

Date:

Dear _____,

LETTER OF APPOINTMENT

I am writing to confirm that the Board and the Members have approved your appointment as an Independent Director on the Board of **Godrej Consumer Products Limited** (hereinafter referred to as 'the Company') for a period from _____ to _____. This letter of appointment sets out the terms and conditions covering your appointment, which are as follows:

1. Appointment

- 1.1 Your appointment as a Non-Executive Independent Director on the Board of Directors of the Company is with effect from _____. Your appointment is subject to the extant provisions of the Companies Act, 2013 and Listing Regulations, as amended from time to time.
- 1.2 The term "Independent Director" should be construed as defined under the Companies Act, 2013 and the Listing Regulations.
- 1.3 The Company has adopted the provisions with respect to appointment and tenure of Independent Directors as are consistent with the Companies Act, 2013 and the Listing Regulations.
- 1.4 As an Independent Director, you are not liable to retire by rotation.
- 1.5 Your re-appointment at the end of the term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to approval of the Board of Directors and the Shareholders of the Company. Your re-appointment would be considered by the Board based on the outcome of your performance evaluation process and you continuing to meet the "independence" criteria.

2. Committees

The Board of Directors (the Board) may invite you for being appointed on one or more of the existing Board Committee or any Committee(s) that may be set up in the future. Your appointment on such Committee(s) will be subject to the applicable legal requirements. The Board may at any time reconstitute the composition and/or revise the terms of reference of any /all the committees and any such change may be promptly communicated to you.

3. Time Commitment

- 3.1 As a Non-Executive Independent Director, you are expected to bring objectivity and independence to the Board's discussions and help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management, as well as ensuring high standards of financial probity and corporate governance. The Board and the audit committee meets at least four times in a year. The Nomination and Remuneration Committee meetings are ordinarily convened twice in a year and other committees as per requirement. You will be expected to attend the Board, the Board Committees and the Annual General Meetings and to devote sufficient time, as required for you to discharge your duties effectively. Ordinarily, all meetings are held in Mumbai.
- 3.2 By accepting this appointment, you confirm that you are in a position to allocate sufficient time to meet the expectations of your role to the satisfaction of the Board.

4. Fiduciary Duties

Your role and duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and the Listing Regulations. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and inter alia are as under:

- I. You shall act in accordance with the Company's Articles of Association.
- II. You shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company.
- III. You shall discharge your duties with due and reasonable care, skill and diligence.
- IV. You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company/ Godrej Group or bring discredit to it. Any situation that creates a conflict of interest between personal interests and the Company and its stakeholders' interests, must be avoided at all costs. Please refer to clause 7 for full explanation on conflict of interest.
- V. You shall not assign your office as Director and any assignments so made shall be void.

There are certain roles, functions duties prescribed for all Independent Directors, which are listed in the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013. You shall abide by the said 'Code of Conduct for Independent Directors' as amended from time to time to the extent relevant and applicable to your role. The present code is annexed hereto as Annexure A.

Your liabilities as an Independent Director shall be governed by the provisions of the applicable laws.

5. Status of appointment and Remuneration

- 5.1 You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of sitting fees for attending meetings of the Board and its Committees and Commission of Profits as may be decided by the Board and approved by the Members from time to time.
- 5.2 The sitting fees presently paid to a Non-Executive Independent Director is Rs. 100,000/- per Board meeting attended and Rs.20,000/- per Committee meeting attended.
- 5.3 You will be entitled to Commission on Profits at a rate not exceeding the rate prescribed under the Companies Act, 2013 and within such limit fixed by the Board and approved by the shareholders. The Commission amount for each financial year will be determined by the Board within the limits approved by the Shareholders and the payment will be made after the financial statements are adopted by the shareholders.

6. Reimbursement of Expenses

In addition to the remuneration described in paragraph 5, the Company will, for the period for which you are a Director, reimburse you reasonable expenses incurred in the discharge of your roles/duties including:

- 6.1 Business class airfare to attend the Board or Committee meetings or General Meetings of Members, Court Convened Meetings or Meetings with Creditors, wherever applicable.
- 6.2 Accommodation in a hotel of high standing during the days of the Board and Committee meetings or General Meetings of Members, Court Convened Meetings or Meetings with Creditors, and during the day prior to such meetings, as may be necessary.
- 6.3 Out-of-pocket expenses like conveyance, food and incidentals that are incurred during the days of the Board and Committee meetings or General Meetings of Members, Court Convened Meetings or Meetings with Creditors.

7. Conflict of Interest

- 7.1 As an "Independent Director" of the Company, you will always act in the best interest of the Company and ensure that any other business or personal association which you may have, does not involve any conflict of interest with the operations of the Company and your role therein. You shall not participate in any business activity which might impede the application of your independent judgment in the best interests of the Company.

