4)	4	1	3,70,129#
Sudhir Sitapati	October 18, 2021	None	Managing Director & CEO	2 (1)	0	0	60364
Narendra Ambwani	May 02, 2011	None	Non-Executive/ Independent	4 (4)	7	1	3,000#
Pippa Armerding	January 30, 2018	None	Non-Executive/ Independent	1 (1)	1	0	Nil
Sumeet Narang	April 01, 2019	None	Non-Executive/ Independent	2 (2)	1	1	Nil
Omkar Goswami	June 18, 2008	None	Non-Executive/ Independent	2 (2)	1	0	Nil
Ndidi Nwuneli	April 01, 2017	None	Non-Executive/ Independent	1 (1)	1	0	Nil
Ireena Vittal	April 30, 2013	None	Non-Executive/ Independent	3 (3)	4	1	Nil

#This shareholding reflects holding in their own name and does not include shares held as one of the trustee of family trusts.

\*Does not include directorships in private companies, Section 8 companies, and foreign companies. Figures in brackets denote directorships in listed companies.

\*\*Does not include chairmanship/membership in Board Committees other than the Audit Committee and Stakeholders' Relationship Committee and chairmanship/membership in board committees in companies other than public limited companies registered in India.

**(iii) Details of directorship in other listed companies including category of their directorship as on March 31, 2023**

<b>Names of Directors</b>	<b>Directorship in Other Listed Companies</b>	<b>Category of Directorship</b>
Nisaba Godrej	1. Godrej Agrovet Limited	Director
	2. VIP Industries Limited	Independent Director
	3. Mahindra and Mahindra Limited	Independent Director
	4. Bharti Airtel Limited	Independent Director
Jamshyd Godrej	1. Godrej Industries Limited	Director
	2. Godrej Agrovet Limited	Director
	3. Godrej Properties Limited	Director
Nadir Godrej	1. Godrej Industries Limited	Chairman & Managing Director
	2. Astec Lifesciences Limited	Chairman
	3. Godrej Agrovet Limited	Chairman
	4. Godrej Properties Limited	Director
Tanya Dubash	1. Godrej Industries Limited	Executive Director & Chief Brand Officer
	2. Godrej Agrovet Limited	Director
	3. Britannia Industries Ltd	Independent Director
	4. Escorts Kubota Limited	Independent Director
Sudhir Sitapati	NIL	-
Pirojsha Godrej	1. Godrej Agrovet Limited	Director
	2. Godrej Properties Limited	Executive Chairperson
	3. Godrej Industries Limited	Director
Narendra Ambwani	1. Parag Milk Foods Limited	Independent Director
	2. Agro Tech Foods Limited	Independent Director
	3. RPG Life Sciences Limited	Independent Director
Pippa Tubman Armerding	NIL	-
Sumeet Narang	1. Sapphire Foods India Limited	Director
Ndidi Nwuneli	NIL	-
Omkar Goswami	1. Adani Enterprises Limited	Independent Director
Ireena Vittal	1. Housing Development Finance Corporation Limited	Independent Director
	2. Wipro Limited	Independent Director

## E. Committees of the Board

The Company has constituted an Audit Committee in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Stakeholders' Relationship Committee formed in accordance with Regulation 20 of the Listing Regulations and Section 178 of the Companies

Act, 2013 inter alia looks into investor grievances. The Company has also formed a Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, which looks after the appointment, remuneration, and performance evaluation of Directors. The Company also has a Risk Management Committee in accordance with Regulation 21 of the Listing

Regulations & CSR Committee in compliance with Section 135 of the Companies Act 2013.

During the year the Sustainability Committee was renamed as ESG Committee. The ESG Committee which will focus on environment, social and governance areas and have oversight on sustainability risks, opportunities and progress against goals.

### Composition of the Committees as on March 31, 2023

Name of Directors	Category	Position in the Committee					
		Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Risk Management Committee	CSR Committee	ESG Committee
Nisaba Godrej	Promoter and Executive Chairperson	None	None	None	Member	Member	Chairperson
Jamshyd Godrej	Promoter and Non-Executive	None	None	None	None	None	None
Nadir Godrej	Promoter and Non-Executive	None	None	None	Member	Chairman	Member
Tanya Dubash	Promoter and Non-Executive	None	None	Member	None	Member	Member
Pirojsha Godrej	Promoter and Non-Executive	Member	None	Chairman	None	None	None
Sudhir Sitapati	Managing Director and CEO	None	None	None	Member	Member	Member
Narendra Ambwani	Independent	Member	Chairman	Member	None	Member	Member
Pippa Armerding	Independent	Member	Member	None	None	None	None
Sumeet Narang	Independent	Chairman	Member	None	None	None	None
Omkar Goswami	Independent	Member	None	None	Chairman	None	None
Ndidi Nwuneli	Independent	Member	None	None	None	None	Member
Ireena Vittal	Independent	Member	Member	None	None	None	None
Total Strength of the Committee		7	4	3	5	5	6
Number of Independent Directors in the Committee		6	4	1	1	1	2
Number of Non-Independent Directors in the Committee		1	-	2	3	4	4
Members of Senior Management in the Committee		-	-	-	1	-	-

Mr. Rahul Botadara, Company Secretary & Compliance Officer, is the Secretary of all the Board Committees. He is also responsible for redressing investor grievances.



**F. Terms of reference of Board Committees**

**(i) Audit Committee**

The terms of reference for the Audit Committee includes the matters specified in Section 177 of the Companies Act, 2013 as well as Part C of Schedule II of the Listing Regulations such as:

**Financial Statements**

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible.
- Reviewing, with the management, the annual financial statements and auditor's report thereon 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 (c) of subsection (3) of Section 134 of the Companies Act, 2013.

