

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^[1].

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 ensuring 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.

^[1] <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^[2].

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^[3].

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 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.

^[2] https://godrejcp.com/public/uploads/compliance_other_updates/FamiliarisationProgrammeforIDs2022-23.pdf

^[3] 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^[4].

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^[5]. 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^[6].

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.

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

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

^[6] <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^[7].

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^[8].

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

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

^[8] <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^[9]. 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^[10]. 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

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

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

available on the website of the company and can be accessed through the following link^[11].

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 22nd AGM held on August 03, 2022, until the conclusion of the 27th 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 ^[12].

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.

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

^[12] 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 75th 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 1st 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 4th ICC National Occupational Health & Safety Award 2022 by Indian Chamber of Commerce
- Meghalaya Coil has received 4th Level Award: PRASHANSA PATRA and AER unit has received “Certificate of Appreciation” in NSCI Safety Award 2022 at Panjim, Goa.
- In 36th 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 41st 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 8th 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 3rd 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 34th National Road Safety was celebrated across the South Cluster based on the theme of "Sadak Suraksha – Jeevan Raksha".
- The 52nd 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 25th November 2022.
- We donated a 60KVA DG Set to Madagadipet Commune Panchayat on 23rd 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.
- 75th 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 36th National Convention on Quality Concepts 2022, held at Aurangabad, Maharashtra from 27th to 30th 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 3rd September 2022.
- GCPL Malanpur received 6 par excellence awards in the 8th National conclave on 5S held at Agnel Institute of Technology & Design, Goa held on 25th 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
Total	22.17	20.66
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^[13].

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.

^[13] <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^[14].

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.

^[14] <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	0.07	No	Saath Charitable Trust	CSR00000021
					Jaipur, Ajmer, Pushkar, Jodhpur, Udaipur, Kota, Bikaner, Sikar						
					Agra, Banaras						
2	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	UP, KA, TN	Lucknow, Barabanki, Sitapur, Raibareilly	24	1.49	-	No	Vrutti	CSR000000538
					Mandya, Mysore, Chamrajnagar, Mangalore, Uttarkanda, Shimogga						
					Madurai, Selam, Coimbatore, Trichy						
3	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	MH	Mumbai, Pune, Nagpur	24	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	-	No	Dhriti	CSR00001800
5	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	GJ	Dholka, Mehsana, Kadi, Kalol	14	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	-	No	Access Development	CSR00002703
7	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	MH	Satara, Chiplun, Kamothe, Pune, Kolhapur	14	0.46	-	No	Mamdeshi Foundation	CSR0001923
8	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	Delhi	Delhi central	14	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	-	No	Ambuja Cement Foundation	CSR00006913
10	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	UP	Loni	14	0.18	-	No	Hope Foundation	CSR00000472
11	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	MH	Mumbai	14	0.24	-	No	Ekiavya Foundation	CSR00013122
12	Salon-i	Schedule VII (ii) livelihood enhancement projects	Yes	MH	Mumbai	14	0.24	-	Yes	NA	NA
13	Salon-i	Schedule VII (ii) livelihood enhancement projects	No	Maharashtra	Mumbai	4	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
TOTAL						31.15	30.84	0.30			

(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
				6.40			

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:

Sr. No.	Particulars	Godrej Consumer Products Limited Employee Stock Grant Scheme
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 : 10th 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 : 10th 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 31st 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 : 10th May, 2023