

# Directors' Report

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# Directors' Report

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Dear Members,

Your Directors, with pleasure, present the Annual Report for the year ended March 31, 2017.

## 1. Review of Operations

Your Company has delivered another year of competitive and profitable growth. Our focused approach and strong execution has enabled us to deliver an ahead-of-market performance over the past few years. During the fiscal year 2016-17, we consistently outperformed across quarters, with a reported sales growth of 10 per cent (on a consolidated basis for the fiscal year) and an EBITDA growth of 17 per cent.

In India, while demonetisation resulted in some near-term

disruptions, we continued to deliver a superior performance, with a sales growth of 4 per cent, and gaining share across most key brands. We also sustained momentum on new product development, with 5 key launches: aer pocket, BBLUNT Salon Secret, Cinthol Deostick, Good knight personal repellents, and HIT Gel Stick. aer pocket has been a huge success, and our Good knight personal repellents range is receiving an encouraging response from trade and consumers, particularly with innovative media campaigns. Cinthol Deostick, both for men and women, has been well received by consumers. We continue to support this launch with innovative consumer engagement initiatives and impactful communication.

We were ranked the number 1 FMCG Company to work for in the 'Great Place to Work - Best Workplaces in India 2016' list, for the thirteenth year in a row. We also ranked number 12 on the 'Great Place to Work - Best Workplaces in Asia 2017' list and among the best employers in India, in the 'Aon Hewitt Best Employers in India - 2017' survey.

Pursuant to the notification issued by the Ministry of Corporate Affairs dated February 16, 2015, your Company has adopted Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules with effect from April 1, 2016. Financial Statements for the year ended and as at March 31, 2016 have been restated to conform to Ind AS.

The financial performance of your Company for the fiscal year under review is summarised as follows:

Financials	₹ (Crore)			
	Consolidated		Standalone	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
<b>Abridged Profit and Loss Statement</b>				
Total Revenue from Operations	9608.80	8753.06	5088.99	4883.40
Other Income	75.30	83.90	63.60	61.37
Total Income	9684.10	8836.96	5152.59	4944.77
Total Expenses including Depreciation and Finance Costs	7997.87	7336.88	4045.11	3996.55
Profit/ (Loss) before Exceptional items, Share of Profit of Equity Accounted Investees and Tax	1686.23	1500.08	1107.48	948.22
Exceptional Items	0.08	-333.51	0.00	0.00
Share of Profit of Equity Accounted Investees (net of income tax)	0.82	0.10	0.00	0.00
Profit/ (Loss) before Tax	1687.13	1166.67	1107.48	948.22
Tax Expense	379.16	336.05	259.45	225.55
Profit/ (Loss) after Tax	1307.97	830.62	848.03	722.67
Other Comprehensive Income	-83.41	-70.93	-5.94	-1.61
Total Comprehensive Income for the period	1224.56	759.69	842.09	721.06
Net Profit/ (Loss) attributable to:				
a) Owners of the company	1304.08	827.61	848.03	722.67
b) Non-Controlling interests	3.89	3.01	0	0
Total Comprehensive Income Attributable to:				
a) Owners of the company	1220.67	756.68	842.09	721.06
b) Non-Controlling interests	3.89	3.01	0	0

## 2. Appropriation

Your Directors recommend appropriation as detailed as follows:

Appropriation	FY 2016-17	FY 2015-16
	₹ (Crore)	₹ (Crore)
Surplus at the beginning of the year	2139.63	1619.57
Less: Remeasurements of defined benefit plans	5.19	1.61
Add: Net Profit for the year	848.03	722.67
Add: Transfer from Debenture Redemption Reserve	-	24.39
<b>Available for Appropriation</b>	<b>2982.47</b>	<b>2365.02</b>
Less: Interim Dividends	195.78	187.27
Less: Tax on Distributed Profits	39.87	38.12
<b>Surplus Carried Forward</b>	<b>2746.82</b>	<b>2139.63</b>

## 3. Changes in the holding structure of the Company

During the fiscal year 2016-17, your Company's holding company, Godrej & Boyce Manufacturing Company Limited, transferred 27.451 per cent of its equity stake to another promoter group company, Godrej Seeds & Genetics Limited, as an inter-

se transfer among qualifying persons. Consequently, your Company does not have any holding company as on March 31, 2017. However, the overall promoter shareholding has not changed, and it continues to stand at 63.27 per cent as at the year end, subsequent to this transaction.

## 4. Issue of bonus shares

The Board at its meeting held on May 9, 2017, approved the issue of bonus shares in the ratio of 1:1, i.e. one bonus equity share of ₹ 1/- each for every one fully paid-up equity share held. Furthermore, the Board approved the increase in authorised share capital, necessary to accommodate

the issue of bonus shares and consequent Alteration of the Memorandum of Association and Article of Association of

the Company. These approvals are subject to the shareholders' approval and hence, have been set out as agenda items in the

Notice of the Annual General Meeting (AGM), along with relevant explanatory statements.

## 5. Dividend

### A. Dividend declared

For the fiscal year 2016-17, the following four interim dividends were declared on shares of a face value of ₹ 1/- each. The details of the dividends are as follows:

Dividend Type	Declared at Board Meeting Dated	Dividend rate per share on shares of face value ₹ 1 each	Record Date
1 <sup>st</sup> Interim for fiscal year 2016-17	July 29, 2016	₹ 1.00	August 8, 2016
2 <sup>nd</sup> Interim for fiscal year 2016-17	November 7, 2016	₹ 1.00	November 16, 2016
3 <sup>rd</sup> Interim for fiscal year 2016-17	January 30, 2017	₹ 1.00	February 7, 2017
4 <sup>th</sup> Interim for fiscal year 2016-17	May 9, 2017	₹ 12.00	May 17, 2017
<b>TOTAL</b>		<b>₹ 15.00</b>	

Your directors recommend that the aforesaid interim dividends aggregating to ₹ 15.00/- per equity share, be declared as the final dividend for the year ended March 31, 2017.

Since your Company has adopted IND AS, accounting of dividends will be done based on the payment of dividend and hence, the 4<sup>th</sup> Interim Dividend of the fiscal year 2015-16 has been accounted for in the fiscal year 2016-17. Similarly, the 4<sup>th</sup> Interim Dividend of the fiscal year 2016-17, will be accounted in the fiscal year 2017-18.

### B. Dividend Distribution Policy

The Board of Directors adopted the Dividend Distribution Policy pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations) which requires the top 500 listed companies (by market capitalisation) to formulate the same.

The Company's Dividend Distribution Policy may also be accessed through the following link<sup>[1]</sup>

## 6. Board of Directors

### A. Number of meetings, declarations, appointment of directors:

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

All the Independent Directors have given their declaration of independence as required under Section 149(6) of the Companies Act, 2013. This has been noted by the Board of Directors.

Mr. Pirojsha Godrej and Ms. Ndidi Nwuneli were appointed as Additional Non-Executive Director and Additional

& Independent Director, respectively, at the Board Meeting held on January 30, 2017, with effect from April 1, 2017. As per the provisions of Section 160 of the Companies Act, 2013, your Company has received a notice from a member specifying their intention to propose the appointment of Mr. Pirojsha Godrej and Ms. Ndidi Nwuneli as Directors in the forthcoming AGM. Furthermore, a specific resolution is included in the Notice of the AGM for the appointment of Ms. Ndidi Nwuneli as an Independent Director for a period of 5 years with effect from April 1, 2017.

Furthermore, the Board its meeting held on May 9, 2017, approved the changes in the leadership positions of the Company. Ms. Nisaba Godrej, who was an Executive Director, will now be the Executive Chairperson, and Mr. Adi

<sup>[1]</sup>[http://godrejcp.com/Resources/pdf/dividend\\_distribution\\_policy.pdf](http://godrejcp.com/Resources/pdf/dividend_distribution_policy.pdf)

Godrej will assume the position of Chairman Emeritus with effect from May 10, 2017. In addition, Mr. Vivek Gambhir, Managing Director & CEO, will now be designated as the Managing Director and CEO.

#### **B. Familiarisation programmes:**

Several familiarisation programmes for the Independent Directors were conducted during the year including updates on its long term business strategies, Latin America operations, risk management, digital transformation strategies, R&D priorities, changes in tax regulations, impact of and strategy to counter demonetisation, brand strategies for select product categories, etc. Apart from this there were quarterly business presentations by Mr. Vivek Gambhir, Managing Director & CEO and Mr. V Srinivasan, Chief Financial Officer & Company Secretary.

Further details of the familiarisation programmes may also be accessed through the following link<sup>[2]</sup>

#### **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 Listing Regulations. The Committee consists entirely of the Independent Directors: Mr. Bharat Doshi as Chairman of the Committee and Mr.

Narendra Ambwani, Dr. Omkar Goswami, Mr. Aman Mehta, Mr. D Shivakumar, and Ms. Ireena Vittal as members. Ms. Ndidi Nwuneli was also appointed as a member of the Audit Committee with effect from April 1, 2017, consequent to her appointment on the Board as the Additional & Independent Director.

#### **D. Directors liable to retire by rotation:**

In the forthcoming AGM, Mr. Jamshyd Godrej and Mr. Nadir Godrej will retire by rotation and will be considered for re-appointment because of their eligibility.

#### **E. Board Diversity Policy:**

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.

#### **F. Remuneration Policy:**

The Company's Remuneration Policy for Directors, Key Managerial Personnel, 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.

#### **G. Remuneration to Directors:**

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'**:

The information required under Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not being sent along with this Report. However, this annexure is available on the Company website. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid annexure is also available for inspection at the Registered Office of the Company during working hours, up to the date of the AGM.

Mr. Adi Godrej, Chairman; Ms. Nisaba Godrej, Executive Director; and Mr. Vivek Gambhir, Managing Director & CEO receive remuneration from your Company. Godrej & Boyce Manufacturing Company Limited was the

<sup>[2]</sup> [http://godrejcp.com/Resources/uploads/compliance\\_other\\_updates/FamiliarisationProgrammeforIDs201617.pdf](http://godrejcp.com/Resources/uploads/compliance_other_updates/FamiliarisationProgrammeforIDs201617.pdf)

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holding company of your Company till March 30, 2017. Mr. Adi Godrej receives commission from Godrej & Boyce Manufacturing Company Limited.

#### **H. Performance evaluation of the Board of Directors, its individual members, and its Committees**

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

The Corporate HR team of Godrej Industries Limited and Associate Companies (GILAC) worked directly with the Chairman and the Nomination & Remuneration Committee of the Board, to design and execute this process, which was adopted by the Board. Each Board Member completed a confidential online questionnaire, providing vital feedback on how the Board currently operates and how its effectiveness could be improved.

The survey comprised four sections and compiled feedback and suggestions on the following criteria:

- Board Processes (including Board composition, strategic orientation, and team dynamics)

- Individual Committees
- Individual Board Members
- Chairman

The criteria for Board processes included Board composition, strategic orientation, and team dynamics. The criteria for evaluation of the Board Committees covered whether the Committee has well defined objectives, whether it has the correct composition, and whether it achieves its objectives. The criteria for evaluation of all the individual Directors included skills, experience, and level of preparedness of the Directors, attendance and extent of contribution to Board debates and discussion, and how the Director leverages his/her expertise and networks to meaningfully contribute to the Company. The criteria for the Chairman's evaluation included leadership style and conduct of Board meetings.

The following reports were created as part of the evaluation:

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

The overall Board Feedback Report was facilitated by Mr. Bharat Doshi with the Independent Directors. The Directors were vocal about the Board functioning effectively, but they also

identified areas that show scope for improvement. The Board Committees and Board Members' feedback was shared with the Chairman. Following his evaluation, a Chairman's Feedback Report was also compiled.

#### **I. 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:

- a) In the preparation of the 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 judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial 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.

## 7. Finance

### A. Particulars of 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 and Policy

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 viz. [www.godrejcp.com](http://www.godrejcp.com), under the

Investors tab, on the 'Codes and Policies' page.

