

Clause 49 of the listing agreement with the Indian Stock Exchanges stipulates the norms and disclosure standards that have to be followed on the Corporate Governance front by listed Indian companies.

## 1. THE COMPANY'S PHILOSOPHY

The Company is a part of the Godrej Group which has established a reputation for honesty and integrity. The Company's philosophy of corporate governance is to achieve business excellence by enhancing the long-term welfare of all its stakeholders. The Company believes that corporate governance is about creating organisations that succeed in the marketplace with the right approach and values. This will enhance the value for all its stakeholders.

## THE GOVERNANCE STRUCTURE

### 2. BOARD OF DIRECTORS

#### a) Board Structure

The Board of Directors of the Company comprises twelve Directors, which includes a Managing Director i.e. Mr. N. B. Godrej and two Whole-time Executive Directors, i.e.

Ms. T. A. Dubash and Mr. N.S. Nabar. The remaining nine are Non-Executive Directors, with six of them being Independent Directors. No Director is related to any other Director on the Board in terms of the definition of "relative" given under the Companies Act, 2013, except (1) Mr. A. B. Godrej and Mr. N. B. Godrej, who are brothers, (2) Ms. T. A. Dubash who is the daughter of Mr. A. B. Godrej. The details are given in Table 1 and 2 respectively:

#### b) Board meetings held and Directors' attendance record

The Board meets at least once in a quarter to consider among other businesses, quarterly performance of the Company and financial results. To enable the Board to discharge its responsibilities effectively and take informed decisions, necessary information is made available to the Board. During the year Six Board meetings were held on May 28, 2014, August 9, 2014, October 6, 2014 November 10, 2014, December 12, 2014 and February 11, 2015. The details are given in Table 1:

**Table 1: Details about the Company's Board of Directors & meetings attended by the Directors during the year:**

Name of Director	Category	Board meetings held during the year	Board meetings attended during the year	Whether attended last AGM	Directorships held in other public companies incorporated in India as at year- end \$	Number of Chairmanship/ membership in Board Committees in other companies as at the year-end@	
						Chairmanship (excluding membership of committees )	Membership
A. B. Godrej	Chairman , Non-Executive, Promoter	6	6	Yes	5(2)	1	1
J. N. Godrej	Non-Executive, Promoter	6	3	Yes	6(4)	1	2
N. B. Godrej	Managing Director, Promoter	6	6	Yes	9(5)	2	1
S. A. Ahmadullah	Non-Executive-Independent	6	6	Yes	-	-	-
V. M. Krishna	Non-Executive , Promoter	6	4	Yes	3(1)	-	-
K. K. Dastur	Non-Executive-Independent	6	6	Yes	1	-	-
N. D. Forbes	Non-Executive-Independent	6	1	Yes	1(1)	-	-
A. B. Choudhury	Non-Executive-Independent	6	6	Yes	3(1)	-	3
K. N. Petigara	Non-Executive - Independent	6	6	Yes	3	-	2
K.M. Elavia	Non-Executive - Independent	6	5	Yes	9(6)	5	4
T. A. Dubash	Whole-time, Promoter	6	5	Yes	5(1)	-	-
N.S. Nabar	Whole-time	6	6	Yes	1	-	-

**Note:**

- (i) \$ Alternate Directorships and Directorships in private companies, Section 8 companies, foreign companies are excluded.
- (ii) Figures in ( ) denote listed companies.
- (iii) Board Meetings held during the year represent the number of meetings held during the tenure of that director.
- (iv) @ In accordance with Clause 49, Membership / Chairmanship of only the Audit Committees and Shareholders Committee in all public limited companies (except Godrej Industries Limited) have been considered.

None of the Directors is a member of more than 10 Board-level committees, or a Chairman of more than five such committees, as required under Clause 49 of the listing agreement.