(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 the 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) Modified opinion(s) in the draft audit report.

- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Scrutiny of intercorporate loans and investments.

**Review of Information**

- Reviewing, with the management, the statement of uses/ application of funds raised through an issue, such as public, rights, or preferential issues; the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice; and the report submitted by the agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to initiate steps in this matter.
- Reviewing the management discussion and analysis of financial condition and results of operations.
- Statement of deviations:
  - quarterly statement of deviation(s) including the report of the monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
  - annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.

### **Internal Control**

- Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems.
- Evaluation of internal financial controls and risk management systems.
- 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.

### **External and Internal Audit**

- Recommendation for appointment, remuneration, and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing of management letters/ letters of internal control weakness issued by the statutory auditors.
- Reviewing the appointment, removal, and terms of remuneration of the chief internal auditor.

- Reviewing the adequacy of the internal audit function, if any, 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.
- Reviewing internal audit reports relating to internal control weakness.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- 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.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process.
- Periodical discussions with the auditors about internal control systems and the scope of audit including the observations of the auditors and review of the quarterly, half yearly, and annual financial statements before submission to the Board. Overseeing compliance of internal control systems.

### **Subsidiary Companies**

- The Committee shall have access to the Audit Committee minutes of the subsidiary companies.
- Reviewing the financial statements, in particular the investments made by the subsidiary companies.
- Recommending the revision in the Policy for determining Material Subsidiaries to align it with the extant applicable provisions.
- Reviewing the utilisation of loans and/or advances from/ investment in the subsidiary exceeding ₹ 100 crore or 10 per cent of the asset size of the subsidiary, whichever is lower, including existing loans and advances.

### **Related Party Transactions**

- Approval or any subsequent modification of transactions of the Company with related parties.
- Formal approval or omnibus approval of transactions with related parties or any subsequent modification of transactions of the Company with related parties including their basis.

- Laying down criteria for granting omnibus approval to related party transactions.
- Satisfy itself of the need for omnibus approval of related party transactions so that that the approval is in the interest of the Company.
- Granting omnibus approval for related party transactions not exceeding ₹ 1 crore per transaction in a financial year.
- Reviewing on a quarterly basis, the statement of such significant related party transactions as may be specified by the Committee and the details of related party transactions entered into by the Company pursuant to each of the omnibus approval given.
- Recommending the revision in the Policy on Material-Related Party Transactions and on dealing with Related Party Transactions to align it with the extant applicable provisions.

#### **Compliance**

- Looking 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, if any.

- Reviewing the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- Reviewing the findings of any examinations by regulatory agencies and any auditor observations.
- Reviewing the process for communicating the Code of Conduct to Company personnel and for monitoring compliance therewith.
- Reviewing compliance with respect to the provisions of Insider Trading Regulations at least once in a financial year and verifying that the systems for internal control for compliance with these regulations are adequate and operating effectively.
- Obtaining regular updates from the management regarding compliance matters.

#### **Other Responsibilities**

- Reviewing the functioning and compliances as regards the Company's Whistle Blower Policy.
- Approval of the appointment of the

Chief Financial Officer after assessing the qualifications, experience, and background of the candidate.

- Valuation of undertakings or assets of the Company, wherever it is necessary by appointing a Registered Valuer in terms of Section 247 of the Companies Act, 2013.
- Instituting and overseeing special investigations as needed.
- Performing any other functions and activities related to this terms of reference as requested by the Board of Directors.
- Performing any other functions as required to be done by the Audit Committee as per the provisions of the Companies Act, 2013, the Listing Regulations, and any other laws or regulations from time to time.

#### **(ii) Nomination and Remuneration Committee**

The terms of reference of the Nomination and Remuneration Committee are as follows:

- Formulation of the criteria for determining qualifications, positive attributes, and independence of a Director and recommendation to the Board of Directors

a policy relating to the remuneration of the Directors, key managerial personnel, and other employees.

- Formulation of criteria for the evaluation of performance of Independent Directors and the Board of Directors.
- Devising a policy on the diversity of Board of Directors.
- Identifying individuals who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board of Directors their appointment and removal.
- Deciding whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation of Independent Directors.
- Recommending to the Board, all remuneration, in whatever form, payable to senior management.
- Administering the Employee Stock Grant Scheme of the Company and render all such functions required to

be done under the SEBI (Share-Based Employee Benefit) Regulations, 2015.

- Performing any other functions and activities related to the terms of reference as requested by the Board of Directors.
- Performing any other functions as required to be done by the Nomination and Remuneration Committee as per the provisions of the Companies Act, 2013, the Listing Regulations, and any other laws or regulations from time to time.

**(iii) Stakeholders' Relationship Committee**

- Resolving the grievances of the security holders of the Company, including complaints relating to transfer/transmission of shares, non-receipt of Annual Report, and non-receipt of declared dividends; issue of new/duplicate certificates; and general meetings.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various

services being rendered by the Registrar and Share Transfer Agent.

- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.
- Performing any other functions and activities related to the terms of reference as requested by the Board of Directors.
- Performing any other functions as required to be done by the Stakeholders' Relationship Committee as per the provisions of the Companies Act, 2013, the Listing Regulations, and any other laws or regulations from time to time.