- 7.2 It is accepted and acknowledged that you may have business interests, memberships other than those of the Company, which you have already disclosed at the beginning of the year. You are required to promptly intimate any changes in the same from time to time.
- 7.3 In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgement that you are independent, this should be disclosed to both the Chairperson and the Company Secretary.

8. Confidentiality

All information acquired during your tenure of directorship is confidential and should not be disclosed, either during your tenure or following termination (by whatever means) to third parties without prior clearance from the Chairperson, unless required by law or by the rules of any stock exchange or regulatory body. In the latter case, you would be required to suitably inform the Chairperson of such an event or disclosure. You should direct any media queries or approaches to the appropriate spokesperson within the Company. On reasonable request, you shall surrender any documents and other materials made available to you by the Company.

9. Dealings in shares

You are required to comply with the Company's Insider Trading Code of Conduct. This code inter alia prohibits the Directors from dealing in the Company's shares during the period when the trading window is closed. Further, directors, being designated officers of the Company for the purpose of insider trading guidelines, are to pre-clear all trades (buy/sell) from the Chairperson / Compliance Officer of the Company, if the value of the securities likely to be traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of INR 10 Lacs.

Further details on the applicability of the code to your spouse and financially dependent relatives, dealings through portfolio managers, sharing of company information for legitimate purpose, etc. can be seen in the code of conduct. . A copy of the code of conduct is attached. Any change in code of conduct approved by the Board of Directors will be automatically applicable to you also without requiring any change in this letter.

You are also required to comply with the applicable SEBI insider trading laws and regulations.

10. Evaluation

The Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and the Directors on an annual basis.

11. Disclosures, Other Directorships & Business Interests:

During the term of your office, you will promptly notify / intimate the Company of the following:-

- (a) Any change in your directorships/ Committee Positions/ List of Relatives;
- (b) Any other disclosures and information as may be required under the applicable laws;
- (c) Any potential conflict of interest with your position as "Independent Director" of the Company, upon becoming aware of the same;
- (d) Declaration under Section 149(7) of the Act, upon any change in circumstances which may affect your status as an "Independent Director";
- (e) Acquiring any Shares of the Company, its holding, subsidiary or associate;
- (f) Any change in address or other contact and personal details provided to the Company.
- (g) Attaining disqualification u/s. 164 or 167 of the Companies Act, 2013. The provisions of section 164 and 167 are annexed as "Annexure B" for your ready reference.
- (h) Disclosures under Insider Trading Regulations upon dealing in shares of the Company.
- (i) Confirmation stating that you are not a willful defaulter as per list of the Reserve Bank of India and not associated with any willful defaulter to Banks / Financial Institutions and not in Export Credit Guarantee Corporation's Specific approval list. In case of any deviation from the above confirmation, you are expected to promptly intimate the Company.
- (j) Confirmation stating that you are not debarred from accessing the capital markets and / or restrained from holding the position of Director in any listed Company by virtue of any order of the Securities and Exchange

Board of India or any other such authority. In case of any deviation from the above confirmation, you are expected to promptly intimate the Company.

Further, it is expected that you will not participate in the discussion or approval of any contract or arrangement to be made by the Company with any entity in which you are interested directly or indirectly. Further, in cases where you are not interested at the time of making the contract or arrangement and an interest arise at a later point of time you may forthwith disclose the nature of concern or interest at the first Board Meeting after interest arises.

12. Insurance

The Company has Directors' and Officers' liability insurance and it is intended that the Company will maintain such cover for the full term of your Directorship.

13. Termination

- 13.1 You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice to the Board.
- 13.2 Your current appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company, the Companies Act, 2013 and the Listing Regulations.

14. Miscellaneous

In case of any inconsistency between the provisions of this letter and the provisions of the Act and/or Rules, the provisions of the Act and/or Rules shall prevail.

Kindly sign a copy of this letter in acceptance of the above mentioned terms and conditions and return the same for our records.

