

# Statutory Reports

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# Board's Report

Dear Members,

Your Directors, with great pleasure, present the Annual and Integrated Report for the year ended March 31, 2024.

## 1. Results of Our Operations

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

An overview of the performance of the Company's

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

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

(₹ Crore)

Financials: Abridged Profit and Loss Statement	Consolidated		Standalone	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Total revenue from operations	14,096.11	13,315.97	8,411.40	7,667.17
Other income	268.95	168.41	455.96	139.48
Total income	14,365.06	13,484.38	8,867.36	7,806.65
Total expenses, including depreciation and finance costs	11,689.97	11,297.54	6,429.77	5,909.46
Profit before exceptional items and tax	2,675.09	2,186.84	2,437.59	1,897.19
Exceptional items	(2,476.86)	(54.11)	(1,152.75)	(27.59)
Profit before tax	198.23	2,132.73	1,284.84	1,869.60
Tax expense	758.78	430.27	637.81	355.90
Profit/loss after tax	(560.55)	1,702.46	647.03	1,513.70
Other comprehensive income	(134.34)	553.05	6.68	1.03
Total comprehensive income attributable to owners of the Company	(694.89)	2,255.51	653.71	1,514.73

## 2. Dividend

### A. Dividend Declared

During the fiscal year 2023-24, the following interim dividend was declared on shares of face value of ₹ 1/- each, the details of which are as follows:

Declared at the Board Meeting held on	Dividend rate per share on shares of face value of ₹ 1/- each	Record Date
November 01, 2023	5.00	November 09, 2023

After the close of the financial year, the board has declared an interim dividend, the details of which are as follows:

Declared at the Board Meeting held on	Dividend rate per share on shares of face value of ₹ 1/- each	Record Date
May 6, 2024	10.00	May 14, 2024

### B. Dividend Distribution Policy

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

## 3. Board of Directors

### A. Number of Meetings

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

### B. Changes in the Board of Directors

During the financial year, Mr. Narendra Ambwani retired as an Independent Director with effect from November 14, 2023 after completing his second term. On the basis of recommendation of Nomination and Remuneration Committee, the Board had considered and approved the appointment of Ms. Shalini Puchalapalli as an Independent Director with effect from November 14, 2023 for a period of five years which was approved by the shareholders in the AGM held on August 07, 2023.

Mr. Jamshyd Godrej, Non-Executive Non-Independent Director of the Company resigned with effect from January 24, 2024, upon attaining the age of 75 years.

The term of office of Mr. Sumeet Narang as an Independent Director ended on March 31, 2024. On the basis of recommendation of Nomination and Remuneration Committee, the Board had considered and approved the reappointment of Mr. Sumeet Narang for a second term of five years, subject to approval of the shareholders. The approval of the shareholders was received by means of postal ballot on March 26, 2024.

After the commencement of the financial year, Ms. Ndidi Nwuneli resigned from the Board with effect from May 1, 2024.

The Board places on record its appreciation for the contribution of Mr. Narendra Ambwani, Mr. Jamshyd Godrej and Ms. Ndidi Nwuneli during

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

their association with the Company.

On the basis of recommendation of Nomination and Remuneration Committee, the Board had considered and approved the appointment of Mr. Aditya Sehgal, as an Independent Director for a term of five years from July 15, 2024. The appointment is subject to the approval of the shareholders in the Annual General Meeting.

In the forthcoming AGM, Mr. Sudhir Sitapati and Ms. Tanya Dubash will retire by rotation, and being eligible, they will be considered for reappointment.

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

Your Company has an Audit Committee in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. The Committee consists of the following Directors, viz., Mr. Sumeet Narang, Chairman of the Committee, and Dr. Omkar Goswami, Ms. Ireena Vittal, Ms. Pippa Armerding, and Ms. Shalini Puchalapalli, all being members of the committee. Mr. Pirojsha Godrej resigned from the committee with effect from August 7, 2023. Mr. Narendra Ambwani's

second term as an Independent Director ended on November 14, 2023, so he also ceased to be the member of the committee w.e.f. November 14, 2023. Ms. Ndidi Nwuneli also ceased to be the member of the Committee upon her resignation from the Board with effect from May 1, 2024.

#### **D. Declaration from Independent Directors**

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

#### **E. Familiarisation Programmes**

During the year, the Independent Directors were familiarised with the Manufacturing Footprint for GCPL India, Annual Operating Plan for the fiscal year 2023-24. Additionally, at all the Board meetings, detailed presentations covering business performance and financial updates were made. The programmes were

conducted by the members of the Company management. The details of the same are available on the website of the Company and can be accessed through the following link <sup>[2]</sup>.

#### **F. Board Diversity Policy & Independence Statement**

The Company has in place a Board Diversity Policy, which is attached as **Annexure 'A'**. The criteria for determining qualification, positive attributes, and independence of Directors are as per the Board Diversity Policy, Listing Regulations, and the Companies Act, 2013.

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

#### **G. Remuneration Policy**

The Company's Remuneration Policy for Directors, Key Managerial Personnel (KMP), and other employees is attached as **Annexure 'B'**. The Company's total rewards framework aims at holistically using elements such as fixed and variable compensation, long-term incentives, benefits and perquisites, and non-compensation elements (career development, work-life balance, and recognition).

<sup>[2]</sup> [https://www.godrejcp.com/public/uploads/compliance\\_other\\_updates/Familiarisation\\_Programme\\_for\\_IDs\\_202324.pdf](https://www.godrejcp.com/public/uploads/compliance_other_updates/Familiarisation_Programme_for_IDs_202324.pdf)

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

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

#### H. Remuneration to Directors

The remuneration of Directors is in accordance with the Remuneration Policy formulated in accordance with various rules and regulations for the time being in force. The disclosure on the details of remuneration to Directors and other employees pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given under **Annexure 'C'**. With respect to the information under Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, members may request the same by sending an email to the Company at [investor\\_relations@godrejcp.com](mailto:investor_relations@godrejcp.com) from their registered email address, quoting their name and folio number.

#### I. Performance Evaluation of the Board of Directors, its Individual Members, and its Committees

We conducted a formal Board effectiveness review, as part of our efforts to evaluate the performance of our Board and identify areas that need improvement to enhance the

effectiveness of the Board, its Committees, and Individual Directors. This is in line with the requirements of the Companies Act, 2013 and the Listing Regulations. The Corporate Human Resources team of Godrej Industries Limited and Associate Companies worked directly with the Chairperson and the Nomination and Remuneration Committee of the Board to design and execute this process. It was later adopted by the Board.

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

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

The criteria for Board processes included Board structure, strategic orientation as well as Board functioning, and team dynamics. Evaluation of each of the Board Committees covered whether they have well-defined objectives and the correct composition and whether

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

The following reports were created as part of the evaluation:

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

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

Chairperson's Feedback Report was compiled.

#### **J. Directors' Responsibility Statement**

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

- a) In the preparation of annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same.
- b) They have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the fiscal year and of the profit of the company for that period.
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the

assets of the Company and for preventing and detecting fraud and other irregularities.

- d) They have prepared the annual accounts on a going concern basis.
- e) They have laid down internal financial controls to be followed by the Company, and such internal financial controls are adequate and operating effectively.
- f) They have devised a proper system to ensure compliance with the provisions of all applicable laws, and this system is adequate and operating effectively.

#### **4. Transfer to Investor Education and Protection Fund**

In accordance with the applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer, and Refund) Rules, 2016 (IEPF Rules), all unclaimed dividends are required to be transferred by the Company to the IEPF after completion of 7 years. Further, according to IEPF Rules, the shares on which dividend has not been claimed

by the shareholders for 7 consecutive years or more shall be transferred to the demat account of the IEPF authority. Accordingly, ₹1,36,56,128 unpaid/unclaimed dividends were transferred during the financial year 2023-24 to IEPF. No shares were required to be transferred during the current year.

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

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on March 31, 2023, on the Company website, which can be accessed through the following link <sup>[5]</sup>. The details of unpaid and unclaimed amounts lying with the Company as on March 31, 2024, will be available on the same link within 60 days of the AGM.

#### **5. Finance**

##### **A. Loans, Guarantees, and Investments**

The details of loans, guarantees, and investments as required by the provisions of

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

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

Section 186 of the Companies Act, 2013 and the rules made thereunder are set out in the Notes to the Standalone Financial Statements of the Company.

