Godrej Consumer Products Limited

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirteenth ANNUAL GENERAL MEETING of the members of GODREJ CONSUMER PRODUCTS LIMITED will be held on Saturday, August 3, 2013 at 3.30 p.m. at Y. B. Chavan Centre, General Jagannath Bhosale Marg, Nariman Point, Mumbai 400 021 to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2013, the Balance Sheet as at that date, the Auditors' Report thereon and the Directors' Report;
- 2. To declare dividend on equity shares;
- 3. To appoint a Director in place of Mr. Nadir Godrej, who retires by rotation and being eligible, offers himself for reappointment;
- 4. To appoint a Director in place of Mr. Bharat Doshi, who retires by rotation and being eligible, offers himself for reappointment;
- 5. To appoint a Director in place of Dr. Omkar Goswami, who retires by rotation and being eligible, offers himself for reappointment;
- 6. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, and to authorise the Board of Directors of the Company to fix their remuneration. M/s. Kalyaniwalla & Mistry, Chartered Accountants, the retiring Auditors are eligible for reappointment.

SPECIAL BUSINESS

7. To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution

RESOLVED THAT pursuant to Sections 198, 269, 309, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Mr. Adi Godrej be and is hereby reappointed as Whole-time Director designated as "Chairman" of the Company with effect from April 1, 2013 to hold office for a period of three years upon the remuneration as may be determined and agreed to between the Board of Directors and Mr. Adi Godrej, on the following terms and conditions:

I. Period of appointment: April 1, 2013 to March 31, 2016

II. Remuneration

A) Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity. The Basic Salary shall be in the range of ₹ 8,50,000/- to ₹ 14,00,000/- per month, payable monthly. The annual increments will be decided by the Board of Directors and will be merit based and take into account other relevant factors.

The Company's contribution to Gratuity shall be according to the rules of the Company, in force from time to time.

B) Performance Linked Variable Remuneration (PLVR)

PLVR according to the applicable scheme of the Company for each of the financial year 2013-14, 2014-15 and 2015-16 or as may be decided by the Board of Directors.

C) Flexible Compensation

In addition to the fixed compensation and long-term incentives, the Chairman will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per the rules of the Company and subject to the relevant provisions of the Companies Act, 1956 (collectively called "perquisites and allowances").

These perquisites and allowances may be granted to the Chairman in such form and manner as the Board may decide.

Godrej Consumer Products Limited

- Furnished residential accommodation (including maintenance of such accommodation, provision
 of or reimbursement of expenditure incurred on gas, water, power and furnishing) or house rent
 allowance in lieu thereof as per rules of the Company;
- Payment/reimbursement of medical/hospitalisation expenses for the Chairman and his family, hospitalisation and accident insurance for self and family in accordance with the rules of the Company;
- Leave Travel Assistance for the Chairman and his family in accordance with the rules of the Company;
- Payment/reimbursement of club fees;
- Consolidated privilege leave, on full pay and allowance, not exceeding 30 days in a financial year.
 Encashment/accumulation of leave will be permissible in accordance with the rules specified by the Company;
- Sick leave as per the rules of the Company;
- Provision of Company maintained car(s) with driver(s) for official use;
- Provision of free telephone facilities or reimbursement of telephone expenses at residence including payment of local calls and long distance official calls;
- Such other perquisites and allowances as per the policy/rules of the Company in force and/or as may be approved by the Board from time to time.

Explanation

- i) For the Leave Travel Assistance and reimbursement of medical and hospitalisation expenses, 'family' means the spouse and dependent children of Mr. Adi Godrej.
- ii) For the purpose of calculation of gratuity and other retirement benefits, the tenure of Mr. Adi Godrej as an employee in the erstwhile Godrej Soaps Ltd. till 31.03.2001 shall also be taken into account.
- iii) For the purpose of accumulation of leave, the balance of leave to the credit of Mr. Adi Godrej as on 31.03.2001 in the erstwhile Godrej Soaps Ltd., will be carried forward to Godrej Consumer Products Ltd.
- iv) Perquisites shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per Income Tax Rules.

III. Overall Remuneration

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion may pay to the Chairman from time to time, shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being, be in force.

IV. Minimum Remuneration

Notwithstanding the foregoing, where in any Financial Year during the currency of the tenure of the Chairman, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule XIII to the Companies Act, 1956.

Notes:

- i) The Chairman shall not, during the continuance of his employment or at any time thereafter, divulge or disclose to whomsoever or make any use whatsoever, whether for his own or for any other purpose other than that of the Company, any information or knowledge obtained by him during his employment with the business or affairs or other matters whatsoever of the Company and the Chairman shall, during the continuance of his employment hereunder, also use his best endeavour to prevent any other person from disclosing the aforesaid information.
- ii) If the Chairman be guilty of such inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with his duties as Chairman or any breach of this agreement, as in the opinion of all other Directors renders his retirement from the office of the Chairman desirable, the opinion of such other Directors shall be final, conclusive and binding on the Chairman and the Company may, by giving thirty days notice in writing to the Chairman, determine this Agreement and he shall cease to be a Director and Chairman of the Company, upon expiration of such notice.

iii) In the event of any re-enactment or re-codification of the Companies Act, 1956 or the Income Tax Act, 1961 or amendments thereto, the foregoing shall continue to remain in force and the reference to various provisions of the Companies Act, 1956 or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the rules and notifications issued thereunder.

8. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution

RESOLVED THAT pursuant to Sections 198, 269, 309, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Ms. Nisaba Godrej be and is hereby appointed as Whole-time Director designated as "Executive Director, Innovation" of the Company with effect from July 1, 2013 to hold office for a period of three years upon the remuneration as may be determined and agreed to between the Board of Directors and Ms. Nisaba Godrej, on the following terms and conditions:

I. Period of appointment: July 1, 2013 to June 30, 2016

II. Remuneration

A) Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity. The Basic Salary shall be in the range of ₹ 7,50,000/- to ₹ 10,84,000/- per month, payable monthly. The annual increments will be decided by the Board of Directors and will be merit based and take into account other relevant factors.

The Company's contribution to Gratuity shall be according to the rules of the Company, in force from time to time.

B) Long-term Incentives

Performance linked variable remuneration (PLVR) payable for the period of appointment according to applicable scheme of the Company or as may be decided by the Board of Directors.

C) Flexible Compensation

In addition to the fixed compensation and long-term incentives, Ms. Nisaba Godrej will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per the rules of the Company and subject to the relevant provisions of the Companies Act, 1956 (collectively called "perquisites and allowances").

These perquisites and allowances may be granted to Ms. Nisaba Godrej in such form and manner as the Board may decide.

- Housing as per rules of the Company (i.e. unfurnished residential accommodation and House Rent Allowance at applicable rate as per Company's rules OR House Rent Allowance as per Company's rules);
- Furnishing at residence as per rules of the Company;
- Supplementary Allowance;
- Leave Travel Assistance for self and family in accordance with the rules of the Company;
- Payment/ reimbursement of medical/ hospitalisation expenses for self and family in accordance with the rules of the Company.
- Group insurance cover, group mediclaim cover;
- Payment/reimbursement of club fees, food vouchers, petrol reimbursement;
- Company car with driver for official use, provision of telephone(s) at residence;
- Payment/reimbursement of telephone expenses;
- Housing Loan as per rules of the Company, Contingency Loan as per rules of the Company. These loans shall be subject to Central Government approval, if any;
- Consolidated privilege leave, on full pay and allowance, not exceeding 30 days in a financial year.
 Encashment/accumulation of leave will be permissible in accordance with the rules specified by the Company. Sick leave as per the rules of the Company;

Godrej Consumer Products Limited

• Such other perquisites and allowances as per the policy/rules of the Company in force and/or as may be approved by the Board from time to time.

Explanation

- i) For the Leave Travel Assistance and reimbursement of medical and hospitalisation expenses, 'family' means the spouse and dependent children and dependent parents of Ms. Nisaba Godrej.
- ii) Perquisites shall be evaluated at actual cost or if the cost is not ascertainable, the same shall be valued as per Income Tax Rules.

III. Overall Remuneration

The aggregate remuneration as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to Ms. Nisaba Godrej from time to time, shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being, be in force.

IV. Minimum Remuneration

Notwithstanding the foregoing, where in any financial year during the currency of the tenure of Ms. Nisaba Godrej, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule XIII to the Companies Act, 1956.

Notes:

- i) Ms. Nisaba Godrej is appointed by virtue of her employment in the Company and her appointment is subject to the provisions of Section 283(1)(I) of the Act. The appointment is terminable by giving three months' notice in writing on either side.
- ii) Ms. Nisaba Godrej shall not, during the continuance of her employment or at any time thereafter, divulge or disclose to whomsoever or make any use whatsoever, whether for her own or for any other purpose other than that of the Company, any information or knowledge obtained by her during her employment with the business or affairs or other matters whatsoever of the Company and shall, during the continuance of her employment hereunder, also use her best endeavour to prevent any other person from disclosing the aforesaid information.
- lii) If Ms. Nisaba Godrej is guilty of such inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with her duties as Executive Director, Innovation or any breach of this Agreement, as in the opinion of all other Directors renders her retirement from the office of the Executive Director, Innovation desirable, the opinion of such other Directors shall be final, conclusive and binding on the Executive Director, Innovation and the Company may by giving thirty days notice in writing to Ms. Nisaba Godrej determine this Agreement and she shall cease to be a Director and Executive Director, Innovation of the Company, upon expiration of such notice.

9. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

RESOLVED THAT subject to the provisions of Section 257 and other applicable provisions of the Companies Act, 1956, if any, Mr. Vivek Gambhir, who was appointed as an Additional Director of the Company with effect from April 30, 2013 by the Board of Directors at their Meeting held on April 30, 2013 and subsequently appointed as the Managing Director effective July 1, 2013 and whose term as Additional Director expires at this Annual General Meeting and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 along with a deposit of ₹ 500/- from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

10. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to Sections 198, 269, 309, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the shareholders be and is hereby accorded for the appointment of Mr. Vivek Gambhir as a Whole Time Director designated as "Managing Director" of the Company for a period of three years with effect from July 1, 2013 to June 30, 2016, on the following remuneration, terms and conditions.

I. Period of appointment: July 1, 2013 to June 30, 2016

II. Remuneration

A) Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity. The Basic Salary shall be in the range of ₹ 15,00,000/- to ₹ 21,67,000/- per month, payable monthly. The annual increments will be decided by the Board of Directors and will be merit based and take into account other relevant factors.

The Company's contribution to Gratuity shall be according to the rules of the Company, in force from time to time.

B) Long-term Incentives

- Performance linked variable remuneration (PLVR) payable for the period of appointment according to applicable scheme of the Company or as may be decided by the Board of Directors.
- Special Incentives as per the applicable scheme of the Company or as may be decided by the Board
 of Directors.
- Stock Grants under the Company's Employee Stock Grant Scheme (ESGS).

C) Flexible Compensation

In addition to the fixed compensation and long term incentives, Mr. Vivek Gambhir will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per the rules of the Company and subject to the relevant provisions of the Companies Act, 1956 (collectively called "perquisites and allowances").

These perquisites and allowances may be granted to Mr. Vivek Gambhir in such form and manner as the Board may decide.

- Housing as per rules of the Company (i.e. unfurnished residential accommodation and House Rent Allowance at applicable rate as per Company's rules OR House Rent Allowance as per Company's rules);
- Furnishing at residence as per rules of the Company;
- Supplementary Allowance;
- Leave Travel Assistance for self and family in accordance with the rules of the Company;
- Payment/ reimbursement of medical/ hospitalisation expenses for self and family in accordance with the rules of the Company;
- Group insurance cover, group mediclaim cover;
- Payment/reimbursement of club fees, food vouchers, petrol reimbursement;
- Company car with driver for official use, provision of telephone(s) at residence;
- Payment/reimbursement of telephone expenses;
- Housing Loan as per rules of the Company, Contingency Loan as per rules of the Company. These loans shall be subject to Central Government approval, if any;
- Consolidated privilege leave, on full pay and allowance, not exceeding 30 days in a financial year.
 Encashment/accumulation of leave will be permissible in accordance with the rules specified by the Company. Sick leave as per the rules of the Company;
- Such other perquisites and allowances as per the policy/rules of the Company in force and/or as may be approved by the Board from time to time.

Explanation

- i) For the Leave Travel Assistance and reimbursement of medical and hospitalisation expenses, 'family' means the spouse and dependent children and dependent parents of Mr. Vivek Gambhir.
- ii) Perquisites shall be evaluated at actual cost or if the cost is not ascertainable, the same shall be valued as per Income Tax Rules.

III. Overall Remuneration

The aggregate remuneration as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to the Managing Director from time to time, shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being, be in force.

IV. Minimum Remuneration

Notwithstanding the foregoing, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule XIII to the Companies Act, 1956.

Notes:

- i) The Managing Director is appointed by virtue of his employment in the Company and his appointment is subject to the provisions of Section 283(1)(I) of the Act. The appointment is terminable by giving three month's notice in writing on either side.
- ii) The Managing Director shall not, during the continuance of his employment or at any time thereafter, divulge or disclose to whomsoever or make any use whatsoever, whether for his own or for any other purpose other than that of the Company, any information or knowledge obtained by him during his employment with the business or affairs or other matters whatsoever of the Company and the Managing Director shall, during the continuance of his employment hereunder, also use his best endeavour to prevent any other person from disclosing the aforesaid information.
- iii) If the Managing Director is guilty of such inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with his duties as Managing Director or any breach of this Agreement, as in the opinion of all other Directors renders his retirement from the office of the Managing Director desirable, the opinion of such other Directors shall be final, conclusive and binding on the Managing Director and the Company may by giving thirty days notice in writing to the Managing Director determine this Agreement and he shall cease to be a Director and Managing Director of the Company, upon expiration of such notice.

11. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

RESOLVED THAT subject to the provisions of Section 257 and other applicable provisions of the Companies Act 1956, if any, Ms. Ireena Vittal, who was appointed as an Additional Director of the Company with effect from April 30, 2013 by the Board of Directors at their meeting held on April 30, 2013 and whose term expires at this Annual General Meeting and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 along with a deposit of ₹ 500/- from a member proposing her candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

12. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

RESOLVED THAT subject to the provisions of Section 257 and other applicable provisions of the Companies Act, 1956, if any, Mr. A. Mahendran, who was appointed as an Additional Director of the Company with effect from July 1, 2013 by the Board of Directors at their meeting held on April 30, 2013 and whose term expires at this Annual General Meeting and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 along with a deposit of ₹ 500/- from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

By Order of the Board of Directors

P. Ganesh

Executive Vice President (Finance & Commercial) & Company Secretary

Mumbai, April 30, 2013 **Registered Office:**Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON POLL, TO VOTE ON BEHALF OF HIM. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE ENCLOSED PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM.
- 2. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
- 3. Members are requested to send in their queries at least a week in advance to the Company Secretary at the Registered Office of the Company to facilitate clarifications during the meeting.
- 4. Unclaimed Dividends pertaining to the financial years 2006-07 and 2007-08 will be transferred to the 'Investor Education and Protection Fund' of the Central Government, pursuant to Section 205C of the Companies Act, 1956 on the dates mentioned below. Those members who have so far not encashed these dividend warrants or dividend warrants for financial years 2006-07 and onwards, may claim or approach our Registrars viz. Computech Sharecap Ltd., 147, M. G. Road, Fort, Mumbai 400 001 (e-mail: gcpl@computechsharecap.com) or the Company for the payment thereof.

Please note that as per Section 205C of the Companies Act, 1956, no claim shall lie against the Company or the aforesaid Fund in respect of individual amounts which remain unclaimed or unpaid for a period of seven years from the date the dividend became due for payment and no payment shall be made in respect of such claims.

Dividend Period	Due date for transfer
First Interim 2006-07 paid in August 2006	25-08-2013
Second Interim 2006-07 paid in November 2006	05-12-2013
Third Interim 2006-07 paid in February 2007	25-02-2014
Fourth Interim 2006-07 paid in May 2007	31-05-2014
First Interim 2007-08 paid in August 2007	05-09-2014
Second Interim 2007-08 paid in November 2007	28-11-2014
Third Interim 2007-08 paid in February 2008	25-02-2015
Fourth Interim 2007-08 paid in May 2008	03-06-2015

5. The details pursuant to Clause 49 of the listing agreement in respect of the directors retiring in the Annual General Meeting and proposed to be reappointed are given in the Corporate Governance Section of the Annual Report.

ANNEXURE TO THE NOTICE EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM 7

The shareholders at the Annual General Meeting held on July 25, 2009 reappointed Mr. Adi Godrej as a Whole-time Director designated as "Chairman" with effect from April 1, 2010 to hold office for a period of three years till March 31, 2013.

The Board of Directors, at its meeting held on January 31, 2013, reappointed Mr. Adi Godrej as a Whole-time Director designated as "Chairman" to hold office for a period of three years with effect from April 1, 2013. This appointment is subject to the approval of the shareholders.

The details Mr. Adi Godrej are given in the Corporate Governance section of the Annual Report of the Company for 2012-13.

For the sake of brevity, the particulars of the proposed remuneration, perquisites and benefits of Mr. Adi Godrej are not being set out in the explanatory statement and the members are requested to refer to the same as set out in the body of the resolution.

The abstract of the terms of the contract entered into with Mr. Adi Godrej which is required to be sent to every member pursuant to Section 302 of the Companies Act, 1956 has already been sent to the members in February 2013, alongwith the dividend warrants.

The Board is of the opinion that the Company should continue to benefit from his professional expertise and rich experience. The Board recommends the resolution to the members for their acceptance.

Mr. Adi Godrej himself and his relatives Mr. Nadir Godrej, Ms. Tanya Dubash and Ms. Nisaba Godrej may be deemed to be interested in this resolution. None of the other Directors is concerned or interested in this resolution.

ITEM 8

The Board of Directors, at its meeting held on April 30, 2013, appointed Ms. Nisaba Godrej as a Whole-time Director designated as "Executive Director, Innovation", to hold office for a period of three years with effect from July 1, 2013. This appointment is subject to the approval of the shareholders.

Profile of Ms. Nisaba Godrej

"Ms. Nisaba Godrej, is the President, Human Capital & Innovation for Godrej Industries and associate companies. She is responsible for driving the Group's transformation efforts including efforts to attract younger talent and make the culture more agile and innovative. Nisaba recently instituted a design and innovation cell to work with the Groups' different business units. In particular, she has been working very closely with the Godrej Consumer Products team on their innovation strategy. Nisaba's previous assignments within the Godrej Group have included the successful turnaround of Godrej Agrovet. She also led the creation of a strategy cell and worked on defining the FMCG strategy for the Group. Nisaba oversees the Group's CSR strategy and is the point person for the operations of the Godrej Family Council. Nisaba has a B.Sc. degree from The Wharton School, University of Pennsylvania and an MBA from the Harvard Business School"

Ms. Nisaba Godrej holds 1,263,339 (0.37%) shares in the Company as on the date of this notice.

The details of directorships held by Ms. Nisaba Godrej are given in the Corporate Governance section of the Annual Report of the Company for 2012-13.

For the sake of brevity, the particulars of the proposed remuneration, perquisites and benefits payable to Ms. Nisaba Godrej are not being set out in the explanatory statement and the members are requested to refer to the same as set out in the body of the resolution.

The abstract of the terms of appointment which is required to be sent to every member pursuant to Section 302 of the Companies Act, 1956 has already been sent in May 2013 to the members, alongwith the dividend warrants of May 2013.

The Board is of the opinion that the Company will benefit from her professional expertise and rich experience. The Board recommends the resolution to the members for their acceptance.

Ms. Nisaba Godrej herself and her relatives Mr. Adi Godrej and Ms. Tanya Dubash are concerned or interested in the resolution. None of the other Directors is concerned or interested in the resolution.

ITEM 9 & 10

The Board of Directors, at its meeting held on April 30, 2013, appointed Mr. Vivek Gambhir as an Additional Director on the Board of the Company with effect from April 30, 2013.

Pursuant to Section 260 of the Companies Act, 1956, Mr. Vivek Gambhir holds office as an Additional Director up to the date of this Annual General Meeting. The Company has received a notice from a member under Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Vivek Gambhir as Director of the Company.

The Board of Directors has also appointed Mr. Vivek Gambhir as Managing Director with effect from July 1, 2013, to hold office for a period of three years till June 30, 2016. This appointment is subject to approval of the shareholders.

Profile of Mr. Vivek Gambhir

"Mr. Vivek Gambhir is the Chief Strategy Officer of Godrej Industries and associated companies.

Vivek joined Godrej Industries in 2009. He is responsible for enhancing the strategic capabilities within the group companies, guiding overall group strategy, conducting portfolio analysis, leading mergers and acquisitions and driving special projects.

Under Vivek's leadership, the Group's planning processes have become more robust. He helped define the CREATE portfolio strategy for the Group and the 10X10 vision for the Group. He also oversees the finance, investor relations, legal and IT functions for Godrej Industries. He leads the EVA (Economic Value Added) Committee for the Group. He is the secretary to the Godrej Family Business Board (FBB). He also serves on the investment committee for Omnivore Capital, an agriculture technology focused venture fund backed by the Godrej Group.

Vivek has been very closely involved with Godrej Consumer Products Limited. He was the key architect of GCPL's 3 by 3 strategy. He leads mergers and acquisitions for the company and has been instrumental in driving GCPL's international expansion efforts. He co-led Project Neo that developed the blueprint for integrating the erstwhile Godrej Sara Lee Business with Godrej Consumer Products. He also led the process for a recent PE investment in the Company.

Prior to joining the Godrej Group, Vivek was a partner at Bain & Company, one of the world's leading business consulting firms. He worked with Bain in Boston, Singapore and New Delhi. He was a founding member of Bain's consulting operations in India and led the firm's FMCG practice in India.

Vivek has an MBA from the Harvard Business School and a BS (Computer Science) and BA (Economics) from Lafayette College."

Mr. Vivek Gambhir does not hold any shares in the Company.

The details of Mr. Vivek Gambhir as required to be given in pursuance of Clause 49 of the listing agreement are given in the Corporate Governance section of the Annual Report.

For the sake of brevity, the particulars of the proposed remuneration, perquisites and benefits payable to Mr. Vivek Gambhir are not being set out in the explanatory statement and the members are requested to refer to the same as set out in the body of the resolution.

The abstract of the terms of appointment which is required to be sent to every member pursuant to Section 302 of the Companies Act, 1956 has already been sent in May 2013 to the members, alongwith the dividend warrants of May 2013.

The Board is of the opinion that the Company will benefit from his professional expertise and rich experience. The Board recommends the resolution to the members for their approval.

None of the Directors, except Mr. Vivek Gambhir is concerned or interested in the resolution.

ITEM 11

The Board of Directors, at its meeting held on April 30, 2013, appointed Ms. Ireena Vittal as an Additional Director on the Board of the Company with effect from April 30, 2013.

Pursuant to Section 260 of the Companies Act, 1956, Ms. Ireena Vittal holds office as an Additional Director up to the date of this Annual General Meeting. The Company has received a notice from a member under Section 257 of the Companies Act, 1956 proposing the candidature of Ms. Ireena Vittal as Director of the Company.

Godrej Consumer Products Limited

Profile of Ms. Ireena Vittal

Ms. Ireena Vittal is recognised as a thought partner to global and local consumer-facing companies eager to build large-scale, profitable businesses in emerging markets. With a perspective across both developed and emerging markets, she helps companies define dynamic growth portfolios, assemble effective local top teams, and re-craft business models. She has also served governments and foundations to design and implement solutions core to Indias' development, such as sustainable rural growth and inclusive urban development. She was a founding member of the McKinsey global emerging markets practice and of the economic development practice. She is also a much valued counselor to leaders, who seek her practical judgement and empathetic coaching in an always evolving, often tough market.

Before joining McKinsey in 1996, Ms. Ireena Vittal worked with Nestle and with MaxTouch (now Vodafone) as head of marketing & sales. Ms. Ireena Vittal graduated in electronics and has an MBA from the Indian Institute of Management, Calcutta.

Ms. Ireena Vittal does not hold any shares in the Company.

The details of Ms. Ireena Vittal as required to be given in pursuance of Clause 49 of the listing agreement are given in the Corporate Governance section of the Annual Report.

The Board is of the opinion that the Company will benefit from her professional expertise and rich experience. The Board recommends the resolution to the members for their approval.

None of the Directors, except Ms. Ireena Vittal is concerned or interested in the resolution.

ITEM 12

Mr. A. Mahendran had indicated that he would like to retire when his current term expires on June 30, 2013 to devote time to his family businesses. The Board is of the opinion that the Company should continue to benefit from his professional expertise and rich experience and accordingly has appointed Mr. Mahendran as a Non-Executive Additional Director with effect from July 1, 2013.

Pursuant to Section 260 of the Companies Act, 1956, Mr. A. Mahendran holds office as an Additional Director up to the date of this Annual General Meeting. The Company has received a notice from a member under Section 257 of the Companies Act, 1956 proposing the candidature of Mr. A. Mahendran as a Director of the Company.

As on the date of the notice, Mr. A. Mahendran holds 3188 shares (<0.01 %) in the Company. He also has the right to acquire 10,00,000 shares (0.29%) of the Company under the Employee Stock Purchase Plan, which has vested in him and which has to be compulsorily exercised by him within the exercise period.

The Board recommends the resolution to the members for their approval. None of the Directors, except Mr. A. Mahendran is concerned or interested in the resolution.

By Order of the Board of Directors

P. Ganesh

Executive Vice President (Finance & Commercial) & Company Secretary

Mumbai, April 30, 2013



Godrej Consumer Products Limited

Registered Office: Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079.

ATTENDANCE SLIP

	Folio No				
	Client/DP ID No				
I hereby record my presence at the THIRTEENTH ANNUAL GENERAL MEETI Nariman Point, Mumbai - 400 021 on Saturday, August 3, 2013 at 3.30 p.m.					
Name of attending Member/Proxy	Member's/Proxy's Signature (To be signed at the time of handing over this slip)				
Notes:	Olio to the Maratic consedit and because the continue				
 Shareholder/Proxyholder wishing to attend the Meeting must bring the Attenda duly signed. 	ance Slip to the Meeting and hand-over at the entrance				
2. Shareholder/Proxyholder should bring his/her copy of the Annual Report	for reference at the Meeting.				
Godrej Consumer Prod Registered Office : Pirojshanagar, Eastern Express Highway					
PROXY FORM					

Stamp

Note: Proxy Forms must reach the Company's Registered Office not less than 48 hours before the Meeting.

Signature.....

leap•frog | lēapfrôg |

- a children's game in which players leap over others, in turn
- Project Leapfrog 5 year roadmap for GCPL. Has led to 42% year on year growth in sales, 38% year on year growth in profits and over 8X increase in market capitalization

ANNUAL REPORT 2012-2013

Gorej | CONSUMER PRODUCTS



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BOARD OF DIRECTORS





Mr. Adi Godrej

Mr. Nadir Godrej



Mr. Vivek Gambhir



Dr. Omkar Goswami



Mr. Bharat Doshi



Mr. D. Shivakumar



Ms. Tanya Dubash



Ms. Nisaba Godrej



Mr. Jamshyd Godrej



Mr. A. Mahendran



Mr. Narendra Ambwani



Ms. Ireena Vittal



Mr. Aman Mehta



Prof. Bala Balachandran



CHAIRMAN'S MESSAGE



A MESSAGE FROM THE CHAIRMAN

DEAR SHAREHOLDERS

It gives me immense pleasure to share with you the outcome of yet another successful year for GCPL. Your Company has delivered strong growth in line with its strategy, despite a continuing difficult macro environment. We continue to drive successful results and grow our businesses profitably. Five years ago, Nisaba Godrej had initiated and led Project Leapfrog - to define a five-year roadmap for the business. Project Leapfrog defined specific initiatives and targets for us to become a more global company, to accelerate growth in our domestic business and to become innovative in our product offerings and processes.

"Five years ago, Nisaba Godrej had initiated and led Project Leapfrog - to define a five-year roadmap for the business. Project Leapfrog defined specific initiatives and targets for us to become a more global company, to accelerate growth in our domestic business and to become innovative in our product offerings and processes."

Adi Godrej-Chairman

Our success is a reflection of a strict focus on our 3x3 strategy, which is concentrated on three business categories in three geographies. All our businesses are inspired by the Brighter Living philosophy and have imbibed Godrej values. We continue to maintain leadership positions in most of the categories we participate in and remain focused on driving superior growth in order to generate strong value for all our stakeholders.

GLOBAL ECONOMY

Political change and economic uncertainty continued to define the global scenario in the last year. The Eurozone remains prone to political crises and high unemployment with austerity fatigue for some nations and bail-out fatigue for others. In the US, employment data is looking encouraging, but tough negotiations on debt ceiling and spending cuts remain. Geopolitical issues from the Middle East to North Korea have also hampered investor confidence levels in the recovery. Nonetheless, early shoots of economic progress in several regions are being seen as a welcome sign that a recovery might be underway.

INDIAN ECONOMY

India has not been immune to the effects of the global uncertainty over the last few years. Concurrently, low manufacturing growth, slower than required pace of reforms, a high current account & fiscal deficit and inflation have also made the last year a tough one for the Indian economy. The weak monsoon further exacerbated the situation by adversely impacting the agricultural sector. At 5%, the projected GDP growth rate in FY 2013 will be the lowest in a decade. Key actions by the government in the last year such as the opening up of Foreign Direct Investment (FDI), postponement of the General

Anti Avoidance Rule (GAAR) and the formation of a Cabinet Committee on investment have all inspired confidence. The Goods and Services Tax (GST) is long overdue and can be a game changer for the industry and economy. I hope that the government will continuously engage with state governments and ensure that it is implemented at the earliest. Restoring growth through reforms, policies geared for economic overhaul, and good governance will be a key imperative and will create a virtuous cycle of boosting production and consumption, enhancing investor confidence and reviving growth.

THE FMCG SECTOR

The FMCG sector continues its upward growth trajectory, supported by a rising and expanding middle class and rural markets. The recent budget has significantly increased allocation to the ministry of rural development. Rural schemes are expected to receive a boost, leading to higher disposable income in the hands of rural consumers.

Government initiatives are expected to boost foreign investment and the sector should also benefit from the implementation of GST and Direct Taxes Code (DTC), which if exercised, will decrease excise duties, reduce bottle necks and simplify the process of taxation. To add to this, companies are also innovating and becoming more agile and receptive to the changing needs of consumers as well as the environment.

On the global front, while most of our categories continue to grow encouragingly, macro challenges combined with forthcoming or just concluded elections in many of the geographies where we are present, will play an important role in developments over the coming year.



PERSPECTIVES ON PERFORMANCE

Overall, we continue to focus on driving growth and profitability. Our performance across all geographies and categories has been encouraging and our operational excellence in particular, is a reflection of the agility of our strong management team to respond to changing market dynamics.

In India, we have made remarkable progress during the year under review. Your Company delivered strong growth across home care, personal wash and hair care categories as one of the largest Household and Personal Care companies in the country. We also continued to grow ahead of markets, backed by an intense focus on innovation and marketing initiatives, which aided higher consumption and penetration. We have invigorated our product portfolio with launches and relaunches of multiple products during the year.

On the global front, the international businesses delivered 44% of the total consolidated revenues. Our concentrated focus on our 3x3 strategy continues. Your Company delivered growth across all three geographies and has established itself as one of the most successful FMCG companies in emerging market.

All the international businesses have been growing steadily and we have made good progress on the next phase of the integration of the Darling Group in sub-saharan Southern Africa. In Indonesia, we continue to outperform the market, have attained leadership positions in several categories and continue to have a bullish outlook for this business.

During the year, our subsidiary, Keyline Brands Limited acquired Soft & Gentle from Colgate-Palmolive in the UK. Soft & Gentle holds the fourth position by market share in the female deodorant market in UK and has strong brand equity with retailers and consumers across the country. Our UK business continues to outperform the market and we believe that this acquisition will drive stronger growth going forward.

OUTLOOK

We remain focused on our 3x3 strategy and believe that execution of this is key to driving and fostering growth. We believe that the opportunities across all our geographies and categories are immense and will deliver results. We continue to be market leaders in hair colour, household insecticides and liquid detergents and have maintained our number two position in toilet soaps in India. Internationally, we continue to lead in air fresheners and wet tissues in Indonesia and hair colour across various countries in Africa and Latin America. We are also the leading company in hair extensions in Africa and have built a stronghold in Indonesia and Nigeria, in insecticides and medicated soaps respectively. Our aim is to further strengthen our leadership position across these categories.

Our innovation pipeline remains strong and we will continue to benefit from innovations and build a stronger brand presence across the board. We successfully launched various products during the year, which testify to this. We have also developed a superior global supply chain and our sales organization is equipped with strong execution skills. Our values are of paramount importance, we take pride in being an inspiring place to work and will nurture a high performance culture to attract and retain the best talent globally.

I would like to appreciate and acknowledge our Managing Director, A. Mahendran's contribution of inspired leadership to the Group over the last 19 years. He has successfully guided the company through the merger with Godrej Household Products Limited and driven our global strategy. We will continue to benefit from his insights and experience as a member of the Board. Vivek Gambhir, who has been playing a vital role at our company as Chief Strategy Officer, is ready to take forward the next phase of growth for GCPL. He has in fact, been a key architect of our strategy and I look forward to him taking our company to even greater heights.

I would also like to take this opportunity to acknowledge our employees for their contributions,

dedication and commitment to making GCPL prosper. I would also like to thank our business partners, vendors and other business associates, without whose contributions we would not have achieved what we have. I would like to extend my thanks to various Central and State Government Authorities. Finally, I thank all our stakeholders for their undivided interest, support, faith and encouragement and look forward to a continued partnership with them in the coming years.

Yours sincerely,

Adi Godrej Chairman



MANAGING DIRECTOR'S PERSPECTIVE

MANAGING DIRECTOR'S PERSPECTIVE

DEAR SHAREHOLDERS,

I am pleased to share the highlights of what has been an exciting year, marked by consolidation, innovation, cross-pollination and growth. Our drive towards becoming an emerging markets FMCG leader continues, with a clear focus on our 3 X 3 strategy - building our presence in emerging markets in 3 continents through 3 core categories. We believe there is considerable opportunity to leverage demand and increase consumption and penetration in the categories and geographies that we operate in.

"Our drive towards becoming an emerging markets
FMCG leader continues, with a clear focus on our 3 X 3 strategy"

A. Mahendran



Extending leadership in our core categories

As you are aware, our 3 x 3 strategy aims at achieving market leadership in the categories and regions that we are present in. We continue to perform well and are market leaders in most of the categories. In India, we are the leaders in hair colour, home insecticides and liquid detergents and the number two player in toilet soaps, where we have outperformed category growth. On the international front, we are the market leaders in air fresheners and wet tissues in Indonesia, hair colours across several countries in Africa and Latin America and hair extensions in Africa. We are also the number two player in home insecticides in Indonesia.

Most of our brands are either leaders or among the top 3 in their categories. 5 of our brands were ranked in The Economic Times Brand Equity's 100 Most Trusted Brands 2012 survey this year, 2 more than the number featured in the previous edition.

In keeping with our endeavor to synergise our operations and products across geographies, we have made a conscious effort to cross-pollinate products. This has translated into well-received launches in newly entered market categories. A good example of this is the Stella brand of air freshners from our Indonesia business that was leveraged to launch 'aer', a premium air care brand in India.

Capitalizing on international growth potential

We expanded our international footprint and entered new geographies in Africa and Latin America last year. Since then, we have focused on consolidating our presence in these markets, while building on our growth in the other geographies where we are present.

The overall integration of the Darling Group continued on track. Phase 2 of the consolidation from November 2012 onwards has extended our reach to the sizeable Kenyan market. The acquisition of 60% stake in Cosmetica Nacional in Chile has resulted in significant synergies for us in the Latin America

market. We launched many new products through the year and relaunched Cosmetica's flagship brand, llicit. We also introduced new products in Indonesia and Africa to augment our portfolios. Our UK business has acquired the Soft & Gentle brand from Colgate-Palmolive. This is the 4th largest female deodorant brand (by market share) and has strong brand equity with retailers and consumers in the UK.

Accelerating renovation and innovation

Design driven innovation will be key to our success and we have spent the last couple of years laying the foundation for a strong innovation pipeline. We had many launches, re-launches and brand renovations across our businesses this year. In India, we revamped our heritage brand, Cinthol, with a new personality around the 'Alive is Awesome' campaign. We have also forayed into shower gels. We also launched Godrej Expert Rich Crème Hair Colour, a unique innovation of a crème in a sachet, a first for the Indian market. Godrej aer, our new range of car and home air fresheners, cross pollinated from our Indonesia business, has also been very promising.

- EXTENDING LEADERSHIP IN OUR CORE CATEGORIES
- 2 CAPITALIZING ON INTERNATIONAL GROWTH POTENTIAL
- 3 ACCELERATING RENOVATION AND INNOVATION
- BUILDING A FUTURE READY SALES SYSTEM
- MAKING OUR SUPPLY CHAIN BEST IN CLASS
- 6 BUILDING AN AGILE AND HIGH PERFORMANCE CULTURE



We also introduced a new variant of Godrei No 1. Rosewater and Almonds and Goodknight Advanced Colour Play. On the international front, in Nigeria, we entered the household insecticides space with the Goodknight brand in coils and aerosols. In Indonesia, we launched the Mitu Kids range of products and HIT one push aerosol. Our UK business launched Cuticura 8 hours hand sanitizer, a disruptive innovation with huge potential for the UK and our other markets, a new range of shampoo and conditioners for Touch of Silver and a skin care range for Aapri. In Latin America, we launched new products for Issue and introduced a host of products for the cosmetics brand, Pamela Grant. In Chile, we relaunched the Ilicit brand and in Argentina, added a sun protection range to the Villeneuve portfolio.

Building a future ready sales system

The Godrej Household Products Limited (GHPL) merger has, over the last couple of years, greatly helped us capitalize on synergies and facilitate an improved sales system. We have also been focused on expanding our presence across rural and urban India. We have also implemented 'G-One', a state-of-the-art sales and distribution management software as the base for our sales infrastructure, to help streamline data analytics.

Making our supply chain best in class

Having a best-in-class global supply chain is a core focus for us. We have set up centers of excellence, are engaging in strategic sourcing and improving cost efficiencies. This will significantly benefit us, given the ongoing volatility in the macro economic environment. Following the acquisition of the Darling Group in Africa, we leveraged synergies in the market and streamlined regional operations. We have centralized production for South Africa and Mozambique at our Mozambican facility and this has helped us acquire significant purchasing and manufacturing synergies. The FTZ status for Mozambique also translates into lower indirect taxes and corporate tax and should enhance cost efficiency for us.

In India, our Demand Driven Supply Chain has led to mutually beneficial relationships with our suppliers and dealers. We have extended this to include partnerships with key Modern Trade players. In line with our SAP integration from last year, we have started deploying SAP in most of our subsidiary units and are currently integrating them into one SAP ERP system.

Building an agile and high performance culture

One of our key principles is to foster an inspiring workplace. We lay particular emphasis to developing, mentoring and training our team members. In the past year, we have paid special attention to enhancing our development planning and talent management processes. We have also invested significantly in upgrading our IT systems to support our HR processes. In addition, we continue to work on improving our employer brand to ensure that we attract the best employees. We conduct an employee engagement survey, Godrej In Tune, in collaboration with Aon Hewitt, to benchmark our people practices and understand internal perspectives on how our team members feel about Godrej and what can be improved. We have seen a significant shift in scores here and this has been very encouraging. Our commitment to a strong people proposition has been validated time and again in the form of various accolades such as the number one ranking in the FMCG category of the 'Great Place To Work' survey conducted last year. We were also number four in the 'Aon Hewitt Best Employers' survey and ranked among the 25 best employers in Asia. Employability continues to be high on our agenda. As part of our Good & Green Vision 2020, we aim to train 1 million rural and urban youth in skilled employment. Some of our recently introduced programmes to support this are showing encouraging results - Godrej SALONi, piloted in January 2012 to train young women in beauty and hair care, Godrej Vijay, started this year to train rural youth in channel sales and Godrej Sakhi, to train rural women to become entrepreneurs.

The road ahead

We have the building blocks in place to deliver the promise of a larger and stronger GCPL and will continue to invest prudently across all aspects of our business, R&D, advertising and promotion, supply chain and most importantly, our people.

As you would know, I have decided to retire on June 30, 2013. It truly has been a privilege to be part of the Godrej Group for the last 19 years and I am proud of what we have accomplished. I believe that this

is an excellent time for a CEO transition. GCPL is in very good shape strategically, operationally and financially. We have a strong management team in place that is well equipped to capitalize on the great opportunities that lie ahead. Vivek and I have worked very closely over the past three years. I am confident that he will lead GCPL to greater successes in the future. On my part, as non-executive Director, I will continue to serve your company.

I encourage you to keep supporting us, as you have always done, and be a part of our future growth story.

Best Regards,

A. Mahendran Managing Director



IN CONVERSATION WITH VIVEK GAMBHIR, MD DESIGNATE, GCPL

"We need to be very focused, proactive and agile and ensure that we can execute better than anyone else" Vivek joined Godrej in 2009. He is responsible for enhancing the strategic capabilities within the Group companies, defining overall Group strategy, conducting portfolio analysis, guiding management teams of the various Group companies, driving mergers and acquisitions and leading special projects.

Prior to joining the Godrej Group, Vivek was a partner at Bain & Company, a global management consulting firm. He has worked with Bain in Boston, Singapore and New Delhi. He is a founding member of Bain's consulting operations in India. Vivek led the Consumer Goods and the Technology, Telecommunications & Media Practices in India. He also oversaw the Organizational Capability area for Bain in India.

Vivek is an MBA from the Harvard Business School and a BS (Computer Science) and BA (Economics) from Lafayette College.

IN CONVERSATION WITH VIVEK GAMBHIR, MD DESIGNATE, GCPL

What changes can we expect under your leadership?

I have been fortunate enough to be very closely involved with GCPL over the last few years. We have a robust strategy in place and an agile team that works well together to execute our strategy. We have amazing brands, strong values and a winning culture and so, in that sense, there is not going to be a significant shift from our current direction. Certainly, there are some areas where we need to do more and where we need to go faster. The good thing is that our company is in a strong position. That said, we have high aspirations and need to continue to push ourselves and raise the bar to win today and in the future.



What are the biggest opportunities you see for GCPL?

The opportunities are immense as we aspire to become a leading emerging markets FMCG company. We see great opportunities in India and in other emerging markets such as Indonesia and sub-saharan Africa. As incomes increase, consumers with rising aspirations will seek new and exciting products and new categories will emerge. A large section of the population will also finally be able to afford branded consumer goods and will be looking for quality products at accessible price points. New distribution channels will improve availability and enhance the buying experience. All of this will provide tremendous opportunities for us. For GCPL, there is a lot of growth potential from both driving penetration and increasing consumption in our core categories. We also see a lot of opportunities in extending our core categories to attractive adjacencies. Growth will come from both urban and rural areas; from upper, middle and lower income consumers; from traditional mom and pop stores and hypermarkets and so, there certainly are opportunities galore. However, to fully capitalize on these opportunities, we need to be very focused, proactive and agile and ensure that we can execute better than

What makes GCPL different?

anyone else.

We are fortunate to be part of the Godrej Group that has a rich 116-year legacy of strong values built on trust and integrity. We have served generations of consumers with great quality, reliable and affordable products and services. Our unique understanding of the needs and aspirations of our consumers and providing the best price-value proposition to them is a key differentiator. I also believe that the way we work with our partners and the trust we forge with them to strike win-win relationships is a big strength. Our entrepreneurial culture, our agile approach, our enduring values and the way we all work together as a team provide us a distinct, competitive edge. And

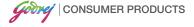
finally, our commitment to our communities and our focus on inclusive, sustainable growth are key principles that we believe very strongly in.

Q What will be your key priorities?

Since its inception, GCPL has demonstrated a tremendous results track record and delivered sustainable profitable growth. Over the last 10 years, we have achieved 14X sales growth at a compounded annual growth of 30% and 13X profit growth with profit after taxes growth at a compounded annual growth of 29%. The market has also rewarded us well for our strong performance, with a 30X appreciation in share price, delivering a compounded annual growth of 41% since year 2003 making GCPL among the best performing FMCG stocks during this period. Our biggest priority will be to sustain our profitable growth trajectory, while strengthening the company to continue winning in the future. We will get more adept at faster, better and bigger innovations and create more exciting products for our consumers. We will also develop a deeper pool of talent to take our company to the next level. At the same time, we will become agile and learn how to operate more seamlessly as we transform into an emerging markets FMCG leader.

Are there any particular challenges that you see going forward?

The economic environment, both in India and globally, continues to be uncertain. Competitive intensity also remains high. At the same time, the fundamental drivers of growth still are quite intact and so, we need to balance our focus on delivering strong results in the near term, while building capabilities for the future. As we get larger and more global, we will need to make sure that we remain agile. We also need to be more innovative in everything that we do. And we need to remain prudent while we navigate the uncertainties.





4- LEAPFROG

CONTEXT

Accelerate sustainable, profitable growth, building on past strong track record

Transform from largely India only focus to emerging markets FMCG company

Develop capabilities for future success

ACTION IMPERATIVES

Articulate key priorities to strengthen GCPL's position

Create a 5 year roadmap for the business

Align the organization around a future strategic direction for the business

leap•frog

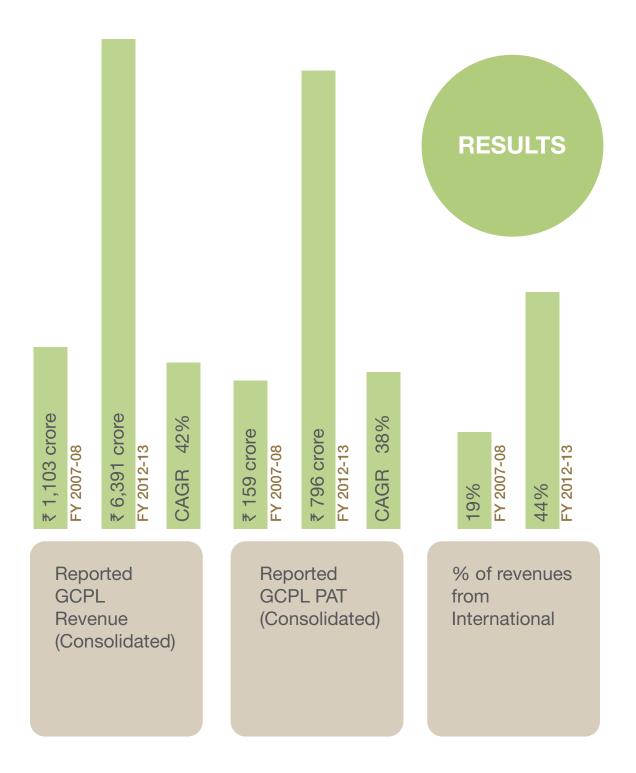
PROJECT OBJECTIVES

Prioritize 3 core categories – home care, hair care and personal care

Deepen focus on fewer scale brands

Selectively extend to adjacent categories of the future

Expand internationally to other emerging markets through a disciplined M&A approach



MERGER & ACQUISITIONS ROADMAP

LATIN AMERICA

Godrej Household Products Limited (2010) Naturesse Consumer Care Products & Essence Consumer Care Products (2010)



INDIA









Issue Group (2010) Argencos (2010) Cosmetica Nacional (2012) **AFRICA**



Kinky (2008) Tura (2010) Darling Group (2011)





DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

Your Directors have pleasure in presenting their Report along with the Audited Accounts for the year ended on March 31, 2013.