Yours Sincerely,
For Godrej Consumer Products Limited

Nisaba Godrej
Executive Chairperson

Schedule IV of Companies Act, 2013

[See section 149(8)]

CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

I. Guidelines of professional conduct:

An independent director shall:

- 1) uphold ethical standards of integrity and probity;
- 2) act objectively and constructively while exercising his duties;
- 3) exercise his responsibilities in a *bona fide* manner in the interest of the company;
- 4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- 6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- 7) refrain from any action that would lead to loss of his independence;
- 8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- 9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

The independent directors shall:

- 1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- 2) bring an objective view in the evaluation of the performance of board and management;
- 3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- 4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- 5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- 6) balance the conflicting interest of the stakeholders;
- 7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- 8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties:

The independent directors shall—

- 1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- 2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- 3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- 4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- 5) strive to attend the general meetings of the company;
- 6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- 7) keep themselves well informed about the company and the external environment in which it operates;
- 8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

- 9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- 10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- 11) report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- 12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- 13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

IV. Manner of appointment:

- 1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- 2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- 3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfills the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- 4) The appointment of independent directors shall be formalized through a letter of appointment, which shall set out:
 - a. the term of appointment;
 - b. the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - c. the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - d. provision for Directors and Officers (D and O) insurance, if any;
 - e. the Code of Business Ethics that the company expects its directors and employees to follow;
 - f. the list of actions that a director should not do while functioning as such in the company; and
 - g. the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- 5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- 6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

- 1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- 2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within three months from the date of such resignation or removal, as the case may be.
- 3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

- 1) The independent directors of the company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management;
- 2) All the independent directors of the company shall strive to be present at such meeting;
- 3) The meeting shall:
 - a. review the performance of non-independent directors and the Board as a whole;
 - b. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;

- c. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism:

- 1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- 2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

Annexure B

Sec. 164 of the Companies Act, 2013 - Disqualifications for Appointment of Director

- (1) A person shall not be eligible for appointment as a director of a company, if -
 - (a) he is of unsound mind and stands so declared by a competent court;
 - (b) he is an undischarged insolvent;
 - (c) he has applied to be adjudicated as an insolvent and his application is pending;
 - (d) he has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:
Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
 - (e) an order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order is in force;
 - (f) he has not paid any calls in respect of any shares of the company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;
 - (g) he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
 - (h) he has not complied with sub-section (3) of section 152, which states that no person shall be appointed as a director of a company unless he has been allotted the Director Identification Number.
 - (i) he has not complied with the provisions of sub-section (1) of section 165.
- (2) No person who is or has been a director of a company which-
 - (a) has not filed financial statements or annual returns for any continuous period of three financial years; or
 - (b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

Provided that where a person is appointed as a director of a company which is in default of clause (a) or clause (b), he shall not incur the disqualification for a period of six months from the date of his appointment.

- (3) A private company may by its articles provide for any disqualifications for appointment as a director in addition to those specified in sub-sections (1) and (2):

Provided that the disqualifications referred to in clauses (d), (e) and (g) of sub-section (1) shall continue to apply even if the appeal or petition has been filed against the order of conviction or disqualification.

Exception/ Modification/ Adaptation

1. In case of Government Company - Sub-section (2) shall not apply.

Explanation for the purpose of Sub-Section 164(1)(i):

165. (1) No person, after the commencement of this Act, shall hold office as a director, including any alternate directorship, in more than twenty companies at the same time:

Provided that the maximum number of public companies in which a person can be appointed as a director shall not exceed ten.

Explanation I - For reckoning the limit of public companies in which a person can be appointed as director, directorship in private companies that are either holding or subsidiary company of a public company shall be included.

Explanation II - For reckoning the limit of directorships of twenty companies, the directorship in a dormant company shall not be included.

Sec. 167 of the Companies Act, 2013 - Vacation of Office of Director

- (1) The office of a director shall become vacant in case-
- (a) he incurs any of the disqualifications specified in section 164;
Provided that where he incurs disqualification under sub-section (2) of section 164, the office of the director shall become vacant in all the companies, other than the company which is in default under that sub-section.
 - (b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
 - (c) he acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;
 - (d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184;
 - (e) he becomes disqualified by an order of a court or the Tribunal;
 - (f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:
Provided that the office shall not be vacated by the director in case of orders referred to in clauses (e) and (f)-
 - (i) for thirty days from the date of conviction or order of disqualification;
 - (ii) where an appeal or petition is preferred within thirty days as aforesaid against the conviction resulting in sentence or order, until expiry of seven days from the date on which such appeal or petition is disposed of; or
 - (iii) where any further appeal or petition is preferred against order or sentence within seven days, until such further appeal or petition is disposed of.
 - (g) he is removed in pursuance of the provisions of this Act;
 - (h) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.
- (2) If a person, functions as a director even when he knows that the office of director held by him has become vacant on account of any of the disqualifications specified in subsection (1), he shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.
- (3) Where all the directors of a company vacate their offices under any of the disqualifications specified in subsection (1), the promoter or, in his absence, the Central Government shall appoint the required number of directors who shall hold office till the directors are appointed by the company in the general meeting.
- (4) A private company may, by its articles, provide any other ground for the vacation of the office of a director in addition to those specified in sub-section (1).

I hereby acknowledge receipt of and accept the terms set out in this letter.

Director