The RPT Policy may also be accessed through the following link<sup>[3]</sup>

Apart from the Related Party Transactions in the ordinary course of business and at arm's length transactions, the details of which are given in the notes to the financial statements, no other Related Party Transactions require disclosure in the Directors' Report, for compliance with Section 134(3)(h) of the Companies Act, 2013. Therefore, a Nil Report is attached as **Annexure 'D'** in the format prescribed (i.e. Form AOC-2).

## 8. Subsidiaries and Associates

### A. Report of acquisitions completed during the year

During the year, the following acquisitions were completed by your Company:

Canon Chemicals Limited, a Kenya-based home and personal care company, manufactures and distributes products in the personal and home care categories. This acquisition helps your Company in further strengthening its presence in the sub-Saharan African market. This acquisition is in line with your Company's global 3 by 3 strategy of targeting strong regional assets in the emerging world.

Strength of Nature (**SON**), a leading hair care company, to accelerate growth in Africa. SON is a US-based company with a strong global presence. It has a compelling portfolio of leading hair care brands with affordable and innovative products and has been serving women of African descent across 50 countries. The acquisition enables your Company to turbo-charge, creating a strong platform for Wet Hair Care products in Africa and to forge a stronger presence in the global Wet Hair Care category USD 1.8 billion. SON complements your Company's portfolio in Africa, building on its leadership position in Dry Hair Care and hair colour products in the region. This investment catapults your Company, making it one of the largest global players, serving the hair care needs of women of African descent. It will, over time, provide a platform to further build and drive global leadership.

During the year, your Company, through its subsidiary, increased its stake in Hair Credentials Zambia, a company formed to start the hair extension business in Zambia, from 51 per cent to 100 per cent. Furthermore, your Company, through its subsidiary, increased its equity stake from 51 per cent to 100 per cent in Charm Industries Limited, Kenya, and increased

<sup>[3]</sup> <http://www.godrejcp.com/Resources/pdf/Related-Party-Transactions-Policy.pdf>



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its stake to 100% in Weave Senegal Limited, a newly formed company to start the hair and skin care business in Senegal.

**B. Names of companies which have become or ceased to be subsidiaries, joint ventures, or associates during the year:**

During the year, the following companies became subsidiaries of your Company:

- Strength of Nature LLC (USA)
- Canon Chemicals Ltd.
- Weave Senegal Ltd.
- Strength of Nature South Africa Proprietary Limited
- Old Pro International Inc (USA)
- DGH Uganda
- Style Industries Uganda Limited
- Godrej Consumer Products International FZCO, (Dubai, UAE)
- Godrej International Trading Company (Sharjah, UAE)

DGH Angola ceased to be a subsidiary of your Company during the year.

**C. Report on the performance of the subsidiaries and associates:**

Business details of the key subsidiaries are given in the Management Discussion & Analysis section of the Annual Report.

While the Review of Operations section mentions details about the performance of your Company's India Business, we provide brief details on the performance of other clusters below:

**Indonesia**

Our Indonesia business delivered a mixed sales growth. While the Household Insecticides portfolio declined due to a poor season, the rest of the portfolio grew strongly. The overall portfolio sales were the same as the previous year in constant currency terms.

During the last quarter of the year, we cross-pollinated the aer pocket bathroom air freshener to Indonesia, and launched Stella pocket. In July 2016, we cross-pollinated hair colours in Indonesia with the launch of NYU crème hair colour in a sachet format.

**Africa**

Last year, we saw muted economic growth in certain key countries, such as South Africa and Nigeria. We bucked the trend and grew the business strongly with a constant currency sales growth of 22 per cent. We also acquired the Strength of Nature business this year and are focusing on leveraging this acquisition to turbocharge our wet hair care portfolio growth in Africa.

**Latin America and UK**

Despite a challenging macroeconomic environment, our Latin America business grew by 19 per cent in constant currency terms. We continued to focus on innovation and effective communication campaigns to drive growth. Our UK business remained flat on a constant currency basis in a challenging operating environment.

A report on the performance and financial position of each of the subsidiary, associate, and joint venture companies has been provided after the Consolidated Financial Statement section of the Annual Report in Form AOC-1.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, your Company has placed the financial statements of its subsidiaries on the Company website [www.godrejcp.com](http://www.godrejcp.com).

**D. 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 [www.godrejcp.com](http://www.godrejcp.com), under the Investors tab, on the 'Codes and Policies' page.

The policy may also be accessed through the following link<sup>[4]</sup>

<sup>[4]</sup> <http://www.godrejcp.com/Resources/pdf/Policy-on-Material-Subsidiaries.pdf>

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

In compliance with Section 4(3) of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, your Company reconstituted its 'Internal Complaints Committee' (Committee), during the year. During the year, e-learning workshops were conducted to create awareness about sexual harassment among employees.

Because there were no complaints during the year, the Committee filed a NIL complaints report with the concerned authorities, in compliance with Section 22 of the above-mentioned Act.

## 10. Policies and Annexures

### A. Extract of Annual Return

**Annexure 'E'** to this Report provides the Extract of Annual Return to be filed by the company under the Companies Act, 2013.

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

**Annexure 'F'** to this Report provides information on the conservation of energy, technology absorption, and 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 Directors' Report.

### C. Risk Management

Elements of risks to the Company are listed in the Management Discussion & Analysis section of the Annual Report under the heading '**Enterprise Business Risk Management**'.

### D. Corporate Social Responsibility

Your Company has a well-documented Corporate Social Responsibility (CSR) Policy. Details of CSR projects are provided in **Annexure 'G'** in the prescribed format.

### E. 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 employees to raise concerns about 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 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 & Assurance has been appointed as the "Whistle Blowing Officer" and his contact details have been mentioned in the Policy. Furthermore, employees are also 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.

On a quarterly basis, the Audit Committee reviews reports made under this policy and implements corrective actions, wherever necessary.

### F. Employee Stock Grant Scheme

The details of the grants allotted under Godrej Consumer Products Limited Employee Stock Grant Scheme, 2011 as also the disclosures in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014, and Section 62 1(b) read with Rule 12(9) of the Companies (Share Capital & Debentures) Rules, 2014 are set out in **Annexure 'H'**.

Your Company has not given 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 with respect to the shares to which the scheme relates.

## 11. Unclaimed shares

In compliance with the Listing Regulations, your Company has transferred the unclaimed shares into a demat account, namely the 'Unclaimed-Suspense Account'. As and when an allottee approaches the Company, after proper verification, the shares are rematerialised and physical certificates are delivered to the allottee.

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed-Suspense Account at the beginning of the year	5,658	858,185
Number of shareholders and aggregate shares transferred to Unclaimed-Suspense Account during the year	-	-
Number of shareholders who approached the issuer for transfer of shares from the Unclaimed-Suspense Account during the year and aggregate shares transferred	109	23,240
Number of shareholders to whom shares were transferred from the Unclaimed-Suspense Account during the year and the aggregate shares transferred	109	23,240
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed-Suspense Account at the end of the year	5,549	834,945

## 12. Listing

The shares of your Company are listed at the BSE Limited and the 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 & Options Segment of the National Stock Exchange of India.

of the Company since incorporation in the year 2000.

Hence, pursuant to the provisions of the Companies Act, 2013, the Company is required to appoint new Statutory Auditors.

The Audit Committee at its Meeting held on November 7, 2016, unanimously approved to recommend to the Board, the appointment of B S R & Co, LLP, Chartered Accountants (Firm Regn. No. 101248W/W-100022) as the new statutory auditors to hold office from the conclusion of the 17<sup>th</sup> AGM on July 31, 2017 (i.e. the forthcoming AGM), until the conclusion of the 22<sup>nd</sup> AGM in the year 2022, at a remuneration as may be approved by the Board. B S R & Co. LLP has access to the international knowledge and methodology of KPMG International. The Board, at its meeting held on May 9, 2017, approved the recommendation of the Audit Committee.

Accordingly, this item has been included in the Notice of the AGM for the approval of the shareholders.

The Board places on record, its appreciation of the contribution of M/s Kalyaniwalla & Mistry LLP, Chartered Accountants, during their tenure as the Statutory Auditors of the Company.

The notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore, do not warrant any further explanation.

## 13. Auditors and Auditors' Report

### A. Statutory Auditors

In accordance with Section 139 of the Companies Act, 2013 and the rules made thereunder, M/s Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Regn. No. 104607W/W100166), Mumbai, were appointed as Statutory Auditors to hold office from the conclusion of the 14<sup>th</sup> AGM till the conclusion of the 17<sup>th</sup> AGM (i.e. the forthcoming AGM of the Company). M/s Kalyaniwalla & Mistry LLP, Chartered Accountants have been the Statutory Auditors

### B. Cost Auditors

Pursuant to directions from the Department of Company Affairs, M/s. P. M. Nanabhoy & Co., Cost Accountants, were appointed as cost auditors for the applicable products of the Company for the fiscal year 2016-17. They are required to submit the report to the Central Government within 180 days from the end of the accounting year.

### C. Secretarial Auditors

The Board had appointed A. N. Ramani & Co., Company Secretaries, Practising Company Secretary, to conduct a secretarial audit for the fiscal year 2016-17. The Secretarial Audit Report for the fiscal year ended March 31, 2017, is attached herewith as **Annexure 'I'**. The Secretarial Audit Report does not contain any qualification, reservation, or adverse remark.

### 14. Corporate Governance

Your Company continues to enjoy a Corporate Governance Rating of CGR2+ (pronounced CGR 2 plus) and a Stakeholder Value Creation and Governance Rating of SVG1 (pronounced SVG one). The '+' sign indicates a relatively high standing within the category indicated by the rating. The aforementioned ratings are on a scale of 1 to 6, where 1 is the highest rating. The two ratings indicate whether a company is being run on the principles of Corporate Governance and whether the practices followed by the Company lead to value creation for all its shareholders.

The CGR2 rating is on a scale of CGR1 to CGR6, where CGR1 denotes the highest rating. The CGR2+ rating implies that in ICRA's current opinion, the rated company has adopted and follows such practices, conventions, and codes as would provide its financial stakeholders a high level of assurance of the quality of corporate governance.

The SVG1 rating is on a scale of SVG1 to SVG6, where SVG1 denotes the highest rating. The SVG1 rating implies that in ICRA's current opinion, the company belongs to the highest category of the composite parameters of stakeholder value creation and management as well as corporate governance practices.

Pursuant to the Listing Regulations, the Management Discussion & Analysis Report and the Report on Corporate Governance are included in the Annual Report. The Auditors' Certificate certifying the Company's compliance with the requirements of Corporate Governance, in terms of the Listing Regulations, is attached as **Annexure 'J'**.

### 15. Acknowledgement

Your Directors wish to extend their sincere thanks to the Central and State Governments as well as the 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

sd/-

**Adi Godrej  
Chairman**

Mumbai, May 9, 2017

#### **ANNEXURE 'A'**

#### **BOARD DIVERSITY POLICY**

The Company is committed to equality of opportunity in all aspects of its business and does

not discriminate on the grounds of nationality, race, colour, religion, caste, gender, gender identity or expression, sexual orientation, disability, age, or marital status.

The Company recognises merit and continuously seeks to enhance the effectiveness of its Board. The Company believes that for effective corporate governance, the Board should have the appropriate balance of skills, experience, and diversity of perspectives.

Board appointments will be made on a merit basis and candidates will be considered on the basis of objective criteria, with due regard for the benefits of diversity on the Board. The Board believes that such merit-based appointments will best enable the Company to serve its stakeholders.

The Board will regularly review this policy to ensure its effectiveness.

#### **ANNEXURE 'B'**

#### **GCPL TOTAL REWARDS POLICY**

GCPL'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).

#### **Highlights**

The rewards framework offers employees the flexibility to customise different elements based on need. The framework is also integrated with GCPL's performance and talent management processes and is designed to ensure sharply differentiated rewards for our best performers.