#### **B. Related Party Transactions**

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

Apart from the Related Party Transactions in the ordinary course of business and on arm's length basis, the details of which are given in the Notes to Financial Statements, no other Related Party Transactions require disclosure in the Board's Report for complying with Section 134(3)(h) of the Companies Act, 2013. Therefore, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

## **6. Acquisition**

During the year 2023-24, the Company entered into an agreement on April 27, 2023 for the acquisition of business of Raymonds Consumer Care Limited (RCCL) through slump sale basis. RCCL is a leading player in the deodorants and sexual wellness categories in India. RCCL is an Indian FMCG player operating primarily in deodorants and sexual wellness categories with two key brands - Park Avenue and Kamasutra. This acquisition allows the Company to complement its business portfolio and growth strategy with under-penetrated categories that offer a long runway of growth. The said acquisition was completed on May 08, 2023.

## **7. Subsidiaries, Associates, and Joint Venture**

During the year, Godrej East Africa Holdings Limited alongwith its step down subsidiaries viz. DGH Tanzania Ltd, Mauritius, Charm Industries Ltd, Kenya and Sigma Hair Industries Ltd, Tanzania ceased to be subsidiaries of the Company w.e.f. March 26, 2024.

Darling Trading Co. Mauritius Ltd and DGH Phase Two Mauritius Ltd merged with Godrej Africa Holdings

Limited on May 25, 2023 and September 12, 2023 respectively and accordingly both these companies ceased to be subsidiaries.

Weave Senegal ceased to be the subsidiary on March 31, 2024, and Indovest Capital ceased to be the subsidiary of the Company w.e.f. February 8, 2024.

As a part of restructuring of subsidiaries holding structure, Godrej UK Limited was acquired by your Company (Godrej Consumer Products Limited) from Godrej Netherlands BV on June 27, 2023, and accordingly it became our direct subsidiary. Also, Godrej South Africa Pty Ltd was acquired by Godrej Africa Holdings Limited from your Company on September 14, 2023, and accordingly it became our indirect subsidiary. However, it may be noted that these Companies continue to remain the Wholly Owned Subsidiaries of Godrej Consumer Products Limited.

The Company has incorporated Godrej Consumer Supplies Limited as a wholly owned subsidiary in India on December 15, 2023.

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

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

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



## Indonesia

In the fiscal year 2023-24, our Indonesia business demonstrated robust performance, achieving a 14% growth in topline. HIT delivered remarkable growth, particularly in the Aerosol and Electrics segment, as we continue to upgrade consumers from burning formats. Air fresheners had a muted performance driven by the category slowdown. Our hair colour segment delivered strong growth with localization of hair colour factory to enhance supply chain efficiencies, reflecting our strategic bet in this category. We continued to strengthen the fundamentals for the future, by doubling down on growth through strong distribution expansion in our General Trade business. Furthermore, we enhanced our in-store execution in modern trade by leveraging our data and analytics capabilities. Controllable Cost savings remained a key focus to support our growth initiatives and bolster profitability. Looking ahead, we remain committed to driving category development through breakthrough innovation, robust brand building, and strengthening our go-to-market strategy.

## Africa, the Middle East, and the USA

Our business clusters in Africa, the Middle East, and the US experienced a varied year amidst a challenging macroeconomic landscape. While the EBITDA of the business improved by 330 bps, the net sales declined by 7% in ₹ terms over last year. This was primarily driven by steep currency devaluation in Nigeria and our divestment in the East Africa business. In local currency, the net sales have grown by 16% over the last year. Despite facing significant challenges, our rigorous cost optimization initiatives and timely price adjustments contributed to a notable improvement in EBITDA. We focused on strengthening the fundamentals for the future. We have significantly accelerated our GTM expansion and have implemented outsourced distribution in West Africa. We witnessed continued momentum on braid premiumisation in South Africa. Going forward, our focus would be to continue improving margins while delivering sales growth by driving operational excellence, strengthening our portfolio, investing in the consumer, and accelerating Wet Hair/ FMCG growth.

## Latin America

In the face of currency devaluation and heightened inflation following governmental changes, our Latin America division stayed the course. Our net sales saw a modest 3% growth in Indian Rupees (INR), while EBITDA saw an 80% decline due to forex impacts in Argentina. Meanwhile, our Chilean operations experienced a notable rebound, with net sales growing by 20% in local currency (24% in INR). This recovery was complemented with a positive EBITDA, driven by cost-saving measures. Looking ahead, our strategic vision involves restoring growth momentum in both Argentina and Chile by emphasizing profitable expansion strategies and optimizing working capital management.

### B. Policy on Material Subsidiaries

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

### C. Financial Performance

A statement containing the salient features of the financial

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

statements of subsidiary/ies of the Company in the prescribed Form AOC-1, is a part of consolidated financial statements (CFSs) in compliance with Section 129(3) and other applicable provisions, if any, of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014. Your Company does not have any joint venture/ associate Company requiring disclosure in Form AOC-1.

The said form also highlights the financial performance of each of the subsidiaries included in the CFS of the Company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

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

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

through emails, e-learning modules and in-person workshops for all categories of workforce. There were zero complaints reported during the calendar year 2023, while 2 investigations were carried forward from 2022 into 2023 and accordingly, the committee has filed the complaint report with the concerned authorities in accordance with Section 22 of the aforementioned Act.

## 9. Talent Management and Succession Planning

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

## 10. Annual Return

In compliance with the provisions Section 134(3)(a)

of the Companies Act, 2013, the Annual Return as per Section 92(3) of the Companies Act, 2013, is available on the Company website, which can be accessed through the following link <sup>[8]</sup>.

## 11. Risk Management

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

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

## 12. Vigil Mechanism

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

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

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

any unacceptable or improper practice and/or any unethical practice, fraud, or violation of any law, rule, or regulation. This policy is also applicable to the directors of the Company.

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

### 13. Family Settlement Agreement between the Promoters

The Company has been informed by way of a family letter dated April 30, 2024 issued jointly by Mr. Adi Godrej (ABG), Mr. Nadir Godrej (NBG), Mrs. Smita Godrej Crishna (SGC) and Mr. Jamshyd Godrej (JNG) that the Godrej family members have entered into a family settlement agreement and a brand & non compete agreement on April 30, 2024.

The Company is not a party to these agreements.

The settlement contemplates a realignment of *inter alia* the shareholding of Godrej Industries Limited and Godrej Seeds & Genetics Limited, which are shareholders of the Company, subject to applicable regulatory approvals. Pursuant to the realignment, the management and control of the Company will continue with the ABG / NBG family, and the JNG / SGC family will not be involved in the management and operations of the Company.

Currently, there are no members of the JNG / SGC Family who are directors on the board of directors of the Company.

## 14. Annexures

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

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

### B. Corporate Social Responsibility

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

### C. Employee Stock Option Scheme

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

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

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

<sup>[9]</sup> & <sup>[10]</sup> <https://godrejcp.com/sustainability/codes-and-policies>

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

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

## 15. Listing

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

## 16. Business Responsibility and Sustainability Report

Pursuant to Regulation 34 of the Listing Regulations, the Business Responsibility and Sustainability Report highlighting the initiatives

taken by the Company in the areas of environment, social, economics, and governance is included in the Annual and Integrated Report. The same is also available on the website of the Company and can be accessed through the following link <sup>[11]</sup>.

## 17. Auditor's and Auditors' Report

### A. Statutory Auditors

In accordance with Section 139 of the Companies Act, 2013 and the rules made thereunder, M/s. B S R & Co., LLP, Chartered Accountants (Firm Regn. No. 101248W/W-100022) have been appointed as the statutory auditor for a second term of five years to hold the office from the conclusion of the 22<sup>nd</sup> AGM held on August 03, 2022, until the conclusion of the 27<sup>th</sup> AGM in the year 2027 at a remuneration as may be approved by the Board.

### B. Cost Auditors

The Company is maintaining requisite cost records for its applicable products. Pursuant to directions from the Department of Company Affairs, M/s. P. M. Nanabhoy and Co., Cost Accountants, were appointed as cost auditors for the applicable products of the Company for the fiscal year 2023-24. They are required to submit

the report to the Central Government within 180 days of the end of the accounting year.

### C. Secretarial Auditors

The Board had appointed M/s. A. N. Ramani & Co. LLP, Company Secretaries, Practising Company Secretary, to conduct a secretarial audit for the fiscal year 2023-24. The Secretarial Audit Report for the fiscal year that ended on March 31, 2024, is attached herewith as **Annexure 'G'**. The Secretarial Audit Report does not contain any qualification, reservation, or adverse remark.