**(iv) Risk Management Committee**

- To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability

- (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
- (c) Business continuity plan
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
  - To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
  - To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
  - Performing any other functions and activities related to this terms of reference as requested by the Board of Directors
- or any of its Committees or the Company management.
- Performing any other functions as required to be done by the Risk Management Committee as per the provisions of the Companies Act, 2013, the Listing Regulations and any other laws or regulations from time to time.
- (v) Corporate Social Responsibility Committee**
- Formulate and recommend to the Board a Corporate Social Responsibility Policy that shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013.
  - Recommend the amount of expenditure to be incurred on the activities referred above.
  - Monitor the Corporate Social Responsibility Policy of the Company from time to time;
  - Perform any other functions and activities related to the terms of reference as requested by the Board of Directors.
- Perform any other functions as required to be done by the Corporate Social Responsibility Committee as per the provisions of the Companies Act, 2013, the Listing Regulations, and any other laws or regulations from time to time.
- (vi) ESG Committee**
- Spearhead GCPL's overall Sustainability ambition, strategy and long-term thinking
  - Review progress against Sustainability goals across the company
  - Review key Sustainability risks for GCPL, set standards for monitoring, and sign off mitigation measures
  - Frame key long-term Sustainability opportunities for GCPL and align Board of Directors as required
  - Formulate and recommend to the Board of Directors, key Sustainability policies, as required
  - Performing any other functions and activities related to these terms of reference as requested by the Board of Directors.

**G. Attendance details at Board/Committee meetings and at the last Annual General Meeting:**

Name of Meetings	Board	Audit Committee	Nomination and Remuneration Committee	Corporate Social Responsibility Committee	Stakeholders' Relationship Committee	Risk Management Committee	ESG Committee	Independent Director's	AGM
Number of Meetings held	4	4	3	2	1	2	2	3	1
Attendance of Directors									
Jamshyd Godrej	2	NA	NA	NA	NA	NA	NA	NA	Yes
Nadir Godrej	4	NA	NA	2	NA	2	2	NA	Yes
Tanya Dubash	4	NA	NA	1	1	NA	1	NA	Yes
Nisaba Godrej	4	NA	NA	2	NA	2	2	NA	Yes
Pirojsha Godrej	4	4	NA	NA	1	NA	NA	NA	Yes
Narendra Ambwani	4	4	3	2	1	NA	2	3	Yes
Sudhir Sitapati	4	NA	NA	2	NA	1	2	NA	Yes
Pippa Armerding	4	4	3	NA	NA	NA	NA	3	Yes
Sumeet Narang	4	4	3	NA	NA	NA	NA	3	Yes
Omkar Goswami	4	4	NA	NA	NA	2	NA	3	No
Ndidi Nwuneli	4	4	NA	NA	NA	NA	2	3	Yes
Ireena Vittal	4	4	3	NA	NA	NA	NA	3	Yes

**Notes:**

- 'NA' indicates not a member of the committee.
- The maximum gap between any two Board Meetings did not exceed 120 days during the year.
- Leave of absence was granted to the Directors whenever they could not be present for the Board/ Committee meeting.
- Board meetings were held on May 19, 2022, Aug 03, 2022, Nov 08, 2022 and Jan 31, 2023.
- Audit Committee meetings were held on May 19, 2022, Aug 03, 2022, Nov 08, 2022 and Jan 31, 2023.
- Nomination and Remuneration Committee meetings were held on May 19, 2022, Nov 08, 2022 and Jan 31, 2023.
- Corporate Social Responsibility Committee meetings were held on May 19, 2022 and Nov 08, 2022.
- Stakeholders' Relationship Committee meeting was held on Nov 08, 2022.
- Risk Management Committee meetings were held on July 25, 2022 and Jan 09, 2023.
- ESG Committee meetings were held on May 19, 2022 and Nov 08, 2022.
- Independent Directors meetings were held on May 19, 2022, Nov 08, 2022 and Jan 31, 2023.
- Annual General Meeting was held on August 03, 2022.

**H. Detailed reasons for resignation of Independent Director, if any**

No Independent Director has resigned during this financial year.

**I Reappointment of Directors liable to retire by rotation**

The Board has five Directors whose period of office is liable to be determined for retirement by rotation, and of these five directors, one-third, i.e. two Directors, shall retire at the Annual General Meeting.

Thus, Mr. Pirojsha Godrej and Mr. Nadir Godrej will retire at the ensuing Annual General Meeting of the Company and, being eligible, will be considered for reappointment as per the provision of Companies Act, 2013, Listing Regulation and Articles of Association of the Company.

Their brief resume is annexed to the notice of the Annual General Meeting.

**2. REMUNERATION POLICY**

The Remuneration Policy of the Company has been provided in the Board's Report section of the Annual Report as **Annexure 'B'**.

**Remuneration to Directors:**

Details of the remuneration to Directors are as follows:

Names of Directors	Sitting Fees	Commission on Profits	Salary, Allowances and Other Benefits	PLVR	Company's Contribution to PF	Amount (₹) crore	
						Monetary Value of Perquisites	Total
<b>Whole-Time Directors</b>							
Nisaba Godrej	-	-	4.27	1.58	0.19	0.73	6.77
Sudhir Sitapati	-	-	5.84	3.00	0.26	5.33	14.43
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>10.11</b>	<b>4.58</b>	<b>0.45</b>	<b>6.06</b>	<b>21.20</b>
<b>Non-Executive Directors</b>							
Jamshyd Godrej	0.02	0.20	-	-	-	-	0.22
Nadir Godrej	0.05	0.20	-	-	-	-	0.25
Tanya Dubash	0.05	0.20	-	-	-	-	0.25
Pirojsha Godrej	0.05	0.20	-	-	-	-	0.25
Narendra Ambwani	0.06	0.35	-	-	-	-	0.41
Pippa Armerding	0.06	0.35	-	-	-	-	0.41
Omkar Goswami	0.05	0.35	-	-	-	-	0.40
Ndidi Nwuneli	0.05	0.35	-	-	-	-	0.40
Sumeet Narang	0.00	0.00	-	-	-	-	0.00
Ireena Vittal	0.05	0.35	-	-	-	-	0.40
<b>Subtotal</b>	<b>0.45</b>	<b>2.55</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3.00</b>
<b>Total</b>	<b>0.45</b>	<b>2.55</b>	<b>10.11</b>	<b>4.58</b>	<b>0.45</b>	<b>6.06</b>	<b>24.20</b>