The total compensation for a given position is influenced by the following three factors: position, performance, and potential. As a broad principle, for high performers and potential employees, GCPL strives to deliver total compensation at the 90<sup>th</sup> percentile of the market.

#### Total Cash Compensation

The employees' total cash compensation has the following three components:

1. 'Fixed Compensation' comprising the basic salary and retirement benefits like provident fund and gratuity.
2. 'Flexible Compensation' comprising a fixed pre-determined component of the employees' compensation. Employees can allocate this amount to different components, as per their grade eligibility, defined at the start of each fiscal year.

3. '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 without cap for over-achieving business results. It has a 'Collective' component, linked to the achievement of specified business results, measured by 'Economic Value Added' or other related metrics, relative to the target set for a given fiscal year and an 'Individual' component, based on Employee's performance, as measured by the performance management process.

#### Long-Term Incentives (Employee Stock Grant Scheme)

This scheme aims at driving a culture of ownership and focus on long-term results. It is applicable to Godrej

Leadership Forum members. Under this scheme, performance-based stock grants are awarded. The value of the stock grant is proposed by the management and approved by the Compensation Committee.

#### 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

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the fiscal year 2016-17; the percentage increase in the remuneration of each Director, Chief Financial Officer & Company Secretary during the fiscal year 2016-17; and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as follows:

#### A. Whole-time Directors and Chief Financial Officer & Company Secretary

Sr. No.	Name of the KMP	Designation	Per cent increase in remuneration in the fiscal year (FY) 2016-17	Ratio of remuneration of each Director to the median remuneration paid/payable to all employees for fiscal year 2016-17
1	Adi Godrej	Chairman	(26)	325.06
2	Nisaba Godrej	Executive Director	(15)	121.75
3	Vivek Gambhir	Managing Director & CEO	(18)	377.07
4	V Srinivasan	Chief Financial Officer & Company Secretary	(15)	Not Applicable

Remuneration includes the actual performance linked variable remuneration payable for the fiscal year on the basis of performance, profitability and optimum utilisation of capital.

#### D. Non-Executive Directors

Sr. No.	Name of the Director	Per cent increase in remuneration in the fiscal year 2016-17	Ratio of remuneration of each Director to the median remuneration paid/payable to all employees for fiscal year 2016-17
1	Jamshyd Godrej	Nil	4.49
2	Nadir Godrej	Nil	4.49
3	Tanya Dubash	Nil	4.49
4	Narendra Ambwani	Nil	4.96
5	Bharat Doshi	Nil	4.96
6	Omkar Goswami	Nil	4.96
7	Aman Mehta	Nil	4.96
8	D Shivakumar	Nil	4.96
9	Ireena Vittal	Nil	4.96

Note:

- (i) As per the approval received from the shareholders at the AGM held on July 28, 2014, the Non-Executive Directors are entitled to a Commission on Profits at a rate not exceeding 1 per cent of the net profits subject to a maximum of ₹ 15 lakhs per director, for a period of 3 fiscal years beginning from 2014-15.
- (ii) Median remuneration of all the employees of the Company for the fiscal year 2016-17: ₹ 4.23 lakh.
- (iii) The percentage increase in the median remuneration of employees in the fiscal year: 9.59 per cent.
- (iv) The number of permanent employees on the payrolls of the Company as on March 31, 2017 2,457.
- (v) The average percentile increase 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 5 per cent of the Company's net profits as permitted by the Companies Act, 2013. The shareholders have approved Commission on Profits to Non-Executive Directors at a rate not exceeding 1 per cent of the net profit, subject to a maximum amount of ₹ 15 lakh per Director. Remuneration does not include lease rent paid to Ms Tanya Dubash and Ms Nisaba Godrej, the details of which are given separately in related party

transactions in notes to accounts. The Non-Executive Directors are also eligible for sitting fees of ₹ 1 lakh per Board meeting attended and ₹ 20,000 per Committee meeting attended. There is no increase in the base remuneration payable to the Non-Executive Directors. However, compared with the previous year, the actual sitting fees paid have varied in case of some of the Non-Executive Directors according to the meetings attended.

The average percentile change in the salary of employees other than managerial personnel is a decrease of 9 per cent while that of Managerial Personnel is a decline of 14 per cent.

Decline is largely on account of performance linked variable remuneration.

- (vi) Remuneration is as per the remuneration policy of the Company.

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## ANNEXURE 'D'

### Form AOC-2

Form for the disclosure of particulars of contracts/arrangements entered into by the Company with Related Parties referred to in sub-section (1) of section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

- |          |   |            |
|----------|---|------------|
| <b>1</b> | <b>Details of contracts or arrangements or transactions not at arm's length basis</b>                             | <b>NIL</b> |
| a        | Name(s) of the related party and nature of relationship   |            |
| b        | Nature of the contracts or arrangements or transactions   |            |
| c        | Duration of the contracts or arrangements or transactions   |            |
| d        | Salient terms of the contracts or arrangements or transactions including the value, if any                        |            |
| e        | Justification for entering into such contracts or arrangements or transactions                                    |            |
| f        | Date(s) of approval by the Board  |            |
| g        | Amount paid as advances, if any   |            |
| h        | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 |            |
| <b>2</b> | <b>Details of material contracts or arrangement or transactions at arm's length basis</b>                         | <b>NIL</b> |
| a        | Name(s) of the related party and nature of relationship   |            |
| b        | Nature of contracts or arrangements or transactions   |            |
| c        | Duration of the contracts or arrangements or transactions   |            |
| d        | Salient terms of the contracts or arrangements or transactions including the value, if any                        |            |
| e        | Date(s) of approval by the Board, if any  |            |
| f        | Amount paid as advances, if any   |            |

### For Godrej Consumer Products Limited

sd/-

**Adi Godrej**

Chairman

## Annexure 'E'

## EXTRACT OF ANNUAL RETURN IN FORM MGT-9

as on March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION AND OTHER DETAILS:	
a	CIN Registration date Name of the Company
b	Category/Sub Category
c	Listing Status, if applicable
d	Company's registered office address and contact details
e	Registrar & Transfer Agent's Name, Address and contact details

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY-** all business activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1 Household Insecticides	20211	45%
2 Soaps	20231	30%
3 Hair Colours	20236	11%

**III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Annexure 'E-1'

**IV SHAREHOLDING PATTERN** (Equity Share Capital Breakup as percentage of Total Equity)

Annexure 'E-2'

**V INDEBTEDNESS-** Indebtedness of the Company including interest outstanding/accrued but not due for payment:

₹ (Crore)

	Secured Loan excluding deposits	Unsecured Loans	Deposits	Total indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
(i) Principal amount	-	2.75	-	2.75
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	0.00	2.75	0.00	2.75
Changes in Indebtedness during the financial year				
· Addition	0.00	400.00	0.00	400.00
· Reduction	0.00	(252.75)	0.00	(252.75)
Net Change	0.00	147.25	0.00	147.25
<b>Indebtedness at the end of the financial year</b>				
(i) Principal amount	0.00	150.00	0.00	150.00
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>0.00</b>	<b>150.00</b>	<b>0.00</b>	<b>150.00</b>



## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A Remuneration to MD/WTD/Manager and Remuneration to KMP other than MD/Manager/WTD (CEO, CS & CFO)

₹ (Crore)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount	KMP other than MD/WTD/ Manager	
		Adi Godrej (WTD)	Nisaba Godrej (WTD)	Vivek Gambhir (MD & CEO)		V Srinivasan (CFO & CS)	Total Amount
<b>1</b>	<b>Gross salary</b>						
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	13.10	4.83	12.72	30.65	2.34	2.34
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.44	0.00	0.00	0.44	0.00	0.00
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00	0.00	0.00	0.00
2	Stock Option	0.00	0.00	2.91	2.91	0.14	0.14
3	Sweat Equity	0.00	0.00	0.00	0.00	0.00	0.00
4	Commission - as % of profit - others, specify...	0.00	0.00	0.00	0.00	0.00	0.00
5	Others (Company's Contribution to PF, Reimbursements)	0.21	0.32	0.32	0.85	0.16	0.16
	<b>Total (A)</b>	<b>13.75</b>	<b>5.15</b>	<b>15.95</b>	<b>34.85</b>	<b>2.64</b>	<b>2.64</b>
	Ceiling as per the Act	55.08	55.08	55.08	121.17	NA	NA

### B. Remuneration to Independent/other Non-Executive Directors

₹ ( Crore)

Sr. No.	Particulars of Remuneration	Names of Independent Directors					Names of other Non Executive Directors				Total
		Narendra Ambwani	Bharat Doshi	Omkar Goswami	Aman Mehta	D Shivakumar	Ireena Vittal	Jamshyd Godrej	Nadir Godrej	Tanya Dubash	
1	Sitting Fees	0.06	0.06	0.06	0.06	0.06	0.06	0.04	0.04	0.04	0.48
2	Commission	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	1.35
3	Others	-	-	-	-	-	-	-	-	-	-
	<b>Total (B)</b>	<b>0.21</b>	<b>0.21</b>	<b>0.21</b>	<b>0.21</b>	<b>0.21</b>	<b>0.21</b>	<b>0.19</b>	<b>0.19</b>	<b>0.19</b>	<b>1.83</b>
	<b>Total Managerial Remuneration (A+B)</b>										<b>36.68</b>
	<b>Ceiling as per the Act</b>										121.17

## VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. Company</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>C. Other Officers In Default</b>					
Penalty					
Punishment			NIL		
Compounding					