## 18. Corporate Governance

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

## 19. Management Discussion and Analysis

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

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

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

## 20. Confirmations

- a. Your Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.
- b. There have been no material changes and commitments affecting the financial position of the Company that have occurred between March 31, 2024, and the date of this Board's Report.
- c. There have been no instances of fraud reported by the auditors under Section 143 (12) of the Companies Act, 2013, and the rules framed thereunder, either to the Company or to the Central Government.
- d. The Company has not accepted any deposits from the public, and as such, no amount on the account of principal or interest on deposits from the public was outstanding as on the date of the balance sheet.
- e. During the financial year 2023-24, there were no significant and material orders passed by the regulators or courts or tribunals that can adversely impact the going concern status of the Company and its operations in the future.

- f. During the year under review, no amount was transferred to any of the reserves by the Company.

## 21. Appreciation

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

For and on behalf of the  
Board of Directors

**Nisaba Godrej**  
**Executive Chairperson**

Mumbai, May 6, 2024

## ANNEXURE 'A'

### BOARD DIVERSITY POLICY

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

#### Objective

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

#### Scope and Applicability

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

## Policy Statement

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

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

## Diversity Objectives

Our commitment and target is to have at least one woman director on the Board as per the SEBI

(Listing Obligations and Disclosure Requirements) Regulations 2015.

However, our aspiration is to ensure that no more than 50% of any one gender is represented on the Board. We recognise that Board composition may result in temporary periods when we are not able to achieve this balance.

## Monitoring & Reporting

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

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

## Review

The Nomination and Remuneration Committee will review the policy periodically keeping in view the statutory requirement and need of the organisation and recommend

the same to the Board for their approval.

## ANNEXURE 'B'

### GCPL TOTAL REWARDS POLICY

At GCPL (Godrej Consumer Products Limited), the Total Rewards Framework is designed to encompass a comprehensive approach to employee compensation and well-being. It incorporates various elements to create a comprehensive rewards package that considers both financial and non-financial aspects. The framework encompasses fixed and variable compensation, including salary and incentives, as well as long-term incentives to promote employee engagement and long-term commitment. In addition to monetary rewards, benefits and perquisites are provided to enhance employee satisfaction and well-being. Furthermore, the framework also emphasizes non-compensation elements such as career development opportunities, work-life balance initiatives, and recognition programs, ensuring a well-rounded approach to employee rewards. By adopting this Total Rewards Framework, GCPL aims to provide a comprehensive package that supports employee growth, motivation, and overall satisfaction.

### Highlights

The rewards framework implemented at GCPL provides employees with the flexibility to personalize various elements based on their specific needs. This framework is seamlessly integrated with GCPL's performance and talent management processes,

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

#### **Total Cash Compensation**

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

**(a) Fixed Compensation:** comprising both "Fixed Compensation" and "Flexible Compensation." The Fixed Compensation encompasses basic salary, House Rent Allowance (HRA), and retirement benefits, including the provident fund and gratuity. On the other hand, the Flexible Compensation is a predetermined portion of

the overall compensation that employees can allocate to different components based on their grade eligibility. At the beginning of each fiscal year, employees have the flexibility to distribute this amount among various options according to their individual needs and preferences.

**(b) Variable Compensation (Performance-Linked Variable Remuneration):** comprising employee rewards for delivering superior business results and individual performance. It is designed to provide a significant upside earning potential for overachieving business results. It has a 'Collective' component, linked to the achievement of specified business results, relative to the target set for a given fiscal year, and an 'Individual' component, based on an employee's performance, as measured by the performance management process.

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

**Long-Term Incentive plans:** LTI (Long Term Incentives) at Godrej strive to drive a culture of ownership and focus on long term result, it also has element of retention. In 2022, we introduced a long-term incentive plan that is linked to sustained business success over a four-year plan period based on metrics of market capitalisation and profit after taxes. This plan is applicable to the top leadership of GCPL. The payout under this plan is calculated at the end of the four-year period based on the business performance achieved during that time. To ensure the continuity of business success, half of the payout is deferred and paid out in the fifth year. This approach incentivises the top leadership to focus on the long-term growth and profitability of the company, driving sustainable value for all our stakeholders.

#### **CEO Compensation**

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

aligned with our enduring business goals. It has the following three components:

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

**(b) Variable Compensation:** Variable pay is directly tied to a combination of the company's overall business performance and the CEO's individual performance. The performance

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

This includes **Stock Option** Grants to incorporate external market performance measures. These options vests over multi-year periods aligning the CEO's interests with the long-term success of the company. The stock options represent a sizable portion of his total compensation, demonstrating a substantial

commitment to the company's success and strengthens the alignment between the CEO's performance and shareholder value.

**(c) Long Term Incentives:**

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

## ANNEXURE 'C'

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

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the fiscal year 2023-24; the percentage increase/decrease in the remuneration of each Director, Chief Financial Officer, and Company Secretary during the fiscal year 2023-24:

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

Sr. No.	Name of the KMP	Designation	Percent Increase/ (Decrease) In Remuneration in the Fiscal Year 2023-24	Ratio of Median Remuneration of Each Director to the Median Remuneration Paid/Payable to all Employees for the Fiscal Year 2023-24
1	Nisaba Godrej	Executive Chairperson	(1.57%)	126.96
2	Sudhir Sitapati	Managing Director & CEO	31.81%	362.25
3	Sameer Shah*	Chief Financial Officer	Not Applicable	Not Applicable
4	Aasif Malbari#	Chief Financial Officer	Not Applicable	Not Applicable
5	Rahul Botadara	Company Secretary & Compliance Officer	0.75%	Not Applicable

\*Mr. Sameer Shah has resigned as Chief Financial Officer w.e.f. August 10, 2023.

#Mr. Aasif Malbari has been appointed as Chief Financial Officer w.e.f. August 10, 2023. Accordingly, Percent increase/decrease in remuneration is not applicable to them.



Sr. No.	Name of Director	Percent Increase/(Decrease) in Remuneration in the Fiscal Year 2023-24	Ratio of Remuneration of Each Director to the Median Remuneration Paid/Payable to all Employees for the Fiscal Year 2023-24
1	Jamshyd Godrej*	-	3.67
2	Nadir Godrej	-	5.41
3	Tanya Dubash	-	5.14
4	Pirojsha Godrej	-	5.26
5	Narendra Ambwani*	-	5.41
6	Pippa Armerding	-	8.08
7	Omkar Goswami	-	7.89
8	Ndidi Nwuneli*	-	8.30
9	Ireena Vittal	-	7.92
10	Shalini Puchalapalli*	Not Applicable	2.93
11	Sumeet Narang*	Not Applicable	-

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

\*Mr. Jamshyd Godrej has resigned w.e.f. January 24, 2024.

\*Mr. Narendra Ambwani's term as an Independent Director ended on November 14, 2023.

\*Ms. Shalini Puchalapalli was appointed on the Board as an Independent Director w.e.f. November 14, 2023.

\*Ms. Ndidi Nwuneli has resigned as an Independent Director w.e.f. May 1, 2024.

**Note:**

- (i) The median remuneration of all the employees of the Company for the fiscal year 2023-24: ₹ 5.25 lakhs
- (ii) The percentage increase in the median remuneration of employees in the fiscal year 2023-24: 13.39%
- (iii) The number of permanent employees on the payrolls of the Company as on March 31, 2024: 2702
- (iv) The average percentile increases already made in the salaries of the employees, other than the Managerial Personnel, in the last fiscal year and its comparison with

the percentile increase in the managerial remuneration and justification thereof:

Total managerial remuneration comprises the remuneration of the Whole-Time Directors and commission paid to Non-Executive Directors. The Whole-Time Directors' remuneration is as per the resolution approved by the shareholders and will not exceed 10% of the company's net profits as permitted by the Companies Act, 2013. The Non-Executive Directors are also eligible for a sitting fee of ₹ 1 lakh per Board meeting attended and ₹ 20,000 per committee meeting attended. The shareholders, at the AGM held on July 30, 2018,

authorised the payment of commissions on profits to the Non-Executive Directors at the rate not exceeding 1% of net profits of the Company with authority to the Board to determine the manner and proportion in which the amount be distributed among the Non-Executive Directors. The Board has authorised a base commission of ₹ 20 lakhs per annum to each Non-Executive Director. All the Independent Directors are paid an additional commission linked to their attendance at various committee meetings and Independent Directors' meetings. There is no change in the base amount of the commission on profits or sitting fees payable to

Non-Executive Directors for attending meetings of the Board/Committee thereof. The percent change in remuneration represents a change in the pay-out based on actual attendance at meetings of the Board or Committee thereof for each of the Non-Executive Directors, compared with that in the previous year.