**Notes:**

- In the case of Ms. Nisaba Godrej, salary includes basic salary and various elements of flexible compensation and reimbursement of medical expenses. The monetary value of perquisites includes accommodation and electricity expenses, perquisites for employer's provident fund contribution and interest.

- In case of Mr. Sudhir Sitapati, salary includes basic salary and various elements of flexible compensation. The monetary value of perquisites includes perquisites for car, perquisites for employer’s provident fund contribution and interest.
- Ms. Nisaba Godrej and Mr. Sudhir Sitapati are eligible for Performance Linked Variable Remuneration (PLVR). PLVR is directly tied to a combination of the company’s overall business performance and the whole-time director’s individual performance. The performance measures are calculated based on three predefined financial and relative financial metrics – underlying volume growth, reduction in inventory & account receivables, and EBITDA & working media growth. These financial and operating metrics are set internally by the Management Committee and the Board of Directors. The PLVR reflected in the table above is the amount paid in FY 2022-23 for FY 2021-22. PLVR payable for FY 2022-23 will be paid in FY 2023-24, and hence will be reflected in next year’s Annual Report.
- Members may also refer to the total rewards policy given in the Board’s Report.
- The shareholders have authorised the payment of commissions on profits to Non-Executive Directors at a rate not exceeding 1 per cent of net profits of the Company with authority to the Board to determine the manner and proportion in which the amount is distributed among the Non-Executive Directors. The Board has authorised a base commission of ₹ 20 lakhs per annum to each Non-Executive Director. All the Independent Directors are paid an additional commission linked to their attendance at Audit Committee meetings, Nomination and Remuneration Committee meeting, and Independent Directors’ meeting. In addition, all the Non-Executive Directors are paid sitting fees for attending the meetings of the Board or Committees thereof.
- Mr. Sumeet Narang has voluntarily waived the remuneration receivable from the Company.
- Dr. Omkar Goswami, Mr. Narendra Ambwani and Ms. Ireena Vittal has been originally appointed under the terms of the erstwhile Listing Agreement (refer to the table containing other relevant details of the Directors under Para 1 of Board of Directors for the original date of appointment). After the notification of Companies Act, 2013, these Independent Directors have been appointed for a period of 5 years and thereafter they have been reappointed for the second term of 5 years as permitted by the Companies Act. During the year, Ms. Ndidi Nwuneli and Ms. Pippa Armerding have been reappointed for their second term of 5 years.

### 3. DETAILS OF STAKEHOLDER COMPLAINTS

Total Complaints Pending at the Beginning of the Year	Total Complaints Received During the Year	Total Complaints Replied During the Year	Total Complaints Pending at the End of the Year	Complaints Not Resolved to the Satisfaction of Shareholders
Nil	64	64	Nil	Nil

### 4. GENERAL BODY MEETINGS

#### A. Annual General Meeting

Details of the last three Annual General Meetings of GCPL are as follows:

Date	Time	Venue	Details of Special Resolutions Passed
August 4, 2020	04.00 p.m.	Video Conferencing	NIL
August 4, 2021	04:00 p.m.	Video conferencing	NIL
August 3, 2022	05:45 p.m.	Video conferencing	NIL



## B. Postal Ballot

Two postal ballots were conducted during the FY 2022-2023, details of the same are as given below. Both the resolution were past by the requisite majority. Details of the scrutinizers report and voting pattern is available on the Company website under link<sup>[2]</sup>

Date of Passing of Resolution	Details of Special Resolutions Passed	Procedure for Postal Ballot
June 20, 2022	Reappointment of Ms. Ndidi Nwuneli (DIN No. 07738574) as an Independent director for a period of 5 years effective from April 1, 2022	<p>In view of the exemptions granted by Ministry of Corporate Affairs, the postal ballot notice was sent only through electronic mode to those Members whose e-mail addresses were registered with the Company/Depositories and the postal ballot was conducted by way of remote e-voting. The postal ballot was conducted by Mr. Kalidas Vanjpe, Practising Company Secretary.</p> <p>The remote e-voting facility was provided by Link Intime India Pvt. Ltd, the registrar and transfer agent of the Company. The e-Voting facility was available from May 20, 2022, 9.00 a.m. (IST) to June 18, 2022, 5.00 p.m. (IST)</p>
January 24, 2023	Reappointment of Ms. Pippa Armerding (DIN No. 08054033) as an Independent director for a period of 5 years effective from January 30, 2023	<p>The postal ballot notice was sent by electronic mode to those shareholders whose email address was registered with the Company/ Depositories. In case of shareholders whose email address was not registered with the Company, the postal ballot notice and forms were sent in physical mode. The postal ballot was conducted by Mr. Kalidas Vanjpe, Practising Company Secretary.</p> <p>Remote e-voting facility was provided by Central Depository Services Limited. The voting including e-voting facility was available from December 23, 2022, 9.00 a.m. (IST) to January 21, 2023, 5.00 p.m. (IST).</p>