1. FINANCIAL HIGHLIGHTS AND REVIEW OF OPERATIONS

Your Company's financial performance for the year under review has been encouraging and is summarised below:

Figures in ₹ Crore

r igaloo iii Color					
	Consolidated		Standalone		
	FY 2012-13	FY 2011-12	FY 2012-13	FY 2011-12	
Net Sales	6390.79	4850.94	3520.93	2933.53	
Other Operating Income	16.65	15.22	60.09	46.55	
Total Income from Operations	6407.44	4866.16	3581.02	2980.08	
Total Expenses other than Depreciation & Finance Cost	5392.28	3990.26	2938.94	2410.64	
Profit from Operations before depreciation, Other	1015.16	875.90	642.08	569.44	
Income, Finance Cost & Exceptional Items					
Depreciation	77.00	64.44	32.27	25.83	
Profit from Operations before Other Income, Finance	938.16	811.46	609.81	543.61	
Cost & Exceptional Items					
Foreign Exchange Gain / (Loss)	(32.78)	(20.50)	(12.01)	(15.16)	
Other Income	67.78	52.00	50.65	63.05	
Profit before Finance Costs and Exceptional Items	973.16	842.96	648.45	591.50	
Finance Cost	77.45	65.84	15.49	13.39	
Profit after Finance Costs but before Exceptional Items	895.71	777.12	632.96	578.11	
Exceptional Items	128.90	200.17	0.00	180.95	
Profit Before Tax	1024.61	977.29	632.96	759.06	
Tax Expense	179.18	226.05	122.02	154.67	
Net Profit after Tax before Minority Interest	845.43	751.24	510.94	604.39	
Minority Interest	(49.33)	(24.52)	-	-	
Net Profit for the period	796.10	726.72	510.94	604.39	

2. APPROPRIATION

Your Directors recommend appropriation as under:

₹ Crore

GCPL Standalone	FY 2012-13	FY 2011-12
Surplus as at end of previous year	769.82	407.91
Add : Net Profit for the year	510.94	604.39
Available for appropriation	1280.76	1012.30
Less: Transfer to DRR	21.25	-
Less : Interim Dividend	170.16	156.63
Less : Tax on distributed profits	28.13	25.41
Less :Transfer to General Reserve	51.13	60.44
Total Appropriation	270.67	242.48
Surplus Carried Forward	1010.09	769.82

3. DIVIDEND

For the year 2012-13, three interim dividends were paid on shares of face value ₹ 1/- each – as follows: ₹ 1/- per equity share on August 4, 2012, ₹ 1/- per equity share on November 3, 2012 and ₹ 1/- per equity share on January 31, 2013.

In addition to the above, the Board of Directors has also declared a fourth interim dividend on April 30, 2013 at the rate of ₹ 2/- per equity share on shares of nominal value ₹ 1/- each. The record date for the same has been fixed as May 9, 2013.

Your Directors recommend that the aforesaid interim dividends aggregating to ₹ 5.00 per equity share on shares of face value ₹ 1/- each be declared as final dividend for the year ended on March 31, 2013.

4. NON-CONVERTIBLE DEBENTURES

In April 2012, your Company made an issue of Unsecured Redeemable 9.80% p.a. coupon Non-Convertible Debentures aggregating ₹ 50 crore for a tenor of 18 months, on a private placement basis and the same is outstanding as at the year end. The said Debentures have a credit rating of [ICRA] AA (Stable)

In October 2012, your Company has made a fresh issue of a Unsecured Redeemable Zero Coupon Non-Convertible Debentures on a private placement basis aggregating to ₹ 250 crore for a tenor of two years and the same is outstanding as at the year end. The said Debentures have a credit rating of [ICRA] AA (Stable)

The Unsecured Non-Convertible Debentures of ₹ 225 crore issued November 2011 on a private placement basis was redeemed by your Company in November 2012 by exercising the call option at the end of one year as per the terms of the issue.

5. SUBSIDIARIES

Your Company's focus is on emerging markets. Our 3x3 strategy concentrates on three categories namely home care, personal wash, hair care in three continents which comprise Asia, Africa and South America. In the past few years we acquired subsidiaries in the three continents in line with our '3 x 3' strategy.

During the year your Company completed the acquisition of 51% stake in Darling group operations

in Kenya and 60% stake in Cosmetica Nacional in Chile. During the year Godrej Nigeria Holdings Ltd merged with Godrej Consumer Products Mauritius Ltd (both wholly owned subsidiaries of GCPL) with effect from April 1, 2012.

In January 2013, your Company divested its non core food business in Indonesia together with the associated brands at a value of about USD 35 million. This business was operated by an Indonesian subsidiary of the Company viz PT Simba Indosnack Makmur. Consequently PT Simba Indosnack Makmurhas ceased to be a subsidiary of your Company

The details of business of the subsidiaries are given in Management Discussion and Analysis section of the Directors' Report. In line with the General Circular No. 2 /2011 dated February 8, 2011 issued by the Ministry of Corporate affairs, the Board of Directors of your Company has passed a resolution for giving its consent for not attaching the financial statements of subsidiaries of the Company to the Balance sheet of the Company for the year ended March 31, 2013.

The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India, also forms part of the Annual Report and accounts of your Company. A one page financial summary for all the subsidiaries giving the required information is disclosed in the consolidated balance sheet.

As directed by the aforesaid circular the accounts of the subsidiary companies and the related detailed information will be made available to any shareholder seeking such information at any point of time. The accounts of the subsidiary companies are also available for inspection by any shareholder at the registered office of the Company or at the registered offices of the subsidiary companies.

6. MANAGEMENT DISCUSSION AND ANALYSIS

In order to avoid duplication between the Directors' Report and Management Discussion and Analysis, your Directors give below a composite summary of the various business and functions of the Company.



OVERVIEW

MACRO ECONOMIC ENVIRONMENT

FY 2012-13 was a tough year for the Indian economy, particularly as compared to the strong growth seen in the preceding years. While continuing global uncertainty did impact growth in India, a number of other challenges were domestic. These included low manufacturing growth, slower than required pace of reforms, high current account and fiscal deficits and persistently high inflation. The weak monsoon further exacerbated the situation by adversely impacting the agricultural sector. At 5%, the GDP growth rate for FY 2012-13 is the lowest in a decade.

The prospects for FY 2013-14 are looking brighter. There is moderation in inflation rates, which should allow further cuts in interest rates, thereby spurring investments. Reductions in global oil and gold prices will also reduce pressures on India's current

account. Key actions by the government in the last year such as opening up of FDI in certain areas, postponement of GAAR and the formation of a Cabinet Committee on investment have all inspired confidence, and will hopefully be taken further in FY 2013-14.

FMCG SECTOR

The FMCG sector registered good volume led growth in revenues during the year. Rural India, which contributes to a third of the overall FMCG sector, showed strong growth, driven by factors like higher minimum support prices for agricultural produce, employment guarantee schemes and a growth in services. To add to this, aspiration levels continue to trend upwards with rural consumers demanding branded products. Recent reports indicate that incremental consumption expenditure in rural India has been significantly ahead of urban India in the last few years.



DOMESTICALLY, WE HAVE DELIVERED CONSISTENT HEALTHY SALES GROWTH

^{*} Source AC Nielsen

GCPL PERFORMANCE IN FY 2012-13

Strong track record of performance

Consolidated Sales grew by 32% to ₹ 6,391 crore

Input costs pressures eased somewhat as compared to last year

Material costs as a percentage of sales declined to 46.2% against 47.7% the previous fiscal year

Continue to invest strongly in our brands,

62% surge in advertisement & sales promotion EBITDA grew by 16% to ₹ 1,015 crore Profit After Tax grew by 10% to ₹ 796 crore





EXTENDING LEADERSHIP IN OUR CORE CATEGORIES

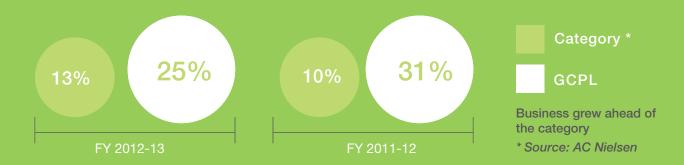
HOUSEHOLD INSECTICIDES

Gained share across all major formats of coils, aerosols and electrics



- Built on the promise of 'protecting happy moments', Goodknight aims to delight consumers through a deep understanding of their needs
- 2 Goodknight was ranked 1st, amongst the 'Most Trusted Brands' in Household Care in the Economic Times – Brand Equity Most Trusted Brands Survey this year







- Clear leader in the aerosols market, focused on killing pests and offering undisputed efficacy
- 2 Launched HIT Anti Roach Gel, an innovative non-messy gel-based product that attracts and kills cockroaches and is effective for up to 45 days
- HIT was ranked 8th, amongst the 'Most Trusted Brands' in Household Care in the Economic Times Brand Equity Most Trusted Brands Survey this year



PERSONAL WASH

Second largest toilet soaps company in India



- 1 Top Grade 1 soap in India
- Increased innovations and strong brand presence in both urban and rural markets
- 3 Launched Godrej No. 1 Rosewater and Almonds this year





CINTHOL

- Refreshed product range and packaging in bath and fragrancing spaces
- 2 Its new personality is being communicated around the proposition of 'Alive is Awesome'
- Aims to connect to the modern and changing demands of vibrant and young India
- 4 Extended the brand and made a foray into shower gels



HAIR CARE

Leader in hair colour Largest manufacturer of powder hair colour in the world



- Introduced Godrej Expert Rich Crème, a breakthrough innovation at multiple levels
- Aggressively supported our powder franchise with the innovative gel-based Godrej Expert Advanced Powder Hair Colour
- 3 Godrej Expert Powder Hair Colour maintained its leadership position



New design language on our premium brands, differentiated and clutter breaking





FABRIC CARE

Leader in liquid detergents





CAPITALIZING ON INTERNATIONAL GROWTH POTENTIAL

OVERVIEW

INTERNATIONAL BUSINESS

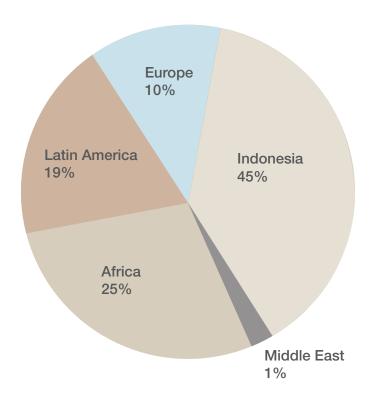


3X3 STRATEGY

- 3 categories (Home Care, Personal Wash and Hair Care) in 3 continents (Asia, Africa and Latin America)
- 2 Disciplined M&A approach
- 3 Value based partnering

Salience of international business revenues: 44%

International Sales breakup





INDONESIA

- Range of household and personal care products, home insecticides, wet tissues, baby wipes and air fresheners
- Business continues to outperform; market share gains across categories



Naveen and team members



HIT Magic, our game changing paper based mosquito repellent



in air fresheners & wet tissues

2 in household insecticides



Mitu Kids, our range of baby care products



Stella, our category leading range of air fresheners

AFRICA

- Range of hair extensions, hair colours, household insecticides and personal wash
- 2 Scale up of business continues presence in South Africa, Mozambique, Nigeria and Kenya



The Godrej South Africa team celebrates



Renew, our range of Caucasian hair colours in South Africa, a great example of successful cross-pollination from our India business



- in ethnic hair colours (14 countries) hair extensions (10 countries)
- 2 in hair extensions (1 country)
- in caucasian hair colours (1 country)



Tura, our legacy brand of medicated soap in Nigeria



Darling hair extensions is a market leader in Africa

EUROPE

- Range includes skin care, sanitisers, sun care and deodorants
- Acquired the Soft & Gentle brand, the fourth largest by market share in female deodorants
- Business continues to outperform investments in innovation and brand development
- 4 Investments are driving healthy growth in a tough environment



Anand and team members



Soft & Gentle is the fourth largest by market share in the female deodorant market in UK



in stretch marks skin treatment

2 in hand sanitisers

3 in sun care



Cuticura, our range of hand sanitisers, had an innovative addition: the new anti bacterial hand serum with a promise of 8 hour protection



Touch of Silver, our range of salon inspired hair care products for blonde, white and grey hair

LATIN AMERICA

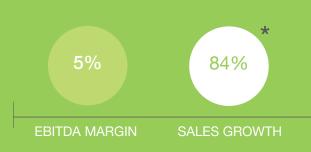
- Range of products across hair colours, hair care, colour cosmetics, styling, professional and body care
- New products launched are driving strong growth



Antonio and team members



Issue, our leading hair colour brand in Argentina



in hair colours by volume (Argentina, Uruguay, Paraguay, Bolivia)

in hair colours & colour cosmetics (Chile)



Pamela Grant, leader in colour cosmetics in Chile



Ilicit, the leading hair care brand in Chile was re launched this year



ACCELERATING RENOVATION AND INNOVATION

INDIA

GODREJ EXPERT RICH CRÈME HAIR COLOUR





think crème hair colouring is difficult? well, not anymore.

Whether you're new to hair colouring or not, the kit from Godrej Expert Rich Crème has everything you need to make hair colouring super easy - like **premeasured sachets**, a mixing bowl, a brush and much, much more. It has **Aloe Protein** that nourishes your hair, making it soft & shiny. And **no Ammonia** means it's absolutely safe.



natural black brown dark brown natural brown burgundy

long lasting shades *20g+20ml+6g

INDIA

GODREJ AER - HOME & CAR FRAGRANCES





Hello! We are here to change the air. The way it spells, and the way it smells.



INDIA CINTHOL

Brand relaunch with premium international fragrances, innovative designs and distinctive packaging

Entered shower gel category with 4 variants 5 variants of soap; 5 variants of nonalcohol based deos and revamped talcs

GIGIGIVVE SUSUMMERR THTHTHE SHSHSHIVERRS.





NEW CINTHOL COOL SOAP AND SHOWER GEL.

Feel alive with cooling menthol and refreshing deodorant.

INDIA HIT Anti Roach Gel



Let cockroaches kill other cockroaches with the new HIT Anti roach gel. It attracts and kills even the hidden ones. Other cockroaches come in contact with the dead ones, get infected & die, thereby, eradicating the entire nest.



AAYENGE, KHAYENGE, JADD SE MAR JAYENGE.

CLICK TO KILL COCKROACHES:



Hold the injector as shown.



Click once to use



With one click, one dose comes out.



Apply gel at 5-10 cm interval



Gel attracts cockroaches. After ingesting, cockroaches die in few hours.



Poisoned cockroaches infect and kill other cockroaches, thus eliminating the nest.

ARGENTINA

ISSUE HAIR COLOUR

First 'home' hair colour powered with unique technology - 'luminy system' - to provide extra shine and tri-dimensional brightness

New colour with threedimensional technology that penetrates the hair fibre and reflects a threedimensional light A revealing colour experience in 12 glossy shades



The N°1 hair color seller of Argentina presents:











A new hair color generation with three-dimensional gloss technology and an excellent grey coverage

AVAILABLE IN 12 SHADES

* Quartitative study of the Argentinean hair color category

Change your color and everything changes.

INDONESIA

HIT MAGIC MOSQUITO REPELLENT

Impactful 360 degree campaign in TV, print and most importantly, face-to-face contact with over half a million consumers to educate them on the product and its benefits

Path breaking format created for household insecticides A disruptive, innovative paper format mosquito repellent

Generasi TERBARU



IMP-MAGIC®

AKSINSTAN INSTAN INSTANCE INSTANCE

wangi floral





anti nyamuk



BUILDING A FUTURE READY SALES SYSTEM

Significant benefits of leveraging geography and channel synergies across our core categories

Strengthening rural distribution and developing under tapped channels – expanded our distribution reach by 10% in FY 2012-13

Strong investment in Sales IT systems

Sunil and team members

MAKING OUR SUPPLY CHAIN BEST IN CLASS

Cost synergies tracking ahead of plan – Post merger of GHPL into GCPL, delivered cost synergies in excess of ₹ 200 crore through integrated marketing, supply chain, international operations, IT infrastructure and support functions

Best in class practices – Demand Driven Supply Chain, TOC, TPM, Lean, Six Sigma and Low Cost Automation

Global strategic sourcing

Deploying SAP in most subsidiary units and integrating them into one SAP ERP system

Significant support to international business continues



Rakesh and team members



BUILDING AN AGILE AND HIGH PERFORMANCE CULTURE

BUILDING AN AGILE & HIGH PERFORMANCE CULTURE

An inspiring place to work

Strong focus on Careers and Learning

Building our employer brand

Ranked No. 1 in the FMCG category of the 'Great Place To Work' survey conducted last year

No. 4 in the 'Aon Hewitt Best Employers' survey and ranked among the 25 best employers in Asia







Godrej LOUD, our radically different approach to business school recruitment encouraged students to live out their unfulfilled personal dreams and offered sponsorship and summer internship opportunities



In house employee engagement survey, Godrej In Tune, in collaboration with Aon Hewitt Successful integration of international businesses and International Center in place

Significant investment in upgrading our IT systems to support our HR processes

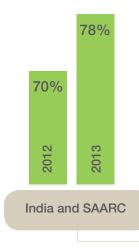
Benchmark our people practices and understand internal perspectives on how our team members think about Godrej and what can be improved

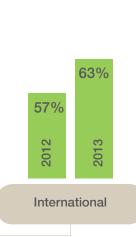












GCPL

INTERNAL CONTROL AND ADEQUACY

We have a proper system of Internal Controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly.

Our Corporate Audit & Assurance Department which is ISO 9001: 2008 certified, issues well documented operating procedures and authorities, with adequate built-in controls at the beginning of any activity and during the continuation of the process, if there is a major change.

The internal control is supplemented by an extensive programme of internal, external audits and periodic review by the management. This system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets.

The GCPL Head Office and all major factories and offices across India operate on an Information Security Management System which is ISO/IEC 27001 certified.

RISKS AND CONCERNS

As we expand our global reach, we will be exposed to an increasing degree of risks. These risks can adversely impact our operating performance, cash flows, financial performance, management performance and overall sustainability. We have an active risk management strategy in place and a Risk Committee, whose role is to identify potential risks, create mitigation strategies and monitor the occurrence of risk.

The risks that may affect us include, but are not limited to:

- Economic conditions.
- Inflationary pressures and other factors affecting demand for our products.
- Increasing costs of raw material, transport and storage.
- Supplier and distributor relationships and retention of distribution channels.
- Competitive market conditions and new entrants to the market.
- Labour shortages and attrition of key staff.

- Exchange rate fluctuation and arbitrage risk.
- Integration risks for acquired companies.
- Compliance and regulatory pressures including changes to tax laws.
- Seasonal fluctuations.
- Political risks associated with unrest and instability in countries where we have a presence or operation.

OUTLOOK

The coming year provides us with tremendous opportunity and we are motivated by the thought of building a stronger GCPL. While there will undoubtedly be challenges, we believe that we have a sound strategy and strong management team to lead this change.

CAUTIONARY STATEMENT

Some of the statements in this Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory enviornments in India and overseas, political instability, change in international oil prices and input costs and new or changed priorities of the trade.

7. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions contained in section 217 (2AA) of the Companies Act, 1956, your Directors, based on the representation received from the Operating Management, and after due enquiry, confirm:

a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same:

- b) that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
- that they have prepared the annual accounts on a going concern basis.

8. EMPLOYEE STOCK OPTION PLAN

The shareholders of the Company vide special resolution passed on March 14, 2007 approved the setting up of Godrej Consumer Products Ltd. Employee Stock Option Plan (GCPL ESOP). Pursuant to the approvals received in the above meeting and in the meeting dated April 24, 2008, the Company can grant 4,500,000 stock options convertible into 4,500,000 equity shares of the nominal value ₹ 1/- each to the eligible employees/directors of the Company and of the Company's subsidiaries.

The GCPL ESOP is administered by a trust set up for this purpose viz. Godrej Consumer Products Ltd. Employee Stock Option Trust.

As on March 31, 2013, 74,050 options convertible into 74,050 shares of nominal value of ₹ 1/- each are outstanding in respect of options granted under the GCPL ESOP to employees of the Company.

The details of the Options allotted under GCPL ESOP, as also the disclosures in compliance with Clause 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are set out in Annexure A to this report.

Since the exercise price of GCPL options is the last closing price on the stock exchange plus interest till the date of exercise, there is no compensation cost in Financial Year 2012-13 based on the intrinsic value of the options.

Under the Scheme of Amalgamation between your Company and Godrej Household Products Limited

(GHPL), the Employee Stock Option Scheme of the erstwhile unlisted GHPL has become part of your Company. The equity shares of 'Godrej Industries Limited' are the underlying equity shares for the stock option scheme. As at March 31, 2013, 1,120,000 options convertible into 1,120,000 equity shares of Godrej Industries Ltd are outstanding.

9. EMPLOYEE STOCK PURCHASE PLAN

The Board of Directors at its meeting held on January 22, 2011 had approved an Employee Stock Purchase Plan (GCPL ESPL) under the provisions of Section 77 of the Companies Act, 1956. The GCPL ESPL is administered by the GCPL ESOP Trust. Employees in the cadre of Vice Presidents and above, are eligible to be covered under the plan.

Under the GCPL ESPL, the Company has provided loan to the GCPL ESOP Trust at an interest rate which is not less than the bank rate, to enable the GCPL ESOP trust to acquire upto 1,000,000 shares of the Company from the secondary market.

Under the GCPL ESPL,1,000,000 shares have been granted, which have vested on March 30, 2012. The grants shall be compulsorily exercised by acquiring the shares from the GCPL ESOP trust within the exercise period as per the scheme. The exercise price shall be the market price on the day prior to the date of grant plus interest at a rate not less than the bank rate till the date of exercise.

10. EMPLOYEE STOCK GRANT SCHEME

The shareholders have on March 18, 2011, approved a new Employee Stock Grant Scheme (ESGS 2011). The scheme envisages the issue of up to 2,500,000 fully paid equity shares at a nominal value of ₹ 1 each in the Company to certain eligible employees of the Company and / or its subsidiaries. In terms of the ESGS 2011, 126,193 grants are outstanding and not vested as at March 31, 2013.

The eligible employees shall be entitled to exercise the options vested in them, within one month from the date of vesting or such dates as may be determined by the HR & Compensation Committee. The equity shares vested in the eligible employees shall be allotted on payment of the exercise price of ₹ 1.

The details of the grants allotted under GCPL ESGS, as also the disclosures in compliance with Clause 12 of the Securities and Exchange Board of India



(Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are set out in Annexure A to this report

11. UNCLAIMED SHARES

With respect to the unclaimed shares in the Company, in compliance with clause 5A of the listing agreement with the stock exchanges, your Company had sent three reminders to the addresses given in the application form asking for the correct particulars. In respect of the folios for

which no response was received, the said shares were transferred to a newly opened demat account during the year viz. "Unclaimed-Suspense Account". As and when an allottee approaches the Company, the Company shall, after proper verification, either credit the shares lying in the Unclaimed Suspense Account to the demat account of the allottee to the extent of the allottee's entitlement, or deliver the physical certificates after re-materialising the same, depending on what has been opted for by the allottee.

Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year;	Nil
Number of shareholders and aggregate shares transferred to Unclaimed Suspense Account during the year;	5,889 shareholders for 901,078 shares
Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year and aggregate shares transferred	
Number of shareholders to whom shares were transferred from the Unclaimed Suspense account during the year and the aggregate shares transferred	į –
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year.	5,862 shareholders for 894,965 shares

12. DIRECTORS

In accordance with Article 130 and 131 of the Articles of Association of your Company, Mr. Nadir Godrej, Mr. Bharat Doshi and Dr. Omkar Goswami retire by rotation and being eligible, offer themselves for reappointment.

The Board has at its meeting held on April 30, 2013 appointed Ms. Nisaba Godrej as a whole-time Director designated as Executive Director, Innovation for a period of three years with effect from July 1, 2013 to June 30, 2016. The appointment is subject to the approval of the shareholders

The Board of Directors at its meeting held on April 30, 2013 also made the following appointments

- Mr. Vivek Gambhir as an Additional Director with effect from April 30, 2013 and as the Managing Director for a period of three years with effect from July 1, 2013 to June 30, 2016.
- Ms. Ireena Vittal as an Additional Director with effect from April 30, 2013.
- Mr. A Mahendran as a Non Executive Additional Director with effect from July 1, 2013.

The Additional Directors appointed as above will hold office upto the date of the Annual General Meeting pursuant to Section 260 of the Companies Act, 1956. Pursuant to Section 257 of the Companies Act, 1956, the Company has received a notice from a member signifying his intention to propose the candidatures of Mr. Vivek Gambhir, Ms. Ireena Vittal and Mr A Mahendran as Directors in the ensuing Annual General Meeting

Accordingly the proposals for the aforesaid appointments/reappointments of Directors are included in the notice of the Annual General Meeting.

13. LISTING

The shares of your Company are listed at The BSE Limited and The National Stock Exchange of India Ltd.

2500 Non-Convertible Debentures of face value ₹ 10 each aggregating ₹ 250 crore issued in October 2011 on private placement basis is listed in the whole sale debt segment in The National Stock Exchange of India Ltd

500 Unsecured Redeemable 9.80% p.a. coupon Non-Convertible Debentures aggregating ₹ 50 crore

issued in April 2012 on private placement basis is listed whole sale debt segment in The National Stock Exchange of India Ltd

The applicable annual listing fees have been paid to the stock exchanges before the due date.

14. AUDITORS

The Auditors, Kalyaniwalla & Mistry, Chartered Accountants, Mumbai, retire and offer themselves for reappointment.

Pursuant to directions from the Department of Company Affairs, M/s. P. M. Nanabhoy & Co., Cost Accountants have been appointed as Cost Auditors for the applicable products of the Company for the year 2012-13. They are required to submit the report to the Central Government within 180 days from the end of the accounting year. M/s. P. M. Nanabhoy & Co., Cost Accountants have also been appointed as Cost Auditors for the year 2013-14 for the applicable products of the Company

15. ADDITIONAL INFORMATION

Annexure B to this Report gives the information in respect of conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo, required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forms a part of the Directors' Report.

Information as per Section 217(2A) of the Companies Act,1956 read with the Companies (Particular of Employees) Rules, 1975 forms part of this Report. As per provisions of Section 219(1)(b)(iv) of the Companies Act,1956, the Report and Accounts are being sent to the Shareholders of the Company, excluding the statement of particulars of the employee under Section 217(2A) of the Companies Act,1956. Any shareholder interested in obtaining a copy of the statement may write to the Company Secretary at the Registered Office of the Company.

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

16. CORPORATE GOVERNANCE

The Company continues to enjoy a Corporate Governance Rating of CGR2+ (pronounced as

CGR2 plus) and a Stakeholder Value Creation and Governance Rating of SVG1 (pronounced as SVG 1). The + sign indicates relatively higher standing within the category indicated by the rating. The above ratings are on a rating scale of 1 to 6, where 1 is the highest rating. The two ratings evaluate whether a Company is being run on the principles of Corporate Governance and whether the practices followed by the Company lead to value creation for all its shareholders.

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

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

Pursuant to Clause 49 of the Listing Agreements, the Management Discussion and Analysis Report and the Report on Corporate Governance are included in the Annual Report. The Auditors Certificate certifying the Company's compliance with the requirements of Corporate Governance in terms of Clause 49 of the Listing Agreement, is attached as Annexure C and forms a part of this Annual Report.

17. ACKNOWLEDGEMENT

Your Directors wish to place their sincere thanks to the Central and State Governments as also all the Government agencies, banks, customers, shareholders, vendors and other related organisations who, through their continued support and co-operation, have helped, as partners, in your Company's progress.

For and on behalf of the Board of Directors

Adi Godrej Chairman Mumbai, April 30, 2013



ANNEXURE A FORMING PART OF THE DIRECTORS' REPORT

As per the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, following information is disclosed in respect of employee stock benefit plans are given below:

C.	Sr Heading	Godrei Consumer Products Limited	Limited Employee Stock Grant Scheme
o Z		yee Stock Option Plan	
Ø	Options granted		184,361
q	The pricing formula	Market Price plus interest at such a rate	₹ 1 per equity share
		not being less than the bank rate then	
		prevailing compoundable on an annual	
		basis for the period commencing from	
		the date of grant of the Option and	
		ending on the date of intimating Exercise	
		of the Option to the Company	
ပ			29,464
σ	Options exercised up to March 31, 2013		29,464
Ф	The total number of shares arising as a	no fresh issue of shares by	29,464
	result of exercise of option	the Company	
ч–	Options lapsed	d and forfeited (on account	28,704 on account of employee leaving
		of employees leaving the service of the	service before vesting
		company before the date of vesting)	
0	Variation of terms of options		None
ے	Money realized by exercise of options	84,707	29,464
	Total number of options in force	74,050	126,193
.—	Employee wise details of options granted		
	to;-	Nil- Outstanding	As per note 1 below
	ı) senior manageriai personnei	N. I.	N. I.
	ii) any other employee who receives a		
	grant in any one year of option amounting		
	to 5% or more of option granted during		
	that year		
	iii) identified employees who were		
	granted option, during any one year,		
	equal to or exceeding 1% of the issued		
	capital (excluding outstanding warrants		
	and conversions) of the Company at the		
	time of grant		
ㅗ	Diluted Earnings Per Share (EPS) pursuant	There is no fresh issue of shares arising	₹ 15.01 per share
	to issue of shares on exercise of option		
	calculated in accordance with Accounting	Hence, not applicable.	
	Standard (AS) 20 'Earnings Per Share'.		

Ε	where the company has calculated the employee compensation cost using the intrinsic value of the stock options, intrinsic value of the stock options, intrinsic value of the employee compensation cost that compensation cost that employee compensation cost that the employee compensation cost that that the compensation cost that the employee compensation cost that the emplo	Where the Company has calculated the mployee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and compensation cost that employee compensation cost that employee compensation cost that compensation cost the employee compensation cost that compensation cost the employee compensation cost that compensation cost that disclosed. The impact of this difference on profits and on EPS of the Company has been ligher by ₹ 0.08 crore, Profit after tax lower by \$ 0.08 crore, Profit after tax lower by disclosed. The impact of this difference on profits and on EPS of the Company have been higher by ₹ 0.00 crore and basic EPS would have been higher by ₹ 0.00 crore and basic EPS would have been lower by ₹ 0.00 crore and ba	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and of stock options granted the employee compensation cost so computed and of stock options granted the employee compensation cost that compensation cost the fair value method been used, in respect Had the fair value method been used, in respect Had the fair value method been compensation cost fair value method been used, in respect of stock options the employee compensation cost that compensation cost fair value method been used, in respect of stock options the employee compensation cost that compensation cost fair value of the options, shall be after tax higher by ₹ 0.08 crore, Profit of the employee compensation cost that compensation cost for the year would granted the employee compensation that is after tax higher by ₹ 0.08 crore, Profit after tax lower by disclosed. The impact of this difference EPS would have been higher by ₹ 0.00 ₹ 0.08 crore, Profit after tax lower by disclosed. Weighted-average exercise prices and Exercise price ₹ 263.20 plus interest as the company of the coptions mentioned in pricing formula Fair Value ₹ 448.25 Fair Value ₹ 448.25
	exceeds or is less than the market price of the stock. A description of the method and significant assumptions used during the significant assumptions used during the pair values of options, scholes Options pricing formula and including the following weighted-average the significant assumptions made in this information: i) risk-free interest rate, ii) expected life, iii) expected volatility, iii) expected dividends, and iii) and iiii) expected dividends, and iiii) expected dividends, and iiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiii	the market price method and The fair value of the options granted using black – alues of options, Scholes Options pricing formula and seighted-average the significant assumptions made in this regard are as follows: e, 7.39% 4 years 9.75% 4 years 39% 2 orars 2 years 35% 9.76% - 1.20% 9.74% - 1.20% ion grant	The fair value of the options granted has been calculated using Black – Scholes Options pricing formula and the significant assumptions made in this regard are as follows: 7.5% 2 years 35% 0.74% - 1.20% ₹ 376.2 ₹ 608.70

Note 1- Employee wise details of options granted under ESGS.

Name of senior managerial persons to whom stock options have been granted	Number of options outstanding (Granted in 2011-12)	Number of options outstanding (Granted in 2012-13)	Total
Rakesh Sinha	4784	4851	9635
P Ganesh	4784	3234	8018
Sunder Nurani Mahadevan	3189	3234	6423
Rahul Gama	2127	3234	5361
Shashank Sinha	8926	9701	19269
Sunil Kataria	3189	4851	8040
Naveen Gupta	7176	4851	12027
Jatin Brahmecha	4784	3880	8664
R Anand	2126	3234	5360



ANNEXURE B FORMING PART OF THE DIRECTORS' REPORT

INFORMATION PURSUANT TO SECTION 217(1) (e) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN

EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy

I. Energy Conservation measures undertaken:

At Malanpur Unit

- Provided a Heat exchanger for the preheating of boiler feed water through waste heat of contaminated condensate. Accrued Saving during 2012-13 35,000 KWH, Annual Saving Potential 400,000 KWH
- Provided an additional Heat Exchanger in the pre-concentrator Vs. steam drum waste Heat to increase concentration of sweet water and to reduce steam load on evaporation plant .Accrued Saving during 2012-13 20,000 KWH, Annual Saving Potential 100,000 KWH.
- Provided direct feeding arrangement of CFA for direct feed from FSP-3 to FADP-3, thus utilized discharge heat of CFA and eliminated pre-heating of CFA. Accrued Saving during 2012-13 120,000 KWH, Annual Saving Potential 200,000 KWH
- Provided TIC in cooling tower of Soap Finishing line 4 to optimize cooling tower fan running. Accrued Saving during 2012-13 4,500 KWH, Annual Saving Potential 6,000 KWH.
- Provided line across chemical plants for condensate to have total water balance and to reduce wastage. Accrued Saving during 2012-13 5,000 KL Annual Saving Potential 13,000 KL.
- 6) Provided Rain water harvesting of 3,000 SQM roof area for the recharging into ground water

 Optimization of cooling tower pumps by replacement of multiple pumps with single pump. Accrued Saving during 2012-13 nil, Annual Saving Potential 140,000 KWH.

At Baddi Units

- Optimization of chilling system load through rerouting of lines to reduce power consumption at Katha. Accrued Saving during 2012-13 10,000 KWH Annual Saving Potential 70,000 KWH.
- Provided VFD in Sigma Mixer at Katha. Accrued Saving during 2012-13, 4,000 KWH Annual Saving Potential 12,000 KWH.
- Provided Energy efficient lights (CFL in place of conventional lights) at Thana unit. Accrued Saving during 2012-13 2,000 KWH Annual Saving Potential 12,000 KWH.

At North East Units

- Provided Natural draft Air Ventilators in place of exhaust fan in Lokhra and K-5 refill & Sikkim. Accrued Saving during 2012-13 30,000 KWH
- Provided Energy efficient lights (CFL in place of conventional lights). Accrued Saving during 2012-13 15,780 KWH
- Replaced plastic bags with Crates at Lokhra. Accrued Saving during 2012-13 is 4 MT.
- Recycled CFBs and replacement of CFB with of plastic crates. Accrued Saving during 2012-13 is 130 MT.
- Use of treated Sewage water for toilet flushing. Accrued Saving during 2012-13 120 KL.

At South Units

Provided Waste Heat recovery unit in HAG at Coil 9. Accrued Saving during 2012-13 45,000 KWH.

Apart from above other common initiatives were productivity improvement, de-bottlenecking of capacities and imparting awareness to all

employees for energy, water conservation and waste reduction.

Results are as under

Specific Energy Consumption/MT of production

2011-12 2012-13 % Reduction 863 KWH 824 KWH 5

II. Impact of measures on reduction of energy consumption and consequent impact on the cost of production of goods:

Saving in energy costs during the period under consideration

B. Technology Absorption

Research and development(R & D)

The Research & Development function of your Organization continued to play a key role in ensuring the following successful commercial launches during the year.

- 1. AER Fresheners for Car and Home.
- Godrej No.1'Rosewater and Almond' Soap
- Godrej Expert Hair Colour Crème (five different shades)
- Cinthol Restage for Soap, Deo Sprays, Shower Gel and Talc (total of 19 sku's)
- Genteel Washomatic Packaging led relaunch
- 6. HIT Anti Roach Gel

The current year, as like the previous years, also saw a sharp focus on Consumer Centric and relevant, design led innovation. Godrej's entry into the premium air freshener category through its brand AER, as well as, the introduction of an affordable, yet, functionally superior hair colouring crème format for the consumer are noteworthy innovations.

- Specific R & D Product Categories carried out by the Company –
 - Hair Care
 - 2. Skin Care
 - 3. Household Insecticides
 - 4. Customer Centricity
 - 5. Packaging Development
 - 6. Fabric care
 - 7. Hygiene Products

II. Benefits derived as a result of the above R & D efforts –

Strong R&D led initiatives with Innovation projects have led to the successful launches of several new products in market place in the current financial year.

III. Future Plan of Action:

R&D shall continue to play a key role in development and successful execution of newer innovations in the market place for both the domestic and international business. R&D shall constantly endeavour to deliver superior innovative products thereby delighting, both, our domestic and international customers by:

- Ensuring successful commercial launches within personal wash and home insecticides categories for the coming year.
- Engaging in providing support on defining global innovation strategies for CP and HI product categories within our international businesses, and, extending support on relevant product development for international markets.
- Focussing on newer consumer relevant product experiences within CP and HI categories.
- Maintaining strong focus on R&D training needs and people development.



We believe that the three key pillars of Consumer Centricity, NPD Process and Training led skill up-gradation will continue to propel your company ahead of competition in its strategy of innovation led value creation.

IV. Expenditure on R & D

₹ Crore

		FY	FY
		2012-13	2011-12
(a)	Capital	0.6	0.4
(b)	Recurring	8.9	8.0
(c)	Total	9.5	8.4
(d)	Total R & D expenditure	0.27%	0.29%
	as a percentage of total		
	sales turnover		

Technology absorption, adaptation and innovation

 Efforts, in brief, made towards technology absorption, adaptation and innovation:
 Commercialisation of new products such as Godrej No.1 Soap – Rose Water & Almonds Godrej Expert Crème for Hair colouring AER Air freshener brand for closed spaces and home Relaunch of Cinthol Range (Soap Bars, Shower Gels, Talc's and Deo Sprays)

Genteel Packaging led Relaunch.

HIT Anti Roach Gel

 Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.

R&D led efforts towards successfully commercialising the above innovations in market place greatly assisted your company's image and credibility by providing customer satisfaction while being optimal on costs, whilst retaining strong focus on maintaining top line and bottom line improvements.

3. Imported Technology:

The Company has not imported any technology since its incorporation

C. Foreign Exchange earnings and outgo:

₹ Crore

	FY	FY
	2012-13	2011-12
I. Foreign exchange used	290.54	284.45
II. Foreign exchange earned	205.45	372.15

ANNEXURE C FORMING PART OF THE DIRECTORS' REPORT

Auditors' Certificate on Corporate Governance

To the Members of

Godrej Consumer Products Limited,

Mumbai.

We have examined the compliance of conditions of Corporate Governance by Godrej Consumer Products Limited (the Company) for the year ended on March 31, 2013, as stipulated in Clause 49 of

the Listing Agreements of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management.

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.

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 the above-mentioned Listing

Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company

nor the efficiency or effectiveness with which the Management has conducted the affairs of the

Company.

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

Firm Regn. No. 104607W

Daraius Z. Fraser

Partner

Membership No.: 42454

Mumbai, April 30, 2013

Goorg CONSUMER PRODUCTS



6 BEYOND BUSINESS

BEYOND BUSINESS



Creating a greener India

Become carbon neutral and water positive, achieve zero waste to landfill, reduce specific energy consumption and increase renewable energy sources



Innovating for good & green

Have a third of our portfolio revenues comprising good and/ or green products and services

Ensuring employability

Train 1 million rural and urban youth in skilled employment



BUSINESS RESPONSIBILITY REPORT

PHILANTHROPIC EFFORTS OF THE GODREJ GROUP

The Godrej Group has been at the forefront of philanthropic and social activities for several decades. 25% of the shares of the Godrej Group's holding company Godrej & Boyce are held in a trust that invests back in initiatives that support the environment, and improve the quality and availability of healthcare and education. Through investment and oversight by the trust, a large tract of mangrove forests in Mumbai have been protected, developed and maintained for several years and have served as a second set of lungs for the city. The Godrej Group has supported education all through and supports the Udayachal pre-primary and primary schools, which focuses on all round development of children. The Udayachal high school has recently been accredited with the International School Award in recognition of the school incorporating global education into its curriculum and innovation into classroom teaching.

Additionally, the Godrej Group has supported initiatives in healthcare, through its Godrej Memorial Hospital (GMH), which aims to provide quality healthcare at affordable costs. One such initiative is GMH's partnership with a US based NGO 'Smile Train' which helps in performing corrective cleft lip and palate surgeries for children from low income families. GMH offers surgery and hospitalization to the patients free of cost.

Table for Two

The Group continues to support the Indian chapter of "Table for Two", which it initiated at the World Economic Forum India Summit in December 2009. The initiative is targeted at addressing hunger and malnutrition in the developing world by combining our organization's tradition of serving society and individual involvement.

Heroes AIDS Project

The Godrej Group also continues to support Heroes AIDS Project (HAP). Founded by Parmeshwar Godrej and Richard Gere over a decade ago, Heroes Project continued to partner with the Bill and Melinda Gates Foundation to contribute strongly to the national and regional effort to address HIV-related stigma and discrimination; educate especially vulnerable populations about HIV; identify and recruit a range of societal leaders to serve as spokespersons for the cause; and partner with the media to create and disseminate strategic "education entertainment" programming that incorporates HIV issues.

Teach for India

GCPL has been supporting Teach for India since its inception in 2009. Teach for India (TFI) is a nationwide movement of outstanding college graduates and young professionals who will commit two-years to teach full-time in under resourced schools and who will become lifelong leaders working from within various sectors towards the pursuit of equity in education. In 2009 Teach for India began its journey in the classrooms with 78 TFI fellows (or teachers) in 2 cities and across 34 schools covering 3000 children. The movement has in 2012 grown to cover 164 schools in 5 cities with 506 fellows, impacting more than 16,000 children.

GODREJ GOOD & GREEN

In conjunction with our vision for "brighter living" for all stakeholders, we have developed a long-term vision for playing an active part in creating a more inclusive and greener India. This vision has been named "Godrej Good & Green".

Good & Green is founded on shared value initiatives. The concept of shared value is defined as policies and operating practices that enhance the competitiveness of a company while simultaneously

advancing the economic and social conditions in the communities in which it operates. As part of Good & Green, the Group aspires by 2020, to create a more employable Indian workforce, a greener India and innovate for good and green products.

Specifically, our goals at the Group level for 2020 as part of this vision are:

- Training 1 million rural and urban youth in skilled employment
- Achieving zero waste, carbon neutrality, positive water balance along with reducing our specific energy consumption and increasing proportion of renewable energy resources
- Having a third of our portfolio revenues comprising good and/or green products and services – defined as products that are environmentally superior or address a critical social issue (e.g., health, sanitation, disease prevention) for consumers at the bottom of the income pyramid

Section A: General Information about the Company

- Corporate Identity Number (CIN) of the Company: L24246MH2000PLC129806
- Name of the Company: Godrej Consumer Products Limited
- 3. Registered address: Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai 400 079
- 4. Website: www.godrejcp.com
- 5. E-mail id: investor.relations@godrejcp.com
- 6. Financial Year Reported: 2012-13
- 7. Sector(s) that the company is engaged in :Personal & Household Care Products
- 8. List three key products / services that the Company manufactures / provides : Toilet Soaps, Hair Color & Household Insecticides
- 9. Total number of locations where business activity is undertaken by the Company
 - a. Number of International Locations (provide details of major 5)

GCPL has business activity undertaken in more than 12 international locations and the major ones are Indonesia, Argentina, UK, South Africa and Chile

- Number of National Locations: GCPL has business activities carried out all over India with major manufacturing locations in Madhya Pradesh, Himachal Pradesh, Assam, Jammu, Puducherry and Goa
- Markets served by the Company Indian market, export and operations in International geographies as above.

Section B: Financial Details of the Company

- 1. Paid up Capital: ₹ 34 crore
- 2. Total Turnover: ₹ 3521 crore (Net of Excise)
- 3. Total profit after taxes : ₹ 511 crore
- 4. Total Spending on CSR as a percentage of PAT : 0.6%
- List of activities in which expenditure in 4 above has been incurred:

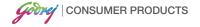
The major areas in which the above expenditure has been incurred includes expenditure on a program to train young girls and housewives in the skills of Beauty & Hair Care and to train rural youth in Channel Sales.

Section C: Other Details

 Does the Company have any Subsidiary Company / companies?

Yes

- Do the Subsidiary Company / Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company (s):
 - GCPL has subsidiaries in foreign countries and encourages subsidiaries to participate in Business Responsibility (BR) initiatives. The Business Responsibility policies of the subsidiaries are in line with the local requirements.
- Do any other entity/ entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, more than 60%]



GCPL actively encourages adoption of BR initiatives by our Business Partners. Currently less than 30% of other entities participate in the BR initiatives of the Company.

Section D: BR Information

- Details of Director / Directors responsible for BR
 - a. Details of the Director (s) responsible for implementation of the BR policy / policies
 - i. DIN Number:00242423
 - ii. Name:A. Mahendran
 - iii. Designation: Managing Director
- 2. Principle-wise (as per NVGs) BR policy / policies

b. Details of the BR Head

S. No.	Particulars	Details
1.	DIN Number (if applicable)	00242423
2.	Name	A Mahendran
3.	Designation	Managing Director
4.	Telephone Number	022-25188010
5.	Email id	amahendran@
		godrejcp.com

S.No.	Questions	P1	P2	P3	P 4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for the principles	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
3.	Does the policy conform to any national / international standards? If yes, specify in about 50 words(These policies have been framed keeping in view the goals of the organization and the economic environment of the operations of the company)		Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
4.	Has the policy been approved by the Board? If yes, has it been signed by the MD / Owner / CEO / appropriate Board Director?	N	N	N	N	N	N	N	N	N
5.	Does the company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	N	N	N	N	N	N	N	N	N
6.	Indicate the link for the policy to be viewed online?	-	-	-	-	-	-	-	-	-
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
8.	Does the company have in-house structure to implement the policy / policies?	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
9.	Does the company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy / policies?	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ	Υ
10.	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

a. If answer to S.No. 1 against any principle is 'No', please explain why (tick up to 2 options)

S.No.	Questions	P1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	The company has not understood the principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task				N.	A.				
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

- 3. Governance related to BR
 - Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the company. (within 3 months, 3-6 months, annually, more than a year)

The BR Head periodically assesses the BR performance of the Company.

b. Does the company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?

The BR head will determine the frequency of the same.

Section E: Principle-wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

The Board of Directors and Senior Management of Godrej Consumer Products Ltd. (GCPL) comply with the following Code of Conduct:

- Demonstrate the highest standards of integrity, business ethics, and corporate governance.
- Perform their roles with competence, diligence, in good faith and in the best interests of the Company.
- Provide expertise and experience in their areas of specialization and share learnings at Board meetings with the best interests of the Company and its stakeholders in mind. They should point the company's management in the 'right' direction based on their experience and judgement.
- Give careful and independent consideration to the affairs of the company and all documents placed before them to satisfy themselves with the soundness of key decisions taken by the Management. They should call for additional information, where necessary, for making such judgements.
- Not engage in any business, relationship or activity which detrimentally conflicts with the interest of the Company / Godrej Group or bring discredit to it. Any situation that creates a conflict of interest between personal interests and the Company and its stakeholders' interests must be avoided at all costs.
- Follow all the guidelines put forth in the Insider Trading Code of Conduct.
- Not disclose any confidential/privileged information of the Company and should direct any media queries or approaches to the appropriate spokesperson within the Company.

Applicability of the Code of Conduct:

This Code of Conduct (Code) applies to Directors of Godrej Consumer Products Ltd. (GCPL). It also applies to the senior management of the company

i.e. one level below the executive directors, and all functional heads.

An annual confirmation affirming compliance with the code of conduct is obtained from Board Members and senior management every year and the same has been obtained for the year ended March 2013.

Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

The Company has a code of conduct which is applicable to all individuals working in the company. For the Subsidiaries and Joint Ventures, the code is applicable in line with the local requirements prevailing in the country of operation. The Company encourages its Business Partners to follow the code.

How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so

There were 66 investor complaints received during the year and have been fully resolved.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Godrej Group's Good & Green vision supports the development of products that are environmentally sustainable. As part of the vision, the Company aspires to develop products that consume fewer resources (energy, water), emit fewer greenhouse gases and include a hundred percent of recyclable, renewable, and/or natural materials.

List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- Optimization of Ezee and pet bottles weight and change in material of construction.
- Thickness of wrapper and stiffener for toilet soaps.
- The size of PTC pill reduced in LMD (Liquid Mosquito Destroyer) resulting in reduction in energy consumption.



For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

- a) 193 MT of HDPE and 54 MT of PET.
- b) Saving of 173 MT of paper and 90 MT of HMA.
- c) Around 90 lac units saved by the users considering the number of units we have sold in a year.

Does the company have procedures in place for sustainable sourcing (including transportation)?

If yes, what percentage of your inputs was sourced sustainably?

Currently, about 60% of the purchase is sourced sustainably. Palm oil constitutes 35% of spends and is sourced from sustainable sources. Perfume constitutes 7% of spends and is IFRA compliant. All rigid plastics which constitute 8% of the spend are recyclable. Master cartons/shippers and primary cartons are made from Agro/recycled waste paper, which constitutes 10%.

Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes. All agri based bulk materials, shippers and plastic components are produced locally, closer to the plants. These vendors are given priority payments and also technology and quality systems up-gradation supports.

Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Most of the wastes like wrapper, stiffener and packaging material like bottles, corrugated boxes are disposed to the vendors who recycle it. Spent lubricating oil is also disposed to recyclers, maximum of waste soap is recycled by the Company and balance is disposed to small scale manufacturers. All of our major units are certified for environment management system as per ISO-

14000. 1140 MT of PVC (Polyvinyl Chloride) was replaced by PET (Polyethylene Terephthalate) in the last year. The size of ring PTC pill (Positive temperature co-efficient film) assembly in our Liquid Mosquito Destroyer has been reduced resulting in less consumption of power.

Principle 3: Businesses should promote the wellbeing of all employees

GCPL focuses on ensuring well-being of all its employees. Safety and health of employees is extremely important to the Company and GCPL is committed to building and maintaining a safe and healthy workplace. Ensuring diversity, zero discrimination, safety and health and other attributes essential to a healthy and good working environment are part of our Code of Conduct. All employees who join GCPL demonstrate their commitment to follow the code of ethics by signing in their acceptance to adhere to the same. Examples of a few of the principles of this code of conduct are listed below.

Diversity and Anti-discrimination: We recognize merit and perseverance and encourage diversity in our company. We do not tolerate any form of discrimination on the basis of colour, gender, race, caste, nationality, age, marital status, sexual orientation or disability and will allow for equal opportunities for all team members.

Diversity and equal opportunities: We value diversity within the Godrej Group and are committed to offering equal opportunities in employment. We will not discriminate against any team member or applicant for employment on the basis of nationality, race, colour, religion, caste, gender, gender identity/expression, sexual orientation, disability, age, or marital status. GCPL also subscribes to the CII-ASSOCHAM Code of Conduct for Affirmative Action.

Progressive Human Resource policies – GCPL prides itself as a great place to work, a fact recognized and acknowledged externally as well. This is evident in GCPL's consistent ranking as the best FMCG company to work for in the Great Places to work Study 2012 as well as its featuring among one the top 25 best employers in Asia as per the Aon Hewitt Best Employers 2011 study. HR policies like flexible working hours, work from home arrangements, part-time work, leave and benefits, adoption leave and benefits, extended maternity leave and benefits, paternity leave and benefits –

to name a few – go a long way in ensuring that the employees successfully strike a work-life balance. We are committed to the health and well-being of our employees and have an onsite medical center, hospital and children's day care facility within the Godrej Vikhroli campus.

On-Campus Facilities (Vikhroli, HO): We have a canteen facility in the campus where refreshments are provided. Transport facility is provided from the office to the nearest railway station. The Head Office premises has a Bank ATM. A Staff Sales Shop is housed in the premises where employees can buy Godrej Products at a discounted price. Health and Fitness initiatives include morning Yoga session, a full time fitness instructor and nutritionist All GCPL sites are non-smoking zones. Smoking is strictly prohibited in the campus

Prevention of sexual harassment: The Company is committed to creating and maintaining an atmosphere in which our team members can work together, without fear of sexual harassment, exploitation or intimidation. Every team member is made aware that the Godrej Group is strongly opposed to sexual harassment and that such behavior is prohibited both by law and the Group policy. The Company takes all necessary action(s) required to prevent and correct behavior which violates this policy.

Engagement Forums: There are multiple touch points for leadership team to interact with employees through forums like open houses, town halls, the long range plan and annual operating plan cascades, focus groups around engagement surveys, HR connect sessions, skip level meetings by senior leadership etc. GCPL practices 'Bedhadak Bolo' as a philosophy which salutes the spirit of expression and innovation at Godrej. This encourages people to 'Bedhadak Bolo' - to speak and express openly and fearlessly. Bedhadak Bolo has resulted in employees coming forward and speaking translating into numerous changes and innovations within the organization. It has also resulted in better team dynamics and an incredibly more open work environment.

The Company provides continuous skill upgradation and learning opportunities through structured career discussions and individual development plans. The organization invests in functional training for all employees in line with their current and future career aspirations.

The learning suite encompasses functional training, leadership development programs and behavioral training geared towards leading self, leading others and leading business. GCPL also nominates managers for MDP programs at premier Business Schools like ISB, IIMC, IIMA, IIMI etc.

Please indicate the Total number of employees.

2037 as on March 31, 2013 (excluding Temporary/contractual/casual basis)

Please indicate the Total number of employees hired on temporary/contractual/casual basis.

2672 as on March 31, 2013

Please indicate the Number of permanent women employees.

121

Please indicate the Number of permanent employees with disabilities

14

Do you have an employee association that is recognized by management.

Yes

What percentage of your permanent employees is members of this recognized employee association?

Approximately 60% across units

Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

NIL

What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Permanent Employees:97%

Permanent Women Employees:95%

Casual/Temporary/Contractual Employees:75%

Employees with Disabilities:100%

Principal 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

Recruitment of candidates from the Scheduled Caste/Scheduled Tribe and Physically Challenged categories has been taken up as one of the major performance measures of the central recruitment process owner. GCPL participates in government fairs for recruiting candidates from the categories of Scheduled Caste/Scheduled Tribe and Physically Challenged. GCPL has also partnered with NGOs to provide employment opportunities and counseling to people that fall in one of those categories.



Free Medical Check up for local villagers in Sikkim Unit

Key Highlights:

- To sustain Affirmative Action in GCPL, every SC/ST/PC candidate applying for a job is interviewed by the Unit head before the final decision is taken. This is done to remove individual biases of managers against these categories of candidates, if any. Recruitment of SC/ST/ PC candidates has been taken up as one of the performance measures of central recruitment process owner.
- Our employee referral policy promotes referrals of SC/ST/PC candidates by offering higher referral amounts.
- The HR function keeps a regular track of progress of Affirmative Action in the organization and takes necessary corrective actions, if needed. Adherence to and proactive involvement in Affirmative Action has been added to the performance targets of various employees.

- 4. For the physically challenged, we identify appropriate jobs and also put in place the necessary infrastructural facilities for them depending on the nature of their disability.
- GCPL has set aside a dedicated budget towards Affirmative Action for the next three years.
- 6. A special provision has been incorporated in all purchase order and vendor agreements. The provision reads as under: "You must take affirmative actions to provide an equal opportunity to SC/ ST & Physically Challenged (PC) people in employment, entrepreneurship etc. as per our guidelines".
- To improve employability for the employees of these cadres, they are given equal opportunity in training and development.
- 8. In order to give a firsthand learning experience to students who have completed some sort of technical education, GCPL gives employment opportunity to such students and retains them as apprentices. While providing employment GCPL gives thrust to those students who belong to SC/ST & PC. This year 15 SC\ST and 2 PC people have been recruited as trainees.
- We ensure that we provide maximum employment to SC/ ST & PC people under contractor's rolls as well. More than 40% contract workers are from SC/ ST/ PC categories in all our manufacturing units. We have also appointed 5 SC/ST Contractors in Malanpur.
- 10. 12 % of our total domestic manpower belongs to the SC/ST/PC categories.

Partnership & Initiatives for Affirmative Action:

GCPL Malanpur:

GCPL, Malanpur is in close coordination with Ambedkar Institute for Handicapped, Kanpur for training, and recruitment of PC persons.

We have identified and tied-up with 2 NGO's who are rendering their services for the SC/ ST & PC children residing in and around Gwalior. Among them Snehalaya cares for those SC/ ST children who are mostly orphans and suffering from mental retardation, whereas Vivekananda Nidam runs

a hostel for the tribal children who have been picked up from the nearby forest areas. Also, to involve all employees in our Company's mission under Affirmative Action, we have appealed to all employees in GCPL Malanpur to voluntarily come forward & render services or donate money for the upliftment of the under-privileged and needy children of the NGOs Snehalaya&VivekanadaNidam.With an aim to help Snehalaya, we purchased greeting cards which are particularly hand-crafted by the mentally retarded SC/ ST children of Snehalaya.



Workshop at Malanpur on women's empowerment

GCPL Malanpur counseled and convinced Mr.BrijBhushan Singh Kushwaha, SC and PC, to start his own Newspaper and LIC Agency. He was provided with full financial and non-financial support from the unit and is today a most renowned entrepreneur in the area. GCPL still continues to support him in all the matters.

GCPL, Malanpur has communicated to the District Magistrate, Bhind through AKVN assuring them of participation in the Government Job Fair for recruiting SC/ST & PC candidates.

We are in the process of tie up with Centre for Entrepreneur development, Madhya Pradesh (CEDMAP) to train the SC/ST/PC candidates for specific trade which suits to manufacturing industries.

GCPL Katha & Thana

At GCPL Katha & Thana we have identified 3 schools, 1 School is adopted by Katha Unit (Govt Primary School, Judi Kalan Katha) & 2 Schools are adopted by Thana unit (Govt. Middle School, Thana & S.K. Public School) We have initiatied the following

activities in these schools: Annual Meritorious Awards to SC/ST Students, Social Function like Celebration of World Environmental Day, Health & Hygiene, Good Habits, Plantation in school etc, Organizing various competition like poster/slogan/Poem on different themes, Helping PC Students with the help of Saket Orthopedic Hospital (Govt. Approved Institute for Physically Challenged).



Poster Competition at local public school in Baddi on World Enviornment Day

Has the company mapped its internal and external stakeholders? Yes/No

Yes

Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

Yes

Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Our "Good & Green" vision inspires each one of us at Godrej to continue to work towards building a brighter, greener and more inclusive India. Employee volunteering at our corporate offices and factories forms a crucial element of our Good & Green strategy. Below are highlights from some of the volunteering initiatives undertaken this year:

 Standard Chartered Mumbai Marathon: Employees of the company have been taking various initiatives to provide support to the disadvantaged in the society. Several employees have been running in the Standard Chartered Mumbai Marathon since the last 3

- years to support Teach for India by spreading awareness about the movement and also raising funds.
- Goonj Collection Drive: Every quarter we ask employees to donate household items to Goonj. We collected and donated clothes, books, woolens, toys, stationary and umbrellas to the underprivileged via Goonj.
- Blood Donation Drive: Many employees have participated in blood donation drives conducted at our factories and office.
- Good & Green Employee volunteering week: During the Joy-of-Giving week this year (2-6 October) over 150 members from the company taught children between class 2 – 7, in lowincome schools and shelter homes.



GCPL Volunteers at a local school in Guwahati

The employees taught them about the importance of conserving resources and help making the planet greener. This initiative was rolled out in 14 cities across India.



GCPL Volunteers at a local school in Katha & Thana during Joy of Giving week

- The Good & Green Carnival: This was a 5 day event where several NGO's such as Aakanksha, Make a Difference, Aseema, Aftertaste and Earthy Goods visited our head office. These NGOs conducted awareness building activities and sold products to our employees.
- Since 2007, our Malanpur factory has adopted a neighbouring village "Singwari", which is predominantly inhabited by people belonging to scheduled castes and scheduled tribes. The adoption started with assisting a school by granting scholarships, providing computers, and organizing an eye-check up in the school.



Scholarship distribution to students at Malanpur

Godrej South Africa (GSA), a wholly owned subsidiary of the company, also contributed to the volunteering effort by supporting the creation of a music and learning center for children. The organisation is passionate about its people and the communities in which it operates and recognize that children are the future, representing future employees, suppliers, consumers and partners.



South Africa - Supporting the Creation of a Music and Learning Center for Children

With a view to equip under-privileged children with the tools to grow and succeed in life, GSA partnered with the Little Wing Foundation, deciding to help create a music and learning centre for children. The centre aims to provide vulnerable, underprivileged children with the opportunity to learn a musical instrument. This project embodies our belief that "you give a child a chance and you give him/her a future" and that the center has the potential to improve early childhood development and provide a positive after school activity. The music and learning centre was created from 20ft and 40ft shipping containers. The former was converted into a full library with more than 1,000 donated books and latter into two fully equipped music rooms, each room containing 12 quitars, 3 keyboards, 2 bass quitars, a set of drums, 4 microphones, 10 amplifiers and the provision of a music teacher for 12 months.



A child enjoying the new Music & Learning Center for Children, supported by Godrej South Africa

Principle 5: Businesses should respect and promote human rights

GCPL respects and promotes human rights for all individuals.

Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company has a policy which is applicable to all employees in the company. For its Subsidiaries and Joint Ventures, the code is applicable in line with the local requirements prevailing in the country of operation. The Company encourages its Business Partners to follow the policy.

How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

NIL

Principle 6: Business should respect, protect, and make efforts to restore the environment

We are continuously striving to achieve the goals and targets set under our good and green initiatives. Our efforts for energy conservation in all our units have resulted in reduction of specific energy by 12% and 11% reduction in specific water consumption and Green House Gas (GHG) emissions, over FY-11.



Tree plantation drive at GCPL, Katha

All the requirements of Central Pollution Control Board and State Pollution Control Board have been complied with. Detailed checklists for compliance have been put in place. Continuous thrust is given on improving productivity and plant utilization to improve specific consumption of water and energy. We have set targets for improvement in our environment performance for both short term as well as long term.



Tree plantation drive at GCPL, Katha 2

Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others

All of our major manufacturing units have policies on environment, health and safety measures. For the Subsidiaries and Joint Ventures the code is applicable in line with the local requirements prevailing in the country of operation. The Company encourages its Business Partners to follow the policy.

Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

GHG emissions are monitored by all the units and we have taken short term and long term targets for reduction of the same. Some other initiatives includes Improvement in Boiler efficiency by 1% through an on-line oxygen analyzer, installed heat exchanger to pre heat feed and water, installation of right size and energy efficient pumps, installation of energy saving lights amongst others.



Solar System (150W) installation at Lokhra

Energy conservation

For energy conservation we are replacing tube lights with CFL and LED lighting in our plants. Right sizing of pumps, energy efficient pumps are also helping our energy consumption to go down. The exhaust fans installed in our units are being replaced with natural ventilators in most of our locations.

Does the company identify and assess potential environmental risks? Y/N

Yes, potential aspects related to environment are identified and evaluated for their impact on the basis of severity, scale and probability. All the significant aspects have operational control procedure in place.

Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

No

Has the company undertaken any other initiatives on-clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Our Malanpur unit entered into a long term agreement with GAIL for natural gas supply to replace distillate fuel with environment friendly natural gas.

Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes. All the units are complying with the norms of CPCB and SPCB.

Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

NIL

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

GCPL ensures that its policy is with the highest degree of responsible and ethical behaviour and also works with collective platforms such as trade and industry chambers and associations to raise matters with the relevant government bodies.

Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

GCPL represent through CII and other trade association for advancement / improvement of public good.

Principle 8: Businesses should support inclusive growth and equitable development

Our "Good & Green" vision inspires each one of us at Godrej to continue to work towards building a brighter, greener and more inclusive India.

Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes. A dedicated CSR department termed 'Good and Green' focuses on these projects and initiatives

Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

One of the first employability programs that was piloted in January 2012 and is now being scaled up is Godrej SALONi. It is a program to train young girls and housewives in the skills of Beauty & Hair Care. Close to 3000 candidates have graduated from this program in 2012. An in-house program of 240 hours has been built to train the candidates in basic beauty and hair care skills. The training makes use of GCPL products, which will also be made available to the graduates after the program at a considerable discount.



Inauguration of the Saloni Beauty & Hair Care Training Program under Good & Green

Currently 40 SALONi training centres are operational in Maharashtra, Karnataka, Tamil Nadu, Andhra Pradesh, Gujarat and Uttar Pradesh. These women are provided with a start-up kit at the end of the training, for them to operate as mobile beauticians. Separate modules on 'enterprise development program' and an 'employment readiness program' too have been developed for the beneficiaries of all employability programs to set them up for success early in their career.



Good & Green Vijay Sales Training Program

Another programme 'VIJAY' was piloted this year, to train rural youth in Channel Sales. This program has till now seen more than 10,000 students graduate in the states of Madhya Pradesh, Chattisgarh, Orissa and Assam. The youth are trained over 22 full days to take up a job as a salesperson, post the training. The program includes 12 days of soft skills training, 5 days of sales training, 2 days of assessment and certification processes and 5 days of On-the-job training. The program has been specially designed for the purpose of training DSRs (Distributor Sales Representatives.)



Role play performed by Vijay students during the assessment and certification process

This initiative is helping us create a pipeline of skilled persons that will be available for all Godrej distributors to choose their DSRs from. The graduates of the program can find employment with any of the Godrej companies or other companies.



Sakhi Training Program for Rural Entrepreneurs

Godrej Sakhi is a programme that trains rural women to become entrepreneurs.



Good & Green Sakhi Training Program for rural entrepreneurs

Have you done any impact assessment of your initiative?

Yes

What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

In the year, the Company spent 0.6% of PAT on CSR initiatives.

Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

GCPL believes that employability of an individual can be captured through his/her earning potential and it is this metric that can be used to measure the impact of our skilling interventions.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

We are a customer centric company and greatly value the trust, satisfaction and loyalty of our customers across the world. Our primary focus is on delighting our customers, both external and internal. Customer centricity is part of Godrej Group's 'Code of Conduct'. We strive to ensure that customer needs are satisfied and that our products and services offer value to the customer.

Our customer focus does not only extend to external customers alone, but includes internal customers as well. We firmly believe that external customer satisfaction can be attained only if internal customers' needs and reasonable expectations are met and our employees are strongly encouraged to act in accordance with this principle.

What percentage of customer complaints/ consumer cases are pending as on the end of financial year.

NIL

Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information)

GCPL displays adequate information to enable safe and effective usage of its products.

Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

None

Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes



REPORT ON CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance:

The Company is part of the 116 year old Godrej Group which has established a reputation for honesty, integrity and sound governance.

The Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, lenders and the Government. The Company is committed to achieve and maintain the highest standards of Corporate Governance. The Company believes that all its actions must serve the underlying goal of enhancing overall stakeholder value over a sustained period of time.

The Company continues to enjoy a corporate governance rating of CGR2+ (pronounced as CGR two plus) and Stakeholder Value Creation and Governance Rating of SVG1 (pronounced as SVG 1) assigned by ICRA.

The two ratings evaluate whether a Company is being run on the principles of corporate governance and whether the practices followed by the Company lead to value creation for all its shareholders.

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

The SVG1 rating is on a rating scale of SVG1 to SVG6 where SVG1 denotes the highest rating. The SVG1 rating implies that in ICRA's current opinion, the Company belongs to the Highest Category on

the composite parameters of stakeholder value creation and management as also corporate governance practices.

1. Board of Directors:

Board Procedures

GCPL currently has a 14 member Board, with 7 independent directors. The independent directors are eminent professionals from diverse fields such as finance, information systems, marketing and corporate strategy. None of the independent directors have had any material association with the Godrej group in the past. GCPL's Board has a lead independent director, in line with accepted best practices, to strengthen the focus and quality of discussion at the Board level.

The Board meets at least once in a quarter to review the quarterly performance and financial results. Board meetings are governed with a structured agenda. The Board periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company. Before the commencement of the Audit Committee meeting, the members of the Audit Committee which consists entirely of independent directors have discussion with the Statutory Auditors without the management team or whole time directors being present in that meeting. For all major items, comprehensive background information is provided to the Board to enable them to take an informed decision. Once in a year, the Board members participate in a strategy meeting in which it also interacts with the management teams of the Company. During the strategy meeting process, the independent directors also have a meeting amongst themselves after which they provide their valuable insight to the entire Board and the management team.



a. Composition of the Board:

The composition of the Board is as under:

Category	as at March	No. of Directors as at the date of this report
(i) Non Independent Directors		
Executive Chairman	1	1
Managing Director	1	1
Other Non-Executive Directors (including 4 promoter directors)	4	5
Sub Total	6	7
(ii) Independent Directors	6	7
Total Strength (i + ii)	12	14

b. Board Meetings held during the year:

Dates on which the Board meetings were held	Total Strength of the Board	No of Directors Present
April 30, 2012	12	12
June 26, 2012	12	6 (and 2 on telephone)
August 4, 2012	12	12
November 3, 2012	12	11 (and 1 on telephone)
January 31, 2013	12	10

The maximum gap between any two Board meetings during the year was 99 days (calculated with respect to the gap between January 21, 2012, Board meeting and April 30, 2012, Board meeting).

c. Other Relevant Details of the Directors

Name of Director	Date of Appointment	Relationship with other Directors	Category	Number of Directorships		e Positions g GCPL``
				held in Indian Public Limited Companies (including GCPL)*	Committee Chairperson **	Committee member (excluding Committee Chairperson)**
Mr. Adi Godrej	November 29, 2000	Brother of Mr. Nadir Godrej, Father of Ms Tanya Dubash and Ms Nisaba Godrej	Promoter / Chairman / Whole-time	8 (3)	2	1
Mr. Nadir Godrej	November 29, 2000	Brother of Mr. Adi Godrej	Promoter / Non-Executive	10 (6)	1	1
Mr. Jamshyd Godrej	March 1, 2001	None	Promoter / Non-Executive	8 (5)	1	2
Ms. Tanya Dubash	May 2, 2011	Daughter of Mr Adi Godrej, Sister of Ms Nisaba Godrej	Promoter / Non-Executive	6 (2)	None	1
Ms. Nisaba Godrej	May 2, 2011	Daughter of Mr Adi Godrej, Sister of Ms Tanya Dubash	Promoter / Non-Executive	2 (1)	None	None
Mr. A. Mahendran	June 18, 2008	None	Managing Director / Whole-time	5 (1)	None	2
Mr. Vivek Gambhir	April 30, 2013	None	Non Executive	1 (1)	None	None
Mr. Narendra Ambwani	May 2, 2011	None	Non-Executive / Independent	3 (3)	None	4

Name of Director	Date of Appointment	Relationship with other Directors	Category	Number of Directorships held in Indian Public Limited Companies (including GCPL)*		e Positions g GCPL" Committee member (excluding Committee Chairperson)**
Prof. Bala Balachandran	April 1, 2001	None	Non-Executive / Independent	3 (3)	None	2
Mr. Bharat Doshi	April 1, 2001	None	Non-Executive / Independent	7 (4)	1	1
Dr. Omkar Goswami	June 18, 2008	None	Non- Executive / Independent	11 (8)	4	6
Mr. Aman Mehta	April 26, 2006	None	Non-Executive / Independent	6 (6)	2	3
Mr. D. Shivakumar	April 1, 2009	None	Non-Executive / Independent	1 (1)	None	1
Ms. Ireena Vittal	April 30, 2013	None	Non-Executive / Independent	3	None	1

- Mr. Vivek Gambhir is appointed as Non Executive Director from April 30, 2013.
- Mr. A. Mahendran will be a non-executive director from July 1, 2013 and Mr Vivek Gambhir will be the Managing/Whole-time director from July 1, 2013.
- Ms. Nisaba Godrej is appointed as Executive Director from July 1, 2013.

Notes

Figures in brackets denote Directorships in listed companies

- * Does not include Directorships in Private Companies, Section 25 Companies and Foreign Companies.
- ** Does not include Chairmanship / Membership in Board Committees other than the Audit Committee, the Shareholders' Grievance Committee and Chairmanship / Membership in Board Committees in companies other than public limited companies registered in India.

According to the clause 49 of the listing agreement, "independent director" shall mean a non-executive director of the company who:

- a) apart from receiving director's remuneration, does not have any material pecuniary relationships or transactions with the company, its promoters, its directors, its senior management or its holding company, its subsidiaries and associates which may affect independence of the Director;
- b) is not related to promoters or persons occupying management positions at the board level, or at one level below the board;
- c) has not been an executive of the Company in the immediately preceding three financial years;
- d) is not a partner, or an executive, or was not partner or an executive during the preceding three years, of any of the following:
 - i) the statutory audit firm, or the internal audit firm that is associated with the Company; and
 - ii) the legal firm(s) and consulting firm(s) that have a material association with the company.
- e) is not a material supplier, service provider or customer, or a lessor, or lessee of the Company, which may affect independence of the director;



- f) is not a substantial shareholder of the Company i.e. owning two percent or more of the block of voting shares; and
- g) is not less than 21 years of age.

d. Reappointment of Directors Liable to Retire by Rotation

According to the Articles of Association of GCPL, at every annual general meeting of the Company onethird of the Directors are liable to retire by rotation.

Thus, Mr. Nadir Godrej, Mr. Bharat Doshi and Dr. Omkar Goswami shall retire at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for reappointment. The abbreviated resumes of the Directors seeking reappointment are as follows.

Name of Director	Mr. Bharat Doshi
Date of Birth	June 12, 1949
Qualifications	B.Com; LLM (Bombay University), FCA, FCS. Mr. Doshi has also participated in the program for Management Development at the Harvard Business School.
Specialised Expertise	Finance, Corporate Affairs and General Management
No. of shares held in GCPL	13,714
Directorships in Companies	Listed Public Companies 1. Mahindra & Mahindra Limited 2. Mahindra & Mahindra Financial Services Limited 3. Tech Mahindra Ltd. 4. Godrej Consumer Products Limited
	Other Public Companies 5. Mahindra Intertrade Limited 6. Mahindra Holdings Limited 7. NSE.IT Limited

	Section 25 Companies 8. The Mahindra United World College of India 9. Indian Council on Global Relations
	Foreign Companies 10. Mahindra USA Inc. 11. SsangYong Motor Company Limited
Committee Positions held	Chairmanships Audit Committee Godrej Consumer Products Limited
	Memberships Investor Grievance Committee Mahindra & Mahindra Limited
Name of	Mr. Nadir Godrej
Director	Wii. Wadii Godrej
Date of Birth	August 26, 1951.
Qualifications	B.S Chem Engg (M.I.T, U.S.A), M.S Chem Engg (Stanford, U.S.A), MBA (Harvard Business School)
Specialised Expertise	Industrialist
No. of shares held in GCPL	1,732,765 (includes 1,028,724 shares beneficially held on behalf of his son)
Directorships in Companies	Listed Public Companies 1. Godrej Industries Limited 2. Godrej Consumer Products Ltd. 3. Mahindra & Mahindra Ltd. 4. Godrej Properties Ltd. 5. The Indian Hotels Company Ltd. 6. Tata Teleservices (Maharashtra) Ltd. Other Public Companies 7. Godrej & Boyce Mfg. Co. Ltd. 8. Godrej Agrovet Ltd.

Godrej Tyson Foods Ltd.
 Isprava Technologies Ltd.

	Section 25 Companies
	11. Poultry Processors'
	Association of India
	Foreign Companies
	12. Godrej International Ltd. U.K
	13.Godrej Global Mid East
	FZE,UAE
	14.ACI Godrej Agrovet Pvt. Ltd.,
	Bangladesh
	15. Keyline Brands Ltd. U.K
	16.Godrej South Africa (Pty)
	Limited
	17. Godrej Nigeria Ltd., Nigeria
Committee	Chairmanships
Positions held	Investor Grievance Committee
	Godrej Consumer Products
	Limited
	Memberships
	Audit Committee
	Mahindra & Mahindra Limited
Name of	Dr. Omkar Goswami
Director	
Date of Birth	August 29, 1956
Qualifications	D. Phil (PH.D) in Economics,
	University of Oxford, 1982
Specialised	Economist and Corporate
Expertise	Consultant; Finance; Corporate
	Governance; Macroeconomics
No. of shares	Nil
held in GCPL	
Directorships	Listed Public Companies
in Companies	Ambuja Cements Limited Desiry Firements Limited
	2. Bajaj Finance Limited
	Cairn India Limited Crompton Crosses Limited
	4. Crompton Greaves Limited
	Dr.Reddy'S Laboratories Ltd Godrai Canaumar Braduata
	Godrej Consumer Products Limited
	7. IDFC Limited
	8. Infosys Limited
	•
	Other Public Companies
	9. Max Healthcare Institute Limited
	10. Avantha Power &
	Infrastructure Limited
	11.Infosys BPO Limited

	Private Companies
	12.CERG Advisory Private Limited
	13.DSP BlackBock Investment
	Managers Private Limited
Committee	Chairmanships
Positions held	Audit Committee
	Dr Reddy Laboratories Ltd.
	2. Crompton Greaves Ltd.
	Investor Grievance Committee
	3. Cairn India Ltd.
	4. Infosys Technologies Ltd.
	Memberships
	Audit Committee
	5. IDFC Ltd.
	6. Cairn India Ltd.
	7. Godrej Consumer Products Ltd.
	8. Bajaj Finance Ltd.
	9. Infosys BPO
	Investor Grievance Committee
	10. IDFC Ltd.

e. Reappointment of Mr. Adi Godrej as Chairman

The Board of Directors at its meeting held on January 31, 2013 reappointed, Mr Adi Godrej as whole-time director designated as "Chairman" for a further period of three years from April 1, 2013 to March 31, 2016. The members' approval is being sought at the forthcoming Annual General Meeting and accordingly a special resolution is included in the notice of the Annual General Meeting. The brief resume of Mr Adi Godrej is given below:

Name of	Mr. Adi Godrej	
Director		
Date of Birth	April 3, 1942	
Qualifications	BS, MS (MIT,USA)	
Specialised	Industrialist having rich business	
Expertise	experience	
No. of shares	500	
held in GCPL		
Directorships	Listed Public Companies	
in Companies	1. Godrej Consumer Products Ltd.	
	2. Godrej Industries Ltd.	
	3. Godrej Properties Ltd.	



Other Public Companies

- 4. Godrej & Boyce Mfg. Co. Ltd.
- 5. Godrej Agrovet Ltd.
- 6. Swadeshi Detergents Ltd.
- 7. Vora Soaps Ltd.
- 8 Godrej Hygiene Products Limited

Private Companies

9. Godrej Investments Pvt. Ltd.

Foreign Companies

- 10. Godrej Consumer Products (UK) Ltd.
- 11. Keyline Brands Ltd.
- 12. Godrej South Africa (Pty) Ltd.
- 13. Godrej International Ltd.
- 14. Godrej Global Mid East FZE
- 15. Godrej Consumer Products Mauritius Ltd.
- 16. Godrej Kinky Holdings Ltd.
- 17. Godrej Consumer Products Holding (Mauritius) Ltd.
- 18. Kinky Group Pty. Ltd.
- 19. Godrej Consumer Products Dutch Cooperatief U.A.
- 20. Godrej Consumer Products (Netherlands) B.V.
- 21. Godrej Consumer Holdings (Netherlands) B.V.
- 22. Godrej East Africa Holdings Ltd.
- 23. Godrej Mauritius Africa Holding
- 24. Godrej Nigeria Ltd.
- 25. Godrej Weave Holdings Ltd.
- 26.PT Megasari Makmur
- 27.PT Ekamas Sarijaya
- 28.PT Sarico Indah
- 29. PT Indomas Susemi Jaya
- 30.PT Intrasari Raya
- 31. Godrej Indonesia Netherlands Holding B.V.
- 32. Godrej Argentina Dutch Cooperatief U.A.
- 33. Laboratoria Cuenca S.A.
- 34. Consell S.A.
- 35. Godrej Netherlands Argentina Holding B.V.
- 36. Godrej Netherlands Argentina B.V.
- 37. Argencos S.A.
- 38. Panamar Procuccioness Sri
- 39. DGH Mauritius Pvt. Ltd.

Committee Positions held

Chairmanships

Investor Grievance Committee

- 1.Godrej Properties Limited
- 2. Godrej Industries Limited

Memberships

Investor Grievance Committee Godrej Consumer Products Limited

f. Appointment of Directors

Mr. A. Mahendran, the Managing Director has indicated that he would like to retire when his current term as Managing Director expires on June 30, 2013, to devote time to his family businesses.

Based on the nomination committee's recommendations, Mr. Vivek Gambhir, Chief Strategy Officer, Godrei Industries and its Associated Companies, has been identified as the successor to Mr. Mahendran. Accordingly Mr. Vivek Gambhir has been appointed an additional nonexecutive director with effect from April 30, 2013 and as the Managing Director with effect from July 1, 2013. The Board of Directors has also appointed Mr. A Mahendran as an additional non- executive director with effect from July 1, 2013. In compliance of clause 49 of the listing agreement regarding board composition, the Board has inducted Ms. Ireena Vittal as an additional independent director with effect from April 30, 2013.

The Company has received notices from a member under Section 257 of the Companies Act, 1956, to propose the candidatures of Mr. Vivek Gambhir, Mr. A Mahendran and Ms. Ireena Vittal as Directors of the Company. Accordingly, resolutions for their appointment as Directors are included in the notice of the Annual General Meeting.

Their brief resum	les are as follows :
Name of	Mr. A. Mahendran
Director	
Date of Birth	April 13, 1955
Qualifications	Chartered Accountant
Specialised	Finance and General
Expertise	Management
No. of shares	3,188 Equity Shares
held in GCPL	He also has the right to acquire 10,00,000 shares of the Company under the employee stock purchase plan, which has vested in him and which has to be compulsorily exercised by him within the exercise period as per the Scheme.
Directorships	Listed Public Companies
in Companies	Godrej Consumer Products Limited
	Other Public Companies 2. Natures Baskets Ltd. 3. Adhaar Retailing Ltd. 4. Godrej Hygiene Products Limited 5. Tahir Properties Limited
	Private Companies 6. Great Learning Management Pvt. Ltd.
	Section 25 Company 7. Great Lake Institute of Management 8. Indian Beauty and Hygiene Association
	Foreign Companies 9. Godrej Nigeria Limited 10.Keyline Brands Ltd. 11.Godrej South Africa (Pty) Ltd 12.Kinky Group Pty. Ltd. 13. PT Megasari Makmur 14. PT Intrasari Raya 15. PT Ekamas Sarijaya 16. PT Indomas Susemi Jaya 17. PT Sarico Indah 18. Godrej Household Products Lanka (Pvt) Ltd. 19. Godrej Household Products

Committee Positions held	20. DGH Mauritius Pvt. Ltd. 21. Weave IP Holdings Mauritius Pvt Ltd. 22. Godrej Consumer Products (UK) Ltd. 23. Inecto Manufacturing Ltd. Memberships Investor Grievance Committee 1. Godrej Consumer Products Limited
	Audit Committee 2. Natures Basket Limited
	Z. Natures Basket Limited
Name of Director	Mr. Vivek Gambhir
Date of Birth	November 27, 1968
Qualifications	MBA
Specialised Expertise	General Management
No of shares held in GCPL	Nil
Directorships	Listed Public Companies
in Companies	Godrej Consumer Products Ltd.
	Foreign Companies
	2. Cosmetica Nacionale, Chile
Name of	Ms. Ireena Vittal
Director	
Date of Birth	2nd October, 1968
Qualifications	MBA
Specialised	Understanding of Indian
Expertise	Consumers & winning business models in emerging markets, expertise in Indian Agriculture and Urban Space
No of shares held in GCPL	NIL
Directorships	Listed Public Companies
in Companies	Godrej Consumer Products Limited
	2. Axis Bank Ltd.
	3. Titan Industries Ltd.
Committee	Memberships
Positions held	Audit Committee
	Godrej Consumer Products Limited



2. Committees of the Board

The Company has set up an Audit Committee in accordance with Section 292A of the Companies Act, 1956 and clause 49 of the listing agreement with the Stock Exchanges. The Shareholders' Committee formed in accordance with clause 49 of the listing agreement inter alia looks into Investor Grievances. Apart from these, the Company has also formed two non mandatory committees' viz. Nomination Committee and HR & Compensation Committee

The composition of the Committees are as below:

Name of the Director	Category of the	Name of the Committee and Position held in that Committee			
	Director	Audit	HR &	Nomination	Shareholders'
		Committee	Compensation	Committee	Committee
			Committee		
Mr. Adi Godrej	Promoter, Executive	NA	NA	NA	Member
Mr. Nadir Godrej	Promoter, Non	NA	NA	NA	Chairman
	Executive				
Mr. Jamshyd Godrej	Promoter, Non	NA	NA	NA	Member
	Executive				
Ms. Tanya Dubash	Promoter, Non	NA	NA	NA	NA
	Executive				
Ms. Nisaba Godrej	Promoter, Non	NA	NA	NA	NA
	Executive				
Mr. A. Mahendran	Executive	NA	NA	NA	Member
Mr Vivek Gambhir *	Non Executive	NA	NA	NA	NA
Mr. Narendra Ambwani	Independent	Member	Member	Member	NA
Prof. Bala Balachandran	Independent	Member	Chairman	Chairman	NA
Mr. Bharat Doshi	Independent	Chairman	Member	Member	NA
Dr. Omkar Goswami	Independent	Member	Member	Member	NA
Mr. Aman Mehta	Independent	Member	Member	Member	NA
Mr. D. Shivakumar	Independent	Member	Member	Member	NA
Ms Ireena Vittal *	Independent	Member	Member	Member	NA
Total Strength of the Committee		7	7	7	4
No. of Independent Directors	s in the Committee	7	7	7	-
No. of Non Independent Dire	ectors in the Committee	-	-	-	4

^{*} w.e.f. from April 30, 2013

Mr. P. Ganesh, Executive Vice President (Finance & Commercial) & Company Secretary is the Secretary for all the Board Committees.

3. Attendance details at Board/Committee meetings and at the last Annual General Meeting

Name of Meeting	Board	Audit Committee	HR & Compensation Committee	Nomination Committee	Shareholders' Committee	AGM - August 4, 2012
No of Meetings held	5		3		12	
Attendance of the Director						
Mr. Adi Godrej	5	NA	NA	NA	11	Yes
Mr. Jamshyd Godrej	5	NA	NA	NA	4	Yes
Mr. Nadir Godrej	4	NA	NA	NA	9	Yes
Ms. Tanya Dubash	4	NA	NA	NA	NA	Yes
Ms. Nisaba Godrej	5	NA	NA	NA	NA	Yes
Mr. A. Mahendran	5	NA	NA	NA	10	Yes
Mr. Narendra Ambwani	5	4	3	1	NA	Yes
Prof. Bala						
Balachandran	3 (1)	3 (1)	2 (1)	(1)	NA	Yes
Mr. Bharat Doshi	4 (1)	4	2	1	NA	Yes
Dr. Omkar Goswami	4	4	3	1	NA	Yes
Mr. Aman Mehta	4 (1)	4	3	1	NA	Yes
Mr. D. Shivakumar	3	3	2	1	NA	Yes

Notes:

- Board Meetings and Audit Committee meetings held on April 30, 2012, August 4, 2012, November 3, 2012 and January 31, 2013. Additionally, one board meeting was also held on June 26, 2012.
- HR & Compensation Committee meetings were held on April 30, 2012, November 3, 2012 and January 31, 2013.
- Nomination Committee meeting was held on November 3, 2012.
- Shareholders' Committee meetings were held on April 12, 2012, May 28, 2012, June 8, 2012, July 12, 2012, August 21, 2012 September 12, 2012, October 12, 2012, November 15, 2012, December 18, 2012, January 15, 2013, February 12, 2013 and March 12, 2013.
- 5) Figures in bracket indicates participation through concall.

- 6) Leave of absence was granted to the directors whenever they could not be physically present for the Board/Committee Meeting.
- 7) NA indicates not a member of the Committee.

4. Constitution and Terms of Reference of Board Committees

A. Audit Committee:

The Audit Committee, constituted by the Board of Directors at its meeting held on April 28, 2001, in accordance with Section 292A of the Companies Act, 1956 and clause 49 of the listing agreement with the stock exchanges, was last reconstituted on April 30, 2013. Mr. Bharat Doshi, the Chairman of the Audit Committee, is knowledgeable in all areas of finance, accounts, company law and has vast experience in corporate affairs. All the members of the committee are eminent professionals and draw upon their experience and expertise across a wide spectrum of functional areas such as finance, information systems, marketing and corporate



strategy. Minutes of each Audit Committee meeting are placed before and discussed in the full Board.

The terms of reference of the Audit Committee includes the matters specified in Section 292A of the Companies Act, 1956, as well as clause 49 of the listing agreement with the stock exchanges such as:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- 4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

- Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems.
- Reviewing the adequacy of the internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- 8. Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity, or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit, as well as post-audit discussion to ascertain any area of concern.
- 11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- B. Human Resources & Compensation Committee (Non Mandatory Committee):

Setting up of a remuneration committee for determining the Company's policy on remuneration packages for Executive Directors constitutes a non-mandatory provision of Clause 49 of the listing agreement with stock exchanges.

The company has also set up an Employee stock option scheme for the benefit of the employees of the Company and of the subsidiaries of the Company. The SEBI (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines requires stock option schemes to be administered and supervised by the compensation committee consisting majority of Independent Directors. Accordingly the Company has set up the Human Resources & Compensation Committee.

The following are terms of reference of the Human Resources & Compensation Committee:

- Review of human resource policies and practices of the Company and in particular, policies regarding remuneration of whole-time Directors and Senior Managers.
- In principle approval of Compensation Philosophy.
- Review of senior management compensation.
- Induction of new people, attrition, etc.
- To formulate detailed terms and conditions of Employee Stock Option Plan (ESOP), Employee Stock Purchase Plan (ESPP) and Employee Stock Grant Plan (ESGP) (collectively referred to as 'Employee stock benefits' including -
- The quantum of Employee stock benefits to be granted under the relevant plans per Employee and in aggregate.
- The eligibility criteria.
- The conditions under which the Employee stock benefits vested in Employees may lapse in case of termination of employment for misconduct.
- The exercise period within which the employee should exercise the Employee stock benefits and the stock benefits that would lapse on failure to exercise the same within the exercise period.
- The specified time period within which the employee shall exercise the vested stock benefits in the event of termination or resignation of an employee.
- The procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate action such as rights issues, bonus issues, merger, sale of division and others. In this regard the following shall be taken into consideration by the Compensation Committee:
 - the number and the price of the stock benefits shall be adjusted in a manner such that the total value of the stock benefits remains the same after the corporate action;

- o for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad shall be considered;
- o The Vesting Period and the life of the stock benefits shall be left unaltered as far as possible to protect the rights of the employee.
- The grant, vesting and exercise of stock benefits in case of employees who are on long leave.
- The procedure for cashless exercise of stock benefits, if required.
- Frame suitable policies and systems to ensure that there is no violation of (a) Securities and Exchange Board of India (Insider Trading) Regulations, 1992; and (b) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, by any employee.
- Fixing the exercise price.
- Approve forms, writings and/or agreements for use in pursuance of the Employee Stock benefit plans.
- To form a Trust and appoint Trustees.
- C. Nomination Committee (Non Mandatory Committee):

The terms of reference of the Nomination Committee are as below:

- Identify and nominate for the Board's approval, suitable candidates to fill Board vacancies as and when they arise.
- Drawing up selection criteria and appointment procedures for Directors.
- Periodically review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board with regard to any changes.
- Board Evaluation.



D. Shareholders' Committee:

The terms of reference of the Shareholders Committee include looking into redressing of shareholder complaints like transfer of shares, non-receipt of balance sheet and non-receipt of declared dividends, as required in clause 49 of the Listing Agreement.

5. Remuneration Policy

a) Whole-time Directors, Managers and Officers of the Company

The components of the total compensation vary for different grades and are governed by industry norms, qualifications and experience of the employee, responsibilities handled and individual performance of the employee. GCPL has adopted EVA as a tool for driving performance, and has linked improvements in EVA to Performance Linked Variable Remuneration (PLVR). The Company has also stock benefit schemes as detailed in the Directors report, for eligible employees.

b) Non Executive Directors

At the Extra Ordinary General meeting held on February 21, 2012 the shareholders of the Company have approved such commission as the Board of Directors may from time to time determine (to be divided amongst them in such proportion as may be determined by the Board of Directors from time to time and in default of such determination equally), but so that such commission shall not exceed 1% of the net profits of the Company in any financial year (computed in the manner provided in Section 349 and 350 of the Companies Act, 1956) or Rs. 12.50 lac per Director per annum, whichever is less. The above approval is for a period of three years from financial year 2011-12 to financial year 2013-14. Accordingly, the Company pays commission on profits within the said limits. In case appointment / cessation of Directors during the year, they are entitled for a pro-rata amount for the period during which they are on the Board.

c) Remuneration of Directors:

The details of the remuneration package of Directors are as under:

(Amount in ₹ Lac)

Name of Director	Relationship with other directors	Sitting Fees	Commission	Salary, Allowances and other benefits	Company's Contribution to PF	PLVR	Monetary value of perquisites	Total
Mr. Adi Godrej	Brother of Mr. Nadir Godrei	-	-	268.12	12.24	67.80	330.88	679.04
Mr. Jamshyd Godrej	None	1.00	12.50	-	-	-	-	13.50
Mr. Nadir Godrej	Brother of Mr. Adi Godrej	0.80	12.50	-	-	-	-	13.30
Ms. Tanya Dubash	Daughter of Mr Adi Godrej	0.80	12.50	-	-	-	-	13.30
Ms. Nisaba Godrej	Daughter of Mr Adi Godrej	1.00	12.50	-	-	-	-	13.50
Mr. Narendra Ambwani	None	1.40	12.50	-	-	-	-	13.90
Mr. Bala Balachandran	None	0.85	12.50	-	-	-	-	13.35
Mr. Bharat Doshi	None	1.15	12.50	-	-	-	-	13.65
Dr. Omkar Goswami	None	1.20	12.50	-	-	-	-	13.70
Mr. A. Mahendran	None	-	-	433.16	17.28	50.00	58.45	558.89
Mr. Aman Mehta	None	1.20	12.50	-	-	-	-	13.70
Mr. D. Shivakumar	None	0.90	12.50	-	-	-	-	13.40
Total		10.30	125.00	701.28	29.52	117.80	389.33	1373.23

Notes:-

- In the case of Mr. Adi Godrej, salary includes basic salary and various elements of flexible compensation. The monetary value of perquisites include accommodation, furnishing, car, electricity expenses, reimbursement of medical / hospitalisation expenses incurred for self and family, medical insurance premium paid by the Company.
- In the case of Mr. A Mahendran salary includes basic salary and various elements of flexible compensation. The monetary value of perquisites includes accommodation, expenses on car, club fees and interest on housing loan.
- The Performance Linked Variable Remuneration to Mr. Adi Godrej and Mr. A Mahendran is the amount payable for the financial year 2012-13. The same is based on the Economic Value Added (EVA) in the business and other relevant factors.
- 4. The service contract of Mr. Adi Godrej is for a period of three years beginning from April 1, 2010. The Board of Directors at its meeting held on January 31, 2013 reappointed, Mr Adi Godrej as whole-time director designated as "Chairman" for a further period of three years from April 1, 2013 to March 31, 2016. The members' approval is being sought at the forthcoming Annual General meeting and accordingly a special resolution is included in the notice of the Annual General Meeting.
- The service contract of Mr. A. Mahendran, the Managing Director is for a period of three years beginning from July 1, 2010. The contracts are terminable with a notice period of three months

- by either side. Mr. A. Mahendran has indicated that he would like to retire when his current term as Managing Director expires on June 30, 2013, to devote time to his family businesses.
- 6. The Board of Directors in its meeting held on January 22, 2011 had approved an Employee Stock Purchase Plan for Mr. A. Mahendran which is administered by the GCPL ESOP Trust. The Company provides loan to the GCPL ESOP Trust at an interest rate which is not less than the bank rate, to enable the GCPL ESOP trust to acquire upto 1,000,000 shares of the company from the secondary market.

