

## **CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”) (Effective from April 1, 2019)**

### **Background**

The SEBI (Prohibition of Insider Trading) Regulations, 2015 mandates every listed company to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities.

In this regard, Godrej Consumer Products Limited (“GCPL”) has laid down the following code:

### **Chief Investor Relations Officer to oversee and coordinate disclosures:**

1. The Compliance Officer of the Company is designated as the Chief Investor Relations Officer and is responsible for dissemination of information and disclosure of UPSI for legitimate purposes, in accordance with the policy for determination of legitimate purpose which is annexed to this code.
2. The Compliance Officer is also responsible for ensuring compliance under this code, overseeing and coordinating disclosure of UPSI to stock exchanges, shareholders, analysts and media and for educating GCPL’s staff on disclosure policies and procedure.
3. All UPSI is to be handled on “need to know basis”, i.e., UPSI should be disclosed only to those within GCPL who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information. All the non-public information directly received by any employee should immediately be reported to the Compliance Officer.

### **Prompt disclosure of unpublished price sensitive information:**

4. GCPL will ensure that any event which has a bearing on the share price of the Company shall be disseminated promptly upon the conclusion of the event, by communicating the same to the stock exchanges in accordance with the listing agreement.
5. To ensure that the information is disseminated in a uniform manner, GCPL will transmit the information to all the stock exchanges at the same time.

### **Disclosure with reference to Analysts/ Media:**

6. Any meeting or interaction with analysts/researchers, institutional and other large investors or the media or any investor relations conference shall be conducted in a manner that only information that is publically available is provided at such meetings/interactions. Else, such information given to analysts/researchers etc. shall simultaneously be filed with the stock exchanges in consultation with the Authorized Person.
7. If unanticipated questions which are price sensitive are raised during the meeting, such questions shall be noted and a considered response shall be given only after consulting the Authorized Person.
8. Transcript of the meetings/Concalls with Analysts shall be posted on GCPL’s website.

### **Responding to Market Rumors:**

9. Any whole time Director of the Company and/or the Compliance Officer and/or the Investor Relations Team and any other spokesperson shall give an appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities. They shall also be responsible for deciding whether a public announcement is necessary for verifying or denying rumors and making disclosures.

**Legitimate Purpose:**

10. The Unpublished Price Sensitive Information can be shared as an exception by an Insider for legitimate purpose as per policy for determination of Legitimate Purpose as given in **Annexure A**.

**ANNEXURE A**

**POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES**

**1) Background:**

The Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulation 2018 notified on December 31, 2018 require every listed Company, inter alia, to formulate a policy for determination of legitimate purpose. Accordingly, the Board of Directors of Godrej Consumer Products Limited ("**the Company**") adopted this policy for determination of legitimate purpose.

This Code will be applicable from April 1, 2019.

**2) Definition:**

- i. "**Legitimate Purposes**" shall mean sharing of Unpublished Price Sensitive Information (**UPSI**) as provided hereunder in the ordinary course of business with the insider, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations:
- Sharing the relevant UPSI with consultant, advisors engaged by the Company in relation to the subject matter of the proposed deal/assignment in relation to UPSI;
  - Sharing the relevant UPSI with intermediaries/fiduciaries viz. merchant bankers, legal advisors, auditors in order to avail professional services from them in relation to the subject matter of UPSI;
  - Sharing the relevant UPSI with persons for legitimate business purpose, including in respect of the events set out in Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - Sharing the relevant UPSI with persons who have expressly agreed in writing to keep the information confidential, such as potential customers, joint ventures partners and vendors and not to transact in the company's securities on the basis of such information.
  - Sharing the relevant UPSI in case mandatory for performance of duties or discharge of legal information.

ii. **“Insider”** shall include the following persons, in receipt of UPSI pursuant to a "legitimate purpose":

- a) Partners
- b) Collaborators
- c) Lenders
- d) Customers
- e) Suppliers
- f) Merchant Bankers
- g) Legal Advisors
- h) Auditors (Statutory, Branch, Cost, Secretarial, GST and any other Auditor as applicable)
- i) Staff Members of the Audit firm/team conducting the Audit
- j) Insolvency Professionals
- k) Advisors or Consultants
- l) Bankers
- m) Any other advisors/consultants with whom UPSI is shared

All the other terms used in the Policy shall have the same meaning as assigned to them under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

### **3) Restrictions:**

Till the UPSI becomes a generally available information, UPSI can be shared with Insider only on a need-to-know basis and for legitimate purpose and due notice shall be given to the Insider to maintain confidentiality of UPSI shared for legitimate purpose.

### **4) Digital Database:**

The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities, as the case may be, with whom UPSI is shared under Regulation 3 along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database shall be maintained with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.

### **5) Amendment**

The Board of Directors or the Management Committee of the Company, subject to applicable laws, rules & regulations, may amend /substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy.

In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy.

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