## ANNEXURE 'E-1'

Sr. No.	Name of the Company	Address of the Company	Effective Control	CIN/GLN	Holding/ Subsidiary /Associate	Applicable Section
1	Godrej Household Products Lanka Pvt Ltd	No 7 C. Post Masters Place, Off Templers Road, Mount Lavinia, Sri Lanka	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
2	Godrej Household Products Bangladesh Pvt Ltd	Concord Madhumoti Plaza, Level-10, Plot No. 11, Road No. 11, Block-G, Banani, Dhaka-1213, Bangladesh	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
3	Godrej Consumer Products Bangladesh Ltd		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
4	Godrej South Africa (Proprietary) Limited	11 Young Road, Pinetown 3610	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
5	Godrej Netherlands B.V.	SGG Netherlands, Amerika Building, Hoogoorddreef 15, 1101 BA Amsterdam	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
6	Godrej (UK) Limited (Erstwhile Godrej Consumer Products (UK) Ltd.)	1st Floor, Falcon House, 115-123, Staines Road, Hounslow, Middlesex, TW3 3LL	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
7	Godrej Consumer Products (UK) Ltd. (Erstwhile Keyline Brands Limited)		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
8	Godrej Consumer Investments (Chile) Spa	Vargas Fontecilla 3830, Quinta Normal, RM, Santiago, Chile	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
9	Godrej Holding (Chile) Limitada		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
10	Cosmetica Nacional		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
11	Plasticos Nacional	Vargas Fontecilla 3984, Quinta Normal, RM Santiago, Chile	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
12	Godrej Consumer Products Mauritius Limited	C/O Cim Corporate Services Ltd, Les Cascades Building, Edith Cavell Street, Port Louis, Republic Of Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
13	Godrej Nigeria Ltd	Plot No 2A, Ayodele Diyan Street, Ikeja, Lagos, Nigeria	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
14	Godrej Hair Care Nigeria Limited		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
15	Godrej Household Insecticide Nigeria Ltd		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
16	Godrej Hair Weave Nigeria Ltd		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
17	Panamar Produccioness S.A	Empedrado 2435 – Ciudad Autónoma de Buenos Aires – Argentina	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
18	Argencos S.A		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
19	Laboratoria Cuenca S.A		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
20	Consell S.A		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
21	Deciral S.A	Calle Osvaldo Cruz 5398 Codigo Postal 12200 – Montevideo - Uruguay	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
22	Issue Group Brazil Limited	Rod. João Leopoldo Jacomel 12475 – SJ 02 –Pinhais (Cep 83323-4100) – Parana - Brazil	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	Effective Control	CIN/GLN	Holding/ Subsidiary /Associate	Applicable Section
23	Godrej Consumer Products Holding (Mauritius) Limited	C/O Cim Corporate Services Ltd, Les Cascades Building, Edith Cavell Street, Port Louis, Republic Of Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
24	Godrej Indonesia IP Holdings Ltd	Unit 15161, Level 15, The Gate Building, Dubai International Financial Centre, PO Box 506997, Dubai, UAE	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
25	Godrej Consumer Products US Holding Limited	B2-23, PO Box 7966, Sharjah Airport International Free Zone, Sharjah, UAE	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
26	Godrej Mid East Holdings Limited	Portcullis Trustnet (Labuan) Limited, Level 6(D), Main Office Tower, Financial Park Labuan Comple Jalan Merdeka 87000 Labuan F. T., Malaysia	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
27	Godrej Global Mid East FZE	SGG Netherlands, Amerika Building, Hoogoorddreef 15, 1101 BA Amsterdam	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
28	Indovest Capital limited	Jl. Raya Narogong KM. 15 Kampung Ciketing Barat RT.003 RW.001, Cikejing Udik Bantar Gebang Bekasi 17153	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
29	Godrej Consumer Products Dutch Cooperatief U.A	9 Gunung Putri, Bogor 16965	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
30	Godrej Consumer Products (Netherlands) B.V.	Jl. Pancasila V RT.04 RW.13 Cicadas Gunung Putri, Bogor 16965	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
31	Godrej Consumer Holdings (Netherlands) B.V.	Jl. Raya Narogong Paal 10 RT.02 RW.03 Limus Nunggal Cileungsi Bogor 16965	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
32	PT Indomas Susemi Jaya	Jl. Pancasila IV RT.02 RW.04 Cicadas Gunung Putri, Bogor 16965	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
33	PT Intrasari Raya	Jl. Raya Narogong Paal 10 RT.02 RW.03 Limus Nunggal Cileungsi Bogor 16965	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
34	PT Megasari Makmur	Jl. Pancasila V RT.04 RW.13 Cicadas Gunung Putri, Bogor 16965	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
35	PT Ekamas Sarijaya	Jl. Raya Narogong Paal 10 RT.02 RW.03 Limus Nunggal Cileungsi Bogor 16965	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
36	PT Sarico Indah	Jl. Pancasila IV RT.02 RW.04 Cicadas Gunung Putri, Bogor 16965	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
37	Godrej Mauritius Africa Holdings Limited	C/O Cim Corporate Services Ltd Les Cascades Building, Edith Cavell Street, Port Louis, Republic Of Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
38	Darling Trading Company Mauritius Ltd.	30 Auckland Street, Paarden Eiland, Cape Town, 7405	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
39	Godrej Africa Holdings Limited	Plot No 128, Spintex Road, Near Polytank Factory, Greater Accra, Ghana	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
40	Frika Weave Ply Ltd		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
41	Weave Ghana Ltd.		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	Effective Control	CIN/GLN	Holding/ Subsidiary /Associate	Applicable Section
42	Kinky Group (Proprietary) Limited	11 Young Road, Pinetown 3610	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
43	Lorna Nigeria Limited	Plot No. 2A, Ayodele Diyan Street, Ikeja, Lagos, Nigeria	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
44	Godrej West Africa Holdings Limited	C/O Cim Corporate Services Ltd, Les Cascades Building, Edith Cavell Street, Port Louis, Republic Of Mauritius	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
45	Weave IP Holding Mauritius Private Limited	7 Potgieter Street, Alrode 1449, Johannesburg, Private Bag X 035, Unit 21, Alberton, 1450, South Africa	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
46	Subinite Pty Limited		90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
47	Weave Mozambique Limitada	Av. Samora Machel, 6819-EN4, Maputo- Witbank KM 15Maputo	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
48	Weave Trading Mauritius Private Limited	C/O Cim Corporate Services Ltd Les Cascades Building, Edith Cavell Street, Port Louis, Republic Of Mauritius	51.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
49	Hair Trading (Offshore) S.A.L.	Corniche Al-Mazraa- Mama Str.- Chamat Bldg., Beirut- Lebanon	51.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
50	Godrej East Africa Holdings Limited	C/O Cim Corporate Services Ltd, Les Cascades Building, Edith Cavell Street, Port Louis, Republic Of Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
51	DGH Phase Two Mauritius Private Limited		90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
52	Style Industries Limited	L/R No.1870/1/575, 1 <sup>st</sup> Floor, Empress Plaza, Westlands, P O Box 30682, 00100, Nairobi	90.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
53	Charm Industries Limited	Plot 62, Alpha Centre, Mombasa Road, Nairobi, Kenya, Po Box 18455-00100	100.00%	NA-Foreign Company	Subsidiary	
54	Godrej Tanzania Holdings Limited	C/O Cim Corporate Services Ltd, Les Cascades Building, Edith Cavell Street, Port Louis, Republic Of Mauritius	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
55	DGH Tanzania Ltd		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
56	Sigma Hair Industries Limited	11 <sup>th</sup> Floor, PPF Tower, Ohio Street/ Garden Avenue, P O Box 1160, Dar Es Salaam, Tanzania	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
57	Belaza Mozambique LDA	No. 6819 Samora Machel, Rua witbank EN 4, KM 15, Matola, Mozambique	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
58	Hair Credentials Zambia Limited	Plot 7461, Corner of Nchoncho and Washama Roads, Off Lamumba Road, Lusaka 31471, Zambia	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)

<b>Sr. No.</b>	<b>Name of the Company</b>	<b>Address of the Company</b>	<b>Effective Control</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary /Associate</b>	<b>Applicable Section</b>
59	Godrej SON Holdings Inc.	40, Technology Pkwy South, #300, Norcross, Georgia 30092, Gwinnett County	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
60	Style Industries Uganda Limited	Plot 865, Industrial Area Namanve, Jinja Road- Bweyogerere/Kazinga, Wakiso District, P.O. Box 29722	51.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
61	Old Pro International Inc (USA)	64 Ross Road, Savannah, Georgia, 31405	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
62	Strength of Nature South Africa Proprietary Limited		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
63	Strength of Nature LLC (USA)		100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
64	Canon Chemicals Ltd.	Mombasa Road, Behind Mlolongo Weighbridge, P.O. Box 24336, Nairobi, Kenya, 00100	75.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
65	Weave Senegal Ltd	35, Rue de Thiong, Dakar, Senegal	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
66	Godrej International Trading Company (Sharjah, UAE)	125 M2 Warehouse A2-055, P.O. Box 514406, Sharjah – U.A.E	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
67	Godrej Consumer Products International FZCO (GCPi) (Dubai, UAE)	Building No 3 E G08, Dubai Airport Free Zone, P O Box No 293725, Dubai, UAE	100.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
68	DGH Uganda	C/O Cim Corporate Services Ltd, Les Cascades Building, Edith Cavell Street, Port Louis, Republic Of Mauritius	51.00%	NA-Foreign Company	Subsidiary	2(87)(ii)
69	Bhabhani Blunt Hairdressing Private Limited	Ground Floor, Block No. 1, Kohinoor Building, 29 Hughes Road, Mumbai - 400007, Maharashtra, India	30.00%	U93020MH2004PTC148187	Associate	2(6)

## ANNEXURE 'E-2'

## SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## I. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	16,054,647	-	16,054,647	4.71%	16,054,647	-	16,054,647	4.71%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt (s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	199,441,435	-	199,441,435	58.57%	199,441,435	-	199,441,435	58.56%	0.00%
e) Banks/FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any Other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (A) (1)</b>	<b>215,496,082</b>	<b>-</b>	<b>215,496,082</b>	<b>63.28%</b>	<b>215,496,082</b>	<b>-</b>	<b>215,496,082</b>	<b>63.27%</b>	<b>0.00%</b>
<b>(2) Foreign</b>									
a) NRIs- Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other – Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Banks/FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Any Other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Total Shareholding of Promoter (A)= (A)(1) + (A)(2)</b>	<b>215,496,082</b>	<b>-</b>	<b>215,496,082</b>	<b>63.28%</b>	<b>215,496,082</b>	<b>-</b>	<b>215,496,082</b>	<b>63.27%</b>	<b>0.00%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	1,750,560	14,904	1,765,464	0.52%	2,081,285	14,904	2,096,189	0.62%	0.10%
b) Banks/FI	804,851	3,780	808,631	0.24%	636,101	3,780	639,881	0.19%	-0.05%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Co	3,778,002	-	3,778,002	1.11%	4,628,114	-	4,628,114	1.36%	0.25%
g) FIs	97,235,310	23,200	97,258,510	28.56%	96,794,367	23,200	96,817,567	28.43%	-0.14%
h) Foreign Venture Capital Fund	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (Specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B) (1)</b>	<b>103,568,723</b>	<b>41,884</b>	<b>103,610,607</b>	<b>30.43%</b>	<b>104,139,867</b>	<b>41,884</b>	<b>104,181,751</b>	<b>30.59%</b>	<b>0.16%</b>
<b>2. Non Institutional</b>									
<b>a) Bodies Corp.</b>									
i) Indian	3,722,632	-	3,722,632	1.09%	3,332,084	60,774	3,392,858	1.00%	-0.10%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	12,021,389	5,392,285	17,413,674	5.11%	12,108,696	5,134,608	17,243,304	5.06%	-0.05%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	290,828	-	290,828	0.09%	286,821	-	286,821	0.08%	0.00%
<b>c) Others (specify)</b>									
Clearing Member	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
- Non Resident Indians (Repat)	-	-	-	0.00%	-	-	-	0.00%	0.00%
- Non Resident Indians (Non Repat)	-	-	-	0.00%	-	-	-	0.00%	0.00%

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Trust	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub total (B)(2)</b>	<b>16,034,849</b>	<b>5,392,285</b>	<b>21,427,134</b>	<b>6.29%</b>	<b>15,727,601</b>	<b>5,195,382</b>	<b>20,922,983</b>	<b>6.14%</b>	<b>-0.15%</b>
<b>Total Public shareholding (B)=(B)(1) + (B)(2)</b>	<b>119,603,572</b>	<b>5,434,169</b>	<b>125,037,741</b>	<b>36.72%</b>	<b>119,867,468</b>	<b>5,237,266</b>	<b>125,104,734</b>	<b>36.73%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	<b>0.00%</b>	-	-	-	<b>0.00%</b>	<b>0.00%</b>
<b>Grand Total (A+B+C)</b>	<b>335,099,654</b>	<b>5,434,169</b>	<b>340,533,823</b>	<b>100.00%</b>	<b>335,363,550</b>	<b>5,237,266</b>	<b>340,600,816</b>	<b>100.00%</b>	<b>0.00%</b>