Under the plan, 1,000,000 shares have been granted to Mr. A. Mahendran.

The shares so granted are held by the Trust for the benefit of Mr. A Mahendran. The shares have vested with Mr. A. Mahendran on March 30, 2012. Mr. A. Mahendran shall compulsorily exercise the shares within the exercise period as per the scheme. The exercise price shall be the closing market price on the day prior to the date of grant plus interest at a rate not less than the bank rate till the date of exercise.

6. Details of Shareholder Complaints

Sr. No.	Nature of Complaint/ Query	Total Received	Total Replied
1.	Non- Receipt of Dividend	38	38
2.	Non Receipt of shares lodged for transfer / exchange	24	24
3.	Non receipt of Annual Report	4	4
	Total	66	66

There are no pending complaints or share transfers as on March 31, 2013.

7. General Body Meetings

The details of last three Annual General Meetings of GCPL are as follows:

Date	Time	Venue	Details of Special Resolutions passed
July 24, 2010	3.30 p.m.	Y. B. Chavan Centre, General Jaganath Bhosale Marg, Nariman Point, Mumbai – 400021.	Payment of commission on profits to non- executive directors at a rate not exceeding 1% of the net profits of the Company in any financial year (computed in the manner provided in Section 349 and 350 of the Companies Act, 1956) or ₹ 10 lac per Director per annum whichever is lower.
July 23, 2011	3.30 p.m.	Y. B. Chavan Centre, General Jaganath Bhosale Marg, Nariman Point, Mumbai – 400021.	None
August 4, 2012	3.30 p.m.	Y. B. Chavan Centre, General Jaganath Bhosale Marg, Nariman Point, Mumbai – 400021.	None

The details of last three Extraordinary General Meetings (EGM) of the shareholders of the Company are as follows:

Date	Time	Venue	Purpose of the meeting
February 21, 2012	11.30 a.m.	Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai 400 079	 To accord consent for Preferential allotment of shares to Baytree Investments (Mauritius) Pte Ltd Payment of commission on profits to non- executive Directors Payment of commission on profits to non- executive directors at a rate not exceeding 1% of the net profits of the Company in any financial year (computed in the manner provided in Section 349 and 350 of the Companies Act, 1956) or ₹ 12.50 lac per Director per annum whichever is lower.
October 11, 2012	3.30 p.m.	Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai 400 079	To accord consent for Modification of employee stock option plan of erstwhile Godrej Sara Lee Ltd. Service tax on Commission on Profits payable to Non-Executive Director
December 24, 2012	11.30 a.m.	Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai 400 079	To accord consent for Increase in maximum number of directors of the Company from 12 to 15

8. Postal Ballot

No postal ballots were conducted during the year 2012-13.

9. Disclosures

a) Details of Shares held by the Directors and Dividend paid to them

Name of Director	Shares held as on March 31, 2013	Dividend paid during the year (Rs.)
Mr. Adi Godrej	500	2,375
Mr. Jamshyd Godrej	Nil	Nil
Mr. Nadir Godrej*	1,732,765	9,318,826
Ms. Tanya Dubash	1,263,332	6,363,553
Ms. Nisaba Godrej	1,263,339	6,363,593
Mr. Narendra Ambwani	500	6,125
Mr. Bala Balachandran	Nil	Nil
Mr. Bharat Doshi	13,714	65,141
Dr. Omkar Goswami	Nil	Nil
Mr. A. Mahendran	3,188	515,412
Mr. Aman Mehta	Nil	Nil
Mr. D. Shivakumar	Nil	Nil

^{*}includes 1,028,724 shares beneficially held on behalf of his son

Materially significant related party transaction that may have potential conflict with the interest of the Company

During 2012-13, there were no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors, or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large. Attention of Members is drawn to the disclosures of transactions with related parties set out in note number 39 of notes to accounts.

c) Whistle Blower Policy

With a view to establish a mechanism for protecting employees reporting unethical behaviour, frauds or violation of Company's Code of Conduct, the Board of Directors has adopted a Whistle Blower Policy (a non-mandatory requirement as per clause 49 to the listing agreement). No person has been denied access to the Audit Committee.

Policy to prevent sexual harassment at the workplace

The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited both by law and by the Godrej group. To redress complaints of sexual harassment, a Complaint Committee for the group has been formed which is headed by Ms. Tanya Dubash.

e) Details of Compliance with Mandatory Requirements

Pai	rticulars	Clause	Compliance
		of Listing	Status
		Agreement	Yes/No
I.	Board of Directors	49 I	
	(A) Composition of Board	49 (IA)	Yes
	(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes
	(C) Other provisions as to Board and Committees	49 (IC)	Yes
	(D) Code of Conduct	49 (ID)	Yes
II.	Audit Committee	49 (II)	
	(A) Qualified & Independent	49 (IIA)	Yes
	Audit Committee		
	(B) Meeting of Audit Committee	49 (IIB)	Yes
	(C) Powers of Audit Committee	49 (IIC)	Yes
	(D) Role of Audit Committee	49 II(D)	Yes
	(E) Review of Information by Audit Committee	49 (IIE)	Yes
III.	Subsidiary Companies	49 (III)	Yes
IV.	Disclosures	49 (IV)	
	(A) Basis of related party transactions	49 (IV A)	Yes
	(B) Disclosure of	49 (IV B)	Yes
	Accounting treatment*		
	(C) Board Disclosures	49 (IV C)	Yes
	(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	Yes



Particulars	Clause	Compliance
	of Listing	Status
	Agreement	Yes/No
(E) Remuneration of	49 (IV E)	Yes
Directors		
(F) Management	49 (IV F)	Yes
(G) Shareholders	49 (IV G)	Yes
V. CEO/CFO Certification	49 (V)	Yes
VI. Report on Corporate	49 (VI)	Yes
Governance		
VII. Compliance	49 (VII)	Yes

*Refer Note13 of the Notes to the Financial Statements for the year ended March 31, 2013 for Management explanation on Accounting Treatment.

f) Details of Non-compliance:

There has not been any non-compliance of mandatory requirements by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges, or SEBI, or any statutory authority, on any matter related to capital markets.

10. Means of Communication

GCPL has sent the Chairman's statement and unaudited financial results for the half-year ended September 30, 2012, to all the shareholders. Moreover GCPL has its own web-site www. godrejcp.com. All vital information relating to the Company and its performance, including quarterly results, press releases and performance updates / corporate presentations are posted on the web-site. The quarterly, half-yearly and annual results of the Company's performance are generally published in leading English dailies such as The Economic Times, Business Standard, and Business Line and also in the Marathi newspaper Maharashtra Times. The Chairman holds conference calls / meetings with financial analyst once a quarter and their transcripts are posted on the website soon thereafter.

The Company files the quarterly results in the NSE Electronic Application Processing System (NEAPS). The quarterly results of the Company are

also available on the website of BSE Limited and National Stock Exchange of India Ltd viz. www. bseindia.com and www.nseindia.com respectively.

11. Management

a) Management Discussion and Analysis:

This annual report has a detailed chapter on Management Discussion and Analysis.

b) Disclosures by Management to the Board:

All details relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussion, nor do they vote on such matters.

12. Shareholders

a) Communication to Shareholders:

The Chairman's statement and unaudited financial results for the half year ended September 30, 2012, was sent to all the shareholders. The quarterly and annual results, official press releases and presentations to analysts/performance updates are posted on the web-site i.e. www.godrejcp.com and a copy of the same are sent to the stock exchanges.

b) Investor Grievances:

As mentioned before, the Company has constituted a Shareholders' Committee to look into and redress shareholders and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.

c) Share Transfer:

GCPL has outsourced its share transfer function to M/s. Computech Sharecap Ltd., which is registered with the SEBI as a Category 1 Registrar.

13. Declaration by Chairman for compliance with Code of Conduct

The declaration by the Chairman pursuant to clause 49(1)(D) of the listing agreement, stating that all the Board Members and senior management personnel have affirmed their compliance with the said code of conduct for year ended March 31, 2013, is annexed to the corporate governance report.

14. Auditor's Certificate on Corporate Governance

As stipulated in Clause 49 of the Listing Agreement, the auditor's certificate regarding compliance of conditions of corporate governance is annexed to the Directors' Report.

15. General Shareholder Information

a) Annual General Meeting:

Date and time: Saturday, August 3, 2013 at 3.30 p.m.

Venue: Y B Chavan Centre, General Jaganath Bhosale Marg, Nariman Point, Mumbai – 400021.

b) Financial Calendar:

Financial year	April 1 to March 31
Board Meeting for consideration of unaudited quarterly results.	Within forty-five days from the end of the quarter as stipulated under the Listing Agreement with the Stock Exchanges
Board meeting for consideration of Audited results.	Within two months from the end of the last quarter as stipulated under the Listing Agreement with the Stock Exchanges.

c) Book Closure:

There was an annual book closure on March 28, 2013, pursuant to clause 16 of the listing agreement. There will be no book closure at the time of the Annual General Meeting.

d) Dividends for Financial Year 2012-13:

Dividend Type	Declared at Board Meeting Dated	Dividend rate per share on shares of face value Re.1 each	Record Date
1st Interim for FY 2012-13	August 4, 2012	₹ 1.00	August 13, 2012
2nd Interim for FY 2012-13	November 3, 2012	₹ 1.00	November 9, 2012
3rd Interim for FY 2012-13	January 31, 2013	₹ 1.00	February 8, 2013
Proposed 4th Interim for FY 2012-13	April 30, 2013	₹ 2.00	May 9, 2013
TOTAL		₹ 5.00	

e) Listing:

The Company's shares are listed and traded on the following stock exchanges:

Name & Address of the stock exchange	Stock /Scrip Code	ISIN number for NSDL/ CDSL
BSE Limited Phiroze Jeejeebhoy, Towers, Dalal Street, Mumbai 400001	532424	
The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	GODREJCP	INE102D01028.

The Privately placed Non-Convertible Debentures are listed on the Wholesale Debt Market Segment of the National Stock Exchange of India Limited.



ISIN Numbers with CDSL & NSDL for Privately Placed Debentures (₹ 50 Crore	INE102D08098
issued in April 2012)	
ISIN Numbers with CDSL & NSDL for Privately Placed Debentures (₹ 250 Crore	INE102D08106
issued in November 2012)	

f) Market Price Data:

The monthly high and low prices and volumes of GCPL at BSE Ltd., and the National Stock Exchange of India Ltd. (NSE) for the year ended March 31, 2013, are as under:

Month	Price in BSE			Price in NSE		
	High	Low	Volume	High	Low	Volume
	(₹)	(₹)	(No. of shares)	(₹)	(₹)	(No. of shares)
April 2012	544.25	482.00	12,61,188	543.70	478.75	4,073,396
May 2012	601.00	503.10	8,35,807	601.60	440.20	19,983,042
Jun 2012	583.70	465.00	21,67,158	689.00	542.25	4,255,184
July 2012	658.00	563.70	2,45,125	658.60	564.15	4,028,325
August 2012	701.90	600.30	2,29,487	702.00	600.55	6,221,405
September 2012	695.00	625.00	18,83,455	698.00	627.15	3,612,314
October 2012	744.60	663.05	3,14,312	745.00	599.70	4,060,809
November 2012	742.00	661.25	12,46,181	853.05	660.50	4,183,055
December 2012	767.80	678.95	1,34,223	799.65	700.10	2,257,302
January 2013	743.00	693.20	3,08,524	743.40	692.40	3,501,931
February 2013	766.45	701.05	2,13,799	767.95	700.10	3,064,175
March 2013	831.50	721.00	2,39,598	833.00	721.15	5,347,868

Source: websites of the respective stock exchanges.

Note: High and low are in rupees per traded share. Volume is the total monthly volume of trade (in numbers) in GCPL shares on BSE and NSE respectively.

g) GCPL's Share Price at the BSE versus the Sensex:

GCPL share performance compared to the BSE Sensex for FY 2012-13



Note: Both BSE Sensex and GCPL share price are indexed to 100 at the beginning of the financial year.

h) Registrar and Share Transfer Agents:

Computech Sharecap Ltd.

147, M.G. Road,

Opp. Jehangir Art Gallery,

Mumbai - 400001.

Tel.No.: +91 22 22635000/01 Fax No.: +91 22 22635005

Email ID: gcpl@computechsharecap.com Website: www.computechsharecap.com

i) Share Transfer:

Share transfers and related operations for GCPL are conducted by Computech Sharecap Ltd., which is registered with the SEBI as a Category 1 registrar. Share transfer is normally effected within the maximum period of 30 days from the date of receipt, if all the required documentation is submitted.

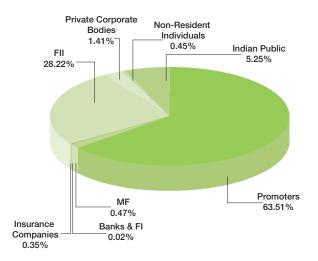
j) Distribution of Shareholding:

Distribution of shareholding by size class as of March 31, 2013

Number of Shares	Number of Shareholders	Shareholders %	Number of shares held	Shareholding %
1 – 500	74,233	89.84%	9,059,480	2.66%
501 – 1000	5,611	6.79%	3,780,144	1.11%
1001 – 2000	1,607	1.94%	2,273,489	0.67%
2001 - 3000	376	0.46%	933,688	0.27%
3001 - 4000	139	0.17%	500,477	0.15%
4001 - 5000	101	0.12%	469,685	0.14%
5001 - 10000	172	0.21%	1,219,572	0.36%
10001 & above	389	0.47%	322,090,390	94.64%
Total	82,628	100.00%	340,326,925	100.00%

Distribution of shareholding by ownership as of March 31, 2013:

October	Classics hald (Nas V	0/ of boldings
Category	Shares held (Nos.)	% of holding
Promoter's Holding		
Promoters	216,135,082	63.51%
Institutional Investors		
Mutual Funds	1,614,078	0.47%
Banks	81,409	0.02%
Financial Institutions	-	0.00%
Insurance Companies	2,253,992	0.66%
Foreign Institutional Investors	96,057,142	28.22%
Others		
Private Corporate Bodies	4,783,649	1.41%
Indian Public	17,869,556	5.25%
NRI	1,532,017	0.45%
Total	340,326,925	100.00%

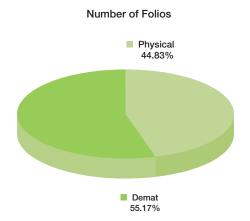


k) Shares Held in Physical and Dematerialised Form:

Break up of physical and dematerialised shares as on March 31, 2013:

Physical 1.92%

Demat 98.08%



Outstanding GDRs/ADRs/Warrants/Convertible Instruments and their Impact on Equity:

GCPL does not have any outstanding GDRs / ADRs / warrants / convertible instruments.

m) Details of Public Funding Obtained in the Last Three Years:

The Company had not obtained any public funding in the year 2012-13.

During the financial year 2011-12, the Company had issued 16,707,310 equity shares of face value ₹ 1 each at a premium of ₹ 409 per equity share on a preferential basis to Baytree

Investments (Mauritius) PTE Ltd. The pricing was not less than the floor price calculated in accordance with SEBI guidelines.

During the financial year 2010-11 the Company had issued 15,400,100 equity shares of face value ₹ 1 each at a premium of ₹ 344 per equity shares to Qualified Institutional Buyers (QIB's). The pricing was equal to the floor price of ₹ 345 calculated in accordance with SEBI guidelines.

n) Plant Locations:

The Company's plants are located in the following states:

- Jammu & Kashmir- Kathua
- Himachal Pradesh- Thana, Baddi: Katha, Baddi
- Sikkim- Namchi
- Assam- Village Sila, Guwahati; Bamauni Maidan, Guwahati; Kalapahar; Lokhara, Guwahati
- Meghalaya- Burnihat, Rebhoi District
- Madhya Pradesh-Malanpur, Dist Bhind
- Goa- Bardez, Corlim
- Pondicherry- Kattukuppam, Manpet Post;
 Mannadipet Commune
- Tamil Nadu- Nedungadu Commune, Karaikal; Thirunallar Commune, Karaikal; Maraimalainagar

o) Address for Correspondence:

Members can contact us at our Registered Office: Godrej Consumer Products Limited, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079.

Tel. No.: +91 22 25188010/20/30 Fax No.: +91 22 25188040

Email ID: investor.relations@godrejcp.com

Website: www.godrejcp.com

Investor correspondence should be addressed to: Computech Sharecap Ltd

147, M.G. Road, Opp. Jehangir Art Gallery

Mumbai 400001.

Tel.No.: +91 22 22635000/01 Fax No.: +91 22 22635005

Email ID: gcpl@computechsharecap.com Website: www.computechsharecap.com

To allow us to service shareholders with greater speed and efficiency, the Company strongly recommends e-mail based correspondence on all issues which do not require signature verification for being processed.

p) National Electronic Clearing Services (NECS) for Payment of Dividend:

The NECS facility administered by RBI ensures faster credit of dividends as dividends are directly credited in electronic form to the bank accounts of the shareholders. Moreover, by availing this facility, shareholders avoid the risk of loss of dividend warrants in postal transit or fraudulent encashment.

Shareholders holding shares in physical form and who have not opted for NECS may post NECS declaration form to Computech Sharecap Ltd. (at above mentioned address). Shareholders can obtain the NECS declaration form either from GCPL's registered office or from Computech Sharecap Ltd or download the same from the Investors page of the Company's website www.godrejcp.com.

Shareholders holding shares in demat form are requested to provide details to NSDL / CDSL through their respective depository participants. It may be noted that if the shareholders holding shares in demat form provide the NECS data directly to the Company, the Company will not be able to act on the same and consequently dividends cannot be remitted through NECS.

q) Demerger: Computation of Acquisition Cost for Capital Gains:

With effect from 1 April 2001, the consumer products division of Godrej Soaps Limited (GSL) was de-merged and transferred to Godrej Consumer Products Limited (GCPL), and Godrej Soaps Limited was renamed Godrej Industries Limited (GIL). As a consequence, the face value of each equity share of GIL was reduced from ₹ 10 to Rs. 6, and each equity shareholder in GSL was allotted one share of GCPL with a face value of Rs. 4 (which has been subdivided into shares of face value of ₹ 1 each with effect from September 1, 2006).

In respect of shares of GCPL allotted to erstwhile shareholders of GSL, for the purpose of computing capital gains, the date of acquisition will be the same as the date of acquisition of GSL shares. Thus, the cost of acquisition of GCPL shares will differ with respect to each shareholder, and is equal to: cost of acquisition of GSL shares x (net book value of assets transferred to GCPL, i.e. ₹ 45.6 crore) / (net worth of GSL immediately before



de-merger i.e. ₹ 286.9 crore). i.e 15.89% of the cost of acquisition of GSL shares.

r) Consolidation of Shares Under One Folio:

The Company would urge shareholders holding shares of GCPL under different folios but in the same order of names, to consolidate the shares under one folio. This would substantially reduce paper work and transaction costs, and benefit both shareholders and the Company. Shareholders can do so by writing to the registrar with details of the folio numbers, order of names, shares held under each folio and the folio under which all shareholding should be consolidated. The certificates need not be sent.

Declaration by Chairman

I, Adi Godrej, Chairman of Godrej Consumer Products Limited (GCPL), hereby confirm pursuant to clause 49(1)(D) of the listing agreement, that:

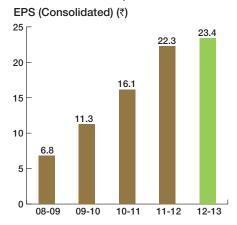
- The Board of Directors of GCPL has laid down a code of conduct for all Board members and senior management of the Company. The said code of conduct has also been posted in the Investors/Board of Directors page in the company's website viz. www.godrejcp.com
- All the Board Members and senior management personnel have affirmed their compliance with the said code of conduct for year ended March 31, 2013.

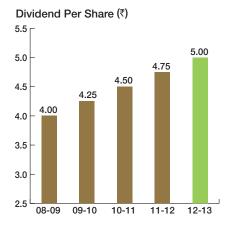
Adi Godrej Chairman Mumbai, April 30, 2013

8 KEY RATIOS

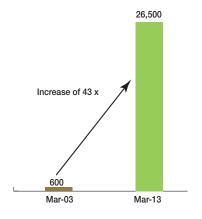
KEY RATIOS

Your company has shown continuous growth in the major indicators of shareholder value i.e. EPS, Dividend, Market performance





Market Capitalisation (₹crore)



GCPL closing price vis a vis FMCG index and BSE Sensex (all figures indexed to 100 at the beginning of the financial year)



9 FINANCIALS

Independent Auditors' Report

TO THE MEMBERS OF GODREJ CONSUMER PRODUCTS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **GODREJ CONSUMER PRODUCTS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the profits of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Matter

We draw attention to the Note 13 to the Financial Statements for the year ended March 31, 2013, regarding the Scheme of Amalgamation of the erstwhile Godrej Household Products Limited with the Company approved by The Hon'ble High Court of Judicature at Bombay whereby an amount of ₹ 52.75 crore for the year ended on March 31, 2013, equivalent to the amortisation of the Goodknight and Hit Brands is directly debited to the General Reserve Account instead of debiting the same to the Statement of Profit and Loss. Had this amount been charged to the Statement of Profit and Loss, the profit for the year ended on March 31, 2013, would have been lower by ₹ 52.75 crore and the General Reserve would have been higher by ₹ 52.75 crore.

Our opinion is not qualified in respect of this matter.

Independent Auditors' Report

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the Directors as on March 31, 2013, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2013, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants Firm Regn. No.: 104607W

DARAIUS Z. FRASER

Partner

M. No.: 42454

Mumbai: April 30, 2013.

As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we further report that:

1. Fixed Assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on such verification are not material and have been properly dealt with in the books of account.
- c) In our opinion, there have been no significant disposals of fixed assets during the year which affect the going concern assumption.

2. Inventory:

- a) The Management has conducted physical verification of inventory (excluding stocks lying with third parties) at reasonable intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on verification between the physical stocks and the book records.

3. Loans and Advances:

- a) The Company has granted unsecured loan to a company listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 7.18 crore and the closing balance amounted to ₹ Nil.
- b) In our opinion, the rate of interest and other terms and conditions on which the unsecured loan had been granted to the company listed in the register maintained under section 301 of the Companies Act, 1956, are not prima facie prejudicial to the interest of the Company.
- c) The Company to whom the Company had granted the loan has repaid the principal amount as well as the interest as stipulated.
- d) There is no overdue amount of loans granted to companies / parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- e) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- 4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchases of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.

5. Transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956:

- a) Based upon the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, have been entered in the register required to be maintained under that section.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 500,000 in respect of any party during the year, have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time.

- 6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the rules framed there under. No order has been passed by the Company Law Board, or National Company Law Tribunal, or Reserve Bank of India, or any Court, or any other Tribunal.
- 7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- 8. We have broadly reviewed the books of account and records maintained by the Company in respect of manufacture of Organic and Inorganic Chemicals and Engineering machinery (Including electrical and electronic products) pursuant to the Rules made by the Central Government for maintenance of cost records, under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete. To the best of our knowledge and according to the information given to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, for any other products of the Company.

9. Statutory Dues

- a) According to the information and explanation given to us, the Company is regular in depositing undisputed statutory dues, including dues pertaining to Investor Education and Protection Fund, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise duty, Cess and any other statutory dues with the appropriate authorities. We have been informed that there are no undisputed dues which have remained outstanding as at the end of the financial year, for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty or Cess outstanding on account of any dispute, other than the following:

Name of Statute	Nature of Dues	Amount	Period to which the	Forum where dispute is pending
		(₹)	amount relates	
Central Excise Act, 1944	Rate differences on account of soap scrap	6,154,000	2000-04	CESTAT
	Duty on one to one correlation in terms of excisable material purchased and cleared final product with reference to the said material wherein the benefit under notification No. 32 of 99, availed	1,912,132 3,651,495	2002-04 2000-03	Supreme Court of India Supreme Court of India
	Foreign Payment Service Tax not paid on Royalty	27,167,930	2004-08	Commissioner of Central Excise (Appeals)
	Input Service tax Distribution Credit availed	1,609,987	2006-08	Commissioner of Central Excise (Appeals)
	Advertisement Service - Credit Availed As Input	1,418,981	2008-09	Commissioner of Central Excise (Appeals)
	Excise duty in dispute	1,755,920 86,115	2009-10 2002-03	Commissioner of Central Excise (Appeals)
	Availment of Cenvat Credit on goods received against EMOX	64,146,884	2007-08 2008-09	CESTAT
	Cenvat Credit availed on GTA	2,475,925	2006-08	Tribunal
	Others	100,000	1996-99	Assistant Commissioner
		333,526	2006-07	CESTAT
		976,000	2007-08	CESTAT
		236,000	2007-09	CESTAT
		28,000	2007-09	CESTAT
		212,528	2007-08	Sales Tax Authority
		141,191	2008-09	CESTAT
		221,133	2004-05	Commissioner of Central Excise (Appeals)

Name of Statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956 and VAT Acts of various states	Interest on sales tax dues.	1,207,000	2001-02	Joint Commissioner (A)
	Sales Tax Dues	1,757,925	2006-07	Assistant Commissioner (A)
	Sales Tax Dues	10,641,000	2004-05	Joint Commissioner (A)
	Sales Tax Dues on account of Classification Head	39,157,279	2006-07 2007-08 2008-09	Jaipur High Court
	Sales Tax Dues on account of Classification Head	6,340,450	2003-04 2004-05 2005-06	Supreme Court
	Sales Tax Dues	6,600,000	2005-06	Deputy Commissioner (Appeals) (West Bengal)
	Sales Tax Dues on account of Classification Head	6,000,940	2000-01	Bihar Tribunal
	Sales Tax Dues on account of Classification Head	25,809,827	2010-11	Andhra Pradesh High Court
	Sales Tax Dues on account of Classification Head	22,449,405	2009-10	Andhra Pradesh High Court
	Sales Tax Dues on account of Classification Head	16,838,252	2007-08	Joint Commissioner (A)
	Sales Tax Dues	11,693,000	2006-07	Joint Commissioner (A)
	Sales Tax Dues on account of Classification Head	16,580,938	2005-06 2006-07 2007-08 2008-09	Andhra Pradesh High Court
	Sales Tax Dues on account of Classification Head	9,044,088	2005-06 2006-07 2007-08 2008-09	Andhra Pradesh High Court
	Sales Tax Dues on account of Classification Head	9,009,696	2001-02	Bihar Tribunal
	Sales Tax Dues	6,935,724	2002-03 2003-04 2004-05	Joint Commissioner (A)
	Sales Tax Dues on account of Classification Head	3,607,688	2002-03	Bihar Tribunal
	Non Submission of Form F	1,268,683	2004-05	Uttar Pradesh Tribunal
	Sales Tax Dues	2,287,249	2005-08 2003-04	Joint Commissioner (A)
	Sales Tax Dues	958,784	2005-06 2006-07	Deputy Commissioner (A)
	Sales Tax Dues	1,567,028	2004-05 2005-06 2006-07	Deputy Commissioner (A)
	Sales Tax Dues	1,465,192	2005-06	Joint Commissioner (A)
	Non Submission of Form F & C	2,414,881	2009-10	Deputy Commissioner
	Non Submission of Form C	1,439,494	2008-09	Deputy Commissioner
	Sales Tax Dues	3,073,427	2009-10	Joint Commissioner (A)
	Others	18,674,981	2002-13	Joint Commissioner (A), Uttar Pradesh Tribunal, Deputy Commissioner (A), Madhya Pradesh High Court, Delhi Tribunal, Additional Commissioner of West Bengal, West Bengal Tribunal, Checkpost of Delhi and Zirakpur

Name of Statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Appeal against order of regular assessment u/s 143(3) of the Act.	348,000	Assessment Year 2003-04	Income-tax Appellate Tribunal
	Appeal against order of regular assessment u/s 143(3) of the Act.	32,271,365	Assessment Year 2006-07	Income-tax Appellate Tribunal
	Demand based on the order of regular assessment u/s 143(3) of the Act.	8,101,490	Assessment Year 2009-10	CIT (A)
	Income-tax in dispute pertaining to	26,762,680	Assessment Year 2006-07	Income-tax Appellate Tribunal
	erstwhile Godrej Household Products Limited.	10,621,809	Assessment Year 2007-08	Income-tax Appellate Tribunal

- 10. The Company does not have accumulated losses as at the end of the financial year, nor has it incurred cash losses in the current financial year, or in the immediately preceding financial year.
- 11. According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks or debenture holders. There are no dues to financial institutions.
- 12. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- 13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies.
- 14. The Company does not deal or trade in shares, securities, debentures and other investments.
- 15. According to the information and explanations given to us and the records examined by us, the terms and conditions of guarantees given by the Company for loans taken by its subsidiaries from banks are not prima facie prejudicial to the interest of the Company.
- 16. According to the information and explanations given to us and the records examined by us, on an overall basis, the Company has not availed of any term loan.
- 17. According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Cash Flow Statement and other records examined by us, the Company has not used funds raised on short term basis for long term investment.
- 18. The Company has not made any preferential allotment of shares to any parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 19. The Company has issued unsecured redeemable non-convertible debentures during the year in respect of which no security is required to be created.
- 20. The Company has not raised any money through a public issue during the year.
- 21. Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud on, or by the company, has been noticed or reported during the year.

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants Firm Regn. No.: 104607W

DARAIUS Z. FRASER

Partner M. No.: 42454

Mumbai: April 30, 2013.

Balance Sheet as at March 31, 2013

					₹ Crore
		Note No.	Curren	t Year	Previous Year
I.	EQUITY AND LIABILITIES				
1.	Shareholder's Funds				
٠.	(a) Share Capital	3	34.03		34.03
	(b) Reserves and Surplus	4	2727.07		2489.89
				2761.10	2523.92
2.	Non-Current Liabilities				
	(a) Long-term Borrowings	5	260.22		235.32
	(b) Deferred Tax Liabilities (Net)	6	4.59		10.86
	(c) Other Long-term Liabilities	7	4.42		6.29
	(d) Long-term Provisions	8	4.90		6.90
	(6) 20119 101111 10110110	, and the second		274.13	259.37
3.	Current Liabilities			274.10	200.01
٥.		9	0.60		2.19
	(a) Short-term Borrowings				
	(b) Trade Payables	10	666.53		531.01
	(c) Other Current Liabilities	11	358.49		243.95
	(d) Short-term Provisions	12	27.53		18.88
				1053.15	796.03
	TOTAL			4088.38	3579.32
II.	ASSETS				
1.	Non-Current Assets				
	(a) Fixed Assets	13			
	(i) Tangible Assets		225.69		215.61
	(ii) Intangible Assets		920.14		965.80
	.,		121.10		
	(iii) Capital Work-in-Progress				12.19
	// N N O	4.4	1266.93		1193.60
	(b) Non-Current Investments	14	1450.05		1193.46
	(c) Long-term Loans and Advances	15	167.50		238.67
				2884.48	2625.73
2.	Current Assets				
	(a) Inventories	16	536.37		433.04
	(b) Trade Receivables	17	122.13		94.27
	(c) Cash and Bank Balances	18	460.55		369.63
	(d) Short-term Loans and Advances	19	82.05		53.07
	(e) Other Current Assets	20	2.80		3.58
	(c) Other Ourterit Assets	20	2.00	1203.90	953.59
	TOTAL				
N.I.	TOTAL	4 += 45		4088.38	3579.32
INO.	es to the Financial Statements	1 to 45			

The Notes referred to above form an integral part of the Financial Statements

As per our Report attached

Signatures to the Financial Statements and Notes

₹ Crore

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

For and on behalf of the Board

Adi Godrej Chairman

Daraius Z. Fraser

Partner

P. Ganesh

Executive Vice-President (Finance & Commercial) and Company Secretary

A. Mahendran

Managing Director

Mumbai: April 30, 2013

Statement of Profit and Loss for the year ended March 31, 2013

				·	₹ Crore
		Note No.	Current	Year	Previous Year
1	Revenue from Operations				
	Revenue from Operations (Gross)	23	3789.13		3100.53
	Less : Excise Duty		(208.11)		(120.45)
				3581.02	2980.08
Ш	Other Income	24		50.65	63.05
Ш	Total Revenue (I + II)			3631.67	3043.13
IV	Expenses				
	Cost of Raw Materials including Packing Material				
	Consumed	25	1517.01		1327.06
	Purchases of Stock-in-Trade		296.45		235.72
	Changes in Inventories of Finished Goods,				(2.2 1)
	Work-in-Progress and Stock-in-Trade	26	(116.91)		(86.74)
	Employee Benefits Expenses	27	165.56		156.74
	Finance Costs	28	15.49		13.39
	Depreciation and Amortization Expenses		32.27		25.83
	Other Expenses	29	1088.84		793.02
	Total Expenses			2998.71	2465.02
V	Profit Before Exceptional Items and Tax (III-IV)			632.96	578.11
VI	Exceptional Items	30		-	180.95
VII	Profit Before Tax (V+VI)			632.96	759.06
VIII	Tax Expense				
	(1) Current Tax		128.28		152.34
	(2) Deferred Tax		(6.26)		2.33
				122.02	154.67
IX	Profit for the Year (VII-VIII)			510.94	604.39
Χ	Earnings per Equity Share (Face Value ₹ 1)	31			
	(1) Basic (₹)			15.01	18.58
	(2) Diluted (₹)			15.01	18.58
Not	es to the Financial Statements	1 to 45			

The Notes referred to above form an integral part of the Financial Statements

As per our Report attached

Signatures to the Financial Statements and Notes

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

For and on behalf of the Board

Adi Godrej Chairman

Daraius Z. Fraser

Partner

P. Ganesh

Executive Vice-President (Finance & Commercial) and Company Secretary

A. Mahendran

Managing Director

Mumbai: April 30, 2013

Cash Flow Statement for the year ended March 31, 2013

				₹ Crore
		Curren	t Year	Previous Year
A.	CASH FLOW FROM OPERATING ACTIVITIES			
	Profit Before Exceptional Items and Tax		632.96	578.11
	Adjustment for:			
	Non-Cash Items			
	Depreciation and Amortization Expenses	32.27		25.83
	Unrealised Foreign Exchange (Gain) / Loss	(6.22)		5.89
	Bad Debts Written off	0.21		0.98
	Provision / (Write-back) for Doubtful Debts / Advances	5.05		(1.11)
	Provision for Non Moving Inventory	3.32		2.95
	Write in of Old Balances	(1.77)		(0.63)
	Other Income Outstanding	1.24		11.93
	Expenses on ESGS	2.12		1.39
	Interest Expense	15.49		13.39
	(Profit) / Loss on Sale of Fixed Assets (Net)	2.21		0.92
	Interest Income	(26.64)		(33.45)
	Dividend Income	(13.41)		(19.38)
			13.87	8.71
	Operating Cash Flows Before Working Capital Changes		646.83	586.82
	Adjustments for:			
	Inventories	(106.65)		(129.63)
	Trade Receivables	(27.48)		6.77
	Loans and Advances	0.29		(80.80)
	Other Assets	0.62		(0.29)
	Liabilities and Provisions	197.55		276.25
			64.33	72.30
	Cash Generated from Operations		711.16	659.12
	Adjustment for:			
	Direct Taxes Paid		(131.18)	(152.43)
	Net Cash Flow from Operating Activities Before		579.98	506.69
	Exceptional Items			100.05
	Exceptional Items - Termination Compensation			180.95
	Net Cash Flow from Operating Activities		579.98	687.64
B.	CASH FLOW FROM INVESTING ACTIVITIES			
ъ.	Purchase of Fixed Assets	(160.92)		(36.53)
	Sale of Fixed Assets	0.36		0.80
	Investments in Subsidiaries	(255.90)		(870.51)
	Dividend Received	13.41		19.38
	Loan Repayment by ESOP Trust (Net)	18.08		17.05
	Investments in Fixed Deposits (Net)	79.16		(166.74)
	Interest Received	45.91		30.94
	Investment Expenses to be Capitalised	0.72		(0.78)
	Net Cash Flow from Investing Activities	5.7 2	(259.18)	(1006.39)
			(=551.5)	(:300:00)

Cash Flow Statement for the year ended March 31, 2013

	· ·	· ·		₹ Crore
		Current	Year	Previous Year
C.	CASH FLOW FROM FINANCING ACTIVITIES			
	Proceeds from Preferential Allotment of Equity Shares (Net)	-		684.71
	Proceeds from Allotment of Equity Shares under ESGS*	0.00		-
	Issue of Debentures (Net of Expenses)	299.28		224.18
	Redemption of Debentures including Premium Paid	(249.89)		(219.93)
	Repayment of Bank Borrowings	-		(59.50)
	Repayment of Sales Tax Deferral Loan	(0.07)		(0.15)
	Cash Credits (Net)	(1.59)		(7.56)
	Interest Paid	(11.01)		(13.60)
	Dividend Paid	(161.67)		(145.62)
	Dividend Tax Paid	(26.22)		(23.62)
	Net Cash Flow from Financing Activities		(151.17)	438.91
Net	Increase / (Decrease) in Cash and Cash Equivalents		169.63	120.16
	Cash and Cash Equivalents:			
	As at the beginning		191.97	70.15
	Acquired pursuant to the Scheme of Amalgamation		-	1.66
	As at the ending		361.60	191.97
Net	: Increase/(Decrease) in Cash and Cash Equivalents		169.63	120.16

*amount less than ₹ 0.01 crore.

As per our Report attached

For and on behalf of Kalyaniwalla & Mistry

Chartered Accountants

Daraius Z. Fraser

Partner

Mumbai: April 30, 2013

P. Ganesh

Executive Vice-President (Finance & Commercial) and Company Secretary

Signatures to the Cash Flow Statement

For and on behalf of the Board

Adi Godrej Chairman

A. Mahendran Managing Director

NOTE 1: COMPANY OVERVIEW

Godrej Consumer Products Limited (the Company) was incorporated on November 29, 2000, to take over as a going concern the consumer products business of Godrej Soaps Limited (subsequently renamed as Godrej Industries Limited), pursuant to a Scheme of Arrangement as approved by the High Court, Mumbai. The Company is a focused fast moving consumer goods company, manufacturing and marketing toilet soaps, hair colour, household insecticides, liquid detergents, toiletries and other products.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

a. Accounting Convention

The financial statements are prepared under the historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the applicable Accounting Standards notified under Section 211(3c) of the Companies Act, 1956 and specified in the Companies (Accounting Standard) Rules, pronouncements of the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

b. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

c. Fixed Assets

Fixed Assets are stated at cost of acquisition or construction, less accumulated depreciation. Cost includes all expenses related to acquisition and installation of the concerned assets.

Direct financing cost incurred during the construction period on major projects is also capitalised.

Fixed assets acquired under finance lease are capitalised at the lower of their fair value and the present value of the minimum lease payments.

d. Asset Impairment

Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment occurs where the carrying value of the Asset exceeds its recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss, if any, is recognized in the period in which the impairment takes place.

e. Operating Leases

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as an expense on a straight-line basis over the lease term.

f. Investments

Investments are classified into current and long term investments. Long term investments are carried at cost. Cost of acquisition includes all costs directly incurred on the acquisition of the investment. Provision for diminution, if any, in the value of long term investments is made to recognize a decline, other than of a temporary nature. Current investments are stated at lower of cost and net realisable value.

g. Inventories

Inventories are valued at lower of cost and estimated net realizable value. Cost is computed on the weighted average basis and is net of CENVAT. Finished goods and work-in-progress include cost of conversion and other

costs incurred in bringing the inventories to their present location and condition. Finished goods valuation also includes excise duty. Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary.

h. Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No Provision is recognized for -

- A. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- B. Any present obligation that arises from past events but is not recognized because
 - a) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - b) A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as Contingent Liabilities. These are assessed periodically and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

Revenue Recognition

- Sales are recognised when goods are supplied and are recorded net of returns, trade discounts, rebates, sales taxes and excise duties.
- Income from processing operations is recognised on completion of production / dispatch of the goods, as per the terms of contract.
- Export incentives are accounted on accrual basis and include the estimated value of export incentives receivable under the Duty Entitlement Pass Book Scheme, Duty Drawback, Focus Product Scheme and Focus Market Scheme.
- Dividend income is recognised when the right to receive the same is established.
- Interest income is recognised on a time proportion basis.
- Insurance claims and transport and power subsidies from the Government are accounted on cash basis when received.

j. Expenditure

- Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.
- Revenue expenditure on research and development is charged to the Statement of Profit and Loss of the year in which it is incurred. Capital expenditure incurred during the year on research and development is shown as addition to fixed assets.

k. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

I. Foreign Currency Transactions

- i) Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency remaining unsettled at the period end are translated at the period end exchange rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit and Loss.
- ii) Forward exchange contracts, remaining unsettled at the period end, backed by underlying assets or liabilities are also translated at period end exchange rates. Premium or discount on forward foreign exchange contracts is amortised over the period of the contract and recognised as income or expense for the period. Realised gain or losses on cancellation of forward exchange contracts are recognised in the Statement of Profit and Loss of the period in which they are cancelled.
- iii) Non Monetary foreign currency items like investments in foreign subsidiaries are carried at cost and expressed in Indian currency at the rate of exchange prevailing at the time of making the original investment.
- iv) Exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during the year in so far as they relate to the acquisition of a depreciable capital asset, are added to or deducted from the cost of the asset and are depreciated over the balance life of the asset, and in other cases, are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long term asset or liability, by recognising as income or expense in each such periods.

m. Hedging

The Company uses forward exchange contracts to hedge its foreign exchange exposures and commodity futures contracts to hedge the exposure to oil price risks. Gains or losses on settled contracts are recognized in the Statement of Profit and Loss. Gains or losses on the commodity futures contracts are recorded in the Statement of Profit and Loss under Cost of Materials Consumed.

n. Employee Benefits

Short-term Employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

ii) Post Employment Benefits

a) Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

b) Defined Benefit Plans

Gratuity Fund

The Company's liability towards gratuity to past employees is determined using the Projected Unit Credit Method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognized on a straight line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognized immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined

by reference to market yields at the Balance Sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimate terms of the defined benefit obligations.

Provident Fund

Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trust administered by the Company are considered as Defined Benefit Plans. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company.

c) Other Long Term Employee Benefits

Other Long Term Employee Benefits viz., leave encashment and long service bonus are recognised as an expense in the Statement of Profit and Loss as and when it accrues. The Company determines the liability using the Projected Unit Credit Method, with the actuarial valuation carried out as at the Balance Sheet date. Actuarial gains and losses in respect of such benefits are charged to the Statement of Profit and Loss.

o. Incentive Plans

The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on Economic Value Addition (EVA). The PLVR amount is related to actual improvements made in EVA over the previous year when compared with expected improvements.

Up to March 31, 2009, the EVA awards would flow through a notional bank whereby only the prescribed portion of the bank is distributed each year and the balance is carried forward. The amount distributed out of the notional bank is charged to the Statement of Profit and Loss. The notional bank was held at risk and charged to EVA of future years and was payable at that time, if future performance so warranted. The notional bank balance accumulated till March 31, 2009, as at the beginning of the current year is being paid @ 33% every year on reducing balance. The entire EVA award for the year has been charged to the Statement of Profit and Loss.

p. Depreciation and Amortisation

- i) Leasehold land is amortised equally over the lease period.
- ii) Leasehold Improvements are depreciated over the shorter of the unexpired period of the lease and the estimated useful life of the assets.
- iii) Depreciation is provided, pro rata to the period of use, under the Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956, except:
 - a) In case of computer hardware which is depreciated over 4 years.
 - b) SAP licenses acquired pursuant to the Scheme of the Amalgamation of the erstwhile Godrej Household Products Limited (GHPL) with the Company are amortised over a period of 4 years and Trademarks acquired are amortised equally over the best estimate of their useful life not exceeding a period of 10 years, except in the case of Goodknight and Hit brands where the brands are amortised equally over a period of 20 years.
 - c) The Cost of SAP licenses incurred for subsidiaries are being recovered from respective subsidiaries.
 - d) Goodwill is amortised over a period of 5 years.
 - e) Tools, dies and moulds acquired are depreciated over a period of 9 years and 3½ years respectively.
 - f) Technical Knowhow is depreciated over a period of 10 years.
 - g) In accordance with the Court order approving the Scheme of Amalgamation of the erstwhile GHPL with the Company, an amount equivalent to the amortisation of the Goodknight and Hit brands at the end of each financial year is directly debited to the balance in the General Reserve Account.

iv) Assets costing less than ₹ 5,000 are depreciated at 100% in the year of acquisition.

q. Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax subject to consideration of prudence, is recognised on timing differences; being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets / liabilities in respect of timing differences which originate and reverse during the tax holiday period are not recognized. Deferred tax assets / liabilities in respect of timing differences that originate during the tax holiday period but reverse after the tax holiday period are recognized. Deferred tax assets on unabsorbed tax losses and tax depreciation are recognised only when there is a virtual certainty of their realisation and on other items when there is reasonable certainty of realisation. The tax effect is calculated on the accumulated timing differences at the year end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

r. Segment Reporting

The Company is considered to be a single segment company – engaged in the manufacture of Personal and Household Care products. Consequently, the Company has, in its primary segment, only one reportable business segment. As per AS-17 'Segment Reporting' if a single financial report contains both consolidated financial statements and the separate financial statement of the parent, segment information need be presented only on the basis of the consolidated financial statements. Accordingly, information required to be presented under AS-17 Segment Reporting has been given in the consolidated financial statements.

NOTE 3: SHARE CAPITAL

		₹ Crore
	Current Year	Previous Year
Authorised		
410,000,000 Equity Shares (previous year 410,000,000) of ₹ 1 each	41.00	41.00
10,000,000 Preference Shares (previous year 10,000,000) of ₹ 1 each	1.00	1.00
Issued		
340,358,049 Equity Shares (previous year 340,328,585) of ₹ 1 each	34.04	34.03
Subscribed and Fully Paid-up		
340,326,925 Equity Shares (previous year 340,297,461) of ₹ 1 each fully paid up	34.03	34.03
TOTAL	34.03	34.03

NOTES:

- a) During the year, the Company has issued 29,464 equity shares (previous year Nil) under the Employee Stock Grant Scheme.
- b) 31,124 Right Issue Shares (previous year 31,124 equity shares) are kept in abeyance due to various suits filed in courts / forums by third parties for which final order is awaited.

c) Terms / rights attached to equity shares

The Company has issued only one class of equity shares having a par value of ₹ 1 each. Each equity shareholder is entitled to one vote per share.

During the year ended March 31, 2013 the amount of per share dividend recognized as distribution to equity shareholders was ₹ 5.00 (previous year: ₹ 4.75).

The reconciliation of number of equity shares outstanding and the amount of share capital:

	Current Year		Previous Year	
	No. of Shares	₹ Crore	No. of Shares	₹ Crore
Shares outstanding at the beginning of the year	340,297,461	34.03	323,590,144	32.36
Add: Shares Issued during the year*	29,464	0.00	16,707,317	1.67
Shares outstanding at the end of the year	340,326,925	34.03	340,297,461	34.03

*amount less than ₹ 0.01 crore.

e) Shareholders holding more than 5% shares in the Company:

Name of the Shareholder	Current Year		Previous Year	
	No. of Shares	% held	No. of Shares	% held
Godrej & Boyce Manufacturing Co. Ltd.	123,561,815	36.31%	125,231,815	36.80%
Godrej Industries Limited	73,659,620	21.64%	71,989,620	21.15%

f) Shares Reserved for issue under options

The Company has 126,193 (previous year 94,966) equity shares reserved for issue under Employee Stock Grant Scheme as at March 31, 2013. (As detailed in Note 44)

g) Aggregate no. of Equity shares during the five years immediately preceding the date of Balance Sheet:

No. of Shares

Allotted as fully paid up pursuant to contract without payment being received in cash Shares Bought Back

51,236,136 1,122,484

- h) There are no calls unpaid on equity shares.
- i) No equity shares have been forfeited.