## c) Information supplied to the Board

Among others, this includes:

- Annual operating plans and budgets, capital budgets, and any updates thereon,
- Quarterly results of the Company,
- Minutes of meetings of audit committee and other committees,
- Information on recruitment and remuneration of senior officers just below the Board level,
- Materially important show cause, demand, prosecution and penalty notices,
- Fatal or serious accidents or dangerous occurrences,
- Any materially significant effluent or pollution problems,
- Any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company,
- Any issue which involves possible public or product liability claims of a substantial nature,
- Details of any joint venture or collaboration agreement,
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property,
- Significant labour problems and their proposed solutions,
- Significant development in the human resources and industrial relations front,

- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business,
- Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement,
- Non-compliance of any regulatory, statutory nature or listing requirements as well as shareholder services such as non-payment of dividend and delays in share transfer.

The Board of the Company is presented with all information under the above heads, whenever applicable. These are submitted either as part of the agenda papers well in advance of the Board meeting or are tabled in the course of the Board meeting.

## d) Directors with materially significant related party transactions, pecuniary or business relationship with the Company

Except for drawing remuneration, none of the Independent Directors have any other materially significant related party transactions, pecuniary or business relationship with the Company. Attention of Members is drawn to the disclosures of transactions with related parties set out in note no. 46, to the Standalone Financial Statements forming part of the Annual Report.

## e) Remuneration of Directors: sitting fees, salary, perquisites and commissions and Number of Shares held by Non-Executive Directors

The details of remuneration package of Directors and their relationships with each other are given in Table 2. The number of shares held and dividend paid are given in Table 3.

**Table 2 : Details of Remuneration in Rupees paid or payable to Directors for the year ended March 31, 2015**

(Amount in `)

Name of Director	Relationship with Directors	Sitting fees	Salary and Allowances	Perquisites	Provident Fund	Total
A. B. Godrej	Brother of N. B. Godrej & Father of T. A. Dubash	10,80,000	Nil	Nil	Nil	10,80,000
J. N. Godrej	None	3,00,000	Nil	Nil	Nil	3,00,000
N. B. Godrej	Brother of A. B. Godrej	Nil	2,43,88,153	1,12,47,046	15,73,200	3,72,08,399
S. A. Ahmadullah	None	7,40,000	Nil	Nil	Nil	7,40,000
A.B. Choudhury	None	7,60,000	Nil	Nil	Nil	7,60,000
V. M. Crishna	None	4,00,000	Nil	Nil	Nil	4,00,000
K. K. Dastur	None	6,80,000	Nil	Nil	Nil	6,80,000
N. D. Forbes	None	1,00,000	Nil	Nil	Nil	1,00,000
K. N. Petigara	None	7,60,000	Nil	Nil	Nil	7,60,000
K. M. Elavia	None	5,00,000	Nil	Nil	Nil	5,00,000
T. A. Dubash	Daughter of A. B. Godrej	Nil	2,70,54,947	28,48,881	11,36,400	3,10,40,228
N. S. Nabar	None	Nil	1,29,12,518	3,52,008	4,32,000	1,36,96,526

**Notes:**

1. Remuneration to Mr. N.B. Godrej and Ms. T.A. Dubash includes a performance linked variable remuneration (PLVR) of ` 41,44,500 each for the year ended March 31, 2015 payable in 2015-16.
2. The service contract of Mr. N. B. Godrej is for a period of three years beginning from April 1, 2014. The service contract of Ms. T. A. Dubash is for a period of three years beginning from April 1, 2013. The service contract of Mr. N.S. Nabar is from May 1, 2013 for a period upto March 31, 2016.

**Table 3: Number of shares held by Non-Executive Directors and dividend paid**

Name of Non-Executive Director	Shares held as on March 31, 2015	Dividend paid during the year (₹)
A. B. Godrej *	1,121,226	Nil
J N Godrej	6,403,169	11,205,546
J. N. Godrej *	3,221,472	Nil
S. A. Ahmadullah	6,004	10,500
S. A. Ahmadullah *	11,708	Nil
V. M. Crishna	0	Nil
N.D. Forbes	5,004	8,750
A .B. Choudhury	0	Nil
K. N. Petigara	0	Nil
K. K. Dastur	3,608	6,311
K. K. Dastur *	27,421	Nil
K. K. Dastur **	10677	Nil
K.M. Elavia	0	Nil

\* Shares held as second holder

\*\* Shares held as third holder

#### f) Stock Options

The Company has not granted any Stock Options to any of its Promoter Directors and Independent Directors. Mr. N.S. Nabar, Executive Director & President (Chemicals) was allotted 11,537 equity shares under the Employee Stock Grant Scheme.