The average change in the salary of employees other than the Managerial Personnel is an increase of 30.02%, whereas that in the salary of the Managerial Personnel is an increase of 7.57%.

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

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

In line with GCPL's ambitious ESG goals, we're committed to growing our business while minimizing our environmental footprint and maximizing our positive social impact. At GCPL, sustainability isn't just a buzzword—it's at the heart of everything we do.

We place the highest priority on ensuring environmentally friendly practices across all our factories. Over the past year, we have invested approximately ₹652.47 lakhs across our manufacturing sites to enhance energy efficiency and reduce water

consumption. These strategic investments have yielded impressive results:

- **Energy Efficiency:** We've reduced our specific energy consumption by 35% compared to the FY 2011 baseline.
- **Water Conservation:** In 2024 we have achieved 39% reduction in our water intensity from FY 2011, and we have conserved 9.20 million m3 water making GCPL 15x water positive.
- **Renewable Energy:** 27% of GCPL's energy is from renewable sources as of FY 2024.

These achievements reflect our unwavering dedication to sustainability and our commitment to creating a brighter, greener future. At GCPL, we're not just meeting targets—we're setting new standards for sustainable growth.

**Our Environment Performance:**

	<b>FY 24</b>	<b>FY 23</b>	<b>% Change</b>
Total Energy [MJ]/[t]	2367	2558	-7%
Specific Water by Product [m <sup>3</sup> /t]	1.29	1.49	-13%

To reduce our energy footprint, we have focused primarily on process optimization, the use of energy-efficient equipment, and cutting-edge technology. We are also dedicated to increasing our use of renewable energy, implementing stringent monitoring, and ensuring swift mitigation of any issues. Some of the noteworthy projects undertaken across our manufacturing sites include:

## Process and Load Optimization

North East	North	South	Central
Reduction of Shrink Wrap Machine load <ul style="list-style-type: none"> <li>Reduction in number of heater</li> <li>Reduction in blower flow rate</li> </ul>	Provision of dedicated Brine chillers for soap line stampers	GK Flash RHA (Ring Heater Assembly) Temperature testing operation elimination	Evaporative condenser in chilling unit in Line 3 & 4
Change in Line Layout of Refill Section	Reduction in TRM (Tripple Role Mill) motor size	GK Flash Device soldering operation elimination	Replacing 2 inch transfer line by 3 inch resulted in saving in power consumption
Reduction in Refill section batch time	Reduction in UB cutter motor size	Domestic line bottle & cap conveyer induction motor is eliminated by introducing vibrator	
Reduction in Connected load through load optimization	Elimination of cold well pump in water chiller		
Increase in EPHC batch size from 500kg to 700kg	Reduction in conveyors motors from 2 hp to 0.5 hp		
Replacement of double acting Lift hydraulic power pack with single acting power pack	HPSEB (Himachal Pradesh State Electricity Board) CD (contract demand) reduction 400kva to 250kva.		
Twist manufacturing <ul style="list-style-type: none"> <li>Reduction in vessel heater capacity from 18KW to 13.5KW</li> <li>Increase in Twist Filling Hopper size from 110kg to 180kg (elimination of buffer tank of Twist Bulk)</li> </ul>	Reduction of soap line hopper and extruder motor size from 7.5HP motor to 5HP. Reduction of soap line extruder motor size from 30 HP to 25HP		
Replacement of 600 KVA DG with 250 KVA DG			
Air pressure reduction from 7.5 bar to 6.5 bar			

## Use of Energy Efficient Equipment and Technology

North East	North	South	Central
Installation of Air Pre-heater in HWG in coil 8 unit	Installation of two HVLS (High-Volume, Low Speed) fans in place of 25 wall mounted industrial fans.	Installation of Unigas Burner system for air heater	Installation energy efficient Vacuum Pump
Replacement of conventional light to automatic light-based system	Reduction in lighting load in RM/PM by installing flood light.	Installation of dehumidifier System on the drier conveyor for coil drying	Installation of evaporative condenser in chilling unit in Line 3 & 4
Ceiling and Exhaust Fan replacement with energy efficient BLDC (brushless direct current) fan	Replacement of water chiller in soap plant at all the three lines with energy efficient chilling system.	Installation of 3 Phase power factor controller	Installation of solar streetlights

Replacement of pneumatic system by mechanical push system for bottle feeder	Replacement of compressed worm with linear worm at all the three lines.	Installation of energy efficient motor IE4 in place of IE2 motors	Installation of LED light by replacing HPSV lamp
Providing auto stop of Turn Table	Replacement of USN 3 stamper with IMSA at Line 3	Reduction in lighting load installing low wattage LED light in Admin area	Installation of energy efficient CSP plants
Auto on /off for exhaust fans	Installation of 15 KW VFD by replacing 18.5 KW compressor. VFD installation for RC Fans. Insulation for RC Fans.	Ceiling and Exhaust Fan replacement with energy efficient BLDC (brushless direct current) fan	Installation of Auto temp heating in RO section
	Replacement of ordinary motor with energy efficient motor.		

### Renewable Energy

North East	North	South	Central
-	-	Installation of Roof top Solar panel in Coil 9 and Coil 6 unit with the capacity of 115 and 315 kWp	Proposed Cogeneration installation is in progress, which will give results from FY 24-25

To reduce our water consumption, we are focusing on the 3R methodology: Reduce, Recycle, Reuse

Some of the noteworthy projects undertaken across our manufacturing sites include:

Cluster	Reduce	Reuse	Recycle
North East	<ul style="list-style-type: none"> <li>Installation of water efficient taps in toilet/urinal/canteen areas</li> </ul>		
North	<ul style="list-style-type: none"> <li>Reduction in water holding capacity of Hot/ Cold well of chillers.</li> <li>Replacement of water cooled air compressor with VSD (Variable speed drive air cooled ) compressor</li> <li>Identification &amp; elimination of leakages from fire hydrant line</li> </ul>	<ul style="list-style-type: none"> <li>Installation of rainwater collection &amp; utilization system</li> </ul>	
South	<ul style="list-style-type: none"> <li>Water management using level sensors in water storage tanks</li> <li>Installation of sensor-based water taps in all the washrooms and Canteen areas</li> </ul>	<ul style="list-style-type: none"> <li>Installation of Rainwater harvesting system of 1 lakh liter capacity in CONSO unit</li> <li>Installation of system to reuse Cooling water for process which is a byproduct in the DH system</li> </ul>	<ul style="list-style-type: none"> <li>Use of STP treated water for toilet flushing and gardening purposes</li> </ul>
Central		<ul style="list-style-type: none"> <li>Installation of Rainwater harvesting system 15 lakh litre</li> </ul>	

## Awards & Appreciation

We have won awards from national and state level authorities for our exceptional work in sustainability and environment protection. Some of the note worthy accreditation received by our manufacturing sites are:

North East	North	South	Central
<ul style="list-style-type: none"> <li>CII award on best Practices on "Contractor safety Management" by Sikkim Unit.</li> <li>NCQC- 4 teams won Par Excellence and 1 team won Excellence award.</li> <li>5<sup>th</sup> ICC OHS Awards 2023.</li> <li>FMCG Large sector - Sikkim Unit got Gold Winner, Lokhra II got Silver.</li> <li>FMCG SME sector - Kalapahar AER got Gold Winner, Meghalaya Coil got Gold Runners up.</li> <li>GILAC Safety Awards -Best location for celebrating National Road Safety Award 2023.</li> <li>NSCI Safety awards 2023 (Manufacturing sectors)- Awards yet to be received but results are out with five factories selected consecutively in 2 years.</li> <li>Gold award -TQM summit organized by QCFI.</li> </ul>	<ul style="list-style-type: none"> <li>2 Gold awards in 5<sup>th</sup> ICC Occupational Health &amp; Safety Awards.</li> <li>2 awards at CII in National Poka Yoke competition.</li> <li>1 award at CII in National JH competition.</li> <li>9 Par-Excellence &amp; 1 Excellence award in NCQC</li> </ul>	<ul style="list-style-type: none"> <li>WSO Safety Gold Award was won by MMN team.</li> <li>Got the Gold Award in QCFI SHE competition by CONSO and MMN Unit</li> </ul>	<ul style="list-style-type: none"> <li>NCQC awards- 12 numbers (11 par excellence &amp; 1 excellence)</li> <li>Platinum SEEM National Energy Award 2023 for energy efficiency usage.</li> <li>Indian National Suggestion Schemes' Association (INSSAN) – 20 numbers</li> <li>Level 1 5S Workplace Management System certification from QCFI, India.</li> </ul>

### Technology absorption:

In line with our Company vision of "Bringing the goodness of health & beauty to consumers in an emerging market" we continue to develop & launch innovative products in our core markets. Our Research & Development function has undertaken multiple launches in the

fiscal year 2023-2024:

- 1) Aer-O
- 2) Renofluthrin 0.025 % coil
- 3) Goodknight Agarbatti
- 4) HIT Mini Spray
- 5) Goodknight Mini LV

- 6) Godrej FAB laundry detergent
- 7) Godrej Expert Rich Crème mini pack
- 8) Shampoo Hair Colour (Latam)
- 9) African Pride Feel it Formula Range
- 10) Relaunch HIT Aerosol in Indonesia

Our focus on addressing gaps in the consumer market has driven these innovations. Safety, efficacy, cost, and quality parameters are of paramount importance and form the core of our product innovation process.