NOTE 4: RESERVES AND SURPLUS

			₹ Crore
		Current Year	Previous Year
1.	CAPITAL INVESTMENT SUBSIDY RESERVE		
	Balance as per last financial statements	0.15	0.15
	•		
2.	CAPITAL REDEMPTION RESERVE		
	Balance as per last financial statements	1.46	1.46
3.	SECURITIES PREMIUM ACCOUNT		
	Balance as per last financial statements	1508.08	853.09
	(+) Premium Received on Allotment of Shares	1.11	-
	(+) Premium Received on Preferential Allotment	-	683.33
	(-) Expenses on Preferential Allotment	-	(0.29)
	(-) Expenses on Issue of Debentures	(0.72)	(0.82)
	(-) Premium on Redemption of Debentures	(24.82)	(27.23)
	Closing Balance	1483.65	1508.08

			₹ Crore
		Current Year	Previous Year
4.	DEBENTURE REDEMPTION RESERVE		
	Balance as per last financial statements	7.13	7.38
	(+) Transfer from General Reserve	-	49.75
	(+) Transfer from Surplus	21.25	-
	(-) Transfer to General Reserve	(7.13)	(50.00)
	Closing Balance	21.25	7.13
5.	EMPLOYEE SHARE OPTIONS OUTSTANDING		
	Gross Employee Compensation for Options granted	6.08	3.59
	(-) Deferred Employee Compensation Expense	(2.58)	(1.79)
	Closing Balance	3.50	1.80
6.	GENERAL RESERVE		
٥.	Balance as per last financial statements	201.46	231.35
	(+) Transfer from Surplus	51.13	60.44
	(-) Transfer to Debenture Redemption Reserve	-	(49.75)
	(+) Transfer from Debenture Redemption Reserve	7.13	50.00
	(-) Trademark and Brands amortisation Pursuant to Scheme of Amalgamation		
	of GHPL (Refer Note 2(p)(iii)(g))	(52.75)	(52.75)
	(-) Adjustment Pursuant to Scheme of Amalgamation of Naturesse Consumer		
	Care Products Limited and Essence Consumer Care Products Limited	-	(37.83)
	Closing Balance	206.97	201.46
7.	SURPLUS		
	Balance as per last financial statements	769.82	407.91
	(+) Net Profit for the Year	510.94	604.39
	(-) Dividends - Interim	(170.16)	(156.63)
	(-) Tax on Distributed Profit	(28.13)	(25.41)
	(-) Transfer to General Reserve	(51.13)	(60.44)
	(-) Transfer to Debenture Redemption Reserve Closing Balance	(21.25) 1010.09	769.82
	TOTAL	2727.07	2489.89
	TOTAL	2121.01	2409.09
NO	TE 5: LONG-TERM BORROWINGS		₹ Crore
		Current Year	Previous Year
A.	Secured		
	Deferred Sales Tax Loan	0.05	0.08
	(See Note (a) below)		
В.	Unsecured		
	Debentures		
	a) 2,500 Unsecured, Redeemable, Zero Coupon, Non-Convertible Debentures		
	of ₹ 10 lac each	250.00	-
	b) 2,250 Unsecured, Redeemable, Zero Coupon, Non-Convertible Debentures		
	of ₹ 10 lac each	-	225.00
	c) Premium on Redemption of Debentures (See Note (b) and (c) below)	10.17	10.24
	, , , , , , , , , , , , , , , , , , , ,	260.17	235.24
	TOTAL	260.22	235.32
	· • ·· · · ·		200.02

Notes:

- a) Deferred sales tax loan is interest free and will be paid in balance 15 monthly installments. It is secured by Bank Guarantee in favour of Sales Tax authorities.
- b) During the year, the Company has redeemed 2,250 zero-coupon, unsecured, redeemable, non-convertible debentures on November 14, 2012, at a call option premium of 0.25%.
- c) During the year, the Company has issued 2,500 zero-coupon, unsecured, redeemable, non-convertible debentures on private placement basis, redeemable at a premium, which will yield 9.40% p.a. at maturity. These debentures are redeemable on October 25, 2014, with call option on October 25, 2013, at a call option premium of 0.50%.
- d) The Company does not have any continuing default as on the Balance Sheet date in the repayment of loans and interest.

NOTE 6: DEFERRED TAX LIABILITIES (NET)		₹ Crore
	Current Year	Previous Year
Deferred Tax Liability		
a) Depreciation	18.31	16.96
2. Deferred Tax Assets		
a) Tax Disallowances	(12.60)	(4.92)
b) Provision for Doubtful Debts and Advances	(1.12)	(1.18)
	(13.72)	(6.10)
TOTAL	4.59	10.86
		_
NOTE 7: OTHER LONG-TERM LIABILITIES		₹ Crore
	Current Year	Previous Year
Security Deposit Received	4.42	6.29
TOTAL	4.42	6.29
NOTE 8 : LONG-TERM PROVISIONS		₹ Crore
NOTE O. LONG-TERMITHOVIOLONG	Current Year	Previous Year
Provision for Employee Benefits	Carrent rear	1 TOVIOGO TOGI
Leave Encashment	4.90	6.90
TOTAL	4.90	6.90
NOTE 9: SHORT-TERM BORROWINGS		₹ Crore
	Current Year	Previous Year
Secured		
Loans Repayable on Demand	0.00	0.40
Cash Credit from Bank (Refer Note (a) below)	0.60	2.19
TOTAL	0.60	2.19

Notes:

- a) Cash Credit from Bank is secured by Hypothecation of Inventories and Book debts.
- b) The Company does not have any default as on the Balance Sheet date in the repayment of any loan and interest.

NOTE 10 : TRADE PAYABLES		₹ Crore
	Current Year	Previous Year
Due to Micro, Small and Medium Enterprises	-	-
Others	666.53	531.01
TOTAL	666.53	531.01

Note:

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the balance sheet date. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

NO	TE 11: OTHER CURRENT LIABILITIES		₹ Crore
		Current Year	Previous Year
1.	Current Maturities of Long Term Debt (Refer Note below)	50.03	0.07
2.	Interest Accrued but not Due on Borrowings	4.55	0.07
3.	Security Deposit Received	0.44	0.41
4.	Unpaid Dividends	5.76	5.34
5.	Taxes, Duties and Other Levies Payable	35.31	30.90
6.	Interim Dividend Payable	68.07	59.55
7.	Other Payables	194.33	147.61
	TOTAL	358.49	243.95

Note:

Current maturities of Long term Debt in current year include 500, 9.80% unsecured, redeemable, non-convertible debentures having a face value of ₹ 10 lac each. These debentures are redeemable at par on October 28, 2013.

NC	TE 12: SHORT-TERM PROVISIONS		₹ Crore
		Current Year	Previous Year
1.	Provision for Employee Benefits		
	Contribution to Provident and Other Funds	1.08	0.95
	Gratuity	11.65	5.72
	Leave Encashment	3.23	2.55
2.	Others		
	Provision for Tax on Distributed Profits	11.57	9.66
	TOTAL	27.53	18.88

NOTE 13: FIXED ASSETS

₹ Crore

	TE TO . TIMED MODE TO		GR	OSS BLO	CK		DE	PRECIATI	ON / AMO	ORTISATIO	ON	NET B	LOCK
ASSETS		Opening	Additions	Disposals	Acquisitions through Business Combinations	Closing	Opening	Depreciation for the Year	On Disposals	Other Adjustments/Impairment	Closing	Current Year	Previous Year
A.	TANGIBLE ASSET												
	Freehold Land	0.51	-	-		0.51	-	-	-	-	-	0.51	0.51
	Leasehold Land	6.85	-	-		6.85	0.50	0.07	-	-	0.57	6.28	6.35
	Leasehold Improvements	3.60	0.68	-		4.28	0.60	0.45	-	-	1.05	3.23	3.00
	Buildings	76.07	1.45	-		77.52	20.35	2.19	-	-	22.54	54.98	55.72
	Plant and Equipments	273.96	31.63	(3.83)		301.76	143.59	21.13	(3.53)	1.50	162.69	139.07	130.37
	Furniture, Fixtures and Fittings	7.61	0.26	(0.07)		7.80	3.10	0.46	(0.04)	-	3.52	4.28	4.51
	Office Equipment	8.09	0.40	(0.09)		8.40	3.67	0.38	(0.06)	-	3.99	4.41	4.42
	Vehicles	9.96	2.26	(0.86)		11.36	1.49	1.34	(0.15)	-	2.68	8.68	8.47
	Computers	10.99	3.45	(0.32)		14.12	8.73	1.46	(0.32)	-	9.87	4.25	2.26
	(A)	397.64	40.13	(5.17)	-	432.60	182.03	27.48	(4.10)	1.50	206.91	225.69	215.61
B.	INTANGIBLE ASSETS												
	Goodwill	12.60	-	-		12.60	2.70	2.47	-	-	5.17	7.43	9.90
	Trademarks and Brands	1055.13	-	-		1055.13	105.50	0.02	-	52.75	158.27	896.86	949.63
	Computer Software	16.66	9.54	-		26.20	10.57	2.15	-	-	12.72	13.48	6.09
	Technical Knowhow	0.30	2.34	-		2.64	0.12	0.15	-	-	0.27	2.37	0.18
	(B)	1084.69	11.88	-	-	1096.57	118.89	4.79	-	52.75	176.43	920.14	965.80
	(A+B)	1482.33	52.01	(5.17)	-	1529.17	300.92	32.27	(4.10)	54.25	383.34	1145.83	
	Previous Year	1461.06	31.88	(10.74)	0.13	1482.33	231.35	25.83	(9.01)	52.75	300.92		1181.41
C.	CAPITAL WORK-IN-PROGRESS											121.10	12.19
TOTAL						1266.93	1193.60						

Notes:

- a) Trademarks and Brands acquired pursuant to the Scheme of the Amalgamation of the erstwhile Godrej Household Products Limited (GHPL) with the Company are amortised over a period of 20 years. The major influencing factors behind amortising these brands over a period of 20 years are that Goodknight and HIT brands have been in existence since the last two decades and been growing at a fast pace.
- b) In accordance with the Scheme of Amalgamation of the erstwhile Godrej Household Products Limited with the Company which was sanctioned by the High Court of Judicature at Bombay, an amount of ₹ 52.75 crore for the year (previous year ₹ 52.75 crore), equivalent to the amortisation of the Goodknight and HIT Brands is charged directly to the General Reserve.
- c) During the year, the Company has capitalised borrowing costs amounting to ₹ 4.55 crore (previous year Nil).

NOTE 14: NON-CURRENT INVESTMENTS	₹ Crore
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	Face Value	Num	bers	Amo	unts
		Current	Previous	Current	Previous
		Year	Year	Year	Year
Trade Investments (At Cost)					
1. Investments in Equity Instruments of Subsidiary					
Companies					
Unquoted, fully paid up:					
Godrej Netherlands B.V.	EUR 100	1,000	1,000	76.41	49.19
Godrej South Africa (Pty) Ltd. (previously Rapidol (Pty) Ltd.)	ZAR 1	18,050,000	18,050,000	12.67	12.67
Godrej Global Mid East FZE	USD	5	5	5.74	5.74
	250,000				
Godrej Hygiene Products Ltd.	₹ 10	2,600,000	2,600,000	20.87	20.87
Godrej Consumer Products Mauritius Ltd.	USD 1	34,385,006	13	547.88	547.82
Godrej Consumer Products Holding (Mauritius) Ltd.	USD 1	12,000,007	7	597.63	438.81
Godrej Household Products (Bangladesh) Pvt. Ltd.	BDT 10	16,970,481	16,970,481	11.01	11.01
Godrej Household Products Lanka (Pvt.) Ltd.	LKR 10	21,501,045	21,501,045	27.10	27.10
Godrej Consumer Products (Bangladesh) Ltd.	BDT 10	1	1	0.04	0.04
Godrej Mauritius Africa Holdings Ltd.	USD 1	5	3	133.82	64.83
Godrej East Africa Holdings Ltd.	USD 1	2	-	1.50	
				1434.67	1178.08
2. Investments in Preference Shares of Subsidiary					
Companies					
Unquoted, fully paid up:					
Godrej Consumer Products Mauritius Ltd.	USD 1	4,000,000	4,000,000	18.22	18.22
TOTAL				1452.89	1196.30
Less: Provision for Diminution in the Value of Investments	S			(2.84)	(2.84)
TOTAL				1450.05	1193.46
Aggregate Amount of Quoted Investments				-	-
Aggregate Amount of Unquoted Investments				1452.89	1196.30

Notes:

- a) During the year, the Company has completed the acquisition of 60% stake in Cosmetica Nacional, a leading hair colorant and cosmetics Company in Chile, through its subsidiary Godrej Netherlands B.V.
- b) During the year, the Company has completed the acquisition of 51% stake in Darling Group operations in Kenya through its subsidiary Godrej East Africa Holdings Ltd. The Darling Group is a market leader in hair extension products in the African continent.
- c) During the year, the Company has been allotted 34,384,993 bonus shares in Godrej Consumer Products Mauritius Ltd. and 12,000,000 bonus shares in Godrej Consumer Products Holding (Mauritius) Ltd.

NOTE 15: LONG TERM LOANS AND ADVANCES		₹ Crore
	Current Year	Previous Year
Unsecured, Considered Good, Unless Otherwise Stated		
1. Capital Advances	2.55	65.41
2. Security Deposits	20.98	19.51
3. Other Loans and Advances		
a) Amount due from ESOP Trust	50.30	87.49
b) Excise and VAT Receivables		
Considered Good	77.15	51.21
Considered Doubtful	11.26	8.22
Less: Provision for Doubtful Receivables	(11.26)	(8.22)
	77.15	51.21
c) Advance Tax (Net of Provisions)	15.21	12.32
d) Miscellaneous Loans and Advances (Refer Note below)	1.31	2.73
TOTAL	167.50	238.67
Note:		

NOTE 16: INVENTORIES

Long Term Loans and Advances include ₹ 0.53 crore (previous year ₹ 1.29 crore) due from a Director.

	Curren	t Year	Previous Year
(Valued at lower of cost and net realizable value)			
Raw Materials	156.03		162.97
Goods-in Transit	_		6.57
		156.03	169.54
Work-in-Progress		28.36	35.51
Finished Goods		293.98	186.98
Stock-in-Trade		52.29	35.23
Stores and Spares		5.71	5.78
TOTAL		536.37	433.04
NOTE 17: TRADE RECEIVABLES			₹ Crore
		Current Year	Previous Year
Trade Receivables Outstanding for a Period Exceeding Six Mon	nths		
Unsecured: Considered Good		6.87	3.58
Considered Doubtful		2.87	3.46
		9.74	7.04
Less: Provision for Doubtful Debts		(2.87)	(3.46)
0.1. 7. 1. 7. 1. 1.		6.87	3.58
Other Trade Receivables		0.04	0.40
Secured: Considered Good		3.64	3.18
Unsecured: Considered Good		111.62	87.51
		115.26	90.69
TOTAL		400 40	0407
TOTAL		122.13	94.27

₹ Crore

NO	NOTE 18 : CASH AND BANK BALANCES ₹ Crore						
IVO		O. CACITAIN BAINT BALAITOLO	Curren	t Vear	Previous Year		
1.	Cas	sh and Cash Equivalents	Odifon	r rour	Trovious rour		
••	a)	Balances with Banks					
	O.,	On Current Accounts	75.97		26.01		
		Deposits with less than 3 months maturity	165.00		100.00		
				240.97	126.01		
	b)	Cheques, Drafts on Hand		0.35	2.18		
	c)	Cash on Hand		0.28	0.28		
	d)	Investments in Liquid Mutual Funds		120.00	63.50		
				361.60	191.97		
2.	Oth	ner Bank Balances					
	a)	Deposits against Bank Guarantees		8.16	7.32		
	b)	Deposits with more than 3 months but less than 12					
		months maturity		85.00	165.00		
	c)	For Unpaid Dividend		5.79	5.34		
				98.95	177.66		
		TOTAL		460.55	369.63		
NOTE 19: SHORT TERM LOANS AND ADVANCES				₹ Crore			
			Curren	t Year	Previous Year		
Lln	2001	red Considered Good Unless Otherwise Stated					

	Current Year	Previous Year
Unsecured, Considered Good, Unless Otherwise Stated		
Other Loans and Advances		
a) Security Deposits	2.48	3.18
b) Excise and VAT Receivables	52.73	31.43
c) Miscellaneous Loans and Advances		
Considered Good (Refer Note (a) below)	26.84	18.46
Considered Doubtful	0.58	0.17
Less: Provision for Doubtful Loans and Advances	(0.58)	(0.17)
	26.84	18.46
TOTAL	82.05	53.07

Notes:

- Short Term Loans and Advances include ₹ 0.26 crore (previous year ₹ 0.43 crore) due from a Director.
- Loans and Advances include loans to susidiaries as under:

		₹ Crore
	Current Year	Previous Year
Godrej Netherlands B.V. Accrued Interest Due thereon		
	710	-
Maximum Balance during the Year	7.18	-
NOTE 20: OTHER CURRENT ASSETS		₹ Crore
	Current Year	Previous Year
Accrued Interest	2.78	2.94
Deferred Premium on Forward Contracts	0.02	0.64
TOTAL	2.80	3.58

NO	TE 2	1 : CONTINGENT LIABILITIES		₹ Crore
			Current Year	Previous Year
a)	Cla	ims for Excise Duties, Taxes and other Matters		
	i)	Excise duty demands aggregating ₹ 11.26 crore (previous year ₹ 3.95 crore) against which the Company has preferred appeals (net of tax).	7.61	2.67
	ii)	Customs Duty claims in respect of Classification	-	3.87
	iii)	Excise duty claims in respect of non-payment of education cess for the period January 2005 to March 2008 at the Guwahati Factory amounting to Nil (previous year ₹ 1.18 crore) (net of tax).	-	0.80
	iv)	Sales tax demands aggregating ₹ 22.68 crore (previous year ₹ 28.07 crore) against which the Company has preferred appeals (net of tax).	15.32	18.96
	V)	Income-tax matters		
		Demand notices issued by Income-tax Authorities.	7.81	7.83
	∨i)	Other matters: ₹ 3.00 crore (previous year ₹ 3.00 crore) (net of tax).	2.03	2.03
h)	Cur	overtees.		
b)		arantees Guarantees issued by banks [secured by bank deposits under lien with the		
	i)	bank ₹ 8.16 crore (previous year ₹ 7.32 crore)]	10.25	10.21
	ii)	Guarantee amounting to USD 222 million (previous year USD 297 million)		
	,	given by the Company against loan provided by banks to Godrej Consumer Products Holding (Mauritius) Ltd.	1203.99	1511.15
	iii)	Guarantee of AED 1.4 million (previous year AED 1.4 million) given by the Company to guarantee principal amount of credit facilities extended by HSBC Bank Middle East Ltd. to Godrej Global Mid East FZE.	2.07	1.94
	iv)	Guarantee given by the Company to guarantee principal amount of credit facilities extended by the Royal Bank of Scotland to Godrej Hygiene Products Limited.	5.00	5.00
	v)	Guarantee given by the Company to guarantee principal amount of credit facilities extended by Citibank Sri Lanka and Citibank Bangladesh to Godrej Household Products (Lanka) Private Limited and Godrej Household Products (Bangladesh) Private Limited respectively.	7.56	7.56
	vi)	Guarantee amounting to USD 10 million (previous year USD 10 million) given by the Company to HSBC, Hongkong towards swap/derivative facilities provided to Godrej Consumer Products Holding (Mauritius) Ltd.	54.29	50.88
	∨ii)	Guarantee amounting to USD 121 million (previous year USD 121 million) given by the Company to DBS Bank, Singapore against loan provided to Godrej Mauritius Africa Holdings Ltd.	656.85	615.59
	∨iii)	Guarantee amounting to BDT 245 million (previous year BDT 75 million) given by the Company to HSBC Bangladesh towards credit facilities provided by the Bank to Godrej Household Products (Bangladesh) Pvt. Ltd.	17.13	4.76
	ix)	Guarantee amounting to GBP 30 million (previous year Nil) given by the Company to HSBC, Hongkong against loan provided to Godrej Netherlands BV	246.68	
	x)	Guarantee amounting to USD 84 million (previous year Nil) given by the Company to HSBC, Hongkong & SCB Mauritius Limited against loan provided to Godrej East Africa Holdings Limited	455.99	
	xi)	Guarantee amounting to USD 5 million (previous year Nil) given by the Company to HSBC, Hongkong towards swap/derivative facilities provided to Godrej Netherlands BV	27.14	

				₹ Crore
			Current Year	Previous Year
	xii)	Guarantee amounting to GBP 9.9 million (previous year Nil) given by the Company to HSBC, Hongkong against loan provided to Godrej Netherlands BV	81.41	-
c)	Cla	ims against the company not acknowledged as debt		
	i)	Claims by various parties on account of unauthorized, illegal and fraudulent acts by an employee.	24.24	24.24
	ii)	Claims pertaining to litigations filed against the erstwhile Godrej Household Products Limited.	0.98	0.25

NOTE 22: COMMITMENTS

Estimated value of contracts remaining to be executed on capital account to the extent not provided for: ₹ 35.19 crore (previous year ₹ 139.29 crore), net of advances amounting to ₹ 30.34 crore (previous year ₹ 86.65 crore).

NOTE 23: REVENUE FROM OPERATIONS		₹ Crore
	Current Year	Previous Year
1. Sale of Products	3729.04	3053.98
2. Other Operating Revenues		
a) Royalty & Technical Fees	48.42	39.05
b) Miscellaneous Income	11.67	7.50
	3789.13	3100.53
3. Less: Excise Duty	(208.11)	(120.45)
TOTAL	3581.02	2980.08
NOTE 24 : OTHER INCOME		₹ Crore
	Current Year	Previous Year
1. Interest Income	24.24	00.04
On Advances and Deposits	21.24	20.64
On Loan to ESOP Trust	5.40	12.53
On Income-tax Refund 2. Dividend Income	-	0.28
Dividend Income From Subsidiaries	13.41	19.38
3. Net Gain on Sale of Investments	8.15	6.16
4. Other Non-Operating Income	0.13	0.10
Claim Received	1.88	3.12
Miscellaneous Non-operating Income	0.57	0.94
TOTAL	50.65	63.05
NOTE 25: COST OF RAW MATERIALS INCLUDING PACKING MATERIAL CONS	SUMED	₹ Crore
	Current Year	Previous Year
Opening Inventory	169.54	131.08
Add: Purchases (Net)	1503.50	1365.52
	1673.04	1496.60
Less: Closing Inventory	(156.03)	(169.54)
Cost of Raw Materials including Packing Material Consumed	1517.01	1327.06

NOTE 26 : CHANGES IN INVENTORIES OF FINISHED GOODS,					
WORK-IN-PROGRESS AND STOCK-IN-TRADE	0	₹ Crore			
	Current Year	Previous Year			
Opening Inventory					
Finished Goods	186.98	118.56			
Stock-in-Trade	35.23	32.76			
Work-in-Progress	35.51	19.66			
	257.72	170.98			
Less: Closing Inventory					
Finished Goods	293.98	186.98			
Stock-in-Trade	52.29	35.23			
Work-in-Progress	28.36	35.51			
	374.63	257.72			
(Increase) / Decrease in Inventories	(116.91)	(86.74)			
NOTE 27: EMPLOYEE BENEFITS EXPENSES		₹ Crore			
	Current Year	Previous Year			
1. Salaries and Wages	147.24	144.17			
2. Contribution to Provident and Other Funds	12.20	7.90			
3. Expense on Employee Stock Grant Scheme (ESGS)	2.12	1.39			
4. Staff Welfare Expenses	4.00	3.28			
TOTAL	165.56	156.74			
NOTE 28: FINANCE COSTS		₹ Crore			
	Current Year	Previous Year			
1. Interest Expense	1.72	1.41			
2. Bill Discounting Charges	13.77	11.98			
TOTAL	15.49	13.39			

NOTE 29 : OTHER EXPENSES				
	Current Year	Previous Year		
Consumption of Stores and Spare Parts	10.53	8.58		
Power and Fuel	82.98	67.34		
Rent	11.37	11.62		
Repairs and Maintenance				
Plant and Equipment	3.02	2.66		
Buildings	0.78	0.89		
Others	16.92	14.98		
	20.72	18.53		
Insurance	4.45	2.55		
Rates and Taxes	3.42	2.56		
Miscelleneous Expenses	24.54	18.30		
Processing and Other Manufacturing Charges	85.35	67.59		
Excise Duty Provision on Inventory	8.36	5.01		
Travelling and Conveyance	24.59	22.21		
Auditors' Remuneration				
As Statutory Auditor	1.06	0.99		
As Cost Auditor	0.03	0.07		
For Taxation Matters	0.29	0.25		
For Company Law Matters	0.01	0.01		
For Management Services	0.03	0.03		
For Other Services	0.07	0.15		
Reimbursement of Expenses	0.05	0.01		
Service Tax	0.19	0.17		
	1.73	1.68		
Legal and Professional Charges	11.92	15.30		
Donations	0.65	0.44		
Advertising, Publicity and Sales Promotion	577.38	377.39		
Selling and Distribution Expenses	59.27	45.62		
Freight	140.68	106.25		
Bank Charges	2.43	3.57		
Royalty Expense	0.04	1.25		
Commission	1.99	1.28		
Net Loss on Sale of Fixed Assets	2.21	0.92		
Net Loss on Foreign Currency Transactions and Translations	12.01	15.16		
Bad Debts Written Off	0.21	0.98		
Provision for Doubtful Debts / Advances	2.01	(1.11)		
TOTAL	1088.84	793.02		
Note:				

Note:

Miscellaneous Expenses include the Company's share of various expenses incurred by group companies for sharing of services and use of common facilities.

NOTE 30 : EXCEPTIONAL ITEMS ₹ Crore					
	Current Year	Previous Year			
License Agreement Termination Compensation	-	180.95			
TOTAL			-	180.95	
NOTE 31 : EARNINGS PER SHARE					
			Current Year	Previous Year	
Net Profit After Tax (₹ Crore)			510.94	604.39	
Number of Charge outstanding at the beginning of	thewar		240 007 461	323,590,144	
Number of Shares outstanding at the beginning of Add: Shares Issued during the year	trie year		340,297,461 29,464	16,707,317	
Number of Shares outstanding at the end of the	e year		340,326,925	340,297,461	
·					
Weighted Average Number of Equity Shares					
For calculating Basic EPS			340,318,803	325,279,135	
For calculating Diluted EPS			340,396,437	325,326,563	
Earnings Per Share Before and After Extraordin	arv Items (Face	Value ₹ 1)			
Basic (₹)	ary nome (r ass	value (1)	15.01	18.58	
Diluted (₹)			15.01	18.58	
NOTE 20 - IMPORTED / INDICENOUS CONSUM	ADTION			3. Ougus	
NOTE 32 : IMPORTED / INDIGENOUS CONSUM		nt Year	Previo	₹ Crore us Year	
	Amounts	%	Amounts	%	
Raw Materials Consumed					
Imported	314.50	20.7%	311.22	23.5%	
Indigenous	1202.51	79.3%	1015.84	76.5%	
	1517.01	100.0%	1327.06	100.0%	
Component, Stores and Spare Consumed	0.00	0.00/		0.00/	
Imported Indigenous	0.02 10.51	0.2% 99.8%	8.58	0.0%	
TOTAL	10.53	100.0%	8.58	100.0%	
· • ·=	10.00			100.070	

NOTE 33: CONSUMPTION OF RAW MATERIAL AND PURCHASE OF STOCK-IN-TRADE		₹ Crore
	Current Year	Previous Year
Raw Material Consumed		
a) Oils and Fats	539.72	480.62
b) Chemicals, Colours, Perfumes and Catalysts	344.32	286.15
c) Packing Material	339.09	287.06
d) Others	293.88	273.23
	1517.01	1327.06
2. Stock-in-Trade Purchased	07.00	17.00
a) Hair Colour and Other Toiletries	27.30	17.88
b) Repellents	168.69	142.82
c) Others	100.46	75.02
TOTAL	296.45	235.72
TOTAL	1813.46	1562.78
NOTE 24 - CALES (NET OF EVOISE DUITY)		₹ Crore
NOTE 34 : SALES (NET OF EXCISE DUTY)	Current Year	Previous Year
Personal Wash	1260.68	1015.62
Hair Care	378.71	332.00
Home Care	1628.13	1373.76
Others	253.41	212.15
TOTAL	3520.93	2933.53
NOTE 35 : VALUE OF IMPORTS ON CIF BASIS		₹ Crore
	Current Year	Previous Year
Raw Materials	287.07	278.99
Spares Parts and Components	0.10	0.03
Capital Goods	0.34	1.21
TOTAL	287.51	280.23
NOTE 36 : EXPENDITURE IN FOREIGN CURRENCY		₹ Crore
NOTE OF EACH ENDINGTE IN CONTENT CONTENT OF	Current Year	Previous Year
Royalty, Know-how and Technical Fees	-	0.96
Professional and Consultation Fees	2.16	1.92
Other Matters	0.83	1.30
TOTAL	2.99	4.18
NOTE 37: EARNINGS IN FOREIGN EXCHANGE		₹ Crore
	Current Year	Previous Year
Export of Goods on FOB Basis	141.83	147.77
Royalty, Know-how and Technical Fees	48.42	39.05
Interest and Dividends	13.41	19.38
License Agreement Termination Compensation	4.70	165.95
Others TOTAL	1.79	070.15
IOIAL	205.45	372.15

NOTE 38: DIVIDEND REMITTED IN FOREIGN CURRENCY

₹ Crore

	Current Year	Previous Year
4th Interim Dividend for the year ended March 31, 2012, to 283 non-resident shareholders on 77,740 shares @ ₹ 1.75 per share	0.01	
1st Interim Dividend for the year ended March 31, 2013, paid to 270 non-resident shareholders on 80,680 shares @ ₹ 1 per share	0.01	
2nd Interim Dividend for the year ended March 31, 2013, to 291 non-resident shareholders on 80,260 shares @ ₹ 1 per share	0.01	
3rd Interim Dividend for the year ended March 31, 2013, to 290 non-resident shareholders on 80,260 shares @ ₹ 1 per share	0.01	
4th Interim Dividend for the year ended March 31, 2011, to 269 non-resident shareholders on 75,112 shares @ ₹ 1.50 per share		0.01
1st Interim Dividend for the year ended March 31, 2012, paid to 270 non-resident shareholders on 75,952 shares @ ₹ 1 per share		0.01
2nd Interim Dividend for the year ended March 31, 2012, to 269 non-resident shareholders on 75,652 shares @ ₹ 1 per share		0.01
3rd Interim Dividend for the year ended March 31, 2012, to 268 non-resident shareholders on 72,532 shares @ ₹ 1 per share		0.01
TOTAL	0.04	0.04

NOTE 39: RELATED PARTY DISCLOSURES

- A) Related Parties and their Relationship
 - a) Enterprise having control over reporting enterprise:

Godrej & Boyce Mfg. Co. Ltd.

- b) Subsidiaries:
 - i) Godrej Household Products Lanka (Private) Limited
 - ii) Godrej Household Products (Bangladesh) Private Limited
 - iii) Godrej Consumer Products Bangladesh Limited
 - iv) Godrej South Africa (Proprietary) Limited (Earlier Rapidol (Proprietary) Limited)
 - v) Godrej Global Mid East FZE
 - vi) Godrej Hygiene Products Limited
 - vii) Godrej Consumer Products Nepal Pvt. Ltd.
 - viii) Godrej Netherlands B.V.

Godrej Consumer Products (UK) Limited

Keyline Brands Limited

Inecto Manufacturing Limited

Godrej Consumer Investments (Chile) Spa

Godrej Holdings (Chile) Limitada

Cosmetica Nacional

Plasticos Nacional

ix) Godrei Consumer Products Mauritius Limited

Godrej Kinky Holdings Limited

Kinky Group (Proprietary) Limited

Godrej Nigeria Holdings Limited (Merged with Godrej Consumer Products Mauritius Limited w.e.f. April 1, 2012)

Godrej Nigeria Limited

Godrej Argentina Dutch Cooperatief U.A

Godrej Netherlands Argentina Holding B.V.

Godrej Netherlands Argentina B.V.

Laboratoria Cuenca S.A

Deciral S.A

Issue Group Uruguay S.A

Issue Group Brazil Limited

Consell S.A.

Argencos S.A

Panamar Producciones S.A

x) Godrej Consumer Products Holding (Mauritius) Limited

Indovest Capital Limited

Godrej Consumer Products Dutch Cooperatief U.A.

Godrej Indonesia Netherlands Holding B.V.

Godrej Consumer Products (Netherlands) B.V.

Godrej Consumer Holdings (Netherlands) B.V.

PT Simba Indosnack Makmur (upto March 21, 2013)

PT Indomas Susemi Jaya

PT Intrasari Raya

PT Megasari Makmur

PT Ekamas Sarijaya

PT Sarico Indah

xi) Godrej Mauritius Africa Holdings Limited

Godrej Weave Holdings Limited

DGH Mauritius Pvt. Ltd.

Weave Business Holding Mauritius Pvt. Ltd.

Subinite Pty Ltd.

Lorna Nigeria Ltd.

Weave IP Holding Mauritius Pvt. Ltd.

Weave Mozambique Limitada

Weave Trading Mauritius Pvt. Ltd.

Hair Trading (Offshore) S.A.L.

xii) Godrej East Africa Holdings Limited (w.e.f. July 20, 2012)

DGH Phase Two Mauritius Pvt. Ltd.

Style Industries Limited

xiii) Godrej Tanzania Holdings Ltd. (w.e.f. November 30, 2012)

DGH Tanzania Ltd.

Sigma Hair Ind Limited

c) Enterprises under common control with whom transactions have taken place during the year:

- i) Godrej Industries Limited
- ii) Godrej Agrovet Limited
- iii) Godrej Tyson Foods Ltd.
- iv) Godrej Infotech Limited
- v) Godrej Properties Limited
- vi) Godrej Oil Palm Limited (upto April 27, 2012)
- vii) Natures Basket Limited
- viii) Godrej Vikhroli Properties LLP

d) Enterprise over which Key Management Personnel exercise significant influence:

- i) Godrej Hershey Limited (upto September 27, 2012)
- ii) Godrej Investments Private Limited
- iii) Great Lakes Institute of Management

e) Key Management Personnel and Relatives:

i) Mr. Adi Godrej

ii) Ms. Parmeshwar Godrej

iii) Mr. A. Mahendran

iv) Ms. Mythili Mahendran

v) Ms. Tanya Dubhash

vi) Ms. Nisaba Godrej

vii) Mr. Pirojsha Godrej

viii) Mr. Nadir Godrej

ix) Mr. Burjis Godrej

x) Mr. Sohrab Godrej

xi) Master Hormazd Godrej

Chairman

Wife of Mr. Adi Godrej Managing Director

Wife of Mr. A Mahendran Daughter of Mr. Adi Godrej

Daughter of Mr. Adi Godrej Son of Mr. Adi Godrej

Brother of Mr. Adi Godrej

Son of Mr. Nadir Godrej

Son of Mr. Nadir Godrej

Son of Mr. Nadir Godrej

B) Transactions with Related Parties

₹ Crore

		Enterprise Having Control Over Reporting Enterprise	Enterprises Under Common Control			of Key Management	Key Management Personnel	TOTAL
1.	Sale of Goods	0.51	16.00	32.24	-	-	-	48.75
2.	Sale of Capital Asset	0.35	10.20	25.58	0.04	-	-	36.17
	Sale of Suprial / 1888	-	0.02	-	-	-	-	0.02
3.	Purchase of Materials and Spares	3.06	29.97	15.94	-	-	-	48.97
		0.38	21.53	15.19	-	-	-	37.10
4.	Purchase of Capital Asset	1.07	103.15	-	-	-	-	104.22
5.	Advance Paid	2.97 0.09	-	-	-	-	-	2.97 0.09
J.	Advance Faid	0.03	50.79	_	_			51.12
6.	Royalty and Technical Fees Received	-	-	47.63	-	_	_	47.63
	.,,	-	-	38.65	-	-	-	38.65
7.	Establishment and Other Expenses Paid / (Received)	1.56	12.57	(1.67)	(0.03)	-	0.10	12.53
		0.36	8.19	0.05	(0.39)	-	0.03	8.24
8.	Investments Made	-	-	256.59	-	-	-	256.59
	Cuarentage Circan / (Cancelled)	-	-	870.93 843.02	-	-	-	870.93
9.	Guarantees Given / (Cancelled)	_	_	642.05	-	_	-	843.02 642.05
10	Security Deposit Given / (Repaid)	_	_	042.00	(1.50)	_	_	(1.50)
	(15 15 15 15 15 15 15 15	-	-	-	1.50	-	-	1.50
11.	Repayment of Loan Given	-	-	-	-	-	0.92	0.92
		-	-	-	-	-	0.43	0.43
12.	Interest Received on Loans	-	-	0.03	-	-	0.10	0.13
10		-	-	-	-	-	0.18	0.18
13.	Dividend Received	-	-	13.41 <i>19.38</i>	-	-	-	13.41 <i>19.38</i>
1/1	Dividend Paid	59.15	34.53	19.30	-	3.83	0.05	97.56
14.	Dividend Faid	57.00	31.75	_	_	3.70	0.13	92.58
15.	Managerial Remuneration	-	-	-	-	-	12.38	12.38
		-	-	-	-	-	13.73	13.73
16.	Commission on Profits and Sitting Fees	-	-	-	-	0.40	-	0.40
		-	-	-	-	0.38	-	0.38
17.	Lease Rentals Paid	-	-	-	-	2.88 2.85	-	2.88 <i>2.85</i>
Outs	standing Balances as at March 31, 2013	-	-	-	-	2.00	-	2.00
Juli	Receivable	0.12	1.51	28.55	0.17	-	0.79	31.14
		0.03	7.51	14.37	0.35	-	1.71	23.97
	Payable	-	2.81	0.33	-	-	-	3.14
		0.56	-	-	0.14	-	-	0.70
	Guarantees Outstanding	1	-	2758.11 <i>2196.87</i>	-	-	-	2758.11 <i>2196.87</i>

Note: Figures in Italics denote figures for previous year.

C) The Significant Related Party Transactions are as under:

		₹ Crore
	Current Year	Previous Year
Sale of Goods		
Godrej & Boyce Mfg. Co. Ltd.	0.51	0.35
Godrej Industries Limited	15.76	10.02
Godrej Properties Limited	0.03	0.00
Godrej Agrovet Limited	0.21	0.18
Godrej Tyson Foods Ltd.*	0.00	0.00
Godrej Hershey Ltd.	-	0.04
Godrej Global Mid East FZE	5.55	4.00
Godrej Hygiene Products Ltd.*	-	0.00
Godrej South Africa (Proprietary) Limited	9.09	6.97
Godrej Nigeria Limited	2.86	-
Godrej Household Products Lanka (Private) Limited	10.62	11.34
Godrej Household Products (Bangladesh) Private Limited	3.84	3.26
Laboratoria Cuenca S.A	0.28	-
Sale of Capital Asset		
Godrej Industries Ltd.	-	0.02
Purchase of Materials and Spares		
Godrej & Boyce Mfg. Co. Ltd.	3.06	0.38
Godrej Industries Limited	28.77	20.01
Godrej Oil Palm Limited	0.03	1.52
Godrej Agrovet Limited	1.17	-
Godrej Global Mid East FZE	-	0.18
Keyline Brands Limited*	0.00	0.01
Godrej Household Products Lanka (Private) Limited	0.02	0.01
Godrej Hygiene Products Limited	15.42	14.98
PT Indomas Susemi Jaya	0.50	-
Purchase of Capital Asset		
Godrej & Boyce Mfg. Co. Ltd.	1.07	2.97
Godrej Industries Limited*	0.00	-
Godrej Vikhroli Properties LLP	103.15	-
Advance Paid		
Godrej & Boyce Mfg. Co. Ltd.	0.09	0.33
Godrej Vikhroli Properties LLP	-	50.79
Royalty and Technical Fees Received		
Godrej South Africa (Proprietary) Limited	10.62	9.49
Godrej Household Products Lanka (Private) Ltd.	0.26	0.24
Godrej Household Products (Bangladesh) Private Ltd.	0.23	1.50
PT Indomas Susemi Jaya	1.00	0.83
PT Ekamas Sarijaya	-	0.46
PT Simba Indosnack Makmur	3.58	2.74
PT Megasari Makmur	31.94	23.38
Establishment and Other Expenses Paid / (Received)		
Godrej & Boyce Mfg. Co. Ltd.	1.56	0.36
Godrej Industries Limited	12.71	8.08
Godrej Agrovet Limited	0.56	0.55

		₹ Crore
	Current Year	Previous Year
Godrej Infotech Ltd.	-	0.01
Godrej Properties Limited	(0.51)	(0.39)
Natures Basket Limited	(0.08)	(0.06)
Godrej Tyson Foods Ltd.*	(0.11)	(0.00)
Great Lakes Institute of Management	0.01	-
Godrej Hershey Limited	(0.04)	(0.39)
Godrej Household Products Lanka (Private) Ltd.	0.08	0.05
Godrej Household Products (Bangladesh) Private Ltd.*	-	(0.00)
Laboratoria Cuenca S.A	(1.79)	-
Godrej Hygiene Products Limited	0.04	-
Mr. Adi Godrej	0.06	-
Mr. A. Mahendran	0.04	0.03
Investments Made		
Godrej Consumer Products Mauritius Ltd.	0.06	382.81
Godrej Netherlands B.V.	27.22	0.06
Godrej Household Products (Bangladesh) Pvt. Ltd. Godrej Mauritius Africa Holdings Limited	68.99	4.43 64.83
Godrej Mauritius Africa Floidings Limited Godrej Consumer Products Holding (Mauritius) Ltd.	158.82	418.80
Godrej East Africa Holdings Limited	1.50	-10.00
Guarantees Given / (Cancelled)		
Godrej Consumer Products Holding (Mauritius) Ltd.	-	44.70
Godrej Household Products (Bangladesh) Pvt. Ltd.	11.97	4.76
Godrej Mauritius Africa Holdings Limited	-	592.60
Godrej East Africa Holdings Limited	461.96	_
Godrej Netherlands B.V.	369.09	-
Security Deposit Given / (Repaid)		
Godrej Hershey Ltd.	(1.50)	1.50
Repayment of Loan Given		
Mr. A. Mahendran	0.92	0.43
Interest Received on Loans		
Mr. A. Mahendran	0.10	0.18
Godrej Netherlands B.V.	0.03	-
Dividend Received		
Godrej Household Products Lanka (Private) Limited	1.00	19.38
Godrej South Africa (Proprietary) Limited	12.41	-
Dividend Paid	E0.1E	F7.00
Godrej & Boyce Mfg. Co. Ltd. Godrej Industries Limited	59.15 34.53	57.00 31.75
Mr. Adi Godrej*	0.00	0.00
Mr. A. Mahendran	0.05	0.13
Ms. Parmeshwar Godrej*	0.00	0.00
Ms. Tanya Dubhash	0.64	0.62
Ms. Nisaba Godrej	0.64	0.62
Mr. Pirojsha Godrej	0.64	0.62
Mr. Nadir Godrej	0.44	0.46
Mr. Burjis Godrej	0.49	0.46
Mr. Sohrab Godrej	0.49	0.46
Master Hormazd Godrej	0.49	0.46

		₹ Crore
	Current Year	Previous Year
Managerial Remuneration		
Mr. Adi Godrej	6.79	7.43
Mr. A. Mahendran	5.59	6.30
Commission on Profits and Sitting Fees		
Mr. Nadir Godrej	0.13	0.13
Ms. Nisaba Godrej	0.13	0.12
Ms. Tanya Dubhash	0.14	0.12
Lease Rentals Paid		
Ms. Parmeshwar Godrej	2.46	2.46
Ms. Mythili Mahendran	0.42	0.39

^{*} amount less than ₹ 0.01 crore.

NOTE 40: LEASES

The Company's significant leasing agreements are in respect of operating lease for Computers and Premises (office, godown, etc.) and the aggregate lease rentals payable are charged as rent.

The future minimum lease payments outstanding under non-cancellable operating leases are as follows:

	₹ Crore	
	Current Year	Previous Year
Not later than one year	1.23	1.15
Later than one year and not later than five years	1.09	1.37
Later than five years	-	
TOTAL	2.32	2.52

NOTE 41: HEDGING CONTRACTS

The Company uses forward exchange contracts to hedge its foreign exchange exposure relating to the underlying transactions and firm commitment in accordance with its forex policy as determined by its Forex Committee. The Company does not use foreign exchange forward contracts or commodity futures contracts for trading or speculation purposes.

a) Forward Contracts outstanding as at March 31, 2013:

Forward Contract to Purchase (USD)
[1 contract (previous year 32 contracts)]

Current Year		
Avg. Rate	USD Mn	
58.85	0.83	

Previous	Year
Avg. Rate	USD Mn
50.98	22.78

b) The uncovered foreign exchange exposure as at March 31, 2013:

			₹ Crore
	Currency	Current Year	Previous Year
Payables	USD	131.23	67.61
Payables	EUR	2.89	2.30
Payables	GBP	-	0.01
Payables	SGD	0.02	-
Receivables	GBP	0.02	-
Receivables	USD	33.59	27.42
Receivables	EUR	15.83	16.58
EEFC	USD	45.36	3.40
EEFC	EUR	6.10	0.12

NOTE 42: INCENTIVE PLAN

The amount carried forward in notional bank after distribution of PLVR for the financial year 2012-13 is ₹ 1.68 crore as on March 31, 2013 (previous year ₹ 3.49 crore). The said amount is not provided for in the books of account and is payable in future, if performance so warrants.

NOTE 43: EMPLOYEE BENEFITS

a) DEFINED CONTRIBUTION PLAN

Provident Fund:

The post-employment benefits of the erstwhile Godrej Household Products Ltd., which were acquired pursuant to the Scheme of Amalgamation, include contributions to the Provident Fund and Superannuation Fund. The contributions to the Provident Fund are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. The Superannuation Fund constitutes an insured benefit, which is classified as a defined contribution plan as the Company contributes to an Insurance Company and has no further obligation beyond making payment to the insurance company.

b) DEFINED BENEFIT PLAN

Gratuity:

The Company participates in the Employees' Group Gratuity-cum-Life Assurance Scheme of HDFC Standard Life Insurance Co. Ltd., a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity (Amendment) Act, 1997, or as per the Company's scheme whichever is more beneficial to the employees.