### 3. COMMITTEES OF THE BOARD

The Company has set up an Audit Committee in accordance with Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Stakeholder's Relationship / Shareholders Committee and Nomination and Compensation Committee are formed in accordance with Section 178 of the Companies Act, 2013 and clause 49 of Listing Agreement. The Company also introduced Risk Management Committee which is in accordance with provisions of Clause 49 of Listing Agreement.

(a) The Composition of the Committees is as below:

Name of Director	Independent/ Non-Independent	Position in the Committee			
		Audit Committee	Nomination and Compensation Committee	Stakeholders' Relationship / Shareholders Committee	Risk Management Committee
A.B.Godrej	Non-Independent	N.A	N.A	Chairman	N.A
N.B.Godrej	Non-Independent	N.A	Member	Member	Chairman

T.A.Dubash	Non-Independent	N.A	N.A	Member	Member
N.S.Nabar	Non-Independent	N.A	N.A	Member	Member
K.K.Dastur	Independent	Chairman	N.A	N.A	N.A
S.A Ahmadullah	Independent	Member	Chairman	N.A	N.A
A.B.Choudhury	Independent	Member	Member	N.A	N.A
K.N.Petigara	Independent	Member	Member	N.A	N.A

Mr. Kiran Rajput, Company Secretary was the Secretary for all the Board Committees during FY 2014-15. He has resigned from his position with effect from close of business hours on March 31, 2015. Mr. P. Ganesh has joined as the Chief Financial Officer & Company Secretary from April 1, 2015 and is Secretary to the Committee w.e.f. April 1, 2015.

(b) Attendance details for Board Committee meetings

Name of Meeting	Audit Committee	Nomination and Compensation Committee	Stakeholders' Relationship / Share holders Committee	Risk Management Committee*
<b>Meetings held</b>	4	3	12	1
<b>Attendance of Directors</b>				
A.B.Godrej	N.A	N.A	12	N.A
N.B.Godrej	N.A	3	10	1
T.A.Dubash	N.A	N.A	9	1
N.S.Nabar	N.A	N.A	11	1
K.K.Dastur	4	N.A	N.A	N.A
S.A Ahmadullah	4	3	N.A	N.A
A.B.Choudhury	4	3	N.A	N.A
K.N.Petigara	4	3	N.A	N.A

\*constituted on November 11, 2014 in accordance to provision of clause 49 of the listing agreement

**Notes:**

- Audit Committee meetings were held on May 28, 2014, August 9, 2014, November 10, 2014 and February 11, 2015.
- Nomination and Compensation Committee meetings were held on May 28, 2014, October 6, 2014 and February 11, 2015.
- Stakeholders' Relationship / Shareholders Committee meetings were held on April 16, 2014, May 29, 2014, June 30, 2014, July 15, 2014, August 12, 2014, September 12, 2014, October 14, 2014, November 18, 2014, December 19, 2014, January 09, 2015, February 17, 2015, and March 5, 2015.
- Risk Management Committee meeting was held on January 27, 2015.
- Leave of absence was granted to the Directors whenever they could not be physically present for the Committee meetings.
- NA indicates not a member of the Committee.