This philosophy has helped GCPL populate a robust pipeline of strategic innovations for the coming few years.

Some of the important initiatives that were being driven at R&D were:

#### **R&D product categories initiated by the Company**

- 1) Deodorants and sexual wellness which includes Park Avenue and Kama Sutra
- 2) Developing value-added liquid detergents
- 3) Renovation & innovation of hair colours
- 4) Innovation in the HI category
- 5) Expanding the Godrej Professional Colour and Care Portfolio with new products
- 6) New premium Car & Home fragrances across geographies

#### **Benefits derived from the above R&D efforts:**

Over the current fiscal year, R&D-driven innovations have led to significant market disruptions, resulting in the creation and launch of consumer-centric products. The division has spearheaded the hyper-

agile development and launch of India's first and only government-registered incense stick, Aer-O car fragrances, and a value-added laundry detergent in record time. This has proven yet again the ability of R&D to create disruptive products that address current consumer and market needs.

We have actively enhanced our understanding of product formats and new technologies. As a result, the company has filed several patents in India and abroad. R&D has also actively driven cost optimisation initiatives over the current fiscal year, leading to significant cost savings that lead to the improvement of product margins.

#### **Sustainability**

GCPL continued its commitment to plastic waste reduction and efforts to create greener products. We have launched a reconstituted floor cleaner that reduces plastic consumption by 90% as compared to conventional products. We are committed to improving recyclability, use of PCR materials and reducing the plastic intensity. Significant progress has been made in incorporating recycled plastic material in our core brands Goodknight and Ezee.

#### **Progress on capability building:**

Capability-building initiatives in the form of both online and offline training, improvement of lab infrastructure and regular collaboration and interaction with

our partners have enhanced the skill development of the function. Special focus was given to consumer immersion for the R&D team for enhanced consumer connection for a deeper understanding of the needs and experience of FMCG products. We believe consumer-focused, disruptive innovations supported by regular upskilling will continue to create value and delight consumers globally in the new fiscal year.

#### **Plan of Action:**

R&D will continue to play a key role in the product development and launch of both international and domestic products by:

- 1) Focusing on "blue sky thinking" and first-of-its-kind innovations and technologies
- 2) Collaborating internally and externally to fuel open innovation
- 3) Enhancing the deodorants and sexual wellness portfolio
- 4) Innovations in Home & Personal Care
- 5) Identifying gaps in the consumer market and developing relevant products both for India and the International market
- 6) Ensuring the development of sustainable products and packaging
- 7) Capability building

## Expenditure on R&D

	(₹ Crore)	
	Fiscal Year 2023-24	Fiscal Year 2022-23
Capital	0.82	0.97
Recurring	25.29	21.20
Total	26.11	22.17
Total R&D expenditure as a percentage of total sales turnover	0.32%	0.29%

## Foreign Exchange Earnings and Outgo

	(₹ Crore)	
	Fiscal Year 2023-24	Fiscal Year 2022-23
I. Foreign exchange used	532.22	618.92
II. Foreign exchange earned	546.65	292.18

### ANNEXURE 'E'

#### CSR REPORT

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

GCPL is committed to the Godrej Group's 'Good & Green' vision of creating a more inclusive and greener India. The GCPL CSR policy focuses on addressing the critical social, environmental, and economic needs of the marginalised and less privileged sections of society. We adopt an approach that integrates the solutions to these problems into the strategy of the Company to benefit communities at large and deliver social and environmental impact. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act,

2013. The policy as well as projects and programmes under the CSR Policy are available on the Company website and can be accessed through the following link.<sup>[12]</sup>

An overview of the projects or programmes undertaken during the fiscal year 2023-24 is given below. We have aligned our programmes to national priorities and missions, and they are categorised as follows.

#### A. Community Development

Godrej believes in people, planet, profit – meaning our focus is to improve and support people and communities, work towards sustainable environment and be a responsible company. As a part of our people focus, we work very closely with the communities around our operations. We understand that the need of every

community may be different based on a lot of factors; the focus is to drive interventions that are need based and through the participation of the people. Through our various community projects focused on access to WASH, education, health, disaster relief and entitlements, we have been able to reach over 7,000 people directly and indirectly.

#### WASH

This year we addressed the community need of deteriorating sanitation conditions in schools. Specifically, two toilets were constructed in a primary school in Sikkim, and one public toilet in Kattukupam, Pondicherry. These initiatives have significantly improved hygiene and sanitation for approximately 250 students and over 1,000 individuals, respectively.

<sup>[12]</sup> <https://godrejcp.com/investors/annual-reports>

Furthermore, recognizing the challenge of accessing clean drinking water which has the presence of hard water in Malanpur, Madhya Pradesh. We set up a water purifier and water cooler to the Malanpur primary school, benefiting over 470 students and ensuring they have access to safe drinking water.

### **Enabling quality education**

STEM labs were established in 40 schools spanning Pondicherry, Karaikal and Chennai, as part of an initiative aimed at promoting STEM education among students from low-income backgrounds. This endeavour has benefitted over 3,800 students. Furthermore, to ensure the sustainability of this effort, 36 teachers were provided with training. Consequently, more than 500 students have successfully developed science models, achieving significant learning improvement in STEM education.

### **Access to better health**

Two fully equipped ambulances were provided to two Public Health Centres (PHCs) in rural Kamrup district, Assam, as part of an initiative aimed at ensuring timely medical support to the community. These ambulances have enabled efficient transportation and assistance for over 1,200 people residing in the vicinity of the PHCs, contributing significantly to healthcare accessibility and emergency response in the region.

### **Access to entitlements**

The national and state governments have implemented several welfare

schemes aimed at supporting the most vulnerable segments of the population. However, many of the intended beneficiaries remain unaware of these schemes or lack knowledge about the process to access them. In response, we have collaborated with non-profit partners to raise awareness and facilitate access to these schemes among communities residing around our factories.

Initial awareness sessions have been conducted across four locations, reaching out to over 300 daily wage workers. These sessions serve as a vital step in ensuring that eligible individuals are informed about the available government welfare schemes and understand the procedures required to access them.

### **Disaster support**

In response to the devastating Chennai floods this year, our organization swiftly mobilized support for disaster relief assistance to affected communities. We extended support to 600 families in Chennai, offering essential aid such as food, shelter, clothing, and other necessities during their time of need. This timely intervention aimed to alleviate the hardships faced by those impacted by the natural disaster and to provide them with much-needed relief and support as they worked to recover and rebuild their lives.

## **B. Employability and Livelihoods**

At Godrej, we collaborate with non-profit organisations and social enterprises to

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

As of March 2024, our organization has successfully trained more than 4,57,000 young individuals in skills aimed at enhancing their earning potential. Among our various projects, two notable initiatives are the Beauty-preneur (BP) and Home-preneur (HP) platforms, designed to empower nano and micro entrepreneurs within the beauty industry.

Under the Beauty-preneur project, we provide support to women micro entrepreneurs operating in the beauty and wellness sector across different regions of the country. This initiative focuses on guiding nano entrepreneurs to stabilize and expand their enterprises. Since the fiscal year 2016-17, we have extended assistance to over 10,201 women entrepreneurs. Moreover, in the fiscal year 2024, we welcomed 1,541 new entrepreneurs into our program, demonstrating the continuous growth and impact of our efforts.