## II. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2016)			Shareholding at the end of the year (31.03.2017)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Godrej & Boyce Mfg Co Ltd	118,503,815	34.80%	0.00%	25,003,815	7.34%	0.00%	-27.46%
2	Godrej Industries Ltd	80,937,620	23.77%	0.00%	80,937,620	23.76%	0.00%	0.00%
3	Godrej Seeds & Genetics Ltd	-	0.00%	0.00%	93,500,000	27.45%	0.00%	27.45%
4	Adi Burjorji Godrej	500	0.00%	0.00%	500	0.00%	0.00%	0.00%
5	Parmeshwar Adi Godrej	4	0.00%	0.00%	4	0.00%	0.00%	0.00%
6	Tanya Arvind Dubash	1,071,054	0.31%	0.00%	1,071,054	0.31%	0.00%	0.00%
7	Pirojsha Adi Godrej	1,071,075	0.31%	0.00%	1,071,075	0.31%	0.00%	0.00%
8	Nisaba Adi Godrej	1,071,061	0.31%	0.00%	1,071,061	0.31%	0.00%	0.00%
9	Jamshyd Naoroji Godrej And Others As Trustee Of Raika Godrej Family Trust	1,606,808	0.47%	0.00%	1,606,808	0.47%	0.00%	0.00%
10	Navroze Jamshyd Godrej	1,606,809	0.47%	0.00%	1,606,809	0.47%	0.00%	0.00%
11	Nadir Barjorji Godrej	917,454	0.27%	0.00%	917,454	0.27%	0.00%	0.00%
12	Rati Nadir Godrej	-	0.00%	0.00%	-	0.00%	0.00%	0.00%
13	Burjis Nadir Godrej	633,724	0.19%	0.00%	633,724	0.19%	0.00%	0.00%
14	Sohrab Nadir Godrej	633,728	0.19%	0.00%	633,728	0.19%	0.00%	0.00%
15	Hormazd Nadir Godrej	1,028,728	0.30%	0.00%	1,028,728	0.30%	0.00%	0.00%
16	Nyrika Holkar	967,088	0.28%	0.00%	967,088	0.28%	0.00%	0.00%
17	Freyan Crishna Bieri	967,090	0.28%	0.00%	967,090	0.28%	0.00%	0.00%
18	Rishad Kaikhushru Naoroji	24	0.00%	0.00%	24	0.00%	0.00%	0.00%
19	Rishad Kaikhushru Naoroji & Others [(Partner in M/s RKN Enterprises) (Beneficial Interest is of M/s RKN Enterprises)]	4,479,500	1.32%	0.00%	4,479,500	1.32%	0.00%	0.00%
<b>Total:</b>		<b>215,496,082</b>	<b>63.28%</b>	<b>0.00%</b>	<b>215,496,082</b>	<b>63.27%</b>	<b>0.00%</b>	<b>-0.01%</b>

## III. Change in Promoters' Shareholding

Sr. No.	Name	Shareholding			Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding during the year / end of the period	
		No of shares at the beginning of the year	% of total shares of the Company	Date			No of shares	% of total shares of the Company
1	Godrej & Boyce Mfg Co Ltd	118,503,815	34.80%	31-Mar-16				34.80%
				31-Mar-17	-93,500,000	Inter Se Transfer	25,003,815	7.34%
				31-Mar-17			25,003,815	7.34%
2	Godrej Seeds & Genetics Ltd	-	0.00%	31-Mar-16				0.00%
				31-Mar-17	93,500,000	Inter Se Transfer	93,500,000	27.46%
				31-Mar-17			93,500,000	27.46%
3	Nadir Barjorji Godrej	1,551,178	0.46%	31-Mar-16				0.46%
				09-Sep-16	-633724	Inter Se Transfer	917,454	0.27%
				31-Mar-17			917,454	0.27%
4	Rati Nadir Godrej	633728	0.19%	31-Mar-16				0.19%
				09-Sep-16	-633728	Inter Se Transfer	-	0.00%
				31-Mar-17			-	0.00%
5	Burjis Nadir Godrej	0	0.00%	31-Mar-16				0.00%
				09-Sep-16	633724	Inter Se Transfer	633,724	0.19%
				31-Mar-17			633,724	0.19%
6	Sohrab Nadir Godrej	0	0.00%	31-Mar-16				0.00%
				09-Sep-16	633728	Inter Se Transfer	633,728	0.19%
				31-Mar-17			633,728	0.19%
7	Rishad Kaikhushru Naoroji	4479524	1.32%	31-Mar-16				1.32%
				23-Dec-16	-4479500	Inter Se Transfer	24	0.00%
				31-Mar-17			24	0.00%
8	Rishad Kaikhushru Naoroji (As a Partner of RKN Enterprises)	0	0.00%	31-Mar-16				0.00%
				23-Dec-16	4479500	Inter Se Transfer	4,479,500	1.32%
				31-Mar-17			4,479,500	1.32%



#### IV. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr No	Name	Shareholding			Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding during the year /end of the period	
		No of shares at the beginning of the year	% of total shares of the Company	Date			No of shares	% of total shares of the Company
1	First State Investments ICVC-Stewart Investors Asia Pacific Leaders Fund	8,548,427	2.51%	31-Mar-16				2.51%
				18-Nov-16	53,153	Transfer	8,601,580	2.53%
				25-Nov-16	365,588	Transfer	8,967,168	2.63%
				20-Jan-17	(8,779,616)	Transfer	187,552	0.06%
				27-Jan-17	8,779,616	Transfer	8,967,168	2.63%
				31-Mar-17			8,967,168	2.63%
2	Baytree Investments (Mauritius) Pte Ltd	8,391,924	2.46%	31-Mar-16				2.46%
				31-Mar-17			8,391,924	2.46%
3	Arisaig Partners (Asia) Pte Ltd A/C Arisaig India Fund Limited	6,772,678	1.99%	31-Mar-16				1.99%
				31-Mar-17			6,772,678	1.99%
4	Aberdeen Global Indian Equity Ltd	6,418,586	1.88%	31-Mar-16				1.88%
				6-May-16	(116,058)	Transfer	6,302,528	1.85%
				11-May-16	(253,942)	Transfer	6,048,586	1.78%
				3-Jun-16	(200,000)	Transfer	5,848,586	1.72%
				10-Jun-16	(210,000)	Transfer	5,638,586	1.66%
				23-Sep-16	(140,000)	Transfer	5,498,586	1.61%
				28-Oct-16	(68,307)	Transfer	5,430,279	1.59%
				4-Nov-16	(151,693)	Transfer	5,278,586	1.55%
				6-Jan-17	(114,106)	Transfer	5,164,480	1.52%
				13-Jan-17	(215,894)	Transfer	4,948,586	1.45%
				31-Mar-17	(93,066)	Transfer	4,855,520	1.43%
31-Mar-17			4,855,520	1.43%				
5	Life Insurance Corporation of India	3,778,002	1.11%	31-Mar-16				1.11%
				28-Oct-16	24,000	Transfer	3,802,002	1.12%
				4-Nov-16	244,709	Transfer	4,046,711	1.19%
				11-Nov-16	278,450	Transfer	4,325,161	1.27%
				16-Nov-16	63,333	Transfer	4,388,494	1.29%
				18-Nov-16	10,461	Transfer	4,398,955	1.29%
				25-Nov-16	200,040	Transfer	4,598,995	1.35%
				2-Dec-16	27,790	Transfer	4,626,785	1.36%
				30-Dec-16	1,329	Transfer	4,628,114	1.36%
				31-Mar-17			4,628,114	1.36%
				6	New World Fund Inc	760,452	0.22%	31-Mar-16
8-Apr-16	839,548	Transfer	1,600,000					0.47%
6-May-16	350,000	Transfer	1,950,000					0.57%
20-May-16	15,013	Transfer	1,965,013					0.58%
27-May-16	344,987	Transfer	2,310,000					0.68%
3-Jun-16	125,000	Transfer	2,435,000					0.72%
9-Sep-16	72,839	Transfer	2,507,839					0.74%
16-Sep-16	477,161	Transfer	2,985,000					0.88%
31-Mar-17			2,985,000	0.88%				
7	Government of Singapore	3,415,934	1.00%	31-Mar-16				1.00%

Sr No	Name	Shareholding			Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding during the year /end of the period	
		No of shares at the beginning of the year	% of total shares of the Company	Date			No of shares	% of total shares of the Company
				8-Apr-16	(11,030)	Transfer	3,404,904	1.00%
				15-Apr-16	4	Transfer	3,404,908	1.00%
				22-Apr-16	(58,877)	Transfer	3,346,031	0.98%
				29-Apr-16	(28,233)	Transfer	3,317,798	0.97%
				6-May-16	(49,975)	Transfer	3,267,823	0.96%
				13-May-16	(4)	Transfer	3,267,819	0.96%
				3-Jun-16	14,685	Transfer	3,282,504	0.96%
				10-Jun-16	(19,130)	Transfer	3,263,374	0.96%
				17-Jun-16	(71,510)	Transfer	3,191,864	0.94%
				8-Jul-16	(32,424)	Transfer	3,159,440	0.93%
				22-Jul-16	(40)	Transfer	3,159,400	0.93%
				29-Jul-16	(23,862)	Transfer	3,135,538	0.92%
				5-Aug-16	(38,274)	Transfer	3,097,264	0.91%
				12-Aug-16	(65,585)	Transfer	3,031,679	0.89%
				2-Sep-16	(5,772)	Transfer	3,025,907	0.89%
				9-Sep-16	1,760	Transfer	3,027,667	0.89%
				16-Sep-16	(3,921)	Transfer	3,023,746	0.89%
				7-Oct-16	10,717	Transfer	3,034,463	0.89%
				4-Nov-16	(4,205)	Transfer	3,030,258	0.89%
				11-Nov-16	(4,035)	Transfer	3,026,223	0.89%
				25-Nov-16	(3,922)	Transfer	3,022,301	0.89%
				2-Dec-16	40,504	Transfer	3,062,805	0.90%
				9-Dec-16	(60,008)	Transfer	3,002,797	0.88%
				16-Dec-16	(38,851)	Transfer	2,963,946	0.87%
				30-Dec-16	12,643	Transfer	2,976,589	0.87%
				6-Jan-17	11,863	Transfer	2,988,452	0.88%
				20-Jan-17	(3,894)	Transfer	2,984,558	0.88%
				3-Feb-17	(71,016)	Transfer	2,913,542	0.86%
				7-Feb-17	(24,784)	Transfer	2,888,758	0.85%
				10-Feb-17	(3,885)	Transfer	2,884,873	0.85%
				3-Mar-17	(8,265)	Transfer	2,876,608	0.84%
				10-Mar-17	3,439	Transfer	2,880,047	0.85%
				31-Mar-17	(36,305)	Transfer	2,843,742	0.84%
				31-Mar-17			2,843,742	0.84%
8	Vanguard Emerging Markets Stock Index Fund, A series of Vanguard International Equity Index Fund	1,883,932	0.55%	31-Mar-16				0.55%
				8-Apr-16	6,552	Transfer	1,890,484	0.56%
				22-Apr-16	5,400	Transfer	1,895,884	0.56%
				10-Jun-16	5,750	Transfer	1,901,634	0.56%
				24-Jun-16	21,648	Transfer	1,923,282	0.56%
				22-Jul-16	4,428	Transfer	1,927,710	0.57%
				29-Jul-16	13,194	Transfer	1,940,904	0.57%
				5-Aug-16	10,449	Transfer	1,951,353	0.57%
				12-Aug-16	11,115	Transfer	1,962,468	0.58%
				19-Aug-16	15,808	Transfer	1,978,276	0.58%
				9-Sep-16	7,110	Transfer	1,985,386	0.58%

Sr No	Name	Shareholding			Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding during the year /end of the period	
		No of shares at the beginning of the year	% of total shares of the Company	Date			No of shares	% of total shares of the Company
				7-Oct-16	8,896	Transfer	1,994,282	0.59%
				14-Oct-16	6,116	Transfer	2,000,398	0.59%
				21-Oct-16	20,850	Transfer	2,021,248	0.59%
				28-Oct-16	8,340	Transfer	2,029,588	0.60%
				11-Nov-16	18,070	Transfer	2,047,658	0.60%
				25-Nov-16	21,962	Transfer	2,069,620	0.61%
				2-Dec-16	12,510	Transfer	2,082,130	0.61%
				6-Jan-17	5,616	Transfer	2,087,746	0.61%
				13-Jan-17	11,934	Transfer	2,099,680	0.62%
				20-Jan-17	5,616	Transfer	2,105,296	0.62%
				3-Feb-17	16,848	Transfer	2,122,144	0.62%
				17-Feb-17	4,680	Transfer	2,126,824	0.62%
				24-Mar-17	7,333	Transfer	2,134,157	0.63%
				31-Mar-17	10,076	Transfer	2,144,233	0.63%
				31-Mar-17			2,144,233	0.63%
9	Arisaig Partners (Asia) Pte Ltd A/c Arisaig Global Emerging Markets Consumer Fund (Singapore) Pte Ltd	2,127,844	0.62%	31-Mar-16				0.62%
				3-Feb-17	(158,500)	Transfer	1,969,344	0.58%
				31-Mar-17			1,969,344	0.58%
10	First State Asian Equities Plus Fund	2,759,517	0.81%	31-Mar-16				0.81%
				15-Apr-16	(55,008)	Transfer	2,704,509	0.79%
				22-Apr-16	(283,561)	Transfer	2,420,948	0.71%
				15-Jul-16	(60,868)	Transfer	2,360,080	0.69%
				22-Jul-16	(50,811)	Transfer	2,309,269	0.68%
				9-Dec-16	(80,700)	Transfer	2,228,569	0.65%
				23-Dec-16	(92,108)	Transfer	2,136,461	0.63%
				20-Jan-17	(81,060)	Transfer	2,055,401	0.60%
				27-Jan-17	(80,788)	Transfer	1,974,613	0.58%
				3-Mar-17	(55,513)	Transfer	1,919,100	0.56%
				10-Mar-17	(191,789)	Transfer	1,727,311	0.51%
				17-Mar-17	(48,366)	Transfer	1,678,945	0.49%
				31-Mar-17			1,678,945	0.49%