The gratuity scheme of the erstwhile Godrej Household Products Ltd., which was obtained pursuant to the Scheme of Amalgamation, is funded through a Unit Linked Gratuity Plus Scheme with Life Insurance Corporation of India ('LIC') and HDFC Standard Life Insurance Company Limited.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

Provident Fund:

The Company manages the Provident Fund plan through a Provident Fund Trust for its employees which is permitted under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and is actuarially valued. The plan envisages contribution by the employer and employees and guarantees interest at the rate notified by the Provident Fund authority. The contribution by employer and employee, together with interest, are payable at the time of separation from service or retirement, whichever is earlier.

c) Basis Used to Determine Expected Rate of Return on Assets:

An expected return of 8.25% on plan assets has been considered based on the current investment pattern in Government securities.

d) Amounts Recognised as Expense:

i) Defined Contribution Plan

Employer's Contribution to Provident Fund amounting to ₹ 5.21 crore (previous year ₹ 4.52 crore) has been included in Note 27 under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 5.92 crore (previous year ₹ 2.14 crore) has been included in Note 27 under Contribution to Provident and Other Funds.

e) The amounts recognised in the Company's financial statements as at year end are as under:

	₹ Crore		
		Current Year	Previous Year
i.	Change in Present Value of Obligation		
	Present value of the obligation at the beginning of the year	16.20	16.27
	Current Service Cost	1.30	0.76
	Interest Cost	1.37	0.85
	Actuarial (Gain) / Loss on Obligation	4.21	1.28
	Benefits Paid	(2.58)	(2.96)
	Present value of the obligation at the end of the year	20.50	16.20
ii.	Change in Plan Assets		
	Fair value of Plan Assets at the beginning of the year	10.47	12.67
	Expected return on Plan Assets	0.89	0.51
	Actuarial Gain / (Loss) on Plan Assets	0.07	0.25
	Benefits Paid	(2.58)	(2.96)
	Fair value of Plan Assets at the end of the year	8.85	10.47
iii.	Amounts Recognised in the Balance Sheet:		
	Present value of Obligation at the end of the year	20.50	16.20
	Fair value of Plan Assets at the end of the year	8.85	10.47
	Net Obligation at the end of the year	11.65	5.73
iv.	Amounts Recognised in the Statement of Profit and Loss:		
	Current Service Cost	1.30	0.76
	Interest Cost on Obligation	1.37	0.85
	Expected return on Plan Assets	(0.89)	(0.51)
	Net Actuarial (Gain) / Loss recognised in the year	4.14	1.04
	Net Cost Included in Personnel Expenses	5.92	2.14
V.	Actual Return on Plan Assets	0.96	0.76
vi.	Estimated contribution to be made in next financial year	3.83	1.33
vii.	Major categories of Plan Assets as a % of total Plan Assets		
	Insurer Managed Funds	100%	100%

			₹ Crore
		Current Year	Previous Year
viii.	Actuarial Assumptions		
	i) Discount Rate	8.25% P.A.	8.50% P.A.
	ii) Expected Rate of Return on Plan Assets	8.25% P.A.	8.50% P.A.
	iii) Salary Escalation Rate	5.00% P.A.	5.00% P.A.
	iv) Employee Turnover	1.00% P.A.	1.00% P.A.
	v) Mortality	Indian	L.I.C.
		Assured Lives Mortality	(1994-96)
		(2006-08)	Ultimate
		Ultimate	
	The estimates of future salary increases, considered in actuarial valuation, take		
	account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
ix.	Experience Adjustments (Gain) / Loss:	On Plan	On Plan
.,		Liabilities	Assets
	2012-13	2.80	(0.07)
	2011-12	1.63	(0.25)
	2010-11	0.27	0.37
	2009-10	1.86	(0.68)
	2008-09	0.30	0.04

NOTE 44: EMPLOYEE STOCK BENEFIT PLANS

I. EMPLOYEE STOCK OPTION / PURCHASE PLAN

- a) The shareholders of the Company have approved the setting up of the Godrej Consumer Products Ltd. Employee Stock Option Plan (GCPL ESOP) for the benefit of its eligible employees whereby the Company can grant 4,500,000 Stock Options convertible into 4,500,000 equity shares of the nominal value ₹ 1 each to the eligible employees / Directors of the Company and of the Company's subsidiaries.
- b) The ESOP Scheme is administered by an independent ESOP Trust created with IL&FS Trust Company Limited which acquires by subscription / purchase or otherwise, the Company's shares equivalent to the number of Options proposed to be granted by the participating companies, as approved by the Compensation Committee.
- c) The ESOPs authorised for issue are as under:
 - i) 2,000,000 Options in the Extra-ordinary General Meeting on March 14, 2007.
 - ii) 2,500,000 Options in the Extra-ordinary General Meeting on April 28, 2008.
- d) The Options granted shall vest in the eligible employees within such period as may be prescribed by the Compensation Committee, which period shall not be less than one year and may extend up to three years from the date of grant of the Option. Vesting may occur in tranches subject to the terms and conditions of vesting. The Option is exercisable within two years after vesting.
- e) All unvested Options shall vest in the employees on the date of retirement or at an earlier date as may be decided by the Compensation Committee, subject to the requirement of minimum vesting period and all vested Options should be exercised by the Option Grantee immediately on retirement, but in no event later than six months from the date of such Option Grantee's retirement.
- f) The price at which the Option Grantee would convert Options granted into GCPL Shares (i.e. the exercise price) shall be the market price prevailing on the day prior to the day of grant plus interest at such rate not being less than the bank rate then prevailing compoundable on an annual basis for the period commencing from the date of granting of the Option and ending on the date of intimating exercise of the Option to the Company.

- g) The employee share based payment plans have been accounted based on the intrinsic value method and no compensation expense has been recognised since the market price of the underlying share at the grant date is the same/less than the exercise price of the option, the intrinsic value therefore is *Nil*.
- h) The Board of Directors at its meeting held on January 22, 2011, had approved an Employee Stock Purchase Plan (GCPL ESPL) which is administered by the GCPL ESOP Trust. Under the plan, the Company provides loans to the GCPL ESOP Trust at an interest rate which is not less than the bank rate, to enable the Trust to acquire up to 1,000,000 shares of the Company from the secondary market. The HR and Compensation Committee had resolved that the surplus shares held by the GCPL ESOP Trust at any point of time for grant of Options under GCPL ESOP be utilized for grant of shares to the employees under the GCPL ESPL within the maximum of 1,000,000 equity shares. Under the plan, entire 1,000,000 shares have been granted and vested till March 31, 2013. These shares have to be compulsorily acquired from the GCPL ESOP Trust within the exercise period of two years. The exercise price shall be the market price on the day prior to the date of grant plus interest at a rate not less than the bank rate till the date of exercise.
- i) The status of the above plans (since inception) are as under:

	31, 2013	31, 2012
Options Granted	4,667,000	4,667,000
Options Vested	3,870,000	3,744,000
Options Exercised	2,745,950	2,450,075
Options Lapsed / Forfeited and re-granted	762,000	762,000
Options Lapsed / Forfeited, pending sale	-	35,000
Options Lapsed / Forfeited and sold	85,000	_
Total Number of Options Outstanding	1,074,050	1,419,925

As at March As at March

As at March

II. EMPLOYEE STOCK OPTION PLAN OF ERSTWHILE GODREJ HOUSEHOLD PRODUCTS LTD.

- a) Under the Scheme of Amalgamation, the Company has obtained the 'Godrej Sara Lee Limited Employees Stock Option Plan' set up for eligible employees of the erstwhile Godrej Household Products Limited. The equity shares of Godrej Industries Limited (GIL) are the underlying equity shares for the stock option plan. The ESOP Scheme is administered by an independent ESOP Trust created with IL&FS Trust Company Limited. The independent ESOP Trust has purchased shares of GIL from the market against which the options have been granted. The purchases have been financed by loans from the erstwhile Godrej Household Products Limited, which together with interest amounted to ₹ 77.43 crore as at beginning of the year. The ESOP Trust has made a net repayment of the loan and interest amounting to ₹ 26.43 crore during the year. The total amount of loans given together with interest thereon as at March 31, 2013 amounts to ₹ 51.00 crore. The repayment of the loans granted to the ESOP Trust and interest thereon is dependent on the exercise of the options by the employees and the market price of the underlying shares of the unexercised options at the end of the exercise period.
- b) The status of the above plan (since inception) is as under:

<i>F</i>	As at March	As at March
	31, 2013	31, 2012
Options Granted	2,129,000	2,129,000
Options Vested	-	-
Options Exercised	-	-
Options Lapsed / Forfeited, pending sale	55,000	667,000
Options Lapsed / Forfeited and sold	954,000	_
Total Number of Options Outstanding	1,120,000	1,462,000

III. EMPLOYEE STOCK GRANT SCHEME

- a) The Company set up the Employees Stock Grant Scheme 2011 (ESGS) pursuant to the approval by the Shareholders on March 18, 2011.
- b) The ESGS Scheme is effective from April 1, 2011, (the "Effective Date") and shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the shares to be vested under Employee Stock Grant Scheme 2011 have been vested in the Eligible Employees and all restrictions on such Stock Grants awarded under the terms of ESGS Scheme, if any, have lapsed, whichever is earlier.
- c) The Scheme applies to the Eligible Employees of the Company or its Subsidiaries. The entitlement of each employee will be decided by the Compensation Committee based on the employee's performance, level, grade, etc.
- d) The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 2,500,000 (Twenty Five Lac) fully paid up equity shares of the Company. Not more than 500,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.
- e) The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3rd at the end of each year or as may be decided by the Compensation Committee from the date on which the Stock Grants are awarded for a period of three consecutive years subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary Company as the case may be.
- f) The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Compensation Committee.
- g) The Exercise Price of the shares has been fixed at ₹ 1 per share. The intrinsic value, being the difference between market price and exercise price is treated as employee compensation cost and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.
- h) The Status of the above plan (since inception) is as under:

Options Granted
Options Vested
Options Exercised
Options Lapsed / Forfeited
Total Number of Options Outstanding

As at March	As at March
31, 2013	31, 2012
184,361	114,102
29,464	-
29,464	-
28,704	19,136
126,193	94,966

- **IV.** Pursuant to SEBI notification dated January 17, 2013, no further securities of the Company will be purchased from the open market.
- V. Had the fair value method of accounting been used, the employee compensation cost for the year ended March 31, 2013 would have been lower by ₹ 1.13 crore (previous year higher by ₹ 0.67 crore).

NOTE 45: GENERAL

- a) Other information required by Schedule VI (Revised) to the Companies Act, 1956, has been given only to the extent applicable.
- b) Figures for the previous year have been regrouped / restated wherever necessary to conform to current year's presentation.



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10 CONSOLIDATED FINANCIALS

Independent Auditors' Report

To the Board of Directors of

GODREJ CONSUMER PRODUCTS LIMITED

We have audited the accompanying Consolidated Financial Statements of *GODREJ CONSUMER PRODUCTS LIMITED* (the Company), and its subsidiaries (collectively referred to as the "Godrej Group") which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

Annual Report 2012-13

a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;

b) in the case of the Consolidated Statement of Profit and Loss, of the profits of the Group for the year ended on that

date; and

c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that

date.

Emphasis of Matter

We draw attention to Note 13 to Consolidated Financial Statements regarding the Scheme of Amalgamation of the erstwhile Godrej Household Products Limited with the Company approved by The Hon'ble High Court of Judicature at Bombay whereby an amount of ₹ 52.75 crore for the year ended on March 31, 2013, equivalent to the amortisation of the Goodknight and Hit Brands is directly debited to the General Reserve Account instead of debiting the same to the Statement of Profit and Loss. Had this amount been charged to the Statement of Profit and Loss, the profit for the

year ended on March 31, 2013, would have been lower by ₹ 52.75 crore and the General Reserve would have been

higher by ₹ 52.75 crore.

Our opinion is not qualified in respect of this matter.

Other Matter

We did not audit the financial statements of certain subsidiaries included in the Consolidated Financial Statements whose financial statements reflect the Group's share of total assets of ₹ 4,246.12 crore as at March 31, 2013, the Group's share of total revenues of ₹ 2,933.78 crore and net cash flows amounting to ₹ 53.63 crore for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, insofar as it relates to the amounts included in respect of these subsidiaries is based

solely on the report of the other auditors.

Our opinion is not qualified in respect of this matter.

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants Firm Regn. No.: 104607W

DARAIUS Z. FRASER

Partner

M. No.: 42454

Mumbai: April 30, 2013.

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Consolidated Balance Sheet as at March 31, 2013

					(₹ Crore)
		Note No.		Current Year	Previous Year
I.	EQUITY AND LIABILITIES				
1.	Shareholders' Funds				
	(a) Share Capital	3	34.03		34.03
	(b) Reserves and Surplus	4	3,279.01		2,769.94
				3,313.04	2,803.97
2.	Minority Interest			209.51	88.23
3.	Non-Current Liabilities				
	(a) Long-term Borrowings	5	1,866.15		1,528.12
	(b) Deferred Tax Liabilities (Net)	6	5.96		11.05
	(c) Other Long-term Liabilities	7	5.14		7.15
	(d) Long-term Provisions	8	22.14		22.26
				1,899.39	1,568.58
4.	Current Liabilities				
	(a) Short-term Borrowings	9	82.44		35.92
	(b) Trade Payables	10	1,034.81		770.23
	(c) Other Current Liabilities	11	1,103.32		690.19
	(d) Short-term Provisions	12	58.52		52.06
				2,279.09	1,548.40
	TOTAL			7,701.03	6,009.18
II.	ASSETS				
1.	Non-Current Assets				
	(a) Fixed Assets	13			
	(i) Tangible Assets		502.13		394.53
	(ii) Intangible Assets		1,085.48		1,151.85
	(iii) Capital Work-in-Progress		140.85		37.58
			1,728.46		1,583.96
	(b) Goodwill on Consolidation		2,908.45		2,145.41
	(c) Deferred Tax Assets (Net)	14	19.98		11.56
	(d) Long-term Loans and Advances	15	194.75		246.34
	(e) Other Non-Current Assets	16	1.02		2.95
				4,852.66	3,990.22
2.	Current Assets				
	(a) Inventories	17	1,047.09		783.91
	(b) Trade Receivables	18	728.76		472.53
	(c) Cash and Bank Balances	19	868.78		639.87
	(d) Short-term Loans and Advances	20	200.83		118.13
	(e) Other Current Assets	21	2.91		4.52
				2,848.37	2,018.96
	TOTAL			7,701.03	6,009.18
No	tes to the Financial Statements	1 to 39			

The Notes referred to above form an integral part of the Financial Statements

As per our Report attached Sign

Signatures to the Financial Statements and Notes

For and on behalf of **Kalyaniwalla & Mistry**

Chartered Accountants

P. Ganesh

A. MahendranManaging Director

Adi Godrej

Chairman

For and on behalf of the Board

Daraius Z. Fraser

Partner

Executive Vice-President (Finance & Commercial) and Company Secretary

Mumbai: April 30, 2013

Consolidated Statement of Profit and Loss for the year ended March 31, 2013

					(₹ Crore)
		Note No.		Current Year	Previous Year
I.	Revenue from Operations				
	Revenue from Operations (Gross)	24	6,615.55		4,986.61
	Less: Excise Duty	_	(208.11)		(120.45)
				6,407.44	4,866.16
II.	Other Income	25		67.78	52.00
III.	Total Revenue (I + II)			6,475.22	4,918.16
IV.	Expenses				
	Cost of Raw Materials including Packing Materia				
	Consumed	26	2,655.98		2,171.74
	Purchases of Stock-in-Trade		451.03		356.11
	Changes in Inventories of Finished Goods,	07	(4.55,00)		(010.00)
	Work-in-Progress and Stock-in-Trade	27	(155.89)		(212.26)
	Employee Benefits Expenses	28	590.68		401.48
	Finance Costs	29	77.45		65.84
	Depreciation and Amortization Expenses	00	77.00		64.44
	Other Expenses	30 _	1,883.26	5 570 54	1,293.69
.,	Total Expenses	n o		5,579.51	4,141.04
V.	Profit Before Exceptional Items and Tax (III -	•		895.71	777.12
VI.	Exceptional Items	31		128.90	200.17
	Profit Before Tax (V + VI)			1,024.61	977.29
VIII.	Tax Expense				
	(1) Current Tax		191.88		227.94
	(2) Deferred Tax	-	(12.70)	4=0.40	(1.89)
				179.18	226.05
	Profit for the year Before Minority Interest (VI	II - VIII)		845.43	751.24
Χ.	Minority Interest			49.33	24.52
	Profit for the Year (IX-X)			796.10	726.72
XII.	Earnings per Equity Share (Face Value ₹ 1)	32			
	(1) Basic (₹)			23.39	22.34
	(2) Diluted (₹)			23.39	22.34
Not	es to the Financial Statements	1 to 39			

The Notes referred to above form an integral part of the Financial Statements

As per our Report attached Signatures to the Financial Statements and Notes

For and on behalf of For and on behalf of the Board

Kalyaniwalla & Mistry
Chartered Accountants
Adi Godrej
Chairman

and Company Secretary

Daraius Z. FraserP. GaneshA. MahendranPartnerExecutive Vice-President
(Finance & Commercial)Managing Director

Mumbai: April 30, 2013

Consolidated Cash Flow Statement for the year ended March 31, 2013

(₹ Crore)

				(1 01010)
	OAGUELOW EDOM ODEDATING ACTIVITIES		Current Year	Previous Year
A.	CASH FLOW FROM OPERATING ACTIVITIES:		00E 71	777.10
	Profit Before Exceptional Items and Tax		895.71	777.12
	Adjustments for:	77.00		64.44
	Depreciation and Amortization Expenses	77.00 32.78		64.44 20.50
	Foreign Exchange (Gain)/Loss Bad Debts Written off	1.15		1.14
	Provision/(Write-back) for Doubtful Debts/Advances	4.64		3.82
	Write in of Old Balances	(1.77)		(0.59)
	Other Income Outstanding	1.24		11.93
	Expenses on ESGS	2.81		1.79
	Interest Expense	77.45		65.84
	(Profit)/ Loss on Fixed Assets Sold/ Discarded (Net)	(12.16)		0.63
	Interest Income	(35.00)		(39.77)
	Interest moone	(00.00)	148.14	129.73
	Operating Profit Before Working Capital Changes		1,043.85	906.85
	Effect of exchange difference on translation of assets and		(13.25)	(22.59)
	liabilities		(10.20)	(22.00)
	Adjustments for:			
	Inventories	(263.18)		(344.50)
	Trade Receivables	(217.69)		(93.64)
	Loans and Advances	(59.80)		(39.97)
	Other Current Assets	1.93		(0.56)
	Current Liabilities and Provisions	455.03		702.78
			(83.71)	224.11
	Cash Generated from/(used) in Operations		946.89	1,108.37
	Adjustment for:			
	Direct taxes paid		(206.64)	(210.03)
	Net Cash Flow from Operating Activities Before			
	Exceptional Items		740.25	898.34
	Exceptional Items:			
	Licence Agreement Termination Compensation		-	200.17
	Proceeds from divestment of Foods Business		88.02	
_	Net Cash Flow from Operating Activities After Exceptional Items	IS	828.27	1,098.51
B.	CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase/Sale of Fixed Assets (Net)	(263.58)		(156.50)
	Investments in Fixed Deposits (Net)	65.84		(177.60)
	Loan Repayment by ESOP Trust (Net)	18.08		17.05
	Investment in Subsidiaries	(691.09)		(579.12)
	Interest Received	55.10	(04 5 05)	39.82
	Net Cash Flow From Investing Activities		(815.65)	(856.35)
			12.62	242.16

Consolidated Cash Flow Statement for the year ended March 31, 2013

(₹ Crore)

	Current Year	Previous Year
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Preferential Allotment of Equity Shares (Net)		684.71
Proceeds from Allotment of Equity Shares under ESGS* 0.00		-
Borrowing from Banks (Net) 363.16		(139.16)
Issue of Debentures (Net of Expenses) 299.28		224.18
Long-Term Debt/Redemption of Debentures (104.97)		(559.37)
Cash Credits (Net) (3.58)		(5.71)
Interest Paid (84.32)		(42.22)
Dividend Paid (161.67)		(146.07)
Tax on Distributed Profits (26.22)		(23.62)
Net Cash Flow from Financing Activities	281.68	(7.26)
Net Increase/(Decrease) in Cash and Cash Equivalents	294.30	234.90
Cash and Cash Equivalents		
As at the beginning	451.34	216.44
As at the ending	745.64	451.34
Net Increase/(Decrease) in Cash and Cash Equivalents	294.30	234.90

^{*}amount less than ₹ 0.01 crore.

For and on behalf of **Kalyaniwalla & Mistry** Chartered Accountants

Daraius Z. FraserPartner

Mumbai: April 30, 2013

P. Ganesh

Executive Vice-President (Finance & Commercial) and Company Secretary

Signatures to the Cash Flow Statement

For and on behalf of the Board

Adi Godrej Chairman

A. MahendranManaging Director

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

a. Accounting Convention

The financial statements are prepared under the historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the applicable Accounting Standards notified under Section 211(3c) of the Companies Act, 1956 and specified in the Companies (Accounting Standard) Rules, pronouncements of the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

b. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

c. Fixed Assets

Fixed Assets are stated at cost of acquisition or construction, less accumulated depreciation. Cost includes all expenses related to acquisition and installation of the concerned assets.

Direct financing cost incurred during the construction period on major projects is also capitalised.

Fixed assets acquired under finance lease are capitalised at the lower of their fair value and the present value of the minimum lease payments.

d. Asset Impairment

Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment occurs where the carrying value of the asset exceeds its recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss, if any, is recognised in the period in which the impairment takes place.

e. Intangible Assets

The cost of acquisition of trademarks is amortised equally over the best estimate of its useful life not exceeding a period of ten years, except in the case of Goodknight, HIT, Kinky and Soft & Gentle brand where the brand is amortised equally over a period of 20 years.

f. Operating Leases

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term.

g. Investments

Investments are classified into current and long term investments. Long term investments are carried at cost. Cost of acquisition includes all costs directly incurred on the acquisition of the investment. Provision for diminution, if any, in the value of long-term investments is made to recognise a decline, other than of a temporary nature. Current investments are stated at lower of cost and net realisable value.

h. Inventories

Inventories are valued at lower of cost and estimated net realisable value. Cost is computed on the weighted average basis and is net of CENVAT, finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Finished goods valuation also includes excise duty. Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary.

i. Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No Provision is recognised for -

- A. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- B. Any present obligation that arises from past events but is not recognised because
 - a) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - b) A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as Contingent Liabilities. These are assessed periodically and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

j. Revenue Recognition

- i) Sales are recognised when goods are supplied and are recorded net of returns, trade discounts, rebates, sales taxes and excise duties.
- ii) Income from processing operations is recognised on completion of production/dispatch of the goods, as per the terms of contract.
- iii) Export incentives are accounted on accrual basis and include the estimated value of export incentives receivable under the Duty Entitlement Pass Book Scheme, Duty Drawback, Focus Product Scheme and Focus Market Scheme.
- iv) Dividend income is recognised when the right to receive the same is established.
- v) Interest income is recognised on a time proportion basis.
- vi) Insurance claims, transport and power subsidies from the Government are accounted on cash basis when received.

k. Expenditure

- i) Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.
- ii) Revenue expenditure on research and development is charged to the Statement of Profit and Loss of the year in which it is incurred. Capital expenditure incurred during the year on research and development is shown as addition to fixed assets.

I. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

m. Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency remaining unsettled at the period end are translated at the period end exchange rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit and Loss.

- Forward exchange contracts, remaining unsettled at the period end, backed by underlying assets or liabilities are also translated at period end exchange rates. Premium or discount on forward foreign exchange contract is amortised over the period of the contract and recognised as income or expense for the period. Realised gain or losses on cancellation of forward exchange contracts are recognised in the Statement of Profit and Loss of the period in which they are cancelled.
- iii) Non-Monetary foreign currency items like investments in foreign subsidiaries are carried at cost and expressed in Indian currency at the rate of exchange prevailing at the time of making the original investment.
- iv) For the purpose of consolidation of non-integral foreign operations, all assets and liabilities, both monetary and non-monetary are translated at the closing rate. Items of income and expenditure are translated at exchange rates at the date of the relevant transactions. All resulting exchange differences are accumulated in a Foreign Currency Translation Reserve until disposal of the net investment.
- v) Exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during the year in so far as they relate to the acquisition of a depreciable capital asset, are added to or deducted from the cost of the asset and are depreciated over the balance life of the asset, and in other cases, are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long term asset or liability, by recognising as income or expense in each such periods.

n. Hedging

The Company uses forward exchange contracts to hedge its foreign exchange exposures and commodity futures contracts to hedge the exposure to oil price risks. Gains or losses on settled contracts are recognised in the Statement of Profit and Loss. Gains or losses on the commodity futures contracts are recorded in the Statement of Profit and Loss under Cost of Materials Consumed.

o. Employee Benefits

Short-term Employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, performance incentives, etc., are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

ii) Post Employment Benefits

a) Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

b) Defined Benefit Plans

Gratuity Fund

The Company's liability towards gratuity to past employees is determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognised on a straight line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimate terms of the defined benefit obligations.

Provident Fund

Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trust administered by the Company are considered as Defined Benefit Plans. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company.

c) Other Long-Term Employee Benefits

Other Long-Term Employee Benefits viz., leave encashment and long service bonus are recognised as an expense in the Statement of Profit and Loss as and when it accrues. The Company determines the liability using the Projected Unit Credit Method, with the actuarial valuation carried out as at the Balance Sheet date. Actuarial gains and losses in respect of such benefits are charged to the Statement of Profit and Loss.

p. Incentive Plans

The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on Economic Value Addition (EVA). The PLVR amount is related to actual improvements made in EVA over the previous year when compared with expected improvements.

Up to March 31, 2009, the EVA awards would flow through a notional bank whereby only the prescribed portion of the bank is distributed each year and the balance is carried forward. The amount distributed out of the notional bank is charged to the Statement of Profit and Loss. The notional bank was held at risk and charged to EVA of future years and was payable at that time, if future performance so warranted. The notional bank balance accumulated till March 31, 2009, as at the beginning of the current year is being paid @ 33% every year on reducing balance. The entire EVA award for the year has been charged to the Statement of Profit and Loss.

q. Depreciation and Amortisation

- i) Leasehold land is amortised equally over the lease period.
- ii) Leasehold Improvements are depreciated over the shorter of the unexpired period of the lease and the estimated useful life of the assets.
- iii) Depreciation is provided, pro rata to the period of use, under the Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956, except:
 - a) In case of computer hardware which is depreciated over 4 years.
 - b) SAP licenses acquired pursuant to the Scheme of the Amalgamation of the erstwhile Godrej Household Products Limited (GHPL) with the Company are amortised over a period of 4 years and Trademarks acquired are amortised equally over the best estimate of their useful life not exceeding a period of 10 years, except in the case of Goodknight and Hit brands where the brands are amortised equally over a period of 20 years.
 - c) The Cost of SAP licenses incurred for subsidiaries are being recovered from respective subsidiaries.
 - d) Depreciation in the subsidiary companies is provided under the Straight Line Method over the expected useful lives of the respective assets ranging between three years to ten years except in the case of Kinky, and Soft and Gentle where the brand is amortised equally over a period of 20 years.
 - e) Goodwill is amortised over a period of 5 years.
 - f) Tools, dies and moulds acquired are depreciated over a period of 9 years and 3½ years respectively.
 - g) Technical Knowhow is depreciated over a period of 10 years.
 - h) In accordance with the Court order approving the Scheme of Amalgamation of the erstwhile GHPL with the Company, an amount equivalent to the amortisation of the Goodknight and Hit brands at the end of each financial year is directly debited to the balance in the General Reserve Account.

- iv) Assets costing less than ₹ 5,000 are depreciated at 100% in the year of acquisition.
- v) It is estimated that the impact on depreciation of the difference in expected useful lives between the holding company and subsidiaries is not material.

r. Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax subject to consideration of prudence, is recognised on timing differences; being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets/liabilities in respect of timing differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets/liabilities in respect of timing differences that originate during the tax holiday period but reverse after the tax holiday period are recognised. Deferred tax assets on unabsorbed tax losses and tax depreciation are recognised only when there is a virtual certainty of their realisation and on other items when there is reasonable certainty of realisation. The tax effect is calculated on the accumulated timing differences at the year end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

s. Segment Reporting

The Company is considered to be a single segment company – engaged in the manufacture of Personal and Household Care products. The Company has identified business segment as its primary segment. Geographic segments of the Company are 'Within India' and 'Outside India'. Segment revenues and assets have been identified to represent segments on the basis of their relationship to the respective segment.

NOTE 2: PRINCIPLES OF CONSOLIDATION

- a) The consolidated financial statements relate to Godrej Consumer Products Limited, the Holding Company and its subsidiaries. The consolidation of accounts of the Company with its subsidiaries has been prepared in accordance with Accounting Standard (AS) 21 - Consolidated Financial Statements. The financial statements of the parent and its subsidiaries are combined on a line by line basis and intra group balances, intra group transactions and unrealised profits or losses are fully eliminated.
- b) The Audited financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as of the Holding Company i.e. up to March 31, 2013.
- c) In the consolidated financial statements, 'Goodwill' represents the excess of the cost to the Company of its investment in the subsidiaries over its share of equity, at the respective dates on which the investments are made. Alternatively, where the share of equity as on the date of investment is in excess of cost of investment, it is recognised as 'Capital Reserve' in the consolidated financial statements.
- d) Minority Interest is the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the respective dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investment as stated above.

Particulars of Subsidiaries

The subsidiary companies/entities considered in the consolidated financial statements are:

Godrej Household Products Lanka (Private) Limited (Srilanka)

Godrej Household Products (Bangladesh) Private Limited (Bangladesh)

Godrej Consumer Products Bangladesh Limited (Bangladesh)

Godrej South Africa (Proprietary) Limited (Earlier Rapidol (Proprietary) Limited) (South Africa)

Godrej Global Mid East FZE (UAE)

Godrej Hygiene Products Limited (India)

Godrej Consumer Products Nepal Private Limited (Nepal) Godrej Netherlands B.V. (Netherland) Godrej Consumer Products (UK) Limited (U.K) (100% subsidiary of Godrej Netherland B.V.) Keyline Brands Limited (U.K) (100% subsidiary of Godrej Consumer Products (UK) Limited) Inecto Manufacturing Limited (U.K) (100% subsidiary of Keyline Brands Limited) Godrej Consumer Investments (Chile) Spa (Chile) (100% subsidiary of Godrej Consumer Products (UK) Limited (Previous Year: Nil) Godrej Holding (Chile) Limitada (Chile) (99.99% held by Godrej Consumer Investments (Chile) Spa and 0.01% held by Godrej Consumer Products (UK) Limited) (Previous Year: Nil) Cosmetica Nacional (Chile) (60% subsidiary of Godrej Holding Chile Limitada (Previous Year: Nil) Plasticos Nacional (Chile) (98.81% subsidiary of Cosmetica Nacional (Previous Year: Nil) Godrej Consumer Products Mauritius Limited (Mauritius)

Godrej Kinky Holdings Limited (Mauritius)

(100% subsidiary of Godrej Consumer Products Mauritius Limited)

Kinky Group (Proprietary) Limited (South Africa)

(100% subsidiary of Godrej Kinky Holdings Limited)

Godrej Nigeria Holdings Limited (Mauritius) (Merged with Godrej Consumer Products

Mauritius Limited w.e.f. April 1,2012)

Godrej Nigeria Limited (Nigeria)

(99.99% held by Godrej Consumer Products Mauritius Limited and 0.01% held by Godrej

Kinky Holdings Limited)

Godrej Argentina Dutch Cooperatief U.A (Netherland)

(99.99% held by Godrej Consumer Products Mauritius Limited and 0.01% held by

Godrei Kinky Holdings Limited)

Godrej Netherlands Argentina Holding B.V. (Netherland)

(100% held by Godrej Argentina Dutch Cooperatief U.A.)

Godrej Netherlands Argentina B.V. (Netherland)

(100% held by Godrej Argentina Dutch Cooperatief U.A.)

Laboratoria Cuenca S.A (Argentina)

(90% held by Godrej Netherland Argentina B.V. and 10% held by Godrej

Netherland Argentina Holding B.V.)

Deciral S.A (Uruguay)

(99% held by Laboratoria Cuenca S.A. and 1% held by issue Group S.A.)

Issue Group Uruguay S.A (Uruguay)

(99% held by Laboratoria Cuenca S.A. and 1% held by Deciral S.A.)

Issue Group Brazil Limited (Brazil)

(100% held by Laboratoria Cuenca S.A.)

Consell S.A (Argentina)

(97.31% held by Laboratoria Cuenca S.A. and 2.42% held by Godrej

Netherland Argentina B.V. and 0.27% held by Godrej Netherland

Argentina Holding B.V.)

Panamar Producciones S.A. (Argentina)

(90% held by Godrej Netherland Argentina B.V. and 10% held by Godrej

Netherland Argentina Holding B.V.)

Argencos S.A (Argentina)

(85.81% held by Godrej Netherland Argentina B.V. and 14.19% held

by Panamar Produccciones S.A.

Godrej Consumer Products Holding (Mauritius) Limited (Mauritius)

Indovest Capital Limited, Labuan (Malaysia)

(100% subsidiary of Godrej Consumer Products Holding (Mauritius) Limited)

Godrej Consumer Products Dutch Cooperatief U.A. (Netherland)

(99.99% held by Godrej Consumer Products Holding (Mauritius) Limited, 0.01% held

by Godrej Consumer Products Mauritius Limited)

Godrej Indonesia Netherlands Holding B.V. (Netherland)

(100% subsidiary of Godrej Consumer Products Dutch Cooperatief U.A.)

Godrej Consumer Products (Netherlands) B.V. (Netherland)

(100% subsidiary of Godrej Consumer Products Dutch Cooperatief U.A.)

Godrej Consumer Holdings (Netherlands) B.V. (Netherland)

(100% subsidiary of Godrej Consumer Products Dutch Cooperatief U.A.)

PT Simba Indosnack Makmur (Indonesia) (upto March 21, 2013)

(95% held by Godrej Consumer Holdings (Netherlands) B.V. and 5% held

by Godrej Consumer Products Netherland B.V.)

PT Indomas Susemi Jaya (Indonesia)

(95% held by Godrej Consumer Holdings (Netherlands) B.V. and 5% held

by Godrej Consumer Products Netherland B.V.)

PT Intrasari Raya (Indonesia)

(99% held by Godrej Consumer Holdings (Netherlands) B.V. and 1% held

by Godrej Consumer Products Netherland B.V.)

PT Megasari Makmur (Indonesia)

(96% held by Godrej Consumer Holdings (Netherlands) B.V. and 4% held

by Godrej Consumer Products Netherland B.V.)

PT Ekamas Sarijaya (Indonesia)

(96% held by Godrej Consumer Holdings (Netherlands) B.V. and 4% held

by Godrej Consumer Products Netherland B.V.)

PT Sarico Indah (Indonesia)

(96% held by Godrej Consumer Holdings (Netherlands) B.V. and 4% held

by Godrej Consumer Products Netherland B.V.)

Godrej Mauritius Africa Holdings Limited (Mauritius)

Godrej Weave Holdings Limited (Mauritius)

(100% subsidiary of Godrej Mauritius Africa Holdings Limited)

DGH Mauritius Private Limited (Mauritius)

(51% subsidiary of Godrej Weave Holdings Limited.)

Weave Business Holding Mauritius Private Limited (Mauritius)

(100% subsidiary of DGH Mauritius Private Limited)

Subinite Pty Limited (South Africa)

(100% subsidiary of Weave Business Holding Mauritius Private Limited)

Lorna Nigeria Limited (Nigeria)

(99.99% held by Weave Business Holding Mauritius Private Limited and 0.01% by DGH

Mauritius Private Limited)

Weave IP Holding Mauritius Private Limited (Mauritius)

(100% subsidiary of Weave Business Holding Mauritius Private Limited)

Weave Mozambique Limitada (Mozambique)

(99% held by Weave Business Holding Mauritius Private Limited and 1% by DGH Mauritius Private Limited)

Weave Trading Mauritius Private Limited (Mauritius)

(51% subsidiary of Godrej Weave Holdings Limited.)

Hair Trading (Offshore) S.A.L. (Lebanon)

(99.80% subsidiary of Weave Trading Mauritius Private Limited.)

Godrej East Africa Holdings Limited (Mauritius) (w.e.f. July 20,2012)

DGH Phase Two Mauritius Private Limited (Mauritius)

(51% subsidiary of Godrej East Africa Mauritius Limited)

Style Industries Limited (Kenya)

(99.99% held by DGH Phase Two Mauritius Private Limited and 0.01% held by Godrej East Africa Holdings Limited)

Godrej Tanzania Holdings Limited (Mauritius) (w.e.f. November 30,2012)

DGH Tanzania Ltd (Mauritius)

(100% subsidiary of Godrej Tanzania Holdings Limited)

Sigma Hair Industries Limited

(99.95% held by DGH Tanzania Limited and 0.05% by Godrej Tanzania Holdings Limited)

NOTE 3 : SHARE CAPITAL		(₹ Crore)
	Current Year	Previous Year
Authorised		
410,000,000 Equity Shares (previous year 410,000,000) of ₹ 1 each	41.00	41.00
10,000,000 Preference Shares (previous year 10,000,000) of ₹ 1 each	1.00	1.00
Issued		
340,358,049 Equity Shares (previous year 340,328,585) of ₹ 1 each	34.04	34.03
Subscribed and Fully Paid up		
340,326,925 Equity Shares (previous year 340,297,461) of ₹ 1 each fully paid up	34.03	34.03
TOTAL	34.03	34.03

NOTES:

- a) During the year, the Company has issued 29,464 equity shares (previous year Nil) under the Employee Stock Grant Scheme.
- b) 31,124 Right Issue Shares (*Previous year 31,124 equity shares*) are kept in abeyance due to various suits filed in courts / forums by third parties for which final order is awaited.
- c) Terms/rights attached to equity shares
 - The Company has issued only one class of equity shares having a par value of ₹ 1 each. Each equity shareholder is entitled to one vote per share.
 - During the year ended March 31, 2013 the amount of per share dividend recognised as distribution to equity shareholders was ₹ 5.00 (previous year: ₹ 4.75).
- d) The reconciliation of number of equity shares outstanding and the amount of share capital:

	Current Year		Previous Year	
	Number	(₹ Crore)	Number	(₹ Crore)
Shares outstanding at the beginning of the				
year	340,297,461	34.03	323,590,144	32.36
Add: Shares Issued during the year*	29,464	0.00	16,707,317	1.67
Shares outstanding at the end of the year	340,326,925	34.03	340,297,461	34.03
* amount less than ₹ 0.01 crore.				

Shareholders holding more than 5% shares in the Company:

Name of the Shareholder	Current Year		Previous	Year
	No. of Shares	% held	No. of Shares	% held
Godrej & Boyce Manufacturing Co. Ltd.	123,561,815	36.31%	125,231,815	36.80%
Godrej Industries Limited	73,659,620	21.64%	71,989,620	21.15%

f) Shares Reserved for issue under options

The Company has 126,193 (previous year 94,966) equity shares reserved for issue under Employee Stock Grant Scheme as at March 31, 2013. (as detailed in Note 38).

g) Aggregate no. of Equity shares during the five years preceding the date of Balance Sheet

	No. of
	Shares
Allotted as fully paid up pursuant to contract without payment being received in cash	51,236,136
Shares Bought Back	1,122,484

- h) There are no calls unpaid on equity shares.
- i) No equity shares have been forfeited.

e)

Current Year Current Year Previous Year	NO	viere i reconstruire de la companya				
Balance as per last financial statements 0.15 0.15	NO	TE 4 : RESERVE AND SURPLUS	Current Year	(₹ Crore) Previous Year		
2. CAPITAL REDEMPTION RESERVE Balance as per last financial statements 1.46 1.46 1.46 3. SECURITIES PREMIUM ACCOUNT Balance as per last financial statements 1,508.08 853.09 (+) Premium Received on Altorment of Shares 1.11 6	1.		0.15	0.15		
Balance as per last financial statements 1.46 1.46 3.	0		5.1.5	0.10		
Balance as per last financial statements	۷.		1.46	1.46		
(-) Expenses on Preferential Allotment (0.29) (-) Expenses on Issue of Debentures (0.72) (0.82) (-) Premium on Redemption of Debentures (24.82) (27.23) Closing Balance 1,483.65 1,508.08 4. DEBENTURE REDEMPTION RESERVE Balance as per last financial statements 7.13 7.38 (+) Transfer from General Reserve - 49.75 (+) Transfer from Surplus 21.25 (-) Transfer from Surplus 21.25 (-) Transfer from Surplus 21.25 (-) Transfer to General Reserve (7.13) (50.00) Closing Balance 21.25 7.13 5. EMPLOYEE SHARE OPTIONS OUTSTANDING Gross Employee Compensation for Options granted 6.08 3.59 (-) Deferred Employee Compensation Expense (2.58) (1.79) Closing Balance 3,50 1.80 6. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (3.74) (11.21) 7. FOREIGN CURRENCY TRANSLATION RESERVE (50.48) (29.75) 8. GENERAL RESERVE Balance as per last financial statements 21.35 (+) Transfer from Surplus 51.13 60.44 (-) Transfer from Debenture Redemption Reserve 7.13 60.44 (-) Transfer Mote Placemption Reserve 7.13 60.44 (-) Transfer Note 1(a)(iii)(iii)) (52.75) (52.75) (-) Adjustment Pursuant to Scheme of Amalgamation of GHPL (Refer Note 1(a)(iii)(iii)) (52.75) (52.75) (-) Adjustment Pursuant to Scheme of Amalgamation of GHPL (Refer Note 1(a)(iii)(iii)) (52.75) (52.75) 9. SURPLUS Balance as per last financial statements 1,090.82 606.58 (+) Net Profit for the Year 796.10 726.72 (-) Dividends - Interim (170.6) (156.63) (-) Tax on Distributed Profit (28.13) (60.44) (-) Transfer to General Reserve (51.13) (60.44) (-) Transfer to Debenture Redemption Reserve (51.13) (60.44) (-) Transfer to General Reserve (51.13) (60.44) (-) Transfer to General Reserve (51.13) (60.44) (-) Transfer to Debenture Redemption Reserve (51.13) (60.44) (-) Transfer to General Reserve (51.13) (60.44) (-) Transfer to Debenture Redemption Reserve (51.13) (60.44) (-) Transfer to Debenture Redemption Reserve (51.13) (60.44) (-) Transfer to General Reserve (51.13) (60.44) (-) Transfer to Debenture Redemption Reserve (51.15) (60.44)	3.	Balance as per last financial statements (+) Premium Received on Allotment of Shares		-		
Balance as per last financial statements 7.13 7.38		(-) Expenses on Preferential Allotment(-) Expenses on Issue of Debentures		(0.82)		
Balance as per last financial statements						
(-) Transfer to General Reserve (7.13) (50.00) Closing Balance 21.25 7.13 5. EMPLOYEE SHARE OPTIONS OUTSTANDING Gross Employee Compensation for Options granted 6.08 (2.58) (1.79) Closing Balance 3.50 1.80 6. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (3.74) (11.21) 7. FOREIGN CURRENCY TRANSLATION RESERVE (50.48) (29.75) 8. GENERAL RESERVE Balance as per last financial statements 201.46 231.35 (+) Transfer from Surplus 51.13 60.44 (-) Transfer Note 1 (q) (iii)(h)) (52.75) (52.75) (-) Adjustment Pursuant to Scheme of Amalgamation of GHPL (Refer Note 1 (q) (iii)(h)) (-) Adjustment Pursuant to Scheme of Amalgamation of GHPL (Refer Note 1 (q) (iii)(h)) (-) Adjustment Pursuant to Scheme of Amalgamation Care Products Limited and Essence Consumer Care Products Limited and Essence Consumer Care Products Limited and Essence Consumer Care Products Limited (37.83) (20.46) (-) Transfer to General Reserve (796.10 726.72 (-) Dividends - Interim (170.16) (156.63) (-) Tax on Distributed Profit (28.13) (25.41) (-) Transfer to General Reserve (51.13) (60.44) (-) Transfer to General Reserve (51.13) (60.44) (-) Transfer to Debenture Redemption Reserve (51.13) (60.44) (-)	4.	Balance as per last financial statements (+) Transfer from General Reserve	-			
Closing Balance				(50.00)		
Gross Employee Compensation for Options granted (-) Deferred Employee Compensation Expense (2.58) (1.79)						
(-) Deferred Employee Compensation Expense (2.58) (1.79) Closing Balance 3.50 1.80 6. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (3.74) (11.21) 7. FOREIGN CURRENCY TRANSLATION RESERVE (50.48) (29.75) 8. GENERAL RESERVE Balance as per last financial statements 201.46 231.35 (+) Transfer from Surplus 51.13 60.44 (-) Transfer to Debenture Redemption Reserve - (49.75) (+) Transfer from Debenture Redemption Reserve 7.13 50.00 (-) Trademark and Brands amortisation Pursuant to Scheme of Amalgamation of GHPL (Refer Note 1 (q)(iii)(f1)) (52.75) (52.75) (52.75) (-) Adjustment Pursuant to Scheme of Amalgamation of Naturesse Consumer Care Products Limited and Essence Consumer Care Products Limited - (37.83) Closing Balance 206.97 201.46 9. SURPLUS Balance as per last financial statements 1,090.82 606.58 (+) Net Profit for the Year 796.10 726.72 (-) Dividends - Interim (170.16) (156.63) (-) Tax on Distributed Profit (28.13) (25.41) (-) Transfer to General Reserve (51.13) (60.44) (-) Transfer to Debenture Redemption Reserve (21.25) Closing Balance 1,090.82 1,090.82	5.	EMPLOYEE SHARE OPTIONS OUTSTANDING				
Closing Balance 3.50 1.80						
7. FOREIGN CURRENCY TRANSLATION RESERVE (50.48) (29.75) 8. GENERAL RESERVE 201.46 231.35 (+) Transfer from Surplus 51.13 60.44 (-) Transfer to Debenture Redemption Reserve - (49.75) (+) Transfer from Debenture Redemption Reserve 7.13 50.00 (-) Trademark and Brands amortisation Pursuant to Scheme of Amalgamation of GHPL (Refer Note 1(q)(iii)(h)) (52.75) (52.75) (-) Adjustment Pursuant to Scheme of Amalgamation of Naturesse Consumer Care Products Limited and Essence Consumer Care Products Limited - (37.83) Closing Balance 206.97 201.46 9. SURPLUS Balance as per last financial statements 1,090.82 606.58 (+) Net Profit for the Year 796.10 726.72 (-) Dividends - Interim (170.16) (156.63) (-) Tax on Distributed Profit (28.13) (25.41) (-) Transfer to General Reserve (51.13) (60.44) (-) Transfer to Debenture Redemption Reserve (21.25) 1,090.82						
8. GENERAL RESERVE Balance as per last financial statements 201.46 231.35 (+) Transfer from Surplus 51.13 60.44 (-) Transfer to Debenture Redemption Reserve - (49.75) (+) Transfer from Debenture Redemption Reserve 7.13 50.00 (-) Trademark and Brands amortisation Pursuant to Scheme of Amalgamation of GHPL (Refer Note 1(q)(iii)(h)) (52.75) (52.75) (-) Adjustment Pursuant to Scheme of Amalgamation of Naturesse Consumer Care Products Limited - (37.83) - (37.83) Closing Balance 206.97 201.46 9. SURPLUS Balance as per last financial statements 1,090.82 606.58 (+) Net Profit for the Year 796.10 726.72 (-) Dividends - Interim (170.16) (156.63) (-) Tax on Distributed Profit (28.13) (25.41) (-) Transfer to General Reserve (51.13) (60.44) (-) Transfer to Debenture Redemption Reserve (21.25) - Closing Balance 1,090.82	6.	FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT	(3.74)	(11.21)		
Balance as per last financial statements 201.46 231.35 (+) Transfer from Surplus 51.13 60.44 (-) Transfer to Debenture Redemption Reserve - (49.75) (+) Transfer from Debenture Redemption Reserve 7.13 50.00 (-) Trademark and Brands amortisation Pursuant to Scheme of Amalgamation of GHPL (Refer Note 1(q)(iii)(h)) (52.75) (52.75) (-) Adjustment Pursuant to Scheme of Amalgamation of Naturesse Consumer Care Products Limited - (37.83) Closing Balance 206.97 201.46 9. SURPLUS Balance as per last financial statements 1,090.82 606.58 (+) Net Profit for the Year 796.10 726.72 (-) Dividends - Interim (170.16) (156.63) (-) Tax on Distributed Profit (28.13) (25.41) (-) Transfer to General Reserve (51.13) (60.44) (-) Transfer to Debenture Redemption Reserve (21.25) - Closing Balance 1,616.25 1,090.82	7.	FOREIGN CURRENCY TRANSLATION RESERVE	(50.48)	(29.75)		
(-) Trademark and Brands amortisation Pursuant to Scheme of Amalgamation of GHPL (Refer Note 1(q)(iii)(h)) (-) Adjustment Pursuant to Scheme of Amalgamation of Naturesse Consumer Care Products Limited and Essence Consumer Care Products Limited - (37.83) Closing Balance 9. SURPLUS Balance as per last financial statements (+) Net Profit for the Year (-) Dividends - Interim (170.16) (156.63) (-) Tax on Distributed Profit (-) Transfer to General Reserve (170.16) (150.44) (-) Transfer to Debenture Redemption Reserve (100.82) (100.82) (100.82) (100.82) (100.82) (100.82) (100.82)	8.	Balance as per last financial statements (+) Transfer from Surplus (-) Transfer to Debenture Redemption Reserve	51.13 -	60.44 (49.75)		
(-) Adjustment Pursuant to Scheme of Amalgamation of Naturesse Consumer Care Products Limited and Essence Consumer Care Products Limited Closing Balance 9. SURPLUS Balance as per last financial statements (+) Net Profit for the Year (-) Dividends - Interim (-) Tax on Distributed Profit (-) Transfer to General Reserve (-) Transfer to Debenture Redemption Reserve Closing Balance (-) Amalgamation of Naturesse Consumer (37.83) (201.46) 1,090.82 606.58 (4) Net Profit for the Year (796.10 (170.16) (156.63) (25.41) (51.13) (60.44) (-) Transfer to Debenture Redemption Reserve (21.25) Closing Balance			7.13	50.00		
Care Products Limited and Essence Consumer Care Products Limited - (37.83) Closing Balance 206.97 9. SURPLUS 306.58 Balance as per last financial statements 1,090.82 606.58 (+) Net Profit for the Year 796.10 726.72 (-) Dividends - Interim (170.16) (156.63) (-) Tax on Distributed Profit (28.13) (25.41) (-) Transfer to General Reserve (51.13) (60.44) (-) Transfer to Debenture Redemption Reserve (21.25) - Closing Balance 1,616.25 1,090.82			(52.75)	(52.75)		
9. SURPLUS 1,090.82 606.58 Balance as per last financial statements 1,090.82 606.58 (+) Net Profit for the Year 796.10 726.72 (-) Dividends - Interim (170.16) (156.63) (-) Tax on Distributed Profit (28.13) (25.41) (-) Transfer to General Reserve (51.13) (60.44) (-) Transfer to Debenture Redemption Reserve (21.25) - Closing Balance 1,616.25 1,090.82		Care Products Limited and Essence Consumer Care Products Limited	_			
Balance as per last financial statements 1,090.82 606.58 (+) Net Profit for the Year 796.10 726.72 (-) Dividends - Interim (170.16) (156.63) (-) Tax on Distributed Profit (28.13) (25.41) (-) Transfer to General Reserve (51.13) (60.44) (-) Transfer to Debenture Redemption Reserve (21.25) - Closing Balance 1,616.25 1,090.82		Closing Balance	206.97	201.46		
	9.	Balance as per last financial statements (+) Net Profit for the Year (-) Dividends - Interim (-) Tax on Distributed Profit (-) Transfer to General Reserve (-) Transfer to Debenture Redemption Reserve	796.10 (170.16) (28.13) (51.13) (21.25)	726.72 (156.63) (25.41) (60.44)		

NOTE 5 : LONG-TERM BORROWINGS (₹ Crore					
		Current Year	Previous Year		
A.	Secured				
	Term Loans	410.55	700.00		
	From Banks (See Note (a) below) Deferred Sales Tax Loan (See Note (b) below)	410.55	703.80		
	Deletted Sales tax Loait (See Note (b) below)	0.05 410.60	703.88		
В.	Unsecured	410.00	7 00.00		
٥.	Debentures				
	a) 2,500 Unsecured, Redeemable, Zero Coupon, Non-Convertible Debentures				
	of ₹ 10 lac each	250.00	-		
	b) 2,250 Unsecured, Redeemable, Zero Coupon, Non-Convertible Debentures				
	of ₹ 10 lac each	-	225.00		
	c) Premium on Redemption of Debentures (See Note (c) and (d) below)	10.17	10.24		
		260.17	235.24		
	Term loans				
	From Banks	1,194.52	588.28		
	From Other Parties	0.86	0.72		
	TOTAL	1,195.38	589.00		
	TOTAL	1,866.15	1,528.12		

NOTES:

- a) Secured Loans represent borrowings from various financial institutions for the acquisition of Megasari Group and Indovest Capital. The loan is secured by pledge of shares of the Megasari Group and Indovest Capital, repayable quarterly at a floating rate of interest ranging from 2% 3% p.a.
- b) Deferred sales tax loan is interest free and will be paid in balance 15 monthly installments. It is secured by Bank Guarantee in favour of Sales Tax authorities.
- c) During the year, the Company has redeemed 2,250 zero-coupon, unsecured, redeemable, non-convertible debentures on November 14, 2012, at a call option premium of 0.25%.
- d) During the year, the Company has issued 2,500 zero-coupon, unsecured, redeemable, non-convertible debentures on private placement basis, redeemable at a premium, which will yield 9.40% p.a. at maturity. These debentures are redeemable on October 25, 2014, with call option on October 25, 2013, at a call option premium of 0.50%.
- e) During the year, the Group has taken loan for the acquisition of Cosmetica Nacional in Chile and Darling Group in Africa.
- f) The Group does not have any continuing default as on the Balance Sheet date in the repayment of loans and interest.