In addition to our core support programs, we introduced short workshops tailored to address specific topics and services within the beauty and wellness domain. These workshops serve as an avenue for women interested in acquiring or enhancing their skills in these areas, particularly those who may not be able to commit to long-term training programs. Through these workshops, we have successfully reached and benefitted over 10,846 women, further expanding our reach and impact within the community.

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

Project EMBED (Elimination of Vector-Borne Endemic Diseases) started in 2015 in Madhya Pradesh in partnership with the Ministry of Health & Family Welfare's National Centre for Vector Borne Diseases Control (erstwhile NVBDCP) focusing on malaria elimination in line with the Government of India's mission. Over the past 9 years, we extended our initiative to Madhya Pradesh, Uttar Pradesh, Chhattisgarh and in FY24 we scaled the program to Maharashtra. In FY 21, we extended our focus on dengue and chikungunya prevention in urban areas. We collaborate with NGOs and state governments to run intensive behaviour change programmes in regions with a high annual parasite index, where the case

burden is the highest. We work in each location for 3 years, spreading awareness among households and people at the bottom of the pyramid and vulnerable and marginalised groups.

Our urban dengue and chikungunya project in eleven cities focuses on increasing the awareness of urban poor communities regarding the spread of mosquito-borne diseases and educating them regarding how to keep their families and communities safe.

The project runs in Bhopal, Gwalior, Indore, Jabalpur in Madhya Pradesh and Lucknow, Kanpur, Agra, Meerut in Uttar Pradesh, Raipur in Chhattisgarh and Thane and Palghar in Maharashtra. It aims to reduce dengue and chikungunya cases and associated mortality. Our third project under EMBED focused on providing technical support to the Government of India, Government of Uttar Pradesh and Government of Maharashtra to help develop an integrated vector management protocol and support the roll out of the same in endemic states. In FY24, we organised one national level conclave in Delhi in partnership with National Center for Vector Borne Disease Control (NCVBDC).

In FY24, in addition to above we extended the program to include a Civic action model of equipping community citizens – women and youth

to take leadership in their communities for prevention of dengue. We ran awareness sessions for these select volunteers and equipped them with information on detection of larvae and working collaboratively with municipal corporation for prevention. We ran the program in 12 BMC wards of Mumbai (Maharashtra), Gwalior, Bhopal, Indore and Jabalpur (Madhya Pradesh), Lucknow, Kanpur, Agra, Meerut (Uttar Pradesh) and Raipur (Chhattisgarh).

- In our rural malaria project, we have seen an 80% reduction in cases in FY 24. Further treatment completion rate is up by 59% and testing has increased by 45%.
- Increase in fever testing up by 71% and there has been 65% reduction in Dengue cases in intervention geographies. This must be a large part been due to our successful integration with communities and cross linkages between different municipal departments.
- Finally, we partnered with the National Centre for Vector Borne Diseases Control (NCVBDC) to organise a national conclave on prevention and control of Dengue with a focus on inter-departmental

co-ordination and partners prioritizing urban dengue challenges. This was chaired by Additional Secretary and Mission Director- National Health Mission, Ministry of Health and Family Welfare. Partners included Jhpiego, WHO, GHS, PCI and PHFI.

The framework on Dengue and Chikanguniya created for this program has become the foundation for Gol and all endemic states to manage and control Dengue, Chikungunya and Zika type diseases.

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

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

As a global FMCG player and responsible corporate citizen, GCPL is committed to reducing waste across all its plants, processes, products, and supply chain. To this end we have been sending zero waste to landfills from our manufacturing units for the last 5 financial years. Beyond addressing the waste from our manufacturing processes, GCPL recognises its responsibility to work with communities to manage waste. We do this not just by collecting back 100% of the plastic waste we generate

every year as per Indian EPR laws, but we go beyond and work with civic agencies, social enterprises, and citizens' groups to ensure that we work in partnership to increase reuse of material and recycle as much as possible.

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

Since the fiscal year 2020-21, we have partnered with the Puducherry Municipal Corporation to implement a community waste management project reaching out to over 200,000 people. We are digitally tracking the waste management process and raising awareness on door-to-door collection and source segregation. In FY 24 we have diverted over 1,000 MT of waste from landfills through clean-up drives and door to door collection. We have also set up a sanitation park which now processes 4TPD of waste. We provided 308 waste workers access to medical camps. Further, the implementation team has drafted a detailed project plan to the Govt. of Puducherry with an action plan for sustainable waste management solutions for the state. This DPR has become the basis for the new tender that was released this

year by the government to onboard a new concessionaire for waste collection and processing.

In September 2022, we initiated an end-to-end waste management project in the newly formed Malanpur Nagar Parishad, where one of GCPL's oldest and biggest factories is based. The 3-year project will operate in all 15 wards of the Nagar Parishad with the aim of sending zero waste to landfill and breaking even on the operational cost of solid waste management by year 3. In FY24, the project has diverted 946 MT of waste from landfills.

GCPL has initiated an integrated decentralised solid waste management system in Palashbari Municipal Board in Kamrup district of Assam in October 2022. Kamrup district currently houses several GCPL manufacturing units. The project will cover all 10 wards of the municipality as well as surrounding commercial zones that are open to partnering, to reach optimal capacity and break even from an operational cost perspective. In FY24, the project has diverted 2090 MT of waste from landfills.

Baddi in Solan district of Himachal Pradesh houses two GCPL factories. Kasauli is one of the well-known tourist destinations in Solan district and initiated a municipal waste management project to tackle the growing garbage

issue in the region which mars the natural beauty of the geography. In FY24, we engaged and trained 2010 households through door-to-door IEC. We also conducted several solid waste management workshops, clean up drives with community members, set up waste themed art installations to create interest in citizens and tourists, and worked with school children to build awareness about the issue. Through this project, we have been able to divert 625 kg of waste from landfill.

The state of Goa is one of the largest tourist hubs in the country and therefore needs to continually focus on waste management to ensure its natural beauty does not get negatively impacted. In FY23, GCPL in partnership with Goa State Pollution Control Board and Goa Waste Management Corporation, initiated a three-year waste management project with Bicholim and Sattari Municipal Councils. The project is being implemented by Mineral Foundation of Goa (MFG) in partnership with Sampurna Earth. This project caters to ~2.9 lakh people in the region. In FY24, the project has diverted 1449 MT of waste from landfill and has given 1131 waste workers access to social entitlements and medical camps.

In FY 24 we partnered with India Sanitation Coalition

– Federation of Indian Chamber of Commerce and Industry to initiate a program on plastic circular cities in Maharashtra. The aim of this project is to design a holistic waste management solution for six cities with 1 million+ population in Maharashtra through specially designed research to bring out the challenges, gaps, and solutions. IN FY24 we worked with the Urban Local Bodies of Nasik, Nagpur, Aurangabad, Pimpri-Chinchwad, Vasai-Virar and Mira-Bhayander to document their public waste management systems and identify opportunities to strengthen the existing processes.

#### **E. Nature - Water conservation**

Within our Good & Green framework, water positivity is an important component. This signifies our commitment to rejuvenating water resources in drought-prone regions. In FY18 we collaborated with the National Bank for Agriculture and Rural Development (NABARD), and selected a water stressed community in Siddipet, Telangana to initiate a watershed treatment initiative in partnership with a local non-profit organization.

This project, spanning ten villages, not only endeavours to rejuvenate and increase the local water table but also prioritizes community capacity-building to ensure the project's sustainability. In FY 24 we have

conserved 9.2 million cubic meters of water.

In FY18 we similarly undertook a watershed management program on Sustainable Agriculture Land Management aimed at improving agricultural practices and increase green cover, thereby ensuring carbon conservation in the soil. In the FY 24, our efforts extended support to over 17 farming families through the establishment of pandal-based vegetable cultivation. We have successfully concluded the watershed project by transferring its management to the Village Watershed Committee.

In FY 24 we initiated a water stress study in Malanpur, Madhya Pradesh to assess the ground water depletion and water quality in the region. In FY 25 we will pilot the recommendations from this study for a watershed management program in Malanpur.

#### **F. Nature – Biodiversity**

In 2024, our organization embarked on a Biodiversity Ecological Restoration initiative across the states of Maharashtra, Karnataka and Tamil Nadu. This project is centered on the ecological rehabilitation of three key regions: Sindhudurg in Maharashtra, Malendu in Karnataka, and Valparai in Tamil Nadu. The primary objective is

to restore the native habitats by reintroducing endangered plant species across more than 30 hectares of land. The selection of these plants is meticulously guided by comprehensive research on endangered native species.