## V. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name and Designation	Shareholding			Increase (+)/ Decrease(-) in shareholding	Reason	Cumulative Shareholding during the year/end of the period	
		No of shares at the beginning of the year	% of total shares of the Company	Date			No of shares	% of total shares of the Company
1	Adi Godrej, Chairman	500	<0.01%	31-Mar-16				<0.01%
				31-Mar-17			500	<0.01%
2	Jamshyd Godrej and others as Trustee of Raika Godrej Family Trust	1,606,808	0.47%	31-Mar-16				0.47%
				31-Mar-17			1,606,808	0.47%
3	Nadir Godrej, Director	1,551,178	0.46%	31-Mar-16				0.46%
				09-Sep-16	-633,724		917,454	0.27%
4	Tanya Dubash, Director	1,071,054	0.31%	31-Mar-16				0.31%
				31-Mar-17			1,071,054	0.31%
5	Nisaba Godrej, Executive Director	1,071,061	0.31%	31-Mar-16				0.31%
				31-Mar-17			1,071,061	0.31%
6	Vivek Gambhir, Managing Director & CEO	19,558	<0.01%	31-Mar-16				<0.01%
				5-Aug-16	19,565	Exercise of ESOP	39,123	<0.01%
7	Narendra Ambwani, Director	1,000	<0.01%	31-Mar-16				<0.01%
				31-Mar-17			1,000	<0.01%
8	Bharat Doshi, Director	13,714	<0.01%	31-Mar-16				<0.01%
				31-Mar-17			13,714	<0.01%
9	V Srinivasan, Chief Financial Officer & Company Secretary	1,234	<0.01%	31-Mar-16				<0.01%
				5-Aug-16	961	Exercise of ESOP	2195	<0.01%
				31-Mar-17			2195	<0.01%

## ANNEXURE 'F'

### 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, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

#### A. Conservation of Energy

##### I. Steps taken or impact of initiatives for conservation of energy and Steps taken by the Company to use alternate sources of energy:

###### NORTH-EAST CLUSTER

1. Your Company's north-east cluster has 8 units, of which 2 are **100 per cent LED** lit, and the rest of the units are more than **50 per cent LED** lit, which leads to savings of **47,313 units**
2. Installation of auto detection/cut-off mechanism to cut off energy supply when it is not needed. We achieved an annual saving of more than 15,000 kWh
3. At the Meghalaya Coils unit, the usage of hot air from the compressor exhaust as an input to the blower was started during the year
4. The units use transfer pumps. To reduce the usage of these transfer pumps, the diameter of the transfer pipe was increased. We achieved an annual saving of more than 25,000 kWh

5. At the New Conso unit, the usage of fast card flow wrap heaters (2 to 1) was optimised. We achieved an annual saving of more than 20,000 kWh
6. Installation of a 5-KW solar system for lighting at your Company's Sikkim unit. We achieved an annual saving of **26,000 kWh**

###### Waste reduction (material conservation)

7. Recycling of laminate scrap instead of incineration
8. Reduction in crème laminate wastage by **42 per cent** despite an increase in production volume

###### Water conservation

9. Reuse of regenerated water from DM Plant and other STP treated water for gardening with an annual saving of approximately **156 KL**

###### NORTH CLUSTER

10. Installation of LED lights instead of tube lights
11. Replacement of equipment motors with low-capacity energy-efficient motors
12. Improvement in the power factor
13. Automation of water chiller and stamping machines to avoid idle running  
We achieved savings of 119,000 kWh through all the aforementioned measures.

###### CENTRAL WEST CLUSTER

14. Installation of a micro steam turbine, which generates power to the tune of 560,000 kWh per annum by reducing steam pressure from 15 to 3 bar
15. Usage of solar power through open excess resulting in usage of renewable electrical energy during the day hours. We consumed 60 lakh electrical units during the year 2016-17

16. Installation of a water-based vacuum system in the soap dryer to reduce steam consumption by 360 MT per annum

17. Installation of a water-based vacuum system in FADP2 to reduce steam consumption by 800 MT per annum

18. Optimisation of the running of the briquette-fired boiler to increase the use of renewable energy by using 5,500 MT of biomass briquette

###### SOUTH CLUSTER

19. Reduction of gas consumption by increasing hot water kettle capacity. An annual saving of 38,500 SCM (standard cubic meter of natural gas) was achieved
20. Installation of energy-efficient lighting. An annual

saving of 440,640 kWh and 462,019 kWh in the Coil 9 and MM Nagar, Tamil Nadu units, respectively, was achieved

21. Installation of VFD's in higher capacity motors for energy saving. An annual saving of 99,236 kWh was achieved

## II. Capital investment on energy conservation equipment:

The Company made a capital investment of ₹ 2.052 crore for energy conservation projects during the year.

### Awards:

- Won certificate of appreciation from the National Safety Council for Thana and Katha plants
- Malanpur unit won CII Greenco rating in the Gold Category for its efforts for sustainable improvement
- Won the "Certificate of Winner with 3 star rating" in CII EHS Excellence Award for the MM Nagar, Tamil Nadu unit

## B. Technology Absorption

The Research and Development (R&D) function of your Company continued to play a key role in ensuring successful launches of the following products during the year:

1. Good knight personal repellent gel, patches, and Fabric Roll-On
2. HIT Gel Stick
3. BBLUNT
4. Salon Secret
5. Godrej No. 1 germ protection soap
6. New variants of Godrej aer pocket
7. Good knight Power Shots
8. NYU crème hair colour in Indonesia
9. Stella pocket in Indonesia
10. Aliyana range of hair care products in Africa

The current year, like previous years, also saw a sharp focus on consumer-centric, relevant, design-led innovation. The Company focuses intently on innovation in new technologies, which provides the consumer value for money.

### I. Specific R&D product categories initiated by the company:

1. Hair Care
2. Skin Care
3. Household Insecticides
4. Customer Centricity
5. Packaging Development
6. Fabric Care
7. Hygiene Products
8. Air Care
9. Dry Hair

### II. Benefits derived from the aforementioned R&D efforts:

R&D has played a pivotal role in developing two new technologies in the air care and personal care areas. Strong R&D-led initiatives with innovation projects have led

to successful launches of several new products in the market in the current fiscal year. Your company has entered into the personal repellent space with highly innovative products containing natural active ingredients. R&D has also played a pivotal role in the improving cost optimisation 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 development, and training-led skill upgradation 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 innovations in the market, for both domestic and international business. Our R&D team shall constantly endeavour to deliver superior innovative products, thereby delighting both domestic and international customers by implementing the following measures:

1. Ensuring successful commercial launches within the Hair Care, Household Insecticides, and Personal Care categories in 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 Skin Care, Household Insecticides, Hair Care, Air Care, and Fabric Care
4. Maintaining a strong focus on R&D training needs and people development

5. Partnering with external stakeholders and leading institutions

### III. Imported Technology:

Your Company has not imported any technology since its incorporation

### IV. Expenditure on R&D

		₹ Crore	
		Fiscal year 2016-17	Fiscal year 2015-16
(a)	Capital	1.74	1.83
(b)	Recurring	14.46	15.51
(c)	Total	16.20	17.34
(d)	Total R&D expenditure as a percentage of total sales turnover	0.32%	0.36%

### C. Foreign Exchange Earnings and Outgo:

		₹ Crore	
		Fiscal year 2016-17	Fiscal year 2015-16
I.	Foreign exchange used	315.33	253.49
II.	Foreign exchange earned	197.75	195.66

## ANNEXURE 'G'

### CSR Report

#### 1. 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 India. The Good & Green CSR policy focuses on addressing the critical social, environmental, and economic needs of the marginalised and less privileged sections of society. Through our Good & Green CSR policy, we align our CSR strategy with the Godrej Group's Good & Green vision and goals. 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 on the Company website and may be accessed through the following link<sup>[5]</sup>

An overview of the projects or programmes undertaken during fiscal year 2016-17 is given below. We have aligned our programmes to national missions and priorities and they are thus categorised.

#### 1. National Skills Mission

##### A. Employability and Livelihoods

At Godrej, we collaborate with non-profit organisations and

social enterprises to design and run several employability training programmes for youth from low-income sections of society. We aim to improve the earning potential of our trainees, by building their skills and empowering them. Apart from core domain skills, our programmes also focus on life skills training, entrepreneurship development, and post-placement support.

As of March 2017, we have trained over 186,000 youth in skills that will enhance their earning potential.

Our projects include:

- Salon-i, our beauty and hair care training
- Vijay, our channel sales training for rural youth

<sup>[5]</sup> <http://www.godrejcp.com/Resources/pdf/CSR-Policy.pdf>

- Prerna, our retail management training
  - i. **Salon-i** trains young girls and women in beauty and hair care. Over 30,000 women have graduated from this programme in fiscal year 2016-17. The programme is currently operational in 300 centres across India. The curriculum is integrated with life skills and entrepreneurial modules to equip the candidates in starting their own enterprise, if they are so interested. The curriculum has been digitised and is available as audio-visual content.
 

Through our partnerships, approximately 60 per cent of our alumni have found jobs in beauty parlours, many of which are nationally recognised chains; the rest work mainly as freelancers or micro-entrepreneurs.

Further, in fiscal year 2016-17, we reached out to women in the beauty and wellness industry across India to set up the 'Beauty-preneur' platform. This program promotes entrepreneurship and enables women to start training other girls as well as empowers these women entrepreneurs through life skills and entrepreneurship modules. Ninety-five women have joined the Beauty-preneur programme and are aiming to reach out to other women as well as to grow their businesses.
  - ii. As fast-moving consumer goods and other similar industries expand in India, a ready pipeline of skilled talent for sales, particularly in rural areas, will be an essential enabler for growth. The industry currently faces high attrition of entry-level sales representatives. This can be partly attributed to the lack of requisite skills, leading to an inability to meet targets and manage pressure at work. **Vijay**, our training programme in channel sales, trains unemployed youth and builds a talent pipeline for the industry.
 

The programme trained 12,500 youth across 5 locations in channel sales in fiscal year 2016-17. The youth undergo 40 hours of training—one-half of which is spent in the classroom and the other half as experiential learning. The programme has been specially designed for training distributor sales resources.
  - iii. **Prerna**, our retail management training programme is aimed at improving the entrepreneurial ability of retailers. The programme covers topics including business drivers and key measures, stock management, principles of display, interacting with customers, and trends in retail and self-service stores, to improve the sales skills of in-shop retail associates. Topics covered include basic IT, communication and workplace ethics, stock and shelf management, knowing products, growth drivers for business, basic interaction skills, selling skills, customer service skills, and soft skills. In fiscal year 2016-17, 1500 candidates were trained under Prerna.
  - iv. We have developed a **life skills curriculum** for all of our employability programmes across our businesses. The life skills curriculum supplements the current employability courses. The modules equip our trainees with financial literacy, work readiness, and critical skills, which will enable them to build stronger and more



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productive careers and lives. Interactive games and activities have been developed for different target audiences under this project.