NOTE 6 : DEFERRED TAX LIABILITIES (NET)		(₹ Crore)
	Current Year	Previous Year
1. Deferred Tax Liability		
a) Depreciation	20.00	17.15
2. Deferred Tax Assets		
a) Tax Disallowances	12.64	4.92
b) Provision for Doubtful Debts and Advances	1.40	1.18
	14.04	6.10
TOTAL	5.96	11.05
NOTE 7 : OTHER LONG-TERM LIABILITIES		
Security Deposits Received	4.42	6.29
Others	0.72	0.86
TOTAL	5.14	7.15
TOTAL	5.14	7.15
NOTE 8 : LONG-TERM PROVISIONS		
Provision for Employee Benefits		
Leave Encashment	4.90	6.90
Gratuity	17.24	15.36
TOTAL	22.14	22.26
I O II IL		

NO	TE 9 : SHORT-TERM BORROWINGS		(₹ Crore)
		Current Year	Previous Year
A.	Secured		
	Loans Repayable on Demand		
	Cash Credit from Bank (Refer Note (a) below)	0.60	4.04
	Other Borrowings	-	0.14
		0.60	4.18
B.	Unsecured		
	Short-Term Loan from Bank	81.84	31.69
	Other Borrowings	-	0.05
		81.84	31.74
TO	TAL	82.44	35.92
NO	TES:		

- a) Cash Credit from Bank is secured by Hypothecation of Inventories and Book debts.
- b) The group does not have any default as on the Balance Sheet date in the repayment of any loan and interest.

NOTE 10 : TRADE PAYABLES (₹ 0				
	Current Year	Previous Year		
Due to Micro, Small and Medium Enterprises	-	-		
Others	1,034.81	770.23		
TOTAL	1,034.81	770.23		
NOTE				

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the balance sheet date. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

NOTE 11 : OTHER CURRENT LIABILITIES		(₹ Crore)
	Current Year	Previous Year
1. Current Maturities of Long-Term Debt (Refer Note below)	507.75	312.87
2. Interest Accrued but not Due on Borrowings	19.17	26.04
3. Security Deposit Received	0.44	0.41
4. Unpaid Dividends	5.76	5.34
5. Taxes, Duties and Other Levies Payable	65.55	39.51
6. Interim Dividend Payable	68.07	59.55
7. Other Payables	436.58	246.47
TOTAL	1,103.32	690.19
NOTE:		

Current maturities of Long-term Debt in current year include 500, 9.80% unsecured, redeemable, non-convertible debentures having a face value of ₹ 10 lac each. These debentures are redeemable at par on October 28, 2013.

NO	TE 12 : SHORT TERM PROVISIONS		(₹ Crore)
		Current Year	Previous Year
1.	Provision for Employee Benefits		
	Contribution to Provident Fund and Other Funds	1.08	0.95
	Gratuity	11.65	5.72
	Leave Encashment	3.23	2.55
2.	Others		
	Provision for Taxes (Net of Advance Tax)	30.99	33.18
	Provision for Tax on Distributed Profits	11.57	9.66
TO	ΓAL	58.52	52.06

NOTE 13 : FIXED ASSETS (₹ Crore)

		GROSS BLOCK DEPRECIATION / AMORTISATION								LOCK					
ASS	ETS	Opening	Additions	Disposals	Acquisitions through Business Combinations	Other Adjustments	Closing	Opening	Depreciation for the Year	On Disposals	On Acquisitions through Business Combinations	Other Adjustments / Impairments	Closing	Current Year	Previous Year
A.	TANGIBLE ASSETS														
	Freehold Land	26.53	3.58	4.49	12.09	(5.21)	32.50	-	-	-	-	-	-	32.50	26.53
	Leasehold Land	6.85	10.55	1.87	1.87	-	17.40	0.50	0.07	-	-	-	0.57	16.83	6.35
	Leasehold Improvements	5.20	0.68	0.52	-	0.04	5.40	0.88	0.57	0.06	-	-	1.39	4.01	4.32
	Buildings	159.70	42.52	12.44	32.36	9.00	231.14	40.03	7.04	4.46	5.08	_	49.89	181.25	119.67
	Plant and Equipments	428.09	51.20	53.24	24.44	0.30	450.79	237.39	38.97	49.32	11.49	2.00	240.53	210.26	190.70
	Furniture, Fixtures and Fittings	27.57	4.18	0.86	2.84	(8.74)	24.99	14.41	2.33	0.76	2.17	(6.99)	11.16	13.83	13.16
	Office Equipment	21.84	4.42	2.60	-	2.16	25.82	12.04	2.86	2.31	-	1.06	13.65	12.17	9.80
	Vehicles	34.20	10.11	2.11	1.03	(2.13)	41.10	12.94	6.21	1.80	0.59	(1.21)	16.73	24.37	21.26
	Computers	18.00	4.69	0.64	-	(0.29)	21.76	15.26	2.63	0.55	-	(2.49)	14.85	6.91	2.74
	(A)	727.98	131.93	78.77	74.63	(4.87)	850.90	333.45	60.68	59.26	19.33	(5.43)	348.77	502.13	394.53
B.	INTANGIBLE ASSETS														
	Goodwill	13.72	-	-	-	(0.14)	13.58	3.60	2.69	-	-	(0.13)	6.16	7.42	10.12
	Trademarks and Brands	1,278.32	73.56		12.51	` /	1,254.88	145.76	10.17	9.81	0.16		198.69	,	1,132.56
	Computer Software	20.01	10.86	0.05	-	4.71	35.53	11.02	3.31	0.05	-	1.75	16.03	19.50	
	Technical Knowhow	0.30	2.34	-	-	-	2.64	0.12	0.15	-	-	-	0.27	2.37	0.18
	. ,	1,312.35		108.38			1,306.63	160.50	16.32	9.86	0.16			1,085.48	1,151.85
	, ,	2,040.33				` '	2,157.53	493.95	77.00	69.12	19.49	48.60		1,587.61	
	Previous Year	1,914.75	82.03	(16.38)	18.77	41.16	2,040.33	377.46	64.44	4.72	-	47.32	493.95		1,546.38
C.	CAPITAL WORK-IN-PROGRESS													140.85	37.58
	TOTAL													1,728.46	1,583.96

NOTES:

a) Trademarks and Brands acquired pursuant to the Scheme of the Amalgamation of the erstwhile Godrej Household Products Limited (GHPL) with the Company and Soft and Gentle Brand of UK are amortised over a period of 20 years. The major influencing factors behind amortising these brands over a period of 20 years are that Goodknight and HIT brands have been in existence since the last two decades and been growing at a fast pace. Soft and Gentle is the 4th largest by Market Share in the female Deodorant Market in the U.K.

b) In accordance with the Scheme of Amalgamation of the erstwhile Godrej Household Products Limited with the Company which was sanctioned by the High Court of Judicature at Bombay, an amount of ₹ 52.75 crore (previous year ₹ 52.75 crore), equivalent to the amortisation of the Goodknight and HIT brands is charged directly to the General Reserve.

c) During the year, the Company has capitalised the bowrrowing cost amounting to ₹ 4.55 crore (previous year Nil).

NOTE 14 : DEFERRED TAX ASSETS (NET)		(₹ Crore)
	Current Year	Previous Year
1. Deferred Tax Assets		
a) Tax Disallowances	16.11	12.20
b) Others	4.73	_
	20.84	12.20
2. Deferred Tax Liability		
a) Depreciation	-	0.64
b) Others	0.86	
	0.86	0.64
TOTAL	19.98	11.56
NOTE 15 : LONG-TERM LOANS AND ADVANCES		(₹ Crore)
	Current Year	Previous Year
Unsecured, Considered Good, Unless Otherwise Stated		
1. Capital Advances	2.55	65.41
2. Security Deposits	21.41	21.43
3. Other Loans and Advances		
a) Amount due from ESOP Trust	50.30	87.49
b) Excise and VAT Receivables		
Considered Good 87.21		51.21
Considered Doubtful 11.26		8.22
Less: Provision for Doubtful Receivables (11.26)		(8.22)
	87.21	51.21
c) Advance Tax (Net of Provisions)	26.82	14.24
d) Miscellaneous Loans and Advances (Refer Note below)	6.46	6.56
	194.75	246.34
NOTE:		

Long-Term Loans and Advances include ₹ 0.53 crore (previous year ₹ 1.29 crore) due from a Director.

NOTE 16: OTHER NON-CURRENT ASSETS				
	Current Year	Previous Year		
Unsecured, Considered Good, Unless Otherwise Stated				
Other Non-current Assets	1.02	2.95		
TOTAL	1.02	2.95		

NOTE 17 : INVENTORIES		(₹ Crore)
(Valued at lower of cost and net realisable value)	Current Year	Previous Year
Raw Materials and Packing Materials 430.69		309.29
Goods-in Transit 1.27		14.80
	431.96	324.09
Work-in-Progress	38.24	41.17
Finished Goods	501.60	370.61
Stock-in-Trade Stores and Spares	66.98 8.31	39.15 8.89
TOTAL	1,047.09	783.91
	1,017100	
NOTE 18 : TRADE RECEIVABLES		(₹ Crore)
T D	Current Year	Previous Year
Trade Receivables Outstanding for a Period Exceeding Six Months Unsecured: Considered Good	32.96	5.86
Considered Doubtful	7.33	4.52
Considered Bodelidi	40.29	10.38
Less: Provision for Doubtful Debts	(7.33)	(4.52)
	32.96	5.86
Other Trade Receivables	07.05	0.40
Secured, Considered Good Unsecured: Considered Good	37.05 658.75	3.18 463.49
Considered Doutful	4.54	6.17
Considered Bounds	700.34	472.84
Less: Provision for Doubtful Debts	(4.54)	(6.17)
	695.80	466.67
TOTAL	728.76	472.53
NOTE 40, OAGU AND DANK DALANGED		(7.0)
NOTE 19 : CASH AND BANK BALANCES	Current Year	(₹ Crore) Previous Year
1. Cash and Cash Equivalents	Current rear	Flevious feal
a) Balances with Banks		
On Current Accounts 448.59		121.37
Deposits with less than 3 months maturity 173.96		259.83
In) Observed Duefts and Heart	622.55	381.20
b) Cheques, Drafts on Handc) Cash on Hand	0.56 1.35	2.38 4.26
d) Investments in Liquid Mutual Funds	121.18	63.50
a, mooth to me again mateur and	745.64	451.34
2. Other Bank Balances		
a) Deposits against Bank Guarantees	8.16	7.32
b) Deposits with more than 3 months but less than 12	100.10	175.07
months maturity c) For Unpaid Dividend	109.19 5.79	175.87 5.34
o, Tot Official Dividoria	123.14	188.53
TOTAL	868.78	639.87

NOTE 20 : SHORT-TERM LOANS AND ADVANCES		(₹ Crore)	
		Current Year	Previous Year
Unsecured, Considered Good, Unless Otherwise Stated			
Other Loans and Advances			
a) Security Deposits		3.41	3.32
b) Excise and VAT Receivables		89.08	57.62
c) Miscellaneous Loans and Advances			
Considered Good (Refer Note below)	108.34		57.19
Considered Doubtful	0.58		0.17
Less: Provision for Doubtful Loans and Advances	(0.58)		(0.17)
		108.34	57.19
TOTAL		200.83	118.13
NOTE:			

Short Term Loans and Advances include ₹ 0.26 Crore (previous year ₹ 0.43 crore) due from a Director.

NOTE 21 : OTHER CURRENT ASSETS				
	Current Year	Previous Year		
Accrued Interest	2.89	3.88		
Deferred Premium on Forward Contracts	0.02	0.64		
TOTAL	2.91	4.52		

NO	TE 2	2 : CONTINGENT LIABILITIES		(₹ Crore)
			Current Year	Previous Year
a)	Cla	ims for Excise Duties, Taxes and Other Matters		
	i)	Excise duty demands aggregating ₹ 11.26 crore (previous year ₹ 3.95		
		crore) against which the Company has preferred appeals (net of tax)	7.61	2.67
	ii)	Customs Duty claims in respect of Classification	-	3.87
	iii)	Excise duty claims in respect of non-payment of education cess for the		
		period January 2005 to March 2008 at the Guwahati Factory amounting to		
		Nil (previous year ₹ 1.18 crore) (net of tax).	-	0.80
	i∨)	Sales tax demands aggregating ₹ 22.68 crore (previous year ₹ 28.07 crore)		
		against which the Company has preferred appeals (net of tax)	15.32	18.96
	V)	Income-tax matters		
		Demand notices issued by Income-tax Authorities	7.81	7.83
	vi)	Other matters: ₹ 3.00 crore (previous year ₹ 3.00 crore) (net of tax)	2.03	2.03

NO	TE 2	2 : CONTINGENT LIABILITIES (Contd.)		(₹ Crore)
			Current Year	Previous Year
b)		arantees		
	i)	Guarantees issued by banks [secured by bank deposits under lien with the bank ₹ 8.16 crore (previous year ₹ 7.32 crore)]	10.25	10.21
	ii)	Guarantee amounting to USD 222 million (previous year USD 297 million)		
	,	given by the Company against loan provided by banks to Godrej Consumer		
	:::\	Products Holding (Mauritius) Limited	1,203.99	1,511.15
	iii)	Guarantee of AED 1.4 million (previous year AED 1.4 million) given by the Company to guarantee principal amount of credit facilities extended by		
		HSBC Bank Middle East Ltd. to Godrej Global Mid East FZE	2.07	1.94
	iv)	Guarantee given by the Company to guarantee principal amount of credit		
		facilities extended by the Royal Bank of Scotland to Godrej Hygiene Products Limited.	5.00	5.00
	v)	Guarantee given by the Company to guarantee principal amount of credit	3.00	3.00
	,	facilities extended by Citibank Sri Lanka and Citibank Bangladesh to		
		Godrej Household Products (Lanka) Private Limited and Godrej Household Products (Bangladesh) Private Limited respectively	7.56	7.56
	∨i)	Guarantee amounting to USD 10 million (previous year USD 10 million)	7.50	7.50
	• .,	given by the Company to HSBC, Hongkong towards swap/derivative		
		facilities provided to Godrej Consumer Products Holding (Mauritius) Limited	54.29	50.88
	∨ii)	Guarantee amounting to USD 121 million (previous year USD 121 million) given by the Company to DBS Bank, Singapore against loan provided to		
		Godrej Mauritius Africa Holdings Limited	656.85	615.59
	viii)	Guarantee amounting to BDT 245 million (previous year BDT 75 million) given		
		by the Company to HSBC, Bangladesh towards credit facilities provided by the Bank to Godrej Household Products (Bangladesh) Private Ltd.	17.13	4.76
	ix)	Guarantee amounting to GBP 30 million (previous year Nil) given by the	17.10	11.70
	,	Company to HSBC, Hongkong against loan given to Godrej Netherlands BV.	246.68	-
	x)	Guarantee amounting to USD 84 million (previous year Nil) given by the		
		Company to HSBC, Hongkong & SCB Mauritius Limited against loan given to Godrej Mauritius Africa Holdings Limited.	455.99	-
	xi)	Guarantee amounting to USD 5 million (previous year Nil) given by the		
		Company to HSBC, Hongkong towards swap/derivative facilities provided to Godrej Netherlands B.V.	27.14	
	xii)	Guarantee amounting to GBP 9.9 million (previous year Nil) given by the	27.14	-
	,	Company to HSBC, Hongkong against loan given to Godrej Netherlands		
	01.	B.V.	81.41	-
c)	i)	ims against the Company not acknowledged as debt Claims by various parties on account of unauthorised, illegal and fraudulent		
	1)	acts by an employee.	24.24	24.24
	ii)	Claims pertaining to litigations filed against the erstwhile Godrej Household		
	:::\	Products Limited.	0.98	0.25
	iii) 	Others	2.59	4.28
		3 : COMMITMENTS		
i)		mated amount of contracts remaining to be executed on capital account I not provided (Net of Advances)	41.05	153.55
	0			. 55.56

NOTE OF BEVENUE EDOM OBERATIONS		(T. C.)
NOTE 24 : REVENUE FROM OPERATIONS	0	(₹ Crore)
4 Oals of Duark ats	Current Year	Previous Year
Sale of Products Other Counting Deverting	6,598.90	4,971.39
2. Other Operating Revenues	10.05	15.00
Miscellaneous Income	16.65	15.22
Q. Lagar Evoiga Dutty	6,615.55	4,986.61
3. Less: Excise Duty	(208.11)	(120.45)
TOTAL	6,407.44	4,866.16
NOTE 25 : OTHER INCOME		(₹ Crore)
1.0 1.2 2.3 1.0 1.1 1.1 1.1 1.0 5.1 1.2	Current Year	Previous Year
1. Interest Income		T TO VIOLO TO LI
On Advances and Deposits	29.60	26.96
On Loan to ESOP Trust	5.40	12.53
On Income-tax Refund	-	0.28
2. Net Gain on Sale of Investments	8.15	6.16
3. Other Non-Operating Income		
Profit on Sale of Fixed Assets	14.93	-
Claim Received	1.88	3.12
Miscellaneous Non-operating Income	7.82	2.95
TOTAL	67.78	52.00
NOTE 26 : COST OF RAW MATERIALS INCLUDING PACKING		
MATERIAL CONSUMED		(₹ Crore)
	Current Year	Previous Year
Opening Inventory	324.09	192.41
Add: Purchases (Net)	2,763.85	2,303.42
	3,087.94	2,495.83
Less: Closing Inventory	(431.96)	(324.09)
Cost of Raw Materials including Packing Material Consumed	2,655.98	2,171.74
NOTE 27 : CHANGES IN INVENTORIES OF FINISHED		
GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		(₹ Crore)
	Current Year	Previous Year
Opening Inventory		
Finished Goods	370.61	181.32
Finished Goods Stock-in-Trade	370.61 39.15	181.32 35.97
Stock-in-Trade	39.15	35.97
Stock-in-Trade	39.15 41.17	35.97 21.38 238.67
Stock-in-Trade Work-in-Progress	39.15 41.17	35.97 21.38
Stock-in-Trade Work-in-Progress Less: Closing Inventory	39.15 41.17 450.93	35.97 21.38 238.67
Stock-in-Trade Work-in-Progress Less: Closing Inventory Finished Goods	39.15 41.17 450.93 501.60 66.98 38.24	35.97 21.38 238.67 370.61 39.15 41.17
Stock-in-Trade Work-in-Progress Less: Closing Inventory Finished Goods Stock-in-Trade Work-in-Progress	39.15 41.17 450.93 501.60 66.98	35.97 21.38 238.67 370.61 39.15
Stock-in-Trade Work-in-Progress Less: Closing Inventory Finished Goods Stock-in-Trade	39.15 41.17 450.93 501.60 66.98 38.24	35.97 21.38 238.67 370.61 39.15 41.17

NOTE 28 : EMPLOYEE BENEFITS EXPENSES			(₹ Crore)
		Current Year	Previous Year
1. Salaries and Wages		550.08	375.01
2. Contribution to Provident and Other Funds		13.38	8.15
3. Expense on Employee Stock Grant Scheme (ESGS)		2.81	1.78
4. Staff Welfare Expenses		24.41	16.54
TOTAL		590.68	401.48
NOTE OF FINANCE COOTS			(7.0.)
NOTE 29 : FINANCE COSTS		0 11/	(₹ Crore)
		Current Year	Previous Year
1. Interest Expense		60.37	52.13
2. Bill Discounting Charges		17.06	11.98
3. Other Borrowing costs		0.02	1.73
TOTAL		77.45	65.84
NOTE 30 : OTHER EXPENSES			(₹ Crore)
		Current Year	Previous Year
Consumption of Stores and Spare Parts		20.24	16.38
Power and Fuel		102.56	79.96
Rent		41.63	28.59
Repairs and Maintenance		11100	20.00
Plant and Equipment	6.94		4.59
Buildings	3.02		2.14
Others	26.06		18.87
	20.00	36.02	25.60
Insurance		10.44	5.92
Rates and Taxes		15.12	14.06
Miscelleneous Expenses		96.90	69.69
Processing and Other Manufacturing Charges		102.93	72.93
Excise Duty Provision on Inventory		8.36	5.01
Travelling and Conveyance		52.72	43.27
Legal and Professional Charges		47.73	38.12
Donations		0.79	0.44
Advertising, Publicity and Sales Promotion		958.89	590.54
		110.40	81.75
Selling and Distribution Expenses		211.74	
Freight Reply Charges		9.87	155.96 6.75
Bank Charges			
Commission		13.45	23.63
Discount Not Leas on Sala of Fixed Assets		4.66	12.82
Net Loss on Sale of Fixed Assets		2.77	0.63
Net Loss on Foreign Currency Transactions and Translations		32.78	20.50
Bad Debts Written Off		1.15	1.14
Provision for Doubtful Debts/Advances		2.11	- 1 000 00
TOTAL		1,883.26	1,293.69

NO IE:

Miscellaneous Expenses include the Company's share of various expenses incurred by group companies for sharing of services and use of common facilities.

NOTE 31 : EXCEPTIONAL ITEMS		
	Current Year	Previous Year
License Agreement Termination Compensation	-	200.17
Divestment of Foods Business	128.90	-
TOTAL	128.90	200.17
NOTE 32 : EARNINGS PER SHARE		
	Current Year	Previous Year
Net Profit After Tax (₹ Crore)	796.10	726.72
Number of Shares outstanding at the beginning of the year	340,297,461	323,590,144
Add: Shares Issued during the year	29,464	16,707,317
Number of Shares outstanding at the end of the year	340,326,925	340,297,461
Weighted Average Number of Equity Shares		
For calculating Basic EPS	340,318,803	325,279,135
For calculating Diluted EPS	340,396,437	325,326,563
Earnings Per Share Before and After Extraordinary Items (Face Value ₹ 1)		
Basic (₹)	23.39	22.34
Diluted (₹)	23.39	22.34

NOTE 33: LEASES

The Group's significant leasing agreements are in respect of operating lease for Computers and Premises (office, godown, etc.) and the aggregate lease rentals payable are charged as rent.

The future minimum lease payments outstanding under non-cancellable operating leases are as follows:

		(₹ Crore)
	Current Year	Previous Year
Not later than one year	6.84	7.58
Later than one year and not later than five years	4.06	7.98
Later than five years	0.91	0.82
TOTAL	11.81	16.38

NOTE 34: HEDGING CONTRACTS

The Group uses forward exchange contracts to hedge its foreign exchange exposure relating to the underlying transactions and firm commitment in accordance with its forex policy. The Group does not use foreign exchange forward contracts or commodity futures contracts for trading or speculation purposes.

a) Forward Contracts outstanding as at March 31, 2013:

	Current \	/ear	Previou	us Year
	Avg. Rate	USD Mn	Avg. Rate	USD Mn
Forward Contract to Purchase (USD)	58.85	0.83	50.98	22.78
[1 contract (previous year 32 contracts)]				
b) The uncovered foreign exchange exposure as at	March 31, 2013:			(₹ Crore)
		Currency	Current Year	Previous Year
Payables		USD	393.72	138.87
Payables		SGD	0.20	0.01
Payables		EUR	3.23	2.32
Payables		GBP	0.19	0.01
Payables		JPY	0.08	-
Loan and Interest payable		USD	134.48	240.99
Receivables		USD	106.01	52.77
Receivables		EUR	15.83	-
Receivables		ZAR	0.29	-
Receivables		GBP	0.02	-
Cash and cash equivalents		USD	49.62	35.91
Cash and cash equivalents		EUR	6.10	0.27
Cash and cash equivalents		ZAR	0.01	-
Bank Borrowings		USD	-	4.65

NOTE 35: INCENTIVE PLAN

The amount carried forward in notional bank after distribution of Performance Linked Variable Remuneration for the financial year 2012-13 is ₹ 1.68 crore as on March 31, 2013 (previous year ₹ 3.49 crore). The said amount is not provided for in the books of account and is payable in future, if performance so warrants.

NOTE 36: RELATED PARTY DISCLOSURES

A) Related Parties and their Relationship

a) Enterprise having control over reporting enterprise:

Godrej & Boyce Mfg. Co. Ltd.

b) Enterprises under common control with whom transactions have taken place during the year:

- i) Godrej Industries Limited
- ii) Godrej Agrovet Limited
- iii) Godrej Tyson Foods Ltd.
- iv) Godrej Infotech Limited
- v) Godrej Properties Limited
- vi) Godrej Oil Palm Limited (Upto April 27, 2012)
- vii) Natures Basket Limited
- viii) Godrej Vikhroli Properties LLP

c) Enterprise over which Key Management Personnel exercise significant influence:

- i) Godrej Hershey Limited (Upto September 27, 2012)
- ii) Godrej Investments Private Limited
- iii) Great Lakes Institute of Management

d) Key Management Personnel and Relatives:

i)	Mr. Adi Godrej	Chairman
ii)	Ms. Parmeshwar Godrej	Wife of Mr. Adi Godrej
iii)	Mr. A. Mahendran	Managing Director
iv)	Ms. Mythili Mahendran	Wife of Mr. A. Mahendran
V)	Ms. Tanya Dubhash	Daughter of Mr. Adi Godrej
vi)	Ms. Nisaba Godrej	Daughter of Mr. Adi Godrej
vii)	Mr. Pirojsha Godrej	Son of Mr. Adi Godrej
viii)	Mr. Nadir Godrej	Brother of Mr. Adi Godrej
ix)	Mr. Burjis Godrej	Son of Mr. Nadir Godrej
x)	Mr. Sohrab Godrej	Son of Mr. Nadir Godrej
xi)	Master Hormazd Godrej	Son of Mr. Nadir Godrej

B) Transactions with Related Parties

						(₹ Crore)
	Enterprise Having Control Over Reporting Enterprise	Enterprises Under Common Control	Enterprise Over Which Key Management Personnel Exercise Significant Influence	Relatives of Key Management Personnel	Key Management Personnel	Total
1. Sale of Goods	0.51 0.35	16.00 <i>10.20</i>	0.04	- 1	-	16.51 <i>10.59</i>
2. Sale of Capital Asset	-	0.02	-	-	-	0.02
3. Purchase of Materials and Spares	3.06 0.51	32.87 21.87	-	-	-	35.93 22.38
Purchase of Capital Asset	1.07 2.97	103.15	-	-	-	104.22 2.97
5. Advance Paid	0.09 0.33	- 50.79	-	-	-	0.09 51.12
6. Establishment and Other Expenses Paid/(Received)	1.56 0.36	12.57 8.19	(0.03) (0.39)	-	0.10 0.03	14.20 8.19
7. Security Deposit Given / (Repaid)	-	-	(1.50) 1.50	-	-	(1.50) <i>1.50</i>
8. Repayment of Loan Given	-	-	-	-	0.92 0.43	0.92 0.43
9. Interest Received on Loans	-	-	-	-	0.10 <i>0.18</i>	0.10 <i>0.18</i>
10. Dividend Paid	59.15 57.00	34.53 31.75	-	3.83 <i>3.70</i>	0.05 <i>0.13</i>	97.56 92.58
11. Managerial Remuneration	-	-	-	-	12.38 <i>13.73</i>	12.38 <i>13.73</i>
12. Commission on Profits and Sitting Fees	-	-	-	0.40 <i>0.3</i> 8	-	0.40 <i>0.38</i>
13. Lease Rentals Paid	-	-	-	2.88 2.85	-	2.88 2.85
Outstanding Balances as at Ma	arch 31, 201	13		30		
Receivable	0.12 0.03	1.51 7.51	0.17 0.35	-	0.79 1.71	2.59 9.60
Payable	0.03	2.81	0.33	-	-	2.81 0.70

NOTE: Figures in Italics denote figures for previous year.

C) The Significant Related Party Transactions are as under:

		(₹ Crore)
	Current Year	Previous Year
Sale of Goods		
Godrej & Boyce Mfg. Co. Ltd.	0.51	0.35
Godrej Industries Ltd.	15.76	10.02
Godrej Properties Limited	0.03	-
Godrej Agrovet Ltd.	0.21	0.18
Godrej Tyson Foods Ltd.*	0.00	0.00
Godrej Hershey Ltd.	-	0.04
Sale of Asset		
Godrej Industries Ltd.	-	0.02
Purchase of Materials and Spares		
Godrej & Boyce Mfg. Co. Ltd.	3.06	0.51
Godrej Industries Ltd.	31.67	20.35
Godrej Oil Palm Limited	0.03	1.52
Godrej Agrovet Limited	1.17	-
Purchase of Capital Asset		
Godrej & Boyce Mfg. Co. Ltd.	1.07	2.97
Godrej Industries Ltd.*	0.00	-
Godrej Vikhroli Properties LLP	103.15	-
Advance Paid		
Godrej & Boyce Mfg. Co. Ltd.	0.09	0.33
Godrej Vikhroli Properties LLP	-	50.79
Establishment and Other Expenses Paid/(Received)		
Godrej & Boyce Mfg. Co. Ltd.	1.56	0.36
Godrej Industries Ltd.	12.71	8.08
Godrej Agrovet Ltd.	0.56	0.55
Godrej Infotech Ltd.	(0.54)	0.01
Godrej Properties Ltd.	(0.51)	(0.39)
Natures Basket Ltd.	(0.08)	(0.06)
Godrej Tyson Foods Ltd.* Great Lakes Institute of Management	(0.11) 0.01	(0.00)
Godrej Hershey Ltd.	(0.04)	(0.39)
Mr. Adi Godrej	0.06	(0.39)
Mr. A. Mahendran	0.04	0.03
Security Deposit Given / (Repaid)	0.04	0.00
Godrej Hershey Ltd.	(1.50)	1.50
Repayment of Loan Given	(1.00)	1.00
Mr. A. Mahendran	0.92	0.43
Interest Received on Loans	0.02	0.10
Mr. A. Mahendran	0.10	0.18
Dividend Paid	3110	3.10
Godrej & Boyce Mfg. Co. Ltd.	59.15	57.00
Godrej Industries Ltd.	000	07.00

		(₹ Crore)
	Current Year	Previous Year
Mr. Adi Godrej*	0.00	0.00
Mr. A. Mahendran	0.05	0.13
Ms. Parmeshwar Godrej*	0.00	0.00
Ms. Tanya Dubhash	0.64	0.62
Ms. Nisaba Godrej	0.64	0.62
Mr. Pirojsha Godrej	0.64	0.62
Mr. Nadir Godrej	0.44	0.46
Mr. Burjis Godrej	0.49	0.46
Mr. Sohrab Godrej	0.49	0.46
Master Hormazd Godrej	0.49	0.46
Managerial Remuneration		
Mr. Adi Godrej	6.79	7.43
Mr. A. Mahendran	5.59	6.30
Commission on Profits and Sitting Fees		
Mr. Nadir Godrej	0.13	0.13
Ms. Nisaba Godrej	0.13	0.12
Ms. Tanya Dubash	0.14	0.12
Lease Rentals Paid		
Ms. Parmeshwar Godrej	2.46	2.46
Ms. Mythili Mahendran	0.42	0.39

^{*} amount less than ₹ 0.01 crore.

NOTE 37: SEGMENT INFORMATION

(₹ Crore)

	Within India		Outside india		Total	
	Current	Previous	Current	Previous	Current	Previous
	Year	Year	Year	Year	Year	Year
Sales Revenue by geographical markets	3,587.21	2,852.61	3,011.69	2,118.78	6,598.90	4,971.39
Carrying amount of segment assets	4,068.03	4,103.12	3,633.00	1,906.06	7,701.03	6,009.18
Total cost incurred during the year to						
acquire assets	160.92	36.53	161.04	75.06	321.96	111.59

NOTE 38: EMPLOYEE STOCK BENEFIT PLANS

I. EMPLOYEE STOCK OPTION/PURCHASE PLAN

- a) The shareholders of the Company have approved the setting up of the Godrej Consumer Products Ltd. Employee Stock Option Plan (GCPL ESOP) for the benefit of its eligible employees whereby the Company can grant 4,500,000 Stock Options convertible into 4,500,000 equity shares of the nominal value ₹ 1 each to the eligible employees/Directors of the Company and of the Company's subsidiaries.
- b) The ESOP Scheme is administered by an independent ESOP Trust created with IL&FS Trust Company Limited which acquires by subscription/purchase or otherwise, the Company's shares equivalent to the number of Options proposed to be granted by the participating companies, as approved by the Compensation Committee.
- c) The ESOPs authorised for issue are as under:
 - i) 2,000,000 Options in the Extra-ordinary General Meeting on March 14, 2007.
 - ii) 2,500,000 Options in the Extra-ordinary General Meeting on April 28, 2008.
- d) The Options granted shall vest in the eligible employees within such period as may be prescribed by the Compensation Committee, which period shall not be less than one year and may extend up to three years from the date of grant of the Option. Vesting may occur in tranches subject to the terms and conditions of vesting. The Option is exercisable within two years after vesting.
- e) All unvested Options shall vest in the employees on the date of retirement or at an earlier date as may be decided by the Compensation Committee, subject to the requirement of minimum vesting period and all vested Options should be exercised by the Option Grantee immediately on retirement, but in no event later than six months from the date of such Option Grantee's retirement.
- f) The price at which the Option Grantee would convert Options granted into GCPL Shares (i.e. the exercise price) shall be the market price prevailing on the day prior to the day of grant plus interest at such rate not being less than the bank rate then prevailing compoundable on an annual basis for the period commencing from the date of granting of the Option and ending on the date of intimating exercise of the Option to the Company.
- g) The employee share based payment plans have been accounted based on the intrinsic value method and no compensation expense has been recognised since the market price of the underlying share at the grant date is the same / less than the exercise price of the option, the intrinsic value therefore is *Nil*.
- h) The Board of Directors at its meeting held on January 22, 2011, had approved an Employee Stock Purchase Plan (GCPL ESPL) which is administered by the GCPL ESOP Trust. Under the plan, the Company provides loans to the GCPL ESOP Trust at an interest rate which is not less than the bank rate, to enable the Trust to acquire up to 1,000,000 shares of the Company from the secondary market. The HR and Compensation Committee had resolved that the surplus shares held by the GCPL ESOP Trust at any point of time for grant of Options under GCPL ESOP be utilised for grant of shares to the employees under the GCPL ESPL within the maximum of 1,000,000 equity shares. Under the plan, entire 1,000,000 shares have been granted and vested till March 31, 2013. These shares have to be compulsorily acquired from the GCPL ESOP Trust within the exercise period of two years. The exercise price shall be the market price on the day prior to the date of grant plus interest at a rate not less than the bank rate till the date of exercise.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

i) The status of the above plans (since inception) are as under:

	As at March	As at March
	31, 2013	31, 2012
Options Granted	5,167,000	5,167,000
Options Vested	4,370,000	4,244,000
Options Exercised	3,245,950	2,950,075
Options Lapsed/Forfeited and re-granted	762,000	762,000
Options Lapsed/Forfeited, pending sale	-	35,000
Options Lapsed/Forfeited and sold	85,000	-
Total Number of Options Outstanding	1,074,050	1,419,925

II. EMPLOYEE STOCK OPTION PLAN OF ERSTWHILE GODREJ HOUSEHOLD PRODUCTS LTD.

- a) Under the Scheme of Amalgamation, the Company has obtained the 'Godrej Sara Lee Limited Employees Stock Option Plan' set up for eligible employees of the erstwhile Godrej Household Products Limited. The equity shares of Godrej Industries Limited (GIL) are the underlying equity shares for the stock option plan. The ESOP Scheme is administered by an independent ESOP Trust created with IL&FS Trust Company Limited. The independent ESOP Trust has purchased shares of GIL from the market against which the options have been granted. The purchases have been financed by loans from the erstwhile Godrej Household Products Limited, which together with interest amounted to ₹ 77.43 crore as at beginning of the year. The ESOP Trust has made a net repayment of the loan and interest amounting to ₹ 26.43 crore during the year. The total amount of loans given together with interest thereon as at March 31, 2013 amounts to ₹ 51.00 crore. The repayment of the loans granted to the ESOP Trust and interest thereon is dependent on the exercise of the options by the employees and the market price of the underlying shares of the unexercised options at the end of the exercise period.
- b) The status of the above plan (since inception) is as under:

	As at March	As at March
	31, 2013	31, 2012
Options Granted	2,129,000	2,129,000
Options Vested	-	-
Options Exercised	-	-
Options Lapsed/Forfeited, pending sale	55,000	667,000
Options Lapsed/Forfeited and sold	954,000	-
Total Number of Options Outstanding	1,120,000	1,462,000

III. EMPLOYEE STOCK GRANT SCHEME

- a) The Company set up the Employees Stock Grant Scheme 2011 (ESGS) pursuant to the approval by the Shareholders on March 18, 2011.
- b) The ESGS Scheme is effective from April 1, 2011, (the "Effective Date") and shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the shares to be vested under Employee Stock Grant Scheme 2011 have been vested in the Eligible Employees and all restrictions on such Stock Grants awarded under the terms of ESGS Scheme, if any, have lapsed, whichever is earlier.
- c) The Scheme applies to the Eligible Employees of the Company or its Subsidiaries. The entitlement of each employee will be decided by the Compensation Committee based on the employee's performance, level, grade, etc.
- d) The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 2,500,000 (Twenty Five Lac) fully paid up equity shares of the Company. Not more than 500,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.

As at March

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

- e) The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3rd at the end of each year or as may be decided by the Compensation Committee from the date on which the Stock Grants are awarded for a period of three consecutive years subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.
- f) The Eligible Employee shall exercise her/his right to acquire the shares vested in her/him all at one time within 1 month from the date on which the shares vested in her/him or such other period as may be determined by the Compensation Committee.
- g) The Exercise Price of the shares has been fixed at ₹ 1 per share. The intrinsic value, being the difference between market price and exercise price is treated as employee compensation cost and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.
- h) The status of the above plan (since inception) is as under:

	As at March	As at March
	31, 2013	31, 2012
Options Granted	184,361	114,102
Options Vested	29,464	-
Options Exercised	29,464	-
Options Lapsed/Forfeited	28,704	19,136
Total Number of Options Outstanding	126,193	94,966

- IV. Pursuant to SEBI notification dated January 17, 2013, no further securities of the Company will be purchased from the open market.
- V. Had the fair value method of accounting been used, the employee compensation cost for the year ended March 31, 2013 would have been lower by ₹ 1.14 crore (previous year higher by ₹ 0.67 crore).

NOTE 39: GENERAL

- a) Other information required by Schedule VI (Revised) to the Companies Act, 1956, has been given only to the extent applicable.
- b) Figures for the previous year have been regrouped / restated wherever necessary to conform to current year's presentation.