Moreover, the project entails the establishment of nurseries to ensure the availability of these indigenous plants for future restoration efforts. A crucial aspect of our endeavour involves ongoing monitoring to track the growth and survival rates of the reintroduced flora, as well as to assess the resultant increase in local biodiversity, encompassing various species of plants, insects, and birds.

In the fiscal year 2024, the project was initiated in collaboration with a local partner possessing specialized expertise and extensive research experience in the targeted intervention area.

India. The GCPL CSR policy focuses on addressing the critical social, environmental, and economic needs of the marginalised and less privileged sections of society. We adopt an approach that integrates the solutions to these problems into the strategy of the Company to benefit communities at large and deliver social and environmental impacts. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013. The policy as well as projects and programmes under the CSR Policy are available on the Company website and can be accessed through the following link.

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

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

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

**2. Composition of CSR Committee:**

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

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

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

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

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

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

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

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

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

₹ 1727.36 Crore

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

₹ 34.55 Crore

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

NA

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

NA

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

₹ 34.55 Crore

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

Total amount spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 34.64 Crore	NIL	NA	-	-	-

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

(₹ Crore)

1	2	3	4	5	6	7	8	9	10	11		
Sr. No.	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/No)	Location Of the project	Project duration	Amount allocated for the project	Amount spent in the current FY	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation (Direct) (Yes/No)	Mode of Implementation - Through Implementing Agency	CSR registration number	
				State	District					Name		
1	Salon-i	Schedule VII	No	GJ, MH, RJ, UP	Palanpur, Ahmedabad, Baroda, Surat	36	1.54	1.54	-	No	Saath Charitable Trust	CSR00000021
		(i) livelihood enhancement projects			Jaipur, Ajmer, Jodhpur, Udaipur, Banaras, Mumbai							
2	Salon-i	Schedule VII	No	UP, KA, TN		24	0.07	0.07	-	No	Vrutti	CSR00000538
		(ii) livelihood enhancement projects			Mandya, Mysore, Mangalore, Shimogga, Trichy							
3	Salon-i	Schedule VII	Yes	MH	Mumbai,	24	0.58	0.58	-	No	Save the Children India (Vipla Foundation)	CSR00000158
		(iii) livelihood enhancement projects										
4	Salon-i	Schedule VII	Yes	GJ	Kadi, Kalol	24	0.36	0.36	-	No	Friends of the Women World Banking	CSR00000871
		(iv) livelihood enhancement projects										
5	Salon-i	Schedule VII	Yes	Assam	Guwahati	24	0.44	0.44	-	No	Access Development	CSR00002703
		(v) livelihood enhancement projects										
6	Salon-i	Schedule VII	Yes	MH	Mumbai	24	0.20	0.20	-	No	Eklavya Foundation	CSR00013122
		(iv) livelihood enhancement projects										
7	Salon-i	Schedule VII	Yes	MH	Mumbai	14	0.02	0.02	-	Yes	Rural Shores	NA
		(vi) livelihood enhancement projects										

1	2	3	4	5	6	7	8	9	10	11	
Sr. No.	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/No)	Location Of the project	Project duration	Amount allocated for the project	Amount spent in the current FY	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation (Direct) (Yes/No)	Mode of Implementation - Through Implementing Agency	CSR registration number
8	EMBED rural	Schedule VII (i) promoting preventive healthcare	No	UP, MP, CH, MH Shivpuri, Sheopur, Balaghat Bareilly, Badaun, Mirzapur, Sonbhadra Bastar, Kondagaon, Gadchiroli	36	6.03	6.03	-	No	Family Health India	CSR00001169
9	EMBED urban	Schedule VII (i) promoting preventive healthcare	No	UP, MP, CH, MH Gwalior, Bhopal, Indore, Jabalpur, Lucknow, Kanpur, Agra, Meerut, Palghar, Thane, Raipur	36	6.26	6.26	-	No	Family Health India	CSR00001169
10	EMBED -IVM	Schedule VII (i) promoting preventive healthcare	No	Delhi, UP, MH Delhi central, Lucknow, Pune	36	5.80	5.80	-	No	Centre for Health Research & Innovation	CSR00004757
11	EMBED - Civic action	Schedule VII (i) promoting preventive healthcare	Yes	MH Mumbai	24	0.47	0.47	-	No	Civis	CSR000020458
12	EMBED	Schedule VII (i) promoting preventive healthcare	No	MH Mumbai	24	0.54	0.54	--	Yes	Zéfmo	NA
13	Waste management	Schedule VII (iv) environment sustainability	Yes	MP Malanpur	36	0.79	0.79	-	No	Feedback Foundation	CSR00004049
14	Waste management	Schedule VII (iv) environment sustainability	Yes	Assam Paashbari	36	0.88	0.88	-	No	Feedback Foundation	CSR00004049
15	Waste management	Schedule VII (iv) environment sustainability	Yes	Goa North Goa	36	1.48	1.48	-	No	Mineral Foundation of Goa	CSR000033496
16	Waste management	Schedule VII (iv) environment sustainability	Yes	Assam North Guwahati	36	0.15	0.15	-	No	Feedback Foundation	CSR00004049
17	Waste management	Schedule VII (iv) environment sustainability	Yes	Goa North Goa	36	0.28	0.28	-	No	Mineral Foundation of Goa	CSR000033496
18	Waste management	Schedule VII (iv) environment sustainability	Yes	HP Solon	36	0.82	0.82	-	No	Waste Warriors Society	CSR00002589
19	Waste management	Schedule VII (iv) environment sustainability	Yes	Pondi Pondi	36	2.04	2.04	-	Yes	Recty	NA

1	2	3	4	5	6	7	8	9	10	11	
Sr. No.	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/No)	Location Of the project	Project duration	Amount allocated for the project	Amount spent in the current FY	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation (Direct) (Yes/No)	Mode of Implementation - Through Implementing Agency	CSR registration number
20	Waste management projects	Schedule VII (iv) environment sustainability	Yes	MH Nagpur, Nasik, Aurangabad, Pimpri-Chinchwad, Vasai-Virar and Mira-Bhayander	14	1.00	1.00	-	No	India Sanitation Coalition- Federation of Indian Chamber of Commerce and Industry	CSR00041061
21	Community projects	Schedule VII (ii) Promoting Education	No	MH Mumbai	36	0.48	0.48	-	No	Institute of Chemical Technology	CSR000006632
22	Community projects	Schedule VII (i) promoting preventive healthcare	Yes	MH Mumbai	14	0.15	0.15	--	No	Niramaya Health Foundation	CSR00000186
23	Community projects	Schedule VII (i) promoting preventive healthcare	No	MH Mumbai	24	0.20	0.20	-	No	Live Love Laugh Foundation	CSR00012198
24	Community projects	Schedule VII (iii) Promoting Education	Yes	MH Mumbai	24	0.15	0.15	-	No	Teach To Lead	CSR000002271
25	Community projects	Schedule VII (i) promoting preventive healthcare	No	Pan India	36	0.08	0.08	-	Yes	Amaha	NA
26	Community projects	Schedule VII (ii) Promoting Education	Yes	MH Mumbai	14	0.10	0.10	-	Yes	Vidhi	CSR00000775
27	Community projects	Schedule VII (ii) Promoting Education	Yes	Pondicherry, TN Pondicherry, Chennai	24	0.31	0.31	-	No	WOSCA	CSR000005910
28	Nature	Schedule VII (iv) environment sustainability	No	Karnataka, Maharashtra and Tamil Nadu Ratnagiri, Sindhudurg, Coimbatore, Chikmagalur, Hasan, Pollachi	36	0.71	0.71	--	No	Nature Conservation Foundation	CSR00001665
29	Nature	Schedule VII (iv) environment sustainability	No	Telangana Siddipet	36	0.42	0.42	--	No	PEACE	CSR00004249.
30	Nature	Schedule VII (iv) environment sustainability	No	MP Malanpur	14	0.21	0.21	--	No	Family Health India	CSR00001169
Total						32.56	32.56				

**Note:** Additional 0.05 Cr was accrued interest across all programmes which is also utilised.



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

(₹ Crore)