## 5. MEANS OF COMMUNICATION

GCPL sends quarterly newsletters to the registered email addresses of the investors. Moreover, all vital information related to the Company and its performance, including quarterly results, press releases, and performance updates/ corporate presentations, and the information required by the Listing Regulations are

posted on the Company's website– [www.godrejcp.com](http://www.godrejcp.com). The quarterly, half yearly, and annual results of the Company's performance are generally published in Business Line as well as in the Marathi newspaper Lokmat. Members of the management team holds conference calls/ meetings with financial analysts once in a quarter, and their transcripts are posted on the website. With effect from April 1, 2022, the transcripts and link for

audio recordings are filed with the Stock Exchange. The same is also available on the investor's page of the company's website. The presentations made to financial analysts and institutional investors are shared with the Stock Exchanges and uploaded on the company's website. The same may be accessed through the following link<sup>[3]</sup> The Company files its quarterly results on the electronic filing system of the Bombay Stock

<sup>[2]</sup> <sup>[3]</sup> <https://godrejcp.com/investors/stock-exchange-filings>

Exchange (BSE) Limited and National Stock Exchange of India Limited (NSE). The same are also available on the websites of the BSE Limited and The National Stock Exchange of India Limited, namely <https://www.bseindia.com/> and [www.nseindia.com](http://www.nseindia.com), respectively.

#### Reminder to Investors

Shareholders who are holding shares in a physical form have to comply with SEBI Circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has already sent requisite KYC forms to shareholders via ordinary posts to update their details as required by RTA. If the

shareholders don't submit those documents then the folio will get freezed from October 1, 2023. The shareholder shall not be eligible to lodge grievance or avail service request /dividend payment against the folio till such time the documents are submitted. The circular can be accessed through link given below<sup>[4]</sup> The KYC forms can be downloaded through the link below<sup>[5]</sup>.

## 6. GENERAL SHAREHOLDER INFORMATION

### A. Annual General Meeting

Date and Time: Monday, August 7, 2023, 5:45 p.m. (IST)  
Venue: Video Conferencing/ Other audio visual means

### B. Financial Calendar

Financial Year: April 1, 2022 to March 31, 2023

### C. The Board did not declare any Interim Dividends during fiscal year 2022-23, and also has not recommended any final dividend for the Fiscal year.

### D. Listing

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

Name and Address of the Stock Exchange	Segment	Stock/Scrip Code	ISIN Number
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	Equity	532424	INE102D01028
The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai-400051	Equity; Futures and Options (F&O)	GODREJCP	

The applicable listing fees has been paid to the stock exchanges before the due date.

<sup>[4]</sup> [https://www.sebi.gov.in/legal/circulars/nov-2021/common-and-simplified-norms-for-processing-investor-s-service-request-by-rtas-and-norms-for-furnishing-pan-kyc-details-and-nomination\\_53787.html](https://www.sebi.gov.in/legal/circulars/nov-2021/common-and-simplified-norms-for-processing-investor-s-service-request-by-rtas-and-norms-for-furnishing-pan-kyc-details-and-nomination_53787.html)

<sup>[5]</sup> <https://web.linkintime.co.in/KYC-downloads.html>

## E. Market Price Data

The monthly high and low prices of GCPL at the BSE Limited and the NSE in Equity series for the year ended March 31, 2023, are as follows:

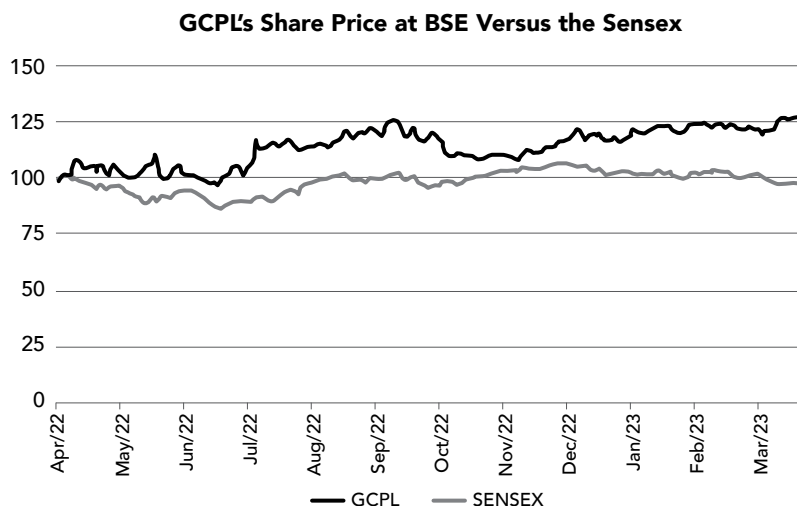
Month	BSE		NSE	
	High Price	Low Price	High Price	Low Price
Apr-22	832.75	739.30	832.75	739.10
May-22	838.00	745.00	838.20	747.40
Jun-22	808.10	708.60	808.45	708.50
Jul-22	898.05	750.35	898.75	750.55
Aug-22	937.20	838.70	937.95	838.00
Sep-22	955.65	859.35	956.00	859.20
Oct-22	920.50	807.75	921.00	807.35
Nov-22	888.80	793.70	888.90	793.85
Dec-22	927.15	860.90	927.95	861.45
Jan-23	946.00	872.15	946.20	877.00
Feb-23	954.90	899.35	953.70	898.55
Mar-23	972.65	895.00	973.00	894.20

Source: Websites of the respective stock exchanges

Note: High and low are in rupees per traded share

## F. GCPL's Share Price at BSE Versus the Sensex

GCPL's share performance compared with the BSE Sensex for fiscal year 2022-23 is as follows:



### Note:

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

## G. Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd,  
Unit: Godrej Consumer Products Limited,  
C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083  
Tel. No.: 022-49186270  
Email ID: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: <https://linkintime.co.in/>

## H. Share Transfer

In terms of amendments to Regulation 40 of Listing Regulations w.e.f. 1<sup>st</sup> April, 2019, transfer of securities in physical form has been stopped by SEBI.