## **(C) Terms of reference of Board Committees**

The terms of reference for Audit Committee include the matters specified in Section 177 of the Companies Act, 2013 as well as clause 49 of Listing Agreement as follows:

### **(1) Audit Committee**

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment/removal of external auditor, fixation of audit fees and approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the board for approval with particular reference to:
  - » Matters that needs to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134 of the Companies Act, 2013.
  - » Change, if any, in accounting policies and practices and reasons for the same.
  - » Major accounting entries involving estimates based on exercise of judgement by the management.
  - » Significant adjustments made in the financial statements arising out of audit findings.
  - » Compliance with listing and other requirements relating to financial statements.
  - » Disclosure of any related party transactions.
  - » Any qualification in the draft audit report.
- Reviewing with the management, the quarterly/annual financial statement before submission to the Board for approval.
- Reviewing with the management, performance of the statutory and internal

auditors, and adequacy of the internal control system.

- Reviewing the adequacy of internal audit function, if any, including the structure of Internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up thereon.
- Reviewing the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or 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 discussions to ascertain any area of concern.
- Evaluation of internal financial controls and risk management systems.
- Looking into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors.
- Reviewing the functioning of Whistle Blower mechanism.
- Approval of appointment of CFO (i.e. the person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

### **(2) Nomination and Compensation Committee**

The terms of reference of Nomination and Compensation Committee are as below.

- review the human resources policies and practices of the Company and in particular, policies regarding remuneration of Whole-Time Directors.

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to Board their appointment and removal, and evaluate every Director's performance.
- Formulate the criteria in determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to remuneration of Directors, key management personnel and other employees.
- Matters required under Securities and Exchange Board (SEBI) of India (Share Based Employee Benefits) Regulations.
- Such other matters as may be required under Companies Act, 2013/SEBI Regulations/ Listing Agreement.

#### Remuneration Policy

The remuneration Policy of the company has been provided in the Directors' Report section of the Annual Report as 'Nomination & Remuneration Policy for Senior Management'.

### (3) Stakeholders Relationship / Shareholders Committee

This committee looks into redressal of shareholder complaints regarding transfer of shares, non-receipt of Balance Sheet and non-receipt of declared dividends, as required in Clause 49 of the Listing Agreement as well as those required under Companies Act, 2013.

#### Name and designation of Compliance Officer:

Kiran Rajput, Company Secretary during FY 2014-15. He has stepped down from his position with effect from close of business hours on March 31, 2015. P. Ganesh has joined as the Chief Financial Officer & Company Secretary with effect from April 1, 2015.

Complaints outstanding as on April 1, 2014	Nil
Complaints received during the year ended March 31, 2015	60
Complaints resolved during the year ended March 31, 2015	60
Complaints outstanding as on March 31, 2015	Nil

Number of complaints regarding shares for the year ended March 31, 2015

There are no pending share transfers as on March 31, 2015.

### (4) Risk Management Committee

The Risk Management Committee was constituted by the Board on November 11, 2014 adhering to the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Committee shall have the following role, duties, responsibilities and authority:

This Committee shall be responsible to monitor and review the risk management plan of the Company and the existing Forex Committee and the Business Risk Committee of the Company shall report to this Committee.

- a) Risk Policy and its periodic review
- b) Ensuring appropriate risk management systems and controls are in place and its evaluation and review
- c) Risk assessment and risk minimisation procedures.

## 4. GENERAL BODY MEETINGS

### a) Details of last three Annual General Meetings (AGMs)

Year	Venue	Date	Time
2011-12	Y. B. Chavan Centre, Nariman Point, Mumbai 400 021.	August 11, 2012	3.00 P.M.
2012-13	- do -	August 10, 2013	3.30 P.M.
2013-14	- do -	August 9, 2014	3.30 P.M.