1	2	3	4	5	6	7	8	9	10	11		
Sr No.	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/No)	Location Of the project	Project duration	Amount allocated for the project	Amount spent in the current FY	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation (Direct) (Yes/No)	Mode of Implementation - Through Implementing Agency		
			State	District						CSR registration number		
1	Ongoing audit	NA	No	Pan India	NA	12	0.84	0.84	--	Direct	NA	NA
2	Monitoring and evaluation	NA	Yes	Pan India	NA	12	0.05	0.05	--	Direct	NA	NA
<b>TOTAL</b>						<b>0.89</b>	<b>0.89</b>					

(d) Amount spent in Administrative Overheads

₹ 1.10 Crore

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

NA

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

₹ 34.64 Crore

(g) Excess amount for set off, if any

Sr.No.	Particular	Amount (₹ Crore)
(i)	Two percent of average net profit of the Company as per section 135(5)	34.55
(ii)	Total amount spent for the Financial Year	34.64
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.09
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

Sr.No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
1	FY22-23	0.30	0.30		NIL		NIL
2	FY21-22	0.35	0.35		NIL		NIL
3	FY20-21	N/A	N/A		N/A		N/A
	<b>TOTAL</b>	<b>0.65</b>	<b>0.65</b>		<b>NIL</b>		<b>NIL</b>

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

(₹ Crore)

1	2	3	4	5	6	7	8
Sr. No.	Name of the project	Financial year in which project was commenced	Project duration	Total amount allocated to the project	Amount spent on project in reporting financial year	Cumulative amount spent at the end of financial year	Status of the project - Completed/Ongoing
1	Waste Management	2022	36	2.15	0.33	2.15	Completed
2	Salon-i	2022	36	0.09	0.01	0.09	Completed
3	EMBED	2022	36	0.06	0.01	0.06	Completed
4	Covid recovery	2021	36	0.18	0.01	0.15	Completed
5	Salon-i	2021	36	3.15	0.07	3.15	Completed
6	EMBED	2021	36	2.72	0.21	2.72	Completed
7	Community support	2022	18	0.15	0.01	0.15	Completed
	<b>TOTAL</b>				<b>0.65</b>		

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

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital assets.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

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

**NA**

Sd/-  
**Sudhir Sitapati**  
 Managing Director & Chief Executive Officer

Sd/-  
**Nadir Godrej**  
 Chairman of CSR Committee

**ANNEXURE 'F'**

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

<b>Sr. No.</b>	<b>Particulars</b>	<b>Godrej Consumer Products Limited Employee Stock Grant Scheme</b>
1	Date of shareholders' approval for the options granted under the scheme	March 18, 2011
2	Total number of options approved for grants under the Scheme	25,00,000
3	Vesting requirements	As specified by the Nomination and Remuneration Committee, subject to minimum 1 year from the date of grant
4	Exercise price or pricing formula	₹ 1 per share
5	Maximum term of options granted	As may be decided by the Nomination and Remuneration Committee as per the prevalent regulatory provisions
6	Source of shares	Direct allotment
7	Variation of terms of options	None
8	Number of options outstanding as on April 1, 2023	9,90,235
9	Number of fresh options granted during the year	3,24,671
10	Number of options lapsed during the year	84,727
11	Number of options vested during the year	1,22,834
12	Number of options exercised during the year	1,25,011
13	Number of shares arising as a result of exercise of options	1,25,011
14	Money realised by exercise of options	1,25,011
15	Number of options outstanding and exercisable at the end of the year	11,05,168
16	Method used to account for the options	The Company has calculated the employee compensation cost using the fair value of stock options, in accordance with IND AS
17	Weighted-average exercise prices and weighted-average fair values of options (shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock)	Exercise price: ₹ 1.00 per share Fair value: ₹ 1012.09
18	Employee-wise details of options granted to —	
	i) Senior Managerial Personnel	As per Note 1 below
	ii) Any other employee who receives a grant in any one year of option amounting to 5 per cent or more of the option granted during that year	As per Note 1 below
	iii) Identified employees who were granted option, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil

Sr. No.	Particulars	Godrej Consumer Products Limited Employee Stock Grant Scheme
19	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'EPS'	₹ 6.32 per share (standalone) ₹ (5.48) per share (consolidated)
20	Description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	The fair value of the options granted has been calculated using the Black-Scholes Options pricing formula, and the significant assumptions made in this regard are as follows:
	i) Risk-free interest rate	7.14%
	ii) Expected life	2.09 years
	iii) Expected volatility	29.52%
	iv) Expected dividends	NIL
	v) The price of the underlying share in the market at the time of option grant	₹ 1025.50

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

	Granted in fiscal year 2021-22 and outstanding as at March 31, 2024	Granted in fiscal year 2022-23 and outstanding as at March 31, 2024	Granted in fiscal year 2023-24 and outstanding as at March 31, 2024	Total outstanding options as at March 31, 2024
Venkateswara Yadlapalli, Head – R&D	425	41,783*	2,387	44,595
Omar Momin, Head - M&A	710	41,783*	2,387	44,880
Vijaykumar Kannan, Head – Business Transformation and Digital	-	41,596*	2,387	43,983
Robert Menzies, Head - Category & Innovation	887	43,119*	3,342	47,348
Aasif Malbari, Chief Financial Officer	-	-	1,51,782*	1,51,782*
Sudhir Sitapati, Managing Director & CEO	3,79,098*	69,056*	95,717*	5,43,871*

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

**'Annexure G'**

**Form No MR – 3**

**FOR THE FINANCIAL YEAR  
ENDED MARCH 31, 2024**

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

The Members,  
Godrej Consumer Products Limited

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

Based on our verification of the Company's books, papers, minute

books, forms and returns filed and other records maintained by the Company as well as the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 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, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

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

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

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

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

**We further report that**

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

carried out in compliance with the provisions of the Act.

Furthermore, a system for seeking and obtaining further information and clarifications on the agenda items before the meeting exists for meaningful participation at the meeting.

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

**We further report that** there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company has taken into consideration the whistle blower complaints received; further, there was a fraud against the Company by employee/s for which the Company has taken legal action.

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

1. Issued shares upon exercise of options under Employee Stock Grant Scheme, 2011.
2. Acquired FMCG business of Raymond Consumer Care Limited (RCCL).
3. Alongwith one of its wholly owned subsidiary has entered into an agreement for divesting its entire stake in wholly owned subsidiary viz. Godrej

East Africa Holdings Limited,  
Mauritius.

For **A. N. Ramani & Co. LLP**  
Company Secretaries  
Unique Code - L2024MH015700  
Peer Review Certificate No.:616/2019

**Bhavana Khatri**  
Partner  
FCS -8636, COP – 9577  
UDIN - F008636F000298079

Date: 6<sup>th</sup> May, 2024  
Place: Kanpur

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

## 'Annexure A'

The Members  
Godrej Consumer Products Limited

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

1. Maintenance of Statutory and other records are the responsibility of the management of the Company. Our responsibility is to express an opinion on these records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of Accounts of the Company. We have relied on the report of the Statutory Auditor in respect of the same as per the guidance of the Institute of Company Secretaries of India.
4. We have conducted our audit on the basis of details / documents provided by company through email and/ or other digital mode. We had visited the client for few clarifications.

5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Company is following a system of obtaining reports from various departments to ensure compliance with applicable laws. The Company is following an electronic compliance management system for compliance management to ensure compliance with applicable laws, rules, regulations and guidelines.
7. The compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **A. N. Ramani & Co. LLP**  
 Company Secretaries  
 Unique Code - L2024MH015700

**Bhavana Khatri**  
 Partner  
 FCS - 8636, COP – 9577

Place: Kanpur  
 Date: 6<sup>th</sup> May, 2024

## **ANNEXURE 'H'**

### **Practicing Company Secretary's Certificate on Corporate Governance**

To,  
 The Members,  
 Godrej Consumer Products Limited

We have examined the compliance of conditions of corporate governance by Godrej Consumer Products Limited ('the Company') for the year ended on 31<sup>st</sup> March, 2024, 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) Regulations, 2015 ('Listing Regulations').

#### **Management Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management including the preparation and maintenance of all relevant supporting records and documents.

#### **PCS Responsibility**

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

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulations as applicable during the year ended March 31, 2024.

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

#### **Restriction on use**

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

For **A. N. Ramani & Co. LLP**  
 Company Secretaries  
 Unique Code - L2024MH015700

**Bhavana Khatri**  
 Partner  
 FCS -8636, COP –9577  
 UDIN: F008636F000319419

Place: Kanpur  
 Date: 6<sup>th</sup> May, 2024