SEBI has given the following clarifications:

1. The above decision does not prohibit the investor

from holding the shares in physical form; investor has the option of holding shares in physical form even after April 01, 2019.

2. Any investor who is desirous of transferring shares (which are held in physical form) after April 01, 2019 can do so only after the shares are dematerialized.

The above decision by SEBI is not applicable for demat of shares, transmission (i.e. transfer of title of shares by way of inheritance / succession) and transposition (i.e. re-arrangement / interchanging of the order of name of shareholders) cases.

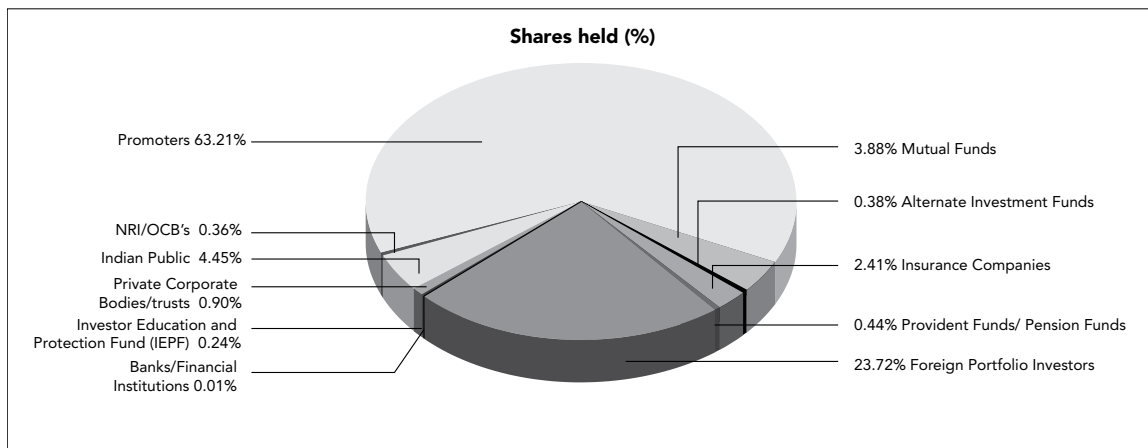
## I. Distribution of Shareholding

Distribution of shareholding by size class as on March 31, 2023

Number of Shares	Number of Shareholders	Shareholders%	Number of shares held	Shareholding %
1-500	1,93,344	90.25	135,40,275	1.32
501-1,000	10,648	4.97	74,12,014	0.73
1,001-2,000	5,919	2.76	85,53,611	0.84
2,001-3,000	1,498	0.70	36,74,975	0.36
3,001-4,000	675	0.32	23,76,120	0.23
4,001-5,000	368	0.17	16,44,399	0.16
5,001-10,000	677	0.32	46,32,817	0.45
10,001 and above	1,102	0.51	98,08,61,107	95.91
<b>Total</b>	<b>2,14,231</b>	<b>100.00</b>	<b>102,26,95,318</b>	<b>100.00</b>

Distribution of shareholding by ownership as on March 31, 2023:

Category	Shares Held (Number)	Per Cent of Holding
Promoters	64,64,88,267	63.21%
Mutual Funds	3,96,63,862	3.88%
Alternate Investment Funds	38,84,884	0.38%
Banks/Financial Institutions	53,348	0.01%
Insurance Companies	2,46,75,720	2.41%
Provident Funds/ Pension Funds	45,26,058	0.44%
Foreign Portfolio Investors	24,25,96,460	23.72%
Investor Education and Protection Fund (IEPF)	24,87,358	0.24%
Private Corporate Bodies/trusts	91,58,893	0.90%
Indian Public	4,54,29,477	4.45%
NRI/OCB's	37,30,991	0.36%
<b>Total</b>	<b>102,26,95,318</b>	<b>100.00%</b>



#### J. Shares Held in Physical and Dematerialised Forms

Breakup of physical and dematerialised shares as on March 31, 2023:

	Number of Shares	Per Cent	Number of Folios	Per Cent
Physical	70,71,319	0.69%	15,173	7.08%
Demat	101,56,23,999	99.31%	1,99,058	92.92%
<b>Total</b>	<b>102,26,95,318</b>	<b>100.00</b>	<b>214,231</b>	<b>100.00</b>

Shares held in the dematerialised mode have more liquidity than those held in the physical mode. Therefore, the Company urges shareholders holding shares in the physical form to convert their shareholdings to the demat mode.

#### K. Outstanding GDRs/ADRs/Warrants/Convertible Instruments and Their Impact on Equity

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

#### L. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

GCPL is exposed to commodity risks mainly due to imported palm oil derivatives. We enter into fixed price contracts with overseas suppliers in order to hedge price volatility.

Regarding commodities that are imported at a contracted fixed price, there is a foreign exchange currency risk and

the mitigation of the same is managed by the FOREX Committee of the Company. The Committee periodically meets and reviews the overall foreign exchange currency exposure and enters into forward contracts to hedge the currency risk. Details of hedged and unhedged positions for foreign currency exposures are available in the Notes to the Financial Statement of the Annual Report.