## b) Details of Special Resolutions Passed in previous three Annual General Meetings

Date of AGM	Number of Special Resolutions passed	Details of Special Resolutions Passed
August 11, 2012	4	<ol style="list-style-type: none"> <li>1) Re-appointment of and remuneration payable to Ms. T. A. Dubash, as a Whole-time Director.</li> <li>2) Re-appointment of and remuneration payable to Mr. M. Eipe, as a Whole-time Director.</li> <li>3) Modification of Godrej Industries Limited Employee Stock Option Plan I.</li> <li>4) Modification of Godrej Industries Limited Employee Stock Option Plan II.</li> </ol>
August 10, 2013	4	<ol style="list-style-type: none"> <li>1) Appointment of and remuneration payable to Mr. N. S. Nabar as a Whole-time Director.</li> <li>2) Reappointment of and remuneration payable to Mr. N. B. Godrej, Managing Director.</li> <li>3) Modification of Godrej Industries Limited Employee Stock Option Plan I.</li> <li>4) Modification of Godrej Industries Limited Employee Stock Option Plan II</li> </ol>
August 09, 2014	1	<ol style="list-style-type: none"> <li>1) Investment in Verseon Corporation u/s 186 of the Companies Act, 2013</li> </ol>

## c) Details of Special Resolutions passed at the Extraordinary General Meetings (EGM) in the last three years

Date of EGM	Number of Special Resolutions passed	Details of Special Resolutions Passed
July 7, 2012	1	Approved issue of equity shares under Institutional Placement Programme.

## d) Postal Ballot

During the year, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules 2014, certain resolutions were passed by shareholders by postal ballot. The Notice of postal ballot was mailed to all shareholders along with postage prepaid envelopes. E-voting facility was also offered to eligible shareholders to enable them to cast their votes electronically. Mr. Bharat Shemlani, Chartered Accountant, had been appointed as scrutinizer for the postal ballots, who submitted his reports to the Chairman, Mr. A.B. Godrej. The details of the postal ballots are given below:-

Sr. No.	Date of announcement of results	Nature of resolution	Item	Total no. of votes polled	No. of votes in favour %	No. of votes against %
1	June 3, 2014	Ordinary	To approve the Scheme of Amalgamation of Wadala Commodities Limited ("WCL") with Godrej Industries Limited ("GIL") and their respective shareholders	28,32,29,353	96.53	2.51

Sr. No.	Date of announcement of results	Nature of resolution	Item	Total no. of votes polled	No. of votes in favour %	No. of votes against %
2	June 3, 2014	Special	To invest / acquire the securities of Godrej Consumer Products Limited upto a sum of ` 250 crore u/s 186 of the Companies Act, 2013	28,32,29,348	96.48	2.55
3		Special	To borrow upto a limit of ` 1,500 crore over and above the paid-up capital and free reserves of the Company u/s 180(c) of the Companies Act, 2013	28,32,29,348	99.03	0.00
1	December 1, 2014	Special	Adoption of new set of Articles of Association of the Company in conformity with the Companies Act, 2013.	28,08,99,241	99.95	0.05
2		Special	Remuneration payable to Mr. N. B. Godrej, Managing Director, in conformity with the Companies Act, 2013.	27,97,95,800	99.89	0.11
3		Special	Remuneration payable to Ms. T. A. Dubash, Whole-time Director, in conformity with the Companies Act, 2013.	27,67,47,589	99.89	0.11
4		Special	Remuneration payable to Mr. N. S. Nabar, Whole-time Director, in conformity with the Companies Act, 2013.	28,10,14,709	99.89	0.11
1	January 30, 2015	Special	To invest / acquire the securities of Godrej Consumer Products Limited upto a sum of ` 400 crore u/s 186 of the Companies Act, 2013.	29,61,22,335	96.45	3.55
2		Special	To invest / acquire the securities, of Godrej International Limited or name as may be approved by the regulatory authority(ies), to be formed or incorporated in Labuan (the Malaysian Offshore Federal Territory), upto a sum of ` 10 crore u/s 186 of the Companies Act, 2013.	29,71,19,335	96.51	3.49

#### e) Procedure adopted for Postal Ballot

- (i) The Board at its meeting approves the items to be passed through postal ballot and authorizes one of the functional Directors and the Company Secretary to be responsible for the entire process of postal ballot.