- v. We are also conducting a semi-longitudinal impact assessment of all our employability programmes. This impact assessment study aims to understand the socio-economic impact of our courses on the lives of the people trained over a 3-year period. The mid-term assessment of the programme is complete.

## **B. Community Development**

Sustainability is an integral part of our business and value chain, and it helps us provide high-quality and affordable goods to our 1.1 billion people globally, who use our products on any given day. Our stakeholders are also the communities that border our plant locations. To align our CSR activities with both community needs and our Good & Green

strategy, we conducted third-party community needs assessments at our priority plant locations.

Based on valuable stakeholder input, we are now implementing a range of high-impact community development programmes primarily to improve the quality of education in government schools around our manufacturing sites. Our interventions help to improve the infrastructure in the schools as well as the overall teaching learning environment.

## **C. Rural Entrepreneurship**

As a corollary to the employability and livelihoods programme, we have set up a project to identify and train unemployed women and youth in entrepreneurship skills to ensure a stable livelihood for them. The programme involves intensive mobilisation and a year-long hand-holding period to ensure that they succeed at their entrepreneurial ventures. 40 youth have currently been identified under this project.

## **2. Swachh Bharat Mission**

### **A. Elimination of Vector Borne Endemic Diseases**

Elimination of Vector Borne Endemic Diseases (EMBED) is an intensive community awareness and behaviour change programme to combat malaria in regions that report high annual parasitic index. Under the EMBED programme, we collaborate with non-profit organisations and governments and aim to reduce mortality due to malaria.

The approach towards the project is as follows:

- Implement specific behaviour change communication interventions at the community and household level to spread awareness and encourage healthcare seeking behaviour for prevention and control of vector-borne endemic diseases
- Strengthen links with public and private health services in the prioritised blocks to improve preventive and curative services
- Evaluate the data to support scaling-up the project



## SHORT TERM IMPACT

### OVERALL



9

Districts

3000

Villages

7,00,000

Households

35,00,000

people

### PHASE I



209

ASHA workers trained

77

RHCPs trained

655

Ojhas/local healers trained

156

Local community volunteers trained



564

Gram chaupal sessions conducted

1970

Village and health nutrition days supported

## B. Waste Management

We have initiated various community waste management projects across India. Some of these projects are as follows:

### 1. Urban waste management in Hyderabad, Telangana

We are working with the Greater Hyderabad Municipal Corporation (GHMC) in a multi-stakeholder project which includes the Resident Welfare Associations of Hyderabad to establish 10 swachh centres for segregating wet and dry

waste. The wet waste will be turned into compost, the plastic waste will be recycled into granules, and the non-recyclable plastic waste will be converted into poly fuel via thermal depolymerisation. The project will also manufacture briquettes, from other waste for use as a fuel source. The project aims to divert more than 25 tonnes of municipal solid waste per day from landfills with the aim to become a zero waste to landfill project over time.

### 2. Plastic waste management in Guwahati, Assam

The project aims to collect the non-recyclable multi-layered plastic waste and convert it into poly fuel via pyrolysis. We aim to process more than 2 tonnes of plastic waste per day from industrial units and housing societies in the Guwahati municipality and its surrounding areas.

### 3. Rural Electrification

We aim to create renewable energy ecosystems in

rural India to address the shortage of energy supply. The project provides decentralised, off-grid renewable energy systems through community-level installations. These mini- and micro-grids are being installed in 67 energy-dark villages in Andhra Pradesh, Uttarakhand, and Madhya Pradesh. In addition, we are also training the local youth and building awareness on the potential of renewable energy systems for meeting rural energy needs.

#### 4. Watershed Management

Our integrated watershed development project will help restore the ecological balance in the drought-prone district of Siddipet in Telangana. Our efforts are designed to recharge groundwater and make more water available for irrigation over a total area of more than 3,300 hectares. We are also working to support farmers in adopting sustainable farming practices to mitigate the impacts of climate change.

#### 5. Donations

##### A. Enabling right to food and fighting malnutrition in children with the Fight Hunger Foundation:

The aim was to reach to children in Gadhvani Block of Dhar district in Madhya Pradesh

(covering 144 villages) through transformation of Anganwadis into child-friendly spaces and capacity building of Anganwadi workers.

**B. Green chemistry:** With the funding from GCPL, the Institute of Chemical Technology (ICT), Mumbai, has proposed to set up a skill development centre. The proposed centre has three objectives:

- To develop training programmes for the characterisation of biologics and biopharmaceutical
- To establish a state-of-the-art centre for biophysical and biochemical analysis for skill development for training students and providing a resource to the Indian biotechnology industry
- To develop back-to-school programmes for industrial participants to hone their skills

**C. Olympic Gold Quest:** The project aims to support 49 senior Indian athletes aspiring to participate in Commonwealth Games, Asian Games, and Olympics by funding their training and sport equipment purchase as well as providing medical support.

**D. Access to education for children:** The donation to the

Akanksha Foundation aims to provide access to quality education to children in Mumbai

##### E. Skill training connect to adolescents for enhanced livelihood opportunities:

The project with Magic Bus is aimed to provide skill training and entrepreneurship hand holding to the alumni, who are on the verge of finding a career or livelihood for their future.

**F. Cancer aid-critical ailment support:** The project supports the Child Help Foundation to help critically ill children suffering from Cancer access quality medical treatment.

#### 6. Composition of the CSR Committee

The composition of the CSR Committee during the year is as follows:

1. Mr. Nadir Godrej, Chairman
2. Ms. Tanya Dubash, Director
3. Ms. Nisaba Godrej, Executive Director
4. Mr. Vivek Gambhir, Managing Director & CEO
5. Mr. Narendra Ambwani, Independent Director
7. Average Net Profit of the Company in the last 3 fiscal years: ₹ 819.13 crore
8. Prescribed CSR expenditure (2 per cent of this amount as in item 3 above): ₹ 16.38 crore

#### Details of CSR expenditure for the financial year:

a) Total amount to be spent for the financial year	The Company has spent ₹ 16.52 crore against the mandated
b) Amount unspent, if any	amount of ₹ 16.38 crore. The manner in which the amount is spent
c) Manner in which the amount spent during the financial year	is detailed in Table 1, which is attached.

Table 1- Details of CSR expenditure for fiscal year 2016-17

Sr. No.	CSR Project/Activity identified	Sector in which the Project is covered	Projects/Programmes 1) Local area or other 2) specify the district and state where projects or programmes were undertaken	Amount outlay (budget) project/programme wise	Amount spent on the project/programmes		Cumulative expenditure up to the reporting period	Amount spent (Direct / implementing agency)
					Direct expenditure on projects or programmes	Over-heads		
1	Project Salon-i Skill training for employability leading to women empowerment	Schedule VII (ii) Livelihood Enhancement Projects	Gujarat, Maharashtra, Uttar Pradesh, Bihar, Chattisgarh, Assam, Nagaland, Manipur, Mizoram, and Delhi	5.55	5.30	0.27	5.57	Multiple Agencies: Dhriti Ambuja Cement Foundation, DDJF, Don Bosco Tech Society, Father Agnel Ashram, Labournet, Saath, Pratham, NSHM, Save the Children India, Tara Livelihood Academy, and Urmati
2	Project Vijay Skill training for employability for FOS sales	Schedule VII (ii) Livelihood Enhancement Projects	Madhya Pradesh, Chattisgarh, Karnataka, Odisha, Andhra Pradesh, and Uttar Pradesh	0.59	0.56	0.03	0.59	Vision India
3	Project Prerna Up-skilling of rural retailers and their assistants	Schedule VII (ii) Livelihood Enhancement Projects	Delhi, Maharashtra, Uttar Pradesh	0.23	0.23	0.01	0.24	Vision India and Labournet
4	Behaviour Change Communication on Malaria and Vector-Borne Diseases (EMBED)	Schedule VII (i) Promoting preventive healthcare	Dindori and Mandla districts of Madhya Pradesh	2.60	2.48	0.13	2.61	Family Health India

₹ (Crore)

Sr. No.	CSR Project/Activity identified	Sector in which the Project is covered	Projects/Programmes 1) Local area or other 2) specify the district and state where projects or programmes were undertaken	Amount outlay (budget) project/ programme wise	Amount spent on the project/programmes		Cumulative expenditure up to the reporting period	Amount spent (Direct / implementing agency)
					Direct expenditure on projects or programmes	Over- heads		
5	Community Needs Assessment	Schedule VII (x) Rural Development Projects	Miraj, Sangli, Talaja, and Ambernath in Maharashtra; Malanpur in Madhya Pradesh; Vaiba in Gujarat; Hanuman Junction and Potheppally in Andhra Pradesh; Khanna in Punjab; Katha and Thana in Baddi, Himachal Pradesh; North Guwahati in Assam; Meghalaya	0.38	0.37	0.02	0.39	Ethica Strategy India Private Limited
6	Semi-longitudinal Impact Assessment of Godrej Employability Programmes	Schedule VII (ii) Livelihood Enhancement Project	PAN India	0.27	0.26	0.01	0.27	Collective Good Foundation
7	Life skills Curriculum Development for Employability	Schedule VII (ii) Livelihood Enhancement Project	PAN India	0.24	0.23	0.01	0.24	Vikalp Kriya
8	Rural Enterprise	Schedule VII (ii) Livelihood Enhancement Project	Uttar Pradesh	0.12	0.12	0.01	0.13	Dhriti
9	Waste Management	Schedule VII (iv) Environment Sustainability	Hyderabad, Telangana and Guwahati, Assam	3.67	3.50	0.18	3.68	Dharti Sustainables Pvt. Ltd., Maa Kamakhya Disposable Works
10	Rural Electrification	Schedule VII (iv) Environment Sustainability	Andhra Pradesh, Madhya Pradesh, and Uttarakhand	1.77	1.69	0.09	1.78	Pragya, Aga Khan Rural Support Programme, and Agriculture and Social Development Society
11	Watershed Management	Schedule VII (iv) Environment Sustainability	Siddipet district, Telangana	0.36	0.35	0.02	0.37	Aga Khan Rural Support Programme

Sr. No.	CSR Project/Activity identified	Sector in which the Project is covered	Projects/Programmes 1) Local area or other 2) specify the district and state where projects or programmes were undertaken	Amount spent on the project/programmes		Cumulative expenditure up to the reporting period	Amount spent (Direct / implementing agency)
				Amount outlay (budget) project/ programme wise	Direct expenditure on projects or programmes		
12	Fighting malnutrition in children	Schedule VII (i) Eradicating hunger, poverty and malnutrition	Dhar district, Madhya Pradesh	0.05	0.05	0.05	Donation to Fight Hunger Foundation
13	Green Chemistry	Schedule VII (ii) Promoting Education	Institute of Chemical Technology, Mumbai	0.20	0.20	0.21	Donation to Institute of Chemical Technology
14	Promotion of Sports	Schedule VII (vii) Promoting nationally recognised sports	PAN India	0.25	0.25	0.26	Donation to Foundation for Promotion of Sports and Games
15	Access to education	Schedule VII (ii) Promoting Education	Mumbai	0.10	0.10	0.10	Donation to Akanksha Foundation
16	Access to livelihood	Schedule VII (ii) Livelihood Enhancement Projects	Maharashtra	0.02	0.02	0.02	Donation to Magic Bus Foundation
17	Critical ailment support to child suffering from Cancer	Schedule VII (i) Promoting preventive healthcare	Mumbai	0.00	0.01	0.01	Donation to Child Help Foundation
	Total			16.40	15.72	0.80	16.52

The implementation and monitoring of this CSR policy is in compliance with the CSR objectives and policy of the Company