**Details of the exposure of the Company to palm oil derivatives are given below:**

Commodity Name	Exposure in ₹ (Purchase orders raised during the year)	Exposure in Qty	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International Market		
			OTC	Exchange	OTC	Exchange	
Palm Oil Derivatives	1,367.40 crore	1.36 Lac MT	Nil	Nil	Nil	Nil	Nil

**M. Plant Locations**

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

Names of States /Union Territory	Location of Plants
Jammu & Kashmir	SICOP Industrial Estate-Kathua, Hatli Moth-Kathua, Industrial Area Phase III Lane 2, Bari Brahmana- Distt Sambha
Himachal Pradesh	Thana-Baddi, Katha-Baddi
Sikkim	Mamring, South Sikkim
Assam	Kalapahar-Guwahati, Brahmaputra industrial park-village silla, Sarusajai-lokhra
Meghalaya	Byrnihat, Rebhoi District
Madhya Pradesh	Malanpur Industrial Area, District Bhand
Pondicherry	Kattukuppam-Manpet Post, Nallur Village-Mannadipet Commune, Nedungadu Commune-Karaikal, Thirunallar Commune-Karaikal
Tamil Nadu	Maraimalai nagar-Chengalpattu District

**N. Address for Correspondence relating to queries of GCPL shares**

Investor correspondence should be addressed to M/s. Link Intime India Pvt. Ltd, Unit: Godrej Consumer Products Limited, C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083. Tel. No.: 022-49186270 Email ID: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) Website: <https://linkintime.co.in/>

Correspondence to the Company should be addressed to: The Secretarial Department, Godrej Consumer Products Limited, 4<sup>th</sup> Floor, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai-400079. CIN: L24246MH2000PLC129806

Tel. No.: 022 25188010/20/30  
Fax No.: 022 25188040;  
Email ID: [investor.relations@godrejcp.com](mailto:investor.relations@godrejcp.com)

Website:  
[www.godrejcp.com](http://www.godrejcp.com)

**O. List of Credit Ratings Obtained during the Year**

During the year, rating agencies have reaffirmed the following existing credit ratings of the Company.

[ICRA] A1+ (pronounced as ICRA A one plus) for ₹ 750 crore Commercial paper

[Crisil] A1+ (pronounced as Crisil A one plus) for ₹ 750 crore Commercial paper

[ICRA] AAA (pronounced as ICRA Triple A) for ₹ 800 Crore

Long-term / Short-term, Fund based / Non-fund Based Facilities

**P. Consolidation of Shares under One Folio**

The Company urges shareholders holding shares of GCPL under different folios to consolidate the shares under one folio. This would substantially reduce paperwork and transaction costs and benefit the shareholders and the Company. Shareholders can do so by writing to the registrar with details on folio numbers, order of names, shares held under each folio, and the folio under which all shareholdings should be consolidated. Share certificates need not be sent.

## 7. OTHER DISCLOSURES

### A. Materially Significant Related Party Transactions That May Potentially Conflict with the Company's Interest

During fiscal year 2022-23, there were no materially significant related party transactions; that is, transactions of the Company of material nature with bodies including its subsidiaries, promoters, directors, management, and relatives, which may have potential conflict with the interests of the Company at large. Attention of members is drawn to disclosures of transactions with related parties, as set out in Notes to Accounts.

### B. Details of Non-Compliance

There has not been any non-compliance of

mandatory requirements, expected of the Company. No penalties or strictures were imposed on the Company by the stock exchanges, SEBI, or any statutory authority for matters related to capital markets during the last 3 years.

### C. Vigil Mechanism/ Whistle Blower Policy

With a view to establish a mechanism for protecting employees reporting unethical behaviour, frauds, or violation of the Company's Code of Conduct, the Board of Directors have adopted a Whistle Blower Policy. No person has been denied access to the Audit Committee.

### D. Web Link for Policies

The Whistle Blower Policy, the Policy for determining Material Subsidiaries, and the Policy on dealing

with Related Party Transactions are available on the link given below<sup>[6]</sup>.

### E. Utilisation of Funds

There were no funds raised through preferential allotment or qualified institutions' placement as specified under Regulation 32 (7A) during this financial year.

### F. Unclaimed Suspense Account

In compliance with the Listing Regulations, your Company has transferred the unclaimed shares into a demat account, namely the 'Unclaimed Suspense Account'. As and when an allottee approaches the Company, after proper verification, the shares are credited into the demat account of the allottee. The Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Particulars	No. of Shareholders	Number of Shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year (April 1, 2022)	1493	851469
Number of shareholders and aggregate shares transferred to the Unclaimed Suspense Account during the year	0	0
Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year and aggregate shares transferred	42	28,140
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year and the aggregate shares transferred	0	0
Number of shareholders to whose shares were transferred from the Unclaimed Suspense Account to the IEPF Account during the year and the aggregate shares transferred	42	28140
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year (March 31, 2023)	1451	8,23,329

<sup>[6]</sup> <https://godrejcp.com/sustainability/codes-and-policies>

**G. Demat Suspense Account**

In compliance with the Listing Regulations, your Company has opened the Suspense Escrow Demat Account for crediting the shares which are not claimed by depositing letter of confirmation. There are no movements in this account during the year.

**H. Certificate from Practicing Company Secretary on Director's Eligibility**

The Company has received a certificate from a company secretary in practice stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the SEBI, Ministry of Corporate Affairs, or any such other

statutory authority. The certificate is enclosed with this section as 'Annexure A'.