- (ii) A professional such as a Chartered Accountant/ Company Secretary, who is not in employment of the Company, is appointed as the Scrutinizer for the poll process.
- (iii) Notice of postal ballot along with the ballot papers are sent to the shareholders along with a self-addressed envelope addressed to the Scrutinizer. E-voting facility is also offered to eligible shareholders to enable them to cast their votes electronically.
- (iv) An advertisement is published in a National newspaper and a vernacular news paper about the dispatch of ballot papers and notice of postal ballot.
  - (v) The duly completed postal ballot papers are received by the Scrutinizer.
  - (vi) Scrutinizer gives his report to the Chairman.
  - (vii) The Chairman announces the results of the postal ballot in a meeting convened for the same.
- (viii) Results are intimated to the Stock Exchange and are put up on the Notice Board of the Company as well as on the Company's Website.

## 5. DISCLOSURES

### a) **Materially significant related party transactions that may have potential conflict of interests of Company at large**

During the year 2014-15, 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 the Company at large. Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes to Financial Statements, forming part of the Annual Report.

### b) **Whistle Blower Policy**

With a view to establish a mechanism for protecting the employees reporting unethical behaviour, fraud, violation of Company's Code of Conduct, the Board of Directors has adopted a Whistle Blower Policy. During the year 2014-15, no personnel has been denied access to the Audit Committee.

### c) **Policy to Prevent Sexual Harassment at the work place**

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. The Company has formed an Internal Complaints Committee headed by Ms. T.A. Dubash, Executive Director & Chief Brand Officer, pursuant to the provisions of Sexual Harassment of Women at Workplace (prevention, Prohibition and Redressal) Act, 2013. While the Act is applicable only to the women employees, our company policy covers all employees.

#### d) Details of compliance with mandatory requirement

Particulars	Clause of Listing Agreement	Compliance Status Yes / No
<b>II. Board of Directors</b>	<b>49 (II)</b>	
(A) Composition of Board	49 (II A)	Yes
(B) Independent Directors	49 (II B)	Yes
(C) Non-executive Directors' compensation & disclosures	49 (II C)	Yes
(D) Other provisions as to Board and Committees	49 (II D)	Yes
(E) Code of Conduct	49 (II E)	Yes
(F) Whistle Blower Policy	49 (II F)	Yes
<b>III. Audit Committee</b>	<b>49 (III)</b>	
(A) Qualified & Independent Audit Committee	49 (III A)	Yes
(B) Meeting of Audit Committee	49 (III B)	Yes
(C) Powers of Audit Committee	49 (III C)	Yes
(D) Role of Audit Committee	49 (III D)	Yes
(E) Review of Information by Audit Committee	49 (III E)	Yes
<b>IV. Nomination and Remuneration Committee</b>	<b>49 (IV)</b>	<b>Yes</b>
<b>V. Subsidiary Companies</b>	<b>49 (V)</b>	<b>Yes</b>
<b>VI. Risk Management</b>	<b>49 (VI)</b>	<b>Yes</b>
<b>VII. Related Party Transaction</b>	<b>49 (VII)</b>	<b>Yes</b>
<b>VIII. Disclosures</b>	<b>49 (VIII)</b>	
(A) Related party transactions	49 (VIII A)	Yes
(B) Disclosure of Accounting Treatment	49 (VIII B)	Yes
(C) Remuneration of Directors	49 (VIII C)	Yes
(D) Management	49 (VIII D)	Yes
(E) Shareholders	49 (VIII E)	Yes
(F) Proceeds from public issues, rights issue, preferential issues	49 (VIII I)	NA
<b>IX. CEO/CFO Certification</b>	<b>49 (IX)</b>	<b>Yes</b>
<b>X. Report on Corporate Governance</b>	<b>49 (X)</b>	<b>Yes</b>
<b>XI. Compliance</b>	<b>49 (XI)</b>	<b>Yes</b>

## **e) Details of Non-compliance**

There has not been any non-compliance 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.

## **f) Declaration by Managing Director**

The declaration by the Managing Director stating that all the Board Members and senior management personnel have affirmed their compliance with the laid down code of conduct for the year ended March 31, 2015, is annexed to the Corporate Governance Report.