PERIOD P	ָט ב	Details of subsidairles as required under Section 212 of the Companies Act 1956		eneral	Jircula	r No 2/2	יס רוט:	General Circular No 2/2011 of Government of India, Ministry of Company Affairs, pusuant to ≜ffermes in	ent of Inc	lla, Mini	stry or Co	ompany	Апаігs,	pusuant ī ∆∥ fioures	o :
Adjunction bits and the part of the part o	<u>ਲ</u> ਤੋਂ	Name of The Company	[change		Reserves &	Total Assets	Total	Details of	Turnover	Profit before	Provision	Profit after Pr	pasodo.
Contract Skipperfitting	-	Argencos SA		ARS	naic	18.50	184.81	360.44	360.44	- 1	685.86	(22.16)	(6.45)		
Convertion Number of the convertion of the convertion of the convertion Number of the converti	N			ARS	10.651	197.05	1,968.45	3,839.13	3,839.13	1 1	7,305.35	(236.01)	(68.66)	(167.35)	1
Debtil Uspage 1				NR R	_	308.89	(99.44)	157.52	157.52	I	157.50	14.80	2.54	12.27	
Demail Linguist Holden, and the control of the cont	ო			CPeso INR	'	05,106.85	(2,637.60)	162,804.47	162,804.47	1 1	158,943.22	6,921.91	1,749.46	5,172.45	I
CONTINUENTIAL PLATE CONTINUENTIAL PLATE CONTINUENTIAL PRODUCTS CONTINUENTIAL PLATE CONTINUENTIAL PLATE CONTINUENTIAL PRODUCTS CONTIN	4		01-Apr-2012 To 31-Mar-2013	ARS	10.651	00.00	00:00	0.00	0.00	1 1	0.00	0.00	00.00	0.00	I
Optical Proposition CONTRINGED CONTRINGED <t< td=""><td>2</td><td></td><td>01-Apr-2012 To 31-Mar-2013</td><td>OSD</td><td>Z Z Z</td><td>8.29</td><td>241.91</td><td>250.59</td><td>250.59</td><td>1</td><td>9.50</td><td>9.35</td><td>0.01</td><td>9.34</td><td>I</td></t<>	2		01-Apr-2012 To 31-Mar-2013	OSD	Z Z Z	8.29	241.91	250.59	250.59	1	9.50	9.35	0.01	9.34	I
Opt Internal United	9		01-Apr-2012 To 31-Mar-2013	OSD BN	70 20	62.66	25.74	88.83	88.83	1 1 1	9.01	8.86	0.27	8.59	I
Cooked Consumer Products Naminal Or Apr. 2012 To 31 May 2013 USB C48.70 C10.80 C42.42 C42.42 C42.43 C42.43 C60.80 C00.00 Cooked Consumer Products Naminal Or Apr. 2012 To 31 May 2013 USB USB SEASON	~		01-Apr-2012 To 31-Mar-2013	OSD ON	A A A	00.0	(0.09)	0.00	0.00	I	00:0	(0.09)	00.0	(0.09)	I
Goding Consumer Products Mauritus (11-Apr-2012 to 51-Abr-2013) USD 59.5 (59.5 (11-2)) (10-2)	ω		01-Apr-2012 To 31-Mar-2013	dsn	000	438.79	(1.08)	442.43	442.43	1 1	0.38	(0.37)	00:00	(0.37)	I
Codes Consumer Products Manning 01-Apr-2012 To 31-Mar-2013 USD 55.25 9.06.17 <td></td> <td>()</td> <td></td> <td>INB</td> <td>54.505</td> <td>23,916.23</td> <td>(58.77)</td> <td>24,114.62</td> <td>24,114.62</td> <td>I</td> <td>20.51</td> <td>(20.18)</td> <td>0.00</td> <td>(20.18)</td> <td></td>		()		INB	54.505	23,916.23	(58.77)	24,114.62	24,114.62	I	20.51	(20.18)	0.00	(20.18)	
ands BY Metherinesis (Chile) 11-Apr-2012 D 51-Mar-2013 USD 64-6505 19-286-50 50-84-0 20-81-109 - 10-94-10-94-0-94-8-9-9-9-9-9-9-9-9-9-9-9-9-9-9-9-9-9-	o	Godrej Consumer Products Mauritius Ltd (Mauritius)	01-Apr-2012 To 31-Mar-2013	OSD W	54.505	383.85	522.10	906.17	906.17	1 1	6.71	930.04	00:0	6.06	I
Occidity Consumer Products (Methods and September 1) LIGATION (1900) Conference of the control of	10	Godrej Consumer Holdings (Netherlands) BV (Netherlands)		OSD ON	2 Z Z Z Z Z Z Z Z Z Z Z Z Z Z Z Z Z Z Z	363.94	9.90	373.93	373.93	1	10.91	10.64	00:00	10.64	I
Control Cont	Ξ	Godrej Consumer Investments (Chile)	01-Apr-2012 To 31-Mar-2013	OSD		100.00	(19.08)	375.67	375.67	I	0.00	(19.08)	00:00	(19.08)	I
Godrej Consumer Products Nether (11-Apr-2012 To 31-Mar-2013 USD 15-64 (11-1) 1457 1-457 - 0.57 0.05 0.00 0.00 0.00 0.00 0.00 0.00				RN	54.505	4	(1,040.06)	20,475.80	20,475.80	ı	00:00	(1,040.06)	00.00	(1,040.06)	
Godegi Consumer Productis (LMC) (11-App-2012 To 31-Mer-2013 GRP 173.4 121.06 258.04 25	12	Godrej Consumer Products (Netherlands) BV (Netherlands)		OSD P	200	15.54	(1.11)	14.57	14.57	I	0.57	0.25	00:00	0.25	T
Light Charles Light Charle	13	Godrej Consumer Products (UK)	01-Apr-2012 To 31-Mar-2013	GBP	04:000	113.34	121.66	235.04	235.04	1 1	00:00	(0.05)	00:00	(0.05)	I
Code Consumer Products Bangle		Ltd. (UK)		 Z	82.844	9,389.45	10,078.43	19,472.01	19,472.01	I	0.32	(3.89)	0.04	(3.93)	
Second Consumer Products Duch	4	Godrej Consumer Products Bangla- desh Limited		Taka		00:00	00:00	0.00	00.00	I	00:00	00:00	0.00	0.00	I
Cooperation of the products build bring social brings and products build brings consumer Products build brings and brings and brings brings brings brings and brings bri		}		N.	0.699	00:00	00:00	00.00	0.00	I	00:00	00:00	0.00	0.00	
Code Consumer Products Holding Cl + Apr-2012 To 31+Mar-2013 USD 120.00 1,147.68 2,684.07 2,684.07 2,684.07 2,684.07 1,116.15 1,117.8 1,317.8	15	Godrej Consumer Products Dutch Coöperatief U.A. (Netherlands)		OSD OSD		430.54	1.07	612.40	612.40	I	20.48	0.27	00:00	0.27	I
Mauritius Ltd (Mauritius) Ltd (Ltd (Mauritius) Ltd (Mauritius) Ltd (Mauritius) Ltd (Ltd (Mauritius) Ltd (Mauritius) Ltd (Ltd (Mauritius) Ltd (Mauritius) Ltd (Ltd (Ltd (Ltd (Ltd (Ltd (Ltd (Ltd	16	Godrei Consumer Products Holding	01-Apr-2012 To 31-Mar-2013	USD	54.505		58.48	33,378.75	33,378.75	1 1	1,116.15	14.77	0.00	14.77	1
Godrej East Africa Holdings Limited O1-Apr-2012 To 31-Mar-2013 O2004 Global Mid East FZE O1-Apr-2012 To 31-Mar-2013 O1-Apr-2012 To 31-Mar-2013		(Mauritius) Ltd (Mauritius)		<u>a</u>	57 505		RO 554 04	145 204 90	145 204 90	ı	A 533 71	0 384 38	71 53	0 310 85	
Godrej Global Mid East FZE O1-Apr-2012 To 31-Mar-2013 O20dej Global Mid East FZE O1-Apr-2012 To 31-Mar-2013 O20dej Household Products (Lanka) O1-Apr-2012 To 31-Mar-2013 O1-Apr-2012 T	17	Godrej East Africa Holdings Limited		USD N	54,505	4	(5.76)	757.63	757.63	1 1	0.00	(7.76)	00.0	(7.76)	I
Godrej Holdings (Chile) Limitada 01-Apr-2012 To 31-Mar-2013 USD 375.33 (1.88) 375.33 (1.88) 375.33 (1.88) 375.33 (1.88) 375.33 (1.89) 375.33 (1.88) 375.33 (1.88) 0.00 (112.44) 0.00 (102.44) 0.00 (102.44) 0.00 (102.44) 0.00 (102.44) 0.00 (1.88) 0.00 (1.88) 0.00 (1.88) 0.00 (102.44) 0.00 (1.88) 0.00 (1.88) 0.00 (1.88) 0.00 (1.88) 0.00 (1.88) 0.00 (1.24) 0.00 (1.24) 0.00 (1.24) 0.00 (1.24) 0.00 (1.24) 0.00 (1.24) 0.00 (1.24) 0.00 (1.24) 0.00 (1.24) 0.00 (1.24) 0.00 (1.24) 0.00 (1.24) 0.00 (1.24) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00	9		01-Apr-2012 To 31-Mar-2013	AED	14,839	45.86	(21.51)	74.22	74.22	1 1	3.114.74	9.25	00.0	9.25	I
Godrej Household Products (Bangle- 01-Apr-2012 To 31-Mar-2013 Taka 0.699 1,186.41 (911.50) 2,676.47 2,	19	Godrej Holdings (Chile) Limitada	01-Apr-2012 To 31-Mar-2013	USD NB	<u> </u>	375.33	(1.88)	375.33	375.33	1 1	0.00	(1.88)	0.00	(1.88)	I
Godrej Husehold Products (Larka) 01-Apr-2012 To 31-Mar-2013 LKR 0.699 1.186.41 (91150) 2.676.47 2.676.47 - 6.003.28 (328.77) 30.01 (6.20124 236.14 Pvt. Ltd. Godrej Husehold Products (Larka) 01-Apr-2012 To 31-Mar-2013 LKR 0.43 995.52 379.72 2.300.55 2.300.55 - 3.584.80 267.19 101.56 Godrej Hygiene Products Ltd. 01-Apr-2012 To 31-Mar-2013 LWR 0.43 995.52 379.72 2.300.55 2.300.55 - 3.584.80 267.19 101.56 Godrej Hygiene Products Ltd. 01-Apr-2012 To 31-Mar-2013 LWR 54.505 2.744.87 731.70 13.430.51 13.430.51 - 1.351.84 224.63 0.00 Godrej Kinky Holdings Ltd. (Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd. 01-Apr-2012 To 31-Mar-2013 LVB 64.505 0.01 18.225.01 18.228.43 18.228.43 - 0.00 (6.16) 0.00 Godrej Mauritius Africa Holdings Ltd. (1.4012 To 31-Mar-2013 LVB 64.505 0.00 14.402.93 1.333.69 - 1.333.69 - 0.00 (6.16) 0.00 Godrej Mauritius Africa Holdings Ltd. (1.4012 To 31-Mar-2013 LVB 64.505 0.00 14.402.93 1.333.69 - 0.00 (6.16) 0.00 Godrej Mauritius Africa Holdings Ltd. (1.4012 To 31-Mar-2013 LVB 64.505 0.00 14.402.93 1.333.69 - 0.00 (6.16) 0.00 Godrej Mauritius Africa Holdings Ltd. (1.4012 To 31-Mar-2013 LVB 64.505 0.00 14.402.93 1.333.69 - 0.00 (6.16) 0.00 Godrej Mauritius Africa Holdings Ltd. (1.4012 To 31-Mar-2013 LVB 64.505 0.00 14.402.93 1.333.69 - 0.00 (6.16) 0.00 Godrej Mauritius Africa Holdings Ltd. (1.4012 To 31-Mar-2013 LVB 64.505 0.00 14.402.93 1.333.69 0.00 (6.16) 0.00 Godrej Mauritius Africa Holdings Ltd. (1.4012 To 31-Mar-2013 LVB 64.505 0.00 14.402.93 1.333.69 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0	20	Godrej Household Products (Bangladesh) Pvt. Ltd.	01-Apr-2012 To 31-Mar-2013	Taka		1,697.05	(1,303.82)	3,828.44	3,828.44	I	8,587.15	(470.28)	42.92	(513.20)	I
Godrej Hygiene Products Ltd. O1-Apr-2012 To 31-Mar-2013 INR 0.43 996.52 379.72 2,300.56 2,300.56 - 3,584.80 267.19 101.56 Godrej Hygiene Products Ltd. 01-Apr-2012 To 31-Mar-2013 INR 260.00 (78.15) 560.09 560.09 - 1,442.29 (18.65) 0.00 Godrej Hygiene Products Ltd. 01-Apr-2012 To 31-Mar-2013 USD 50.36 13.42 246.41 - 24.80 4.12 0.00 Godrej Kinky Holdings Ltd. (Mauritius) 01-Apr-2012 To 31-Mar-2013 USD 0.00 334.37 334.44 334.44 - 0.00 (0.16) 0.00 Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) 01-Apr-2012 To 31-Mar-2013 USD 0.00 11,372.69 1,373.69 - 0.00 (0.16) 0.00 1 NAD-2012 To 31-Mar-2013 IND 10-Apr-2012 To 31-Mar-2013 USD 1,370.69 1,370.69 - 1,370.69 - 1,370.69 - 0.00 1,470.90 0.00 1,470.90 0.00	21	Godrej Household Products (Lanka)	01-Apr-2012 To 31-Mar-2013	R H	0.699	1,186.41	(911.50)	2,676.47 5,348.88	2,676.47 5,348.88	1 1	6,003.28	(328.77)	30.01	(358.78)	I
Godrei Hygiene Products Ltd. 01-App-2012 To 31-Mar-2013 INR 260.00 (78.15) 560.09 560.09 - 1,442.29 (18.65) 0.00 Godrei Hygiene Products Ltd. 01-App-2012 To 31-Mar-2013 USD 50.36 13.42 246.41 - 24.64 - 1,442.29 (18.65) 0.00 Godrei Hygiene Products Ltd. 01-App-2012 To 31-Mar-2013 USD 0.00 2,744.87 731.70 13.430.51 1.3430.51 - 1,351.84 224.63 0.00 Godrei Kinky Holdings Ltd. (Mauritius) 01-App-2012 To 31-Mar-2013 USD 0.00 334.37 334.44 334.44 - 0.00 (0.16) 0.00 Godrei Mauritius Africa Holdings Ltd. 01-App-2012 To 31-Mar-2013 USD 0.00 18.228.43 - 0.00 (8.99) 0.00 Godrei Mauritius Africa Holdings Ltd. 01-App-2012 To 31-Mar-2013 USD 0.00 1.315.69 - 4.28 (24.09) 0.00 1 1.402.90 1.402.90 1.402.90 1.402.90 1.402.90 1.4		rvi. Lid.		N R	0.43	995.52	379.72	2,300.55	2,300.55	ı	3,584.80	267.19	101.56	165.63	ı
ing BV Godrej Kinky Holdings Ltd. (Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) O1-Apr-2012 To 31-Mar-2013 O2-4650 O2-744.87 O2-74.87 O2-74.8	23	Godrej Hygiene Products Ltd. Godrej Indonesia Netherlands Hold-	01-Apr-2012 To 31-Mar-2013 01-Apr-2012 To 31-Mar-2013	USD		260.00	(78.15)	560.09	246.41	1 1	1,442.29	(18.65)	00:00	(18.65)	1 1
Godrej Kinky Holdings Ltd. (Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Mauritius Africa Holdings Ltd. (Mauritius Africa Holdings Ltd.) Godrej Ma		ing BV		- E	54.505	2,744.87	731.70	13,430.51	13,430.51	ı	1,351.84	224.63	00:00	224.63	
Godrej Mauritius Africa Holdings Ltd 01-Apr-2012 To 31-Mar-2013 USD 0.00 210.85 1,313.69 1,313.69 - 4.28 (24.09) 0.00 11.402.90 1.000 11.402.60 1.000 11.402.60 11.402	24	Godrej Kinky Holdings Ltd. (Mauritius)		USD NR	54.505	0.00	334.37	334.44	334.44	1 1	0.00	(0.16)	0.00	(0.16)	ı
	25	Godrej Mauritius Africa Holdings Ltd	01-Apr-2012 To 31-Mar-2013	OSD	202	0.00	210.85	1,313.69	1,313.69	I	4.28	(24.09)	0.00	(24.09)	I

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SI Name of The Company	PERIOD	Currency	Exchange Rate	Capital	Reserves & Surplus	Total Assets	Total Liabilities In	Details of Investments	Turnover	Profit before Tax	Provision for Tax	Profit after Proposed Tax Dividend	Proposed Dividend
26 Godrej Netherlands Argentina B.V.	01-Apr-2012 To 31-Mar-2013	OSD		396.70	(1.55)	464.64	464.64	I	6.49	(0.44)	00:00		
		N R	54.505	21,622.17	(84.40)	25,325.28	25,325.28	1	353.74	(24.15)	00:00	(24.15)	
27 Godrej Netherlands Argentina Holdings B.V. (Netherlands)	01-Apr-2012 To 31-Mar-2013	USD	54.505	41.13	(0.80)	43.89	43.89	1 1	0.00	(0.24)	0.00	(12.96)	
28 Godrej Netherlands BV (Netherlands)	01-Apr-2012 To 31-Mar-2013	GBP	2 C Q	0.14	98.07	441.20	441.20	1	21.50	12.62	0.65	11.96	
29 Godrej Nigeria Ltd.	01-Apr-2012 To 31-Mar-2013	Naira	05.0	150.00	8,597.76	10,568.85	10,568.85	1 1	14,176.74	709.33	248.54	460.79	
30 Godrej South Africa Ltd	01-Apr-2012 To 31-Mar-2013	ZAB	1.00 m	180.50	1,037.34	1,589.17	1,589.17	1 1	1,834.45	419.49	117.46	302.03	
31 Godrej Tanzania Holdings Ltd	01-Apr-2012 To 31-Mar-2013	OSD ON	20.302	0.00	(0.10)	1.30	1.30	1 1	0.00	(0.10)	0.00	(0.10)	
32 Godrej Weave Holding Ltd.	01-Apr-2012 To 31-Mar-2013	USD RN	54.505	108.80	1,130.01	1,238.86	1,238.86		4.65	4.49	00.0	4.49	
33 Hair Trading (offshore) S. A. L	01-Apr-2012 To 31-Mar-2013	USD	54.505	0.20	75.29	103.08	103.08	1 1	355.78	ró	0.01	73.16	
34 Indovest Capital	01-Apr-2012 To 31-Mar-2013	USD NR	54.505	0.00	264.12	283.98	283.98	1 1	330.32		0.07	310.20	
35 Inecto Manufacturing Limited	01-Apr-2012 To 31-Mar-2013	GBP	82.844	0.00	00:00	0.00	00.00	1 1	00:0	0.00	00.00	00.0	
36 Issue Group Brasil Ltd	01-Apr-2012 To 31-Mar-2013	ARS	10,651	57.30	(67.14)	110.53	(67.14)	1 1	30.09	(72.23)	00.0	(72.23)	
37 Issue Group Uruguay S.A	01-Apr-2012 To 31-Mar-2013	ARS	10.651	45.68	252.47	210.75	252.47	1 1	254.19	188.99	5.14	12.60	
38 Keyline Brands Limited (UK)	01-Apr-2012 To 31-Mar-2013	GBP	82.844	0.29	70.40	22.190.96	267.86	1 1	337.16	8	7.24	1.545.20	
39 Kinky Group (Pty) Ltd	01-Apr-2012 To 31-Mar-2013	ZAR	5 900	0.03	984.79	1,177.70	1,177.70	1 1	729.79		(29.09)	(113.74)	
40 Laboratoria Cuenca	01-Apr-2012 To 31-Mar-2013	ARS	10.651	74.92	226.62	1,548.13	1,548.13	1 1	2,886.05	151.61	57.92	93.69	
41 Lorna Nigeria Ltd.	01-Apr-2012 To 31-Mar-2013	Naira	0.344	113.90	22,973.95	33,415.17	33,415.17	1 1	55,576.24	1,004.96	(4,814.01)	5,818.98	
42 Panamar Producciones S.A.	01-Apr-2012 To 31-Mar-2013	ARS	10.651	5.54	76.77	82.78	82.78	1 1	0.00	(0.34)	0.00	(0.34)	
43 Plasticos Nacional	01-Apr-2012 To 31-Mar-2013	CPeso	0 115	2,654.59	1,398.70	4,852.60	4,852.60	1 1	5,030.90	929.61	205.39	724.22	
44 PT Ekamas Sarijaya	01-Apr-2012 To 31-Mar-2013	R N	900:0	25,000.00	48,040.62	77,009.92	77,009.92	1 1	45,120.31	20,044.20	2,345.61	17,698.59	
45 PT Indomas Susemi Jaya	01-Apr-2012 To 31-Mar-2013	E E	900:0	17,600.00	469,665.03	602,949.34	602,949.34	1 1	582,842.93	169,667.54	44,886.67	124,780.87	
46 PT Intrasari Raya	01-Apr-2012 To 31-Mar-2013	E E	900:0	10,000.00	301,772.15	6,764,326.75	6,764,326.75	1 1	22,183,314.84 124,537.46	88,669.46	(15,103.14)	103,772.60	
47 PT Megasari Makmur	01-Apr-2012 To 31-Mar-2013	# W	900:0	17,500.003	3,511,360.77	10,654,559.42 59,814.86	10,654,559.42 59,814.86	1 1	18,163,502.83 101,970.18	2,058,928.61	627,005.10 3,520.02	1,431,923.51	
48 PT Sarico Indah	01-Apr-2012 To 31-Mar-2013	# E	900'0	25,000.00	96,338.94	178,324.22	178,324.22	1 1	279,164.09	29,916.62	6,748.10	23,168.52	
49 Sigma Hair Industries Limited	01-Apr-2012 To 31-Mar-2013	TZS INR	0.033	0.00	00:00	0.00	0.00	1 1	0.00		0.00	0.00	
50 Style Industries Limited	01-Apr-2012 To 31-Mar-2013	ZES RN RN	0.638	22.65	8,146.54	19,518.37	19,518.37	1 1	16,343.14	2,138.41	723.34	1,415.07	
51 Subinite (Pty) Ltd.	01-Apr-2012 To 31-Mar-2013	ZAR	5.902	0.01	1,051.87	1,884.61	1,884.61	1 1	3,469.43	114.64	32.10	82.54	
52 Weave Business Holdings Mauritius Pvt. Ltd.	01-Apr-2012 To 31-Mar-2013	USD	54.505	0.96	267.66	269.64	269.64	1 1	31.13	30.29	2.26	28.04	
53 Weave IP Holdings Mauritius Pvt. Ltd.		USD	54.505	0.01	3.10	3.22	3.22	1 1	00:00	(0.18)	0.00	(0.18)	
54 Weave Mozambique Limitada	01-Apr-2012 To 31-Mar-2013	MZN INR	1.808	1,234.66	2,677.21	5,870.16	5,870.16	1 1	7,989.22	2,202.66	79.92	2,158.45	
55 Mean Trading Manniting Det 1 to	0.000 F 0.000 F 0.00	00.											

Notes

CORPORATE INFORMATION

Registered Office

Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400 079. Phone: 022 - 25188010, 25188020, 25188030

Fax: 022 - 25188040 website: http://www.godrejcp.com

Company Secretary

P Ganesh

Auditors

Kalyaniwalla & Mistry

Registrar

Computech Sharecap Ltd.

Bankers

Central Bank of India, Citibank N. A., HDFC Bank Limited, State Bank of India, The Hongkong & Shanghai Banking Corporation Limited.

		Branches	
Delhi	Kolkata	Chennai	Mumbai
	F	actories in India	
Assam Goa Himachal Pradesh		ı & Kashmir a Pradesh laya	Puducherry Sikkim Tamil Nadu

International Operations

ASIA	MIDDLE EAST	AFRICA	EUROPE	LATIN AMERICA
Indonesia	UAE	South Africa	United Kingdom	Argentina
Bangladesh		Mozambique		Uruguay
Sri Lanka		Nigeria		Brazil
		Kenya		Chile



One click and the smell of smoke, well, goes up in smoke.

Presenting Godrej **åer** musk after smoke.





While we suggest you get rid of the habit of smoking, we can get rid of the stale small that comes with it. And replace it with a fragrance that might just get you addicted to something more pleasant. Both at home and in your car with just a click, twist or spray.

Even if you don't smoke, you're likely to love the fragrance of aer musk after smoke.









NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirteenth ANNUAL GENERAL MEETING of the members of GODREJ CONSUMER PRODUCTS LIMITED will be held on Saturday, August 3, 2013 at 3.30 p.m. at Y. B. Chavan Centre, General Jagannath Bhosale Marg, Nariman Point, Mumbai 400 021 to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2013, the Balance Sheet as at that date, the Auditors' Report thereon and the Directors' Report;
- 2. To declare dividend on equity shares;
- 3. To appoint a Director in place of Mr. Nadir Godrej, who retires by rotation and being eligible, offers himself for reappointment;
- 4. To appoint a Director in place of Mr. Bharat Doshi, who retires by rotation and being eligible, offers himself for reappointment;
- 5. To appoint a Director in place of Dr. Omkar Goswami, who retires by rotation and being eligible, offers himself for reappointment;
- 6. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, and to authorise the Board of Directors of the Company to fix their remuneration. M/s. Kalyaniwalla & Mistry, Chartered Accountants, the retiring Auditors are eligible for reappointment.

SPECIAL BUSINESS

7. To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution

RESOLVED THAT pursuant to Sections 198, 269, 309, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Mr. Adi Godrej be and is hereby reappointed as Whole-time Director designated as "Chairman" of the Company with effect from April 1, 2013 to hold office for a period of three years upon the remuneration as may be determined and agreed to between the Board of Directors and Mr. Adi Godrej, on the following terms and conditions:

I. Period of appointment: April 1, 2013 to March 31, 2016

II. Remuneration

A) Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity. The Basic Salary shall be in the range of ₹ 8,50,000/- to ₹ 14,00,000/- per month, payable monthly. The annual increments will be decided by the Board of Directors and will be merit based and take into account other relevant factors.

The Company's contribution to Gratuity shall be according to the rules of the Company, in force from time to time.

B) Performance Linked Variable Remuneration (PLVR)

PLVR according to the applicable scheme of the Company for each of the financial year 2013-14, 2014-15 and 2015-16 or as may be decided by the Board of Directors.

C) Flexible Compensation

In addition to the fixed compensation and long-term incentives, the Chairman will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per the rules of the Company and subject to the relevant provisions of the Companies Act, 1956 (collectively called "perquisites and allowances").

These perquisites and allowances may be granted to the Chairman in such form and manner as the Board may decide.

- Furnished residential accommodation (including maintenance of such accommodation, provision
 of or reimbursement of expenditure incurred on gas, water, power and furnishing) or house rent
 allowance in lieu thereof as per rules of the Company;
- Payment/reimbursement of medical/hospitalisation expenses for the Chairman and his family, hospitalisation and accident insurance for self and family in accordance with the rules of the Company;
- Leave Travel Assistance for the Chairman and his family in accordance with the rules of the Company;
- Payment/reimbursement of club fees;
- Consolidated privilege leave, on full pay and allowance, not exceeding 30 days in a financial year.
 Encashment/accumulation of leave will be permissible in accordance with the rules specified by the Company;
- Sick leave as per the rules of the Company;
- Provision of Company maintained car(s) with driver(s) for official use;
- Provision of free telephone facilities or reimbursement of telephone expenses at residence including payment of local calls and long distance official calls;
- Such other perquisites and allowances as per the policy/rules of the Company in force and/or as may be approved by the Board from time to time.

Explanation

- i) For the Leave Travel Assistance and reimbursement of medical and hospitalisation expenses, 'family' means the spouse and dependent children of Mr. Adi Godrej.
- ii) For the purpose of calculation of gratuity and other retirement benefits, the tenure of Mr. Adi Godrej as an employee in the erstwhile Godrej Soaps Ltd. till 31.03.2001 shall also be taken into account.
- iii) For the purpose of accumulation of leave, the balance of leave to the credit of Mr. Adi Godrej as on 31.03.2001 in the erstwhile Godrej Soaps Ltd., will be carried forward to Godrej Consumer Products Ltd.
- iv) Perquisites shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per Income Tax Rules.

III. Overall Remuneration

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion may pay to the Chairman from time to time, shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being, be in force.

IV. Minimum Remuneration

Notwithstanding the foregoing, where in any Financial Year during the currency of the tenure of the Chairman, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule XIII to the Companies Act, 1956.

Notes:

- i) The Chairman shall not, during the continuance of his employment or at any time thereafter, divulge or disclose to whomsoever or make any use whatsoever, whether for his own or for any other purpose other than that of the Company, any information or knowledge obtained by him during his employment with the business or affairs or other matters whatsoever of the Company and the Chairman shall, during the continuance of his employment hereunder, also use his best endeavour to prevent any other person from disclosing the aforesaid information.
- ii) If the Chairman be guilty of such inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with his duties as Chairman or any breach of this agreement, as in the opinion of all other Directors renders his retirement from the office of the Chairman desirable, the opinion of such other Directors shall be final, conclusive and binding on the Chairman and the Company may, by giving thirty days notice in writing to the Chairman, determine this Agreement and he shall cease to be a Director and Chairman of the Company, upon expiration of such notice.

iii) In the event of any re-enactment or re-codification of the Companies Act, 1956 or the Income Tax Act, 1961 or amendments thereto, the foregoing shall continue to remain in force and the reference to various provisions of the Companies Act, 1956 or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the rules and notifications issued thereunder.

8. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution

RESOLVED THAT pursuant to Sections 198, 269, 309, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Ms. Nisaba Godrej be and is hereby appointed as Whole-time Director designated as "Executive Director, Innovation" of the Company with effect from July 1, 2013 to hold office for a period of three years upon the remuneration as may be determined and agreed to between the Board of Directors and Ms. Nisaba Godrej, on the following terms and conditions:

I. Period of appointment: July 1, 2013 to June 30, 2016

II. Remuneration

A) Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity. The Basic Salary shall be in the range of ₹ 7,50,000/- to ₹ 10,84,000/- per month, payable monthly. The annual increments will be decided by the Board of Directors and will be merit based and take into account other relevant factors.

The Company's contribution to Gratuity shall be according to the rules of the Company, in force from time to time.

B) Long-term Incentives

Performance linked variable remuneration (PLVR) payable for the period of appointment according to applicable scheme of the Company or as may be decided by the Board of Directors.

C) Flexible Compensation

In addition to the fixed compensation and long-term incentives, Ms. Nisaba Godrej will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per the rules of the Company and subject to the relevant provisions of the Companies Act, 1956 (collectively called "perquisites and allowances").

These perquisites and allowances may be granted to Ms. Nisaba Godrej in such form and manner as the Board may decide.

- Housing as per rules of the Company (i.e. unfurnished residential accommodation and House Rent Allowance at applicable rate as per Company's rules OR House Rent Allowance as per Company's rules);
- Furnishing at residence as per rules of the Company;
- Supplementary Allowance;
- Leave Travel Assistance for self and family in accordance with the rules of the Company;
- Payment/ reimbursement of medical/ hospitalisation expenses for self and family in accordance with the rules of the Company.
- Group insurance cover, group mediclaim cover;
- Payment/reimbursement of club fees, food vouchers, petrol reimbursement;
- Company car with driver for official use, provision of telephone(s) at residence;
- Payment/reimbursement of telephone expenses;
- Housing Loan as per rules of the Company, Contingency Loan as per rules of the Company. These loans shall be subject to Central Government approval, if any;
- Consolidated privilege leave, on full pay and allowance, not exceeding 30 days in a financial year.
 Encashment/accumulation of leave will be permissible in accordance with the rules specified by the Company. Sick leave as per the rules of the Company;

• Such other perquisites and allowances as per the policy/rules of the Company in force and/or as may be approved by the Board from time to time.

Explanation

- i) For the Leave Travel Assistance and reimbursement of medical and hospitalisation expenses, 'family' means the spouse and dependent children and dependent parents of Ms. Nisaba Godrej.
- ii) Perquisites shall be evaluated at actual cost or if the cost is not ascertainable, the same shall be valued as per Income Tax Rules.

III. Overall Remuneration

The aggregate remuneration as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to Ms. Nisaba Godrej from time to time, shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being, be in force.

IV. Minimum Remuneration

Notwithstanding the foregoing, where in any financial year during the currency of the tenure of Ms. Nisaba Godrej, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule XIII to the Companies Act, 1956.

Notes:

- i) Ms. Nisaba Godrej is appointed by virtue of her employment in the Company and her appointment is subject to the provisions of Section 283(1)(I) of the Act. The appointment is terminable by giving three months' notice in writing on either side.
- ii) Ms. Nisaba Godrej shall not, during the continuance of her employment or at any time thereafter, divulge or disclose to whomsoever or make any use whatsoever, whether for her own or for any other purpose other than that of the Company, any information or knowledge obtained by her during her employment with the business or affairs or other matters whatsoever of the Company and shall, during the continuance of her employment hereunder, also use her best endeavour to prevent any other person from disclosing the aforesaid information.
- lii) If Ms. Nisaba Godrej is guilty of such inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with her duties as Executive Director, Innovation or any breach of this Agreement, as in the opinion of all other Directors renders her retirement from the office of the Executive Director, Innovation desirable, the opinion of such other Directors shall be final, conclusive and binding on the Executive Director, Innovation and the Company may by giving thirty days notice in writing to Ms. Nisaba Godrej determine this Agreement and she shall cease to be a Director and Executive Director, Innovation of the Company, upon expiration of such notice.

9. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

RESOLVED THAT subject to the provisions of Section 257 and other applicable provisions of the Companies Act, 1956, if any, Mr. Vivek Gambhir, who was appointed as an Additional Director of the Company with effect from April 30, 2013 by the Board of Directors at their Meeting held on April 30, 2013 and subsequently appointed as the Managing Director effective July 1, 2013 and whose term as Additional Director expires at this Annual General Meeting and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 along with a deposit of ₹ 500/- from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

10. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to Sections 198, 269, 309, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the shareholders be and is hereby accorded for the appointment of Mr. Vivek Gambhir as a Whole Time Director designated as "Managing Director" of the Company for a period of three years with effect from July 1, 2013 to June 30, 2016, on the following remuneration, terms and conditions.

I. Period of appointment: July 1, 2013 to June 30, 2016

II. Remuneration

A) Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity. The Basic Salary shall be in the range of ₹ 15,00,000/- to ₹ 21,67,000/- per month, payable monthly. The annual increments will be decided by the Board of Directors and will be merit based and take into account other relevant factors.

The Company's contribution to Gratuity shall be according to the rules of the Company, in force from time to time.

B) Long-term Incentives

- Performance linked variable remuneration (PLVR) payable for the period of appointment according to applicable scheme of the Company or as may be decided by the Board of Directors.
- Special Incentives as per the applicable scheme of the Company or as may be decided by the Board
 of Directors.
- Stock Grants under the Company's Employee Stock Grant Scheme (ESGS).

C) Flexible Compensation

In addition to the fixed compensation and long term incentives, Mr. Vivek Gambhir will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per the rules of the Company and subject to the relevant provisions of the Companies Act, 1956 (collectively called "perquisites and allowances").

These perquisites and allowances may be granted to Mr. Vivek Gambhir in such form and manner as the Board may decide.

- Housing as per rules of the Company (i.e. unfurnished residential accommodation and House Rent Allowance at applicable rate as per Company's rules OR House Rent Allowance as per Company's rules);
- Furnishing at residence as per rules of the Company;
- Supplementary Allowance;
- Leave Travel Assistance for self and family in accordance with the rules of the Company;
- Payment/ reimbursement of medical/ hospitalisation expenses for self and family in accordance with the rules of the Company;
- Group insurance cover, group mediclaim cover;
- Payment/reimbursement of club fees, food vouchers, petrol reimbursement;
- Company car with driver for official use, provision of telephone(s) at residence;
- Payment/reimbursement of telephone expenses;
- Housing Loan as per rules of the Company, Contingency Loan as per rules of the Company. These loans shall be subject to Central Government approval, if any;
- Consolidated privilege leave, on full pay and allowance, not exceeding 30 days in a financial year.
 Encashment/accumulation of leave will be permissible in accordance with the rules specified by the Company. Sick leave as per the rules of the Company;
- Such other perquisites and allowances as per the policy/rules of the Company in force and/or as may be approved by the Board from time to time.

Explanation

- i) For the Leave Travel Assistance and reimbursement of medical and hospitalisation expenses, 'family' means the spouse and dependent children and dependent parents of Mr. Vivek Gambhir.
- ii) Perquisites shall be evaluated at actual cost or if the cost is not ascertainable, the same shall be valued as per Income Tax Rules.

III. Overall Remuneration

The aggregate remuneration as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to the Managing Director from time to time, shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being, be in force.

IV. Minimum Remuneration

Notwithstanding the foregoing, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule XIII to the Companies Act, 1956.

Notes:

- i) The Managing Director is appointed by virtue of his employment in the Company and his appointment is subject to the provisions of Section 283(1)(I) of the Act. The appointment is terminable by giving three month's notice in writing on either side.
- ii) The Managing Director shall not, during the continuance of his employment or at any time thereafter, divulge or disclose to whomsoever or make any use whatsoever, whether for his own or for any other purpose other than that of the Company, any information or knowledge obtained by him during his employment with the business or affairs or other matters whatsoever of the Company and the Managing Director shall, during the continuance of his employment hereunder, also use his best endeavour to prevent any other person from disclosing the aforesaid information.
- iii) If the Managing Director is guilty of such inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with his duties as Managing Director or any breach of this Agreement, as in the opinion of all other Directors renders his retirement from the office of the Managing Director desirable, the opinion of such other Directors shall be final, conclusive and binding on the Managing Director and the Company may by giving thirty days notice in writing to the Managing Director determine this Agreement and he shall cease to be a Director and Managing Director of the Company, upon expiration of such notice.

11. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

RESOLVED THAT subject to the provisions of Section 257 and other applicable provisions of the Companies Act 1956, if any, Ms. Ireena Vittal, who was appointed as an Additional Director of the Company with effect from April 30, 2013 by the Board of Directors at their meeting held on April 30, 2013 and whose term expires at this Annual General Meeting and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 along with a deposit of ₹ 500/- from a member proposing her candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

12. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

RESOLVED THAT subject to the provisions of Section 257 and other applicable provisions of the Companies Act, 1956, if any, Mr. A. Mahendran, who was appointed as an Additional Director of the Company with effect from July 1, 2013 by the Board of Directors at their meeting held on April 30, 2013 and whose term expires at this Annual General Meeting and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 along with a deposit of ₹ 500/- from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

By Order of the Board of Directors

P. Ganesh

Executive Vice President (Finance & Commercial) & Company Secretary

Mumbai, April 30, 2013 **Registered Office:**Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON POLL, TO VOTE ON BEHALF OF HIM. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE ENCLOSED PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM.
- 2. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
- 3. Members are requested to send in their queries at least a week in advance to the Company Secretary at the Registered Office of the Company to facilitate clarifications during the meeting.
- 4. Unclaimed Dividends pertaining to the financial years 2006-07 and 2007-08 will be transferred to the 'Investor Education and Protection Fund' of the Central Government, pursuant to Section 205C of the Companies Act, 1956 on the dates mentioned below. Those members who have so far not encashed these dividend warrants or dividend warrants for financial years 2006-07 and onwards, may claim or approach our Registrars viz. Computech Sharecap Ltd., 147, M. G. Road, Fort, Mumbai 400 001 (e-mail: gcpl@computechsharecap.com) or the Company for the payment thereof.

Please note that as per Section 205C of the Companies Act, 1956, no claim shall lie against the Company or the aforesaid Fund in respect of individual amounts which remain unclaimed or unpaid for a period of seven years from the date the dividend became due for payment and no payment shall be made in respect of such claims.

Dividend Period	Due date for transfer
First Interim 2006-07 paid in August 2006	25-08-2013
Second Interim 2006-07 paid in November 2006	05-12-2013
Third Interim 2006-07 paid in February 2007	25-02-2014
Fourth Interim 2006-07 paid in May 2007	31-05-2014
First Interim 2007-08 paid in August 2007	05-09-2014
Second Interim 2007-08 paid in November 2007	28-11-2014
Third Interim 2007-08 paid in February 2008	25-02-2015
Fourth Interim 2007-08 paid in May 2008	03-06-2015

5. The details pursuant to Clause 49 of the listing agreement in respect of the directors retiring in the Annual General Meeting and proposed to be reappointed are given in the Corporate Governance Section of the Annual Report.

ANNEXURE TO THE NOTICE EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM 7

The shareholders at the Annual General Meeting held on July 25, 2009 reappointed Mr. Adi Godrej as a Whole-time Director designated as "Chairman" with effect from April 1, 2010 to hold office for a period of three years till March 31, 2013.

The Board of Directors, at its meeting held on January 31, 2013, reappointed Mr. Adi Godrej as a Whole-time Director designated as "Chairman" to hold office for a period of three years with effect from April 1, 2013. This appointment is subject to the approval of the shareholders.

The details Mr. Adi Godrej are given in the Corporate Governance section of the Annual Report of the Company for 2012-13.

For the sake of brevity, the particulars of the proposed remuneration, perquisites and benefits of Mr. Adi Godrej are not being set out in the explanatory statement and the members are requested to refer to the same as set out in the body of the resolution.

The abstract of the terms of the contract entered into with Mr. Adi Godrej which is required to be sent to every member pursuant to Section 302 of the Companies Act, 1956 has already been sent to the members in February 2013, alongwith the dividend warrants.

The Board is of the opinion that the Company should continue to benefit from his professional expertise and rich experience. The Board recommends the resolution to the members for their acceptance.

Mr. Adi Godrej himself and his relatives Mr. Nadir Godrej, Ms. Tanya Dubash and Ms. Nisaba Godrej may be deemed to be interested in this resolution. None of the other Directors is concerned or interested in this resolution.

ITEM 8

The Board of Directors, at its meeting held on April 30, 2013, appointed Ms. Nisaba Godrej as a Whole-time Director designated as "Executive Director, Innovation", to hold office for a period of three years with effect from July 1, 2013. This appointment is subject to the approval of the shareholders.

Profile of Ms. Nisaba Godrej

"Ms. Nisaba Godrej, is the President, Human Capital & Innovation for Godrej Industries and associate companies. She is responsible for driving the Group's transformation efforts including efforts to attract younger talent and make the culture more agile and innovative. Nisaba recently instituted a design and innovation cell to work with the Groups' different business units. In particular, she has been working very closely with the Godrej Consumer Products team on their innovation strategy. Nisaba's previous assignments within the Godrej Group have included the successful turnaround of Godrej Agrovet. She also led the creation of a strategy cell and worked on defining the FMCG strategy for the Group. Nisaba oversees the Group's CSR strategy and is the point person for the operations of the Godrej Family Council. Nisaba has a B.Sc. degree from The Wharton School, University of Pennsylvania and an MBA from the Harvard Business School"

Ms. Nisaba Godrej holds 1,263,339 (0.37%) shares in the Company as on the date of this notice.

The details of directorships held by Ms. Nisaba Godrej are given in the Corporate Governance section of the Annual Report of the Company for 2012-13.

For the sake of brevity, the particulars of the proposed remuneration, perquisites and benefits payable to Ms. Nisaba Godrej are not being set out in the explanatory statement and the members are requested to refer to the same as set out in the body of the resolution.

The abstract of the terms of appointment which is required to be sent to every member pursuant to Section 302 of the Companies Act, 1956 has already been sent in May 2013 to the members, alongwith the dividend warrants of May 2013.

The Board is of the opinion that the Company will benefit from her professional expertise and rich experience. The Board recommends the resolution to the members for their acceptance.

Ms. Nisaba Godrej herself and her relatives Mr. Adi Godrej and Ms. Tanya Dubash are concerned or interested in the resolution. None of the other Directors is concerned or interested in the resolution.

ITEM 9 & 10

The Board of Directors, at its meeting held on April 30, 2013, appointed Mr. Vivek Gambhir as an Additional Director on the Board of the Company with effect from April 30, 2013.

Pursuant to Section 260 of the Companies Act, 1956, Mr. Vivek Gambhir holds office as an Additional Director up to the date of this Annual General Meeting. The Company has received a notice from a member under Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Vivek Gambhir as Director of the Company.

The Board of Directors has also appointed Mr. Vivek Gambhir as Managing Director with effect from July 1, 2013, to hold office for a period of three years till June 30, 2016. This appointment is subject to approval of the shareholders.

Profile of Mr. Vivek Gambhir

"Mr. Vivek Gambhir is the Chief Strategy Officer of Godrej Industries and associated companies.

Vivek joined Godrej Industries in 2009. He is responsible for enhancing the strategic capabilities within the group companies, guiding overall group strategy, conducting portfolio analysis, leading mergers and acquisitions and driving special projects.

Under Vivek's leadership, the Group's planning processes have become more robust. He helped define the CREATE portfolio strategy for the Group and the 10X10 vision for the Group. He also oversees the finance, investor relations, legal and IT functions for Godrej Industries. He leads the EVA (Economic Value Added) Committee for the Group. He is the secretary to the Godrej Family Business Board (FBB). He also serves on the investment committee for Omnivore Capital, an agriculture technology focused venture fund backed by the Godrej Group.

Vivek has been very closely involved with Godrej Consumer Products Limited. He was the key architect of GCPL's 3 by 3 strategy. He leads mergers and acquisitions for the company and has been instrumental in driving GCPL's international expansion efforts. He co-led Project Neo that developed the blueprint for integrating the erstwhile Godrej Sara Lee Business with Godrej Consumer Products. He also led the process for a recent PE investment in the Company.

Prior to joining the Godrej Group, Vivek was a partner at Bain & Company, one of the world's leading business consulting firms. He worked with Bain in Boston, Singapore and New Delhi. He was a founding member of Bain's consulting operations in India and led the firm's FMCG practice in India.

Vivek has an MBA from the Harvard Business School and a BS (Computer Science) and BA (Economics) from Lafayette College."

Mr. Vivek Gambhir does not hold any shares in the Company.

The details of Mr. Vivek Gambhir as required to be given in pursuance of Clause 49 of the listing agreement are given in the Corporate Governance section of the Annual Report.

For the sake of brevity, the particulars of the proposed remuneration, perquisites and benefits payable to Mr. Vivek Gambhir are not being set out in the explanatory statement and the members are requested to refer to the same as set out in the body of the resolution.

The abstract of the terms of appointment which is required to be sent to every member pursuant to Section 302 of the Companies Act, 1956 has already been sent in May 2013 to the members, alongwith the dividend warrants of May 2013.

The Board is of the opinion that the Company will benefit from his professional expertise and rich experience. The Board recommends the resolution to the members for their approval.

None of the Directors, except Mr. Vivek Gambhir is concerned or interested in the resolution.

ITEM 11

The Board of Directors, at its meeting held on April 30, 2013, appointed Ms. Ireena Vittal as an Additional Director on the Board of the Company with effect from April 30, 2013.

Pursuant to Section 260 of the Companies Act, 1956, Ms. Ireena Vittal holds office as an Additional Director up to the date of this Annual General Meeting. The Company has received a notice from a member under Section 257 of the Companies Act, 1956 proposing the candidature of Ms. Ireena Vittal as Director of the Company.

Profile of Ms. Ireena Vittal

Ms. Ireena Vittal is recognised as a thought partner to global and local consumer-facing companies eager to build large-scale, profitable businesses in emerging markets. With a perspective across both developed and emerging markets, she helps companies define dynamic growth portfolios, assemble effective local top teams, and re-craft business models. She has also served governments and foundations to design and implement solutions core to Indias' development, such as sustainable rural growth and inclusive urban development. She was a founding member of the McKinsey global emerging markets practice and of the economic development practice. She is also a much valued counselor to leaders, who seek her practical judgement and empathetic coaching in an always evolving, often tough market.

Before joining McKinsey in 1996, Ms. Ireena Vittal worked with Nestle and with MaxTouch (now Vodafone) as head of marketing & sales. Ms. Ireena Vittal graduated in electronics and has an MBA from the Indian Institute of Management, Calcutta.

Ms. Ireena Vittal does not hold any shares in the Company.

The details of Ms. Ireena Vittal as required to be given in pursuance of Clause 49 of the listing agreement are given in the Corporate Governance section of the Annual Report.

The Board is of the opinion that the Company will benefit from her professional expertise and rich experience. The Board recommends the resolution to the members for their approval.

None of the Directors, except Ms. Ireena Vittal is concerned or interested in the resolution.

ITEM 12

Mr. A. Mahendran had indicated that he would like to retire when his current term expires on June 30, 2013 to devote time to his family businesses. The Board is of the opinion that the Company should continue to benefit from his professional expertise and rich experience and accordingly has appointed Mr. Mahendran as a Non-Executive Additional Director with effect from July 1, 2013.

Pursuant to Section 260 of the Companies Act, 1956, Mr. A. Mahendran holds office as an Additional Director up to the date of this Annual General Meeting. The Company has received a notice from a member under Section 257 of the Companies Act, 1956 proposing the candidature of Mr. A. Mahendran as a Director of the Company.

As on the date of the notice, Mr. A. Mahendran holds 3188 shares (<0.01 %) in the Company. He also has the right to acquire 10,00,000 shares (0.29%) of the Company under the Employee Stock Purchase Plan, which has vested in him and which has to be compulsorily exercised by him within the exercise period.

The Board recommends the resolution to the members for their approval. None of the Directors, except Mr. A. Mahendran is concerned or interested in the resolution.

By Order of the Board of Directors

P. Ganesh

Executive Vice President (Finance & Commercial) & Company Secretary

Mumbai, April 30, 2013



Registered Office: Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079.

ATTENDANCE SLIP

	Folio No
	Client/DP ID No.
I hereby record my presence at the THIRTEENTH ANNUAL GENERAL MEE Nariman Point, Mumbai - 400 021 on Saturday, August 3, 2013 at 3.30 p.	
Name of attending Member/Proxy	Member's/Proxy's Signature (To be signed at the time of handing over this slip)
Notes:1. Shareholder/Proxyholder wishing to attend the Meeting must bring the Atter duly signed.	ndance Slip to the Meeting and hand-over at the entrance
2. Shareholder/Proxyholder should bring his/her copy of the Annual Report	t for reference at the Meeting.
Godrej Consumer Pro	
Registered Office : Pirojshanagar, Eastern Express Highw PROXY FORM	ay, Vikhroli (⊨ast), Mumbal – 400 079.

	Folio No.
	Client/DP ID No.
I/We	
of	being a member/
members of the abovementioned Company, hereby appoint	
or failing himas my/our proxy to vote for me/us on my/our beha	alf at the THIRTEENTH ANNUAL GENERAL MEETING
of the Company to be held at Y.B. Chavan Centre, Nariman Point, Mumbai - 400 021 c	on Saturday, August 3, 2013 at 3.30 p.m. and at any
adjournment thereof. This form is to be used in favour of the resolution(s)	/against the
resolution/s	nerwise instructed the proxy will act as he thinks fit.
Signed this	Affix ₹ 1/- Revenue
Signature	Stamp

Note: Proxy Forms must reach the Company's Registered Office not less than 48 hours before the Meeting.

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

-3	Name of the	
	Name of the company	Godrej Consumer Products Limited
2	Annual financial statements	March 31, 2013
	for the year ended	
	Type of Audit observation	Unqualified/Matter of Emphasis
4	Frequency of observation	Quarterly
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