**I. Details of Total Fees Paid to Statutory Auditors**

Details of total fees for all the services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in network firms/network entity of which the statutory auditor is a part are as follows:

Type of Services	Amount ₹ crore	
	2022-23	2021-22
Audit Fees	7.73	6.88
Tax Fees	0.80	0.11
Others	0.45	0.49
Total	8.98	7.48

**J. Disclosures in Relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013:**

	Received during calendar year 2022	Disposed during Financial year 2022	Pending at the end of Financial year 2022
Number of Complaints	5	5	0

**K. Disclosure by listed entity and its subsidiaries of 'Loans and advances in nature of loans to firms/companies in which directors are interested by name and amount: NIL****L. Details of Material Subsidiaries**

Name of the Material Subsidiary	Date & Place of Incorporation	Name of Statutory Auditors	Date of Appointment of Statutory Auditor
Godrej Africa Holdings Limited	19/01/2015, Port Louis, Mauritius	SM & Co	7 <sup>th</sup> February, 2020
Strength of Nature LLC	25/02/2000, Atlanta, Georgia	BSR & Co., India (KPMG India)	1 <sup>st</sup> October, 2021
Godrej Consumer Products Holding Mauritius Limited	23/02/2010, Port Louis, Mauritius	SM & Co	7 <sup>th</sup> February, 2020
Godrej Mauritius Africa Holdings Limited	14/03/2011, Port Louis, Mauritius	SM & Co	7 <sup>th</sup> February, 2020



<b>Name of the Material Subsidiary</b>	<b>Date &amp; Place of Incorporation</b>	<b>Name of Statutory Auditors</b>	<b>Date of Appointment of Statutory Auditor</b>
PT Godrej Consumer Products Indonesia (earlier known as PT Megasari Makmur)	29/01/1996, Jakarta, Indonesia	KPMG – Indonesia -Sidharta & Widjaja Registered Public Accountants	14 <sup>th</sup> June, 2017
PT Godrej Distribution Indonesia (earlier known as PT Intrasarri Raya)	22/08/1990, Jakarta, Indonesia	KPMG – Indonesia -Sidharta & Widjaja Registered Public Accountants	14 <sup>th</sup> June, 2017
Godrej SON Holdings Inc.	22/03/2016, Atlanta, Georgia, USA	BSR & Co., India (KPMG India)	1 <sup>st</sup> October, 2021

**M. Details of Compliance with Corporate Governance Requirements**

The Company has complied with the requirements specified in Regulations 17 to 27 and clause (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations.

- Unmodified audit opinions / reporting- The auditors have expressed an unmodified opinion in their report on the financial statements of the Company.
- Internal auditor reports directly to the Audit Committee.

Obligations and Disclosure Requirements) Regulations, 2015, that the Board of Directors of GCPL has laid down a Code of Conduct for all the Board members and senior management of the Company. The said Code of Conduct has also been posted on the Investors page of the Company website [www.godrejcp.com](http://www.godrejcp.com)

**N. Recommendation by the Board Committees**

There have been no instances of rejection by the Board for any recommendations by the Board Committees during this financial year.

**8. PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE**

As stipulated in Para E of Schedule V of the Listing Regulations, the practicing Company Secretary's certificate regarding the compliance of conditions of corporate governance is attached to the Board's Report.

All the Board Members and senior management personnel have affirmed their compliance with the said Code of Conduct for the year ended March 31, 2023.

**O. Compliance with discretionary requirements**

The Company has also ensured the implementation of discretionary items such as:

- Separate posts of Chairman, and CEO & MD, with the provision for reimbursement of expenses in the performance of official duties.

**DECLARATION BY THE MANAGING DIRECTOR**

I, Sudhir Sitapati, Managing Director & CEO of Godrej Consumer Products Limited (GCPL), hereby confirm pursuant to SEBI (Listing

**For Godrej Consumer Products Ltd.**

sd/-  
**Sudhir Sitapati**  
**Managing Director & CEO**  
Mumbai, May 10, 2023

## ANNEXURE A:

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

Godrej Consumer Products Limited  
4<sup>th</sup> Floor, Godrej One, Pirojshanagar,  
Eastern Express Highway, Vikhroli  
(East), Mumbai-400079

I/We have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of Godrej Consumer Products Limited having CIN - L24246MH2000PLC129806 and having a registered office at Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai-400079 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this certificate in accordance with Regulation 34(3) read with Schedule V Para C Subclause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion, to the best of our information, and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other statutory authority.

Sr. No.	Names of Directors	DIN	Date of Appointment in Company
1	Tanya Arvind Dubash	00026028	May 2, 2011
2	Nadir Burjor Godrej	00066195	November 29, 2000
3	Jamshyd Naoroji Godrej	00076250	March 1, 2001
4	Pirojsha Adi Godrej	00432983	April 1, 2017
5	Nisaba Adi Godrej	00591503	May 2, 2011
6	Sudhir Sitapati	09197063	October 18, 2021
7	Narendra Kumar Anand Ambwani	00236658	May 2, 2011
8	Sumeet Subhash Narang	01874599	April 1, 2019
9	Omkar Goswami	00004258	June 18, 2008
10	Ireena Vittal	05195656	April 30, 2013
11	Ndidi Okonkwo Nwuneli	07738574	April 1, 2017
12	Pippa Fametta Tubman Amerding	08054033	January 30, 2018

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is

neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For A. N. Ramani & Co.,  
Company Secretaries  
UNIQUE CODE-P2003MH000900  
Bhavana Shewakramani  
Partner  
FCS-8636, COP-9577  
UDIN :- F008636E000285902

Date : May 10, 2023

Place : Thane