**Nadir Godrej, Chairman of the CSR Committee**

**Vivek Gambhir, Managing Director & CEO (member of the CSR Committee)**

## ANNEXURE 'H'

**AS PER THE DISCLOSURE REQUIREMENT SPECIFIED UNDER 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 & DEBENTURES) RULES, 2014, THE FOLLOWING INFORMATION IS DISCLOSED WITH RESPECT TO 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	2,500,000
3	Vesting requirements	As specified by the Nomination & 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 & Remuneration Committee as per the prevalent regulatory provisions
6	Source of shares	Direct Allotment
7	Variation of terms of options	None
8	Options granted during the year and till March 31, 2017	During the year: 58,376 Up to March 31, 2017: 523,595
9	Options vested during the year and upto March 31, 2017	During the year: 66,993 Up to March 31, 2017: 303,444
10	Options exercised during the year and upto March 31, 2017	During the year: 66,993 Up to March 31, 2017: 303,355
11	The total number of shares arising as a result of exercise of option	During the year: 66,993 Up to March 31, 2017: 303,555
12	Options lapsed	During the year: 3,584 Up to March 31, 2017: 91,345
13	Money realised by exercise of options during the year and upto March 31, 2017	During the year: ₹ 66,993 Up to March 31, 2017: ₹ 303,555
14	Total number of options outstanding and exercisable at the end of the year	128,895
15	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.
16	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 ₹ 1216.49
17	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 option granted during that year iii) Identified employees who were granted option, during any one year, equal to or exceeding 1 per cent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	As per Note 1 As per Note 1 Nil
18	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with IND AS 33 'Earnings Per Share'	₹ 24.89 per share (standalone) ₹ 38.28 per share (consolidated)

Sr. No.	Particulars	Godrej Consumer Products Limited Employee Stock Grant Scheme
19	A 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 Black – Scholes Options pricing formula and the significant assumptions made in this regard are as follows:
	i) Risk-free interest rate,	7.04%
	ii) Expected life,	2.00
	iii) Expected volatility,	32.21%
	iv) Expected dividends, and	0.39%
	v) The price of the underlying share in market at the time of option grant	1481.60

**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**

Name & Designation of Senior Managerial Personnel to whom stock options have been granted	Granted in fiscal year 2014-15 and outstanding as at March 31, 2017	Granted in fiscal year 2015-16 and outstanding as at March 31, 2017	Granted in fiscal year 2016-17 and outstanding as at March 31, 2017	Total outstanding options as at March 31, 2017
Vivek Gambhir, Managing Director & CEO	7,706*	11,865*	13,496*	33,067
V Srinivasan, Chief Financial Officer & Company Secretary	N.A	1,922	2,362	4,264
Naveen Gupta, Business Head - Indonesia and Middle East	1,387	2,966	3,374*	7,727
Sunil Kataria, Business Head - India & SAARC	1,387	2,966	3,374*	7,727
Omar Momin, Head - M&A and Business Development	924	2,966	3,374*	7,264
Rakesh Sinha, Head - Global Supply Chain, Manufacturing & IT	1,156	1,899	2,159	5,214
Rahul Gama, Head - Human Resources	770	1,483	1,687	3,940
Sunder Mahadevan, Head - Global R&D	770	1,483	1,687	3,940

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

The aforementioned disclosures can also be accessed on the Company web link: <http://godrejcp.com/annual-reports.aspx>



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## ANNEXURE 'I'

Form No MR – 3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED  
MARCH 31, 2017

[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 conduct/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, 2017 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, 2017 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, 2009;
  - (d) The Securities and Exchange Board of India (Share based

Employee Benefit) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

- (vi) 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 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.

#### **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. There were no changes in the composition of Board of Directors during the period under review.

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 unanimously in the meetings of the Board.

**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.

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

- i. Issued shares on exercise of option under its Employee Stock Grant Scheme.
- ii. Acquired 100% stake in Strength of Nature LLC, USA

- iii. Acquired 75% stake in Canon Chemicals Limited, Kenya.
- iv. Acquired balance 49% Stake in Charm Industries Limited, Kenya.
- v. Acquired 100% stake in Darling Group's business in Zambia and Senegal.

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

**Bhavana Shewakramani  
Partner  
FCS - 8636, COP -9577**

Place: Thane  
Date: May 9, 2017

#### **Annexure to the Secretarial Audit Report**

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 assurance 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 Auditors in respect of the same as per the guidance of the Institute of Company Secretaries of India.

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. 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.
6. 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.
7. 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: May 9, 2017

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## ANNEXURE 'J'

### Auditor's Certificate on Corporate Governance

To the Members of  
Godrej Consumer Products Limited

We have examined the compliance of conditions of Corporate Governance by Godrej Consumer Products Limited ('the Company'), for the year ended on March 31, 2017, 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 Regulations').

#### Management's 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.

#### Auditor's 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.

We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### 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, 2017.

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

For **KALYANIWALLA & MISTRY LLP**  
Chartered Accountants  
Firm Registration No. 104607W/  
W100166

**Roshni R. Marfatia**  
**Partner**  
M. No.: 106548

Mumbai: May 9, 2017

GODREJ CONSUMER PRODUCTS LIMITED

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

A. List of employees employed throughout the Financial Year 2016-17 and was in receipt of remuneration which in the aggregate was not less than Rs. 1,02,00,000

Sl No	Emp ID	Employee Name	Designation	Qualification	Total Remuneration Rs	Date Of Employment	Age	Last Employment
1	1703119	Vivek Gambhir	Managing Director & CEO	MBA	182,884,154	01-07-13	48	Godrej Industries Ltd
2	555099	Adi Godrej	Chairman	B.S., M.S.Engg & Industrial Management	164,165,399	18-02-64	75	Godrej Soaps Ltd
3	7042219	Sunil Kataria	Business Head - India & SAARC	MBA, IMT (Gaziabad)	55,766,178	04-02-11	49	Idea Cellur
4	555606	Nisaba Godrej	Executive Director	BSC from Wharton School, University of Pennsylvania. MBA, Harvard Business School	55,721,250	01-07-13	39	Godrej Industries Ltd
5	555163	Dr.R K Sinha	Head - Global Supply Chain, Manufacturing & IT	B.Tech.(Mech.); P.G.D.I.E; A. I.C .W.A; C F A	45,040,970	01-07-80	59	Godrej Soaps Ltd
6	865	Omar Momin	Head M&A and Darling Business	B.Chem.Engg. P.G.D.Mgt, ISB (Hyderabad)	33,587,409	01-06-01	37	Godrej Industries Ltd
7	555610	V Srinivasan	Chief Financial Officer & Company Secretary	B.com, ACA, ACS	30,334,951	03-07-89	52	Godrej Properties Ltd
8	700264	Sunder Nurani Mahadevan	Head - R&D	PHD, MSC, BSC	25,808,967	04-09-06	54	Dabur Research Foundation
9	703077	Rahul Gama	Head - Human Resources	B.Com, MBA	24,919,390	01-07-09	43	Godrej Household Products Ltd
10	555297	Rajesh Tiwari	Head - Product Supply Organization (India & SAARC)	CA	24,535,685	21-03-90	59	Godrej Soaps Ltd
11	705281	Parveen Dalal	Head - Sales (India Business)	P.G.D.M.M, IIM (Lucknow)- MBA	24,240,200	28-05-12	45	Bunge India Ltd
12	705317	Ajay Dang	Head - New Markets & Adjacencies	MBA, P.G.D.Agriculture, IIM (Ahmedabad)	21,455,348	04-06-12	44	HT Media Ltd
13	HO387	Subrata Dev	Head - Global IT	BSC, PGDCA	21,092,881	16-12-98	52	Godrej Household Products Ltd
14	703039	Darshan Gandhi	Head - Design	NID- Design	17,908,498	08-06-09	37	Godrej Industries Ltd
15	HO374	Arvind Venkatachary	Head - SAARC	B.E, MBA	17,467,847	01-06-98	42	Godrej Household Products Ltd
16	GM1048	Anirban Banerjee	Head - SAARC & Global Exports	PGDM- SCMHRD	16,772,492	19-09-05	42	Godrej Agrovet Ltd
17	555695	Sameer Shah	Head - Finance (India & SAARC)	CA, CTM	16,316,326	06-02-06	38	M/S General Mills India Ltd
18	A003	R. S. Gopalakrishnan	Head - Global Sourcing & Procurement	B.Com, MBA	15,587,476	01-08-87	54	Godrej Household Products Ltd
19	555596	K Suryanarayan	Head - Treasury and Africa Finance	B.Com, CA	14,919,005	25-06-01	44	RPG Spencers
20	704450	Shashank Shekhar	Head HR - International Business	MBA	14,069,393	23-05-11	37	Hindustan Uniliver Ltd
21	705103	Radhakrishna Jagannath	Head Supply Chain - International Business	Post Graduation	12,371,182	14-03-12	42	E&Y Pvt Ltd.
22	555425	Anirudh Singh	Head - NBD and Incubation	Post Graduation, IIM (Calcutta)	11,239,349	03-06-96	44	Godrej Soaps Ltd

B. Employed for a part of the financial year 2016-17 and was in receipt of remuneration for any part of the year at a rate which in the aggregate was not less than Rs. 8,50,000 p.m.

Sl No	Emp ID	Employee Name	Designation	Qualification	Total Remuneration Rs	Date Of Employment	Age	Last Employment
1	1261107	I E Chinikamwala	Associate Vice President-Finance, Africa Business	B.Com, ICWAI	5,954,637	02-03-81	57	Godrej Soaps Ltd
2	706197	Dr Dinesh Nambiar	Head - Product Integrity Management & Quality	PH.D - Analytical Chemistry	5,670,923	16-04-13	46	Sandoz International GmbH, Germany
3	707282	Vinod Salvi	Head Marketing - Goodknight (India Business)	MBA	9,575,175	12-02-14	42	Birla Sunlife
4	708027	Chetan Gore	Head marketing - Personal Care (India Business)	PGDM - MARKETING	9,476,685	04-08-14	48	Emami Ltd
5	555582	K D Dotiwalla	Associate Vice President-Good & Green	B.Sc 1976	3,496,446	14-05-01	62	Noble Tele Infotech
6	556009	J. Gurtu	Manager - Operation	Bachelor of Engineering	983,874	26-10-79	60	Godrej Soaps Ltd
7	1234	Kapil Pillai	Head - Marketing (India)	BA-1993, MBA IIM -1993.	2,185,752	21-06-04	46	Godrej Household Products Ltd
8	291256	Yadvendra Chadha	Manger - Sales	M.A.	3,669,046	09-10-85	55	Godrej Soaps Ltd

#### Notes

- 1 None of the above-mentioned employees hold more than 2% of Equity Shares either by themselves or along with their spouse/dependent children.
- 2 **Nature of Employment whether contractual or otherwise**
  - a) The appointments of all the employees is contractual in nature and terminable by three month's notice from either side.
  - b) The appointment of Mr. Adi Godrej, Chairman, Ms. Nisaba Godrej Executive Director, and Mr. Vivek Gambhir, Managing Director & CEO is further subject to the terms and conditions as may be stated in the resolution for their appointment, passed by the shareholders' from time-to-time.
- 3 **Relation with directors**
  - (a) Mr Adi Godrej is brother of Mr Nadir Godrej, and father of Ms Tanya Dubash, Ms Nisaba Godrej and Mr Pirojsha Godrej.
  - (b) Ms Nisaba Godrej is daughter of Mr Adi Godrej and sister of Ms Tanya Dubash and Mr Pirojsha Godrej.
  - (c) Other employees are not related to any director of the company.
- 4 Remuneration includes salary, allowances and various elements of flexible compensation, company's contribution to Provident Fund and taxable value of perquisites as per Income Tax Act, 1961
- 5 The designations represent the nature of duties performed by the employees.
- 6 In the case of all the employees, the age shown is as of last birth date and the particulars of previous employment pertain to the immediate past employment.

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