## **Shareholders and Means of communication**

### **a) Disclosures regarding appointment or reappointment of Directors**

Mr. A.B. Godrej and Mr. V.M. Crishna both Directors, retire by rotation at the Annual General Meeting and being eligible offer themselves for reappointment. Information about the Directors who are being appointed/are eligible for reappointment is given as an annexure to the Notice of the AGM.

### **b) Communication to shareholders**

All vital information relating to the Company and its performance, including quarterly results, official press releases are posted on the website of the Company. The Company's web-site address is [www.godrejinds.com](http://www.godrejinds.com). The quarterly and annual results of the Company's performance are published in leading English dailies like Economic Times, Business Line, etc. and regional language daily, Maharashtra Times. The quarterly results of the Company are also available on the websites of BSE Ltd. and National Stock Exchange of India Ltd viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

The Company files electronically the quarterly results, Corporate Governance report, Share holding pattern, etc in the BSE Listing Centre and NSE Electronic Application Processing System (NEAPS).

## **6. 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.

### **c) The Code of Conduct for the Board of**

directors and the senior management has been disclosed on the website of the company

## 7. CORPORATE GOVERNANCE VOLUNTARY GUIDELINES – 2009

Your Company is committed to maintaining highest standards of Corporate Governance by adhering to the requirements set out by SEBI.

With a view to strengthening the Corporate Governance framework, the Ministry of Corporate Affairs has issued voluntary guidelines in December 2009 for adoption by the companies. These guidelines are intended to serve as a benchmark for Corporates to help them to adopt the highest standards. Corporate Governance guidelines do not substitute any extant law or regulation but are essentially for voluntary adoption by Corporates.

Your Company is already in compliance with most of these requirements and continually reviews for enhancements as appropriate.

## 8. 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.

## 9. GENERAL SHAREHOLDER INFORMATION

### i. Annual General Meeting

Date : August 11, 2015  
Time : 3.30 p.m.  
Venue : Auditorium, Godrej One, Pirojshanangar, Vikhroli (East), Mumbai – 400079.

### ii. Financial Calendar :

Financial year: April 1 to March 31  
For the Year Ended March 31, 2015,  
results announced on:

- August 9, 2014 : First quarter
- November 10, 2014 : Half year
- February 11, 2015 : Third quarter
- May 27, 2015 : Annual

### iii. Record Date/Book Closure

A dividend of ₹ 1.75 per equity share of ₹ 1 each has been recommended by the Board of Directors of the Company. For payment of dividend, the book closure is from August 4, 2015 to August 11, 2015 (both days inclusive).

### iv. Listing information

The Company's equity shares are listed on The Bombay Stock Exchange Ltd. and The National Stock Exchange of India Ltd. The ISIN Number of the Company for both NSDL and CDSL is INE233A01035.

### v. Stock Data

Tables 1 and 2 respectively give the monthly high and low prices and volumes of equity

Name of the Stock Exchange	Stock code
BSE Ltd. (BSE)	500164
National Stock Exchange of India Ltd. (NSE)	GODREJIND

shares of the Company at BSE and the NSE for the year ended March 31, 2015. Chart A compares the Company's share price at the BSE versus the Sensex.

**Table 1: Monthly high and low prices and trading volumes of equity shares of the Company at BSE for the year ended March 31, 2015**

Month	High (₹)	Low (₹)	Volume (No. of Shares)
April 2014	334.80	297.80	5,08,736
May 2014	322.50	282.90	9,24,649
June 2014	367.00	298.00	37,68,483
July 2014	372.45	324.05	15,54,735
August 2014	348.55	321.25	9,50,073
September 2014	359.00	298.15	72,00,043
October 2014	311.50	274.95	8,14,847
November 2014	311.90	278.05	7,46,173
December 2014	303.60	261.60	7,48,943
January 2015	321.90	273.90	8,74,581
February 2015	336.95	286.20	15,95,607
March 2015	351.00	324.00	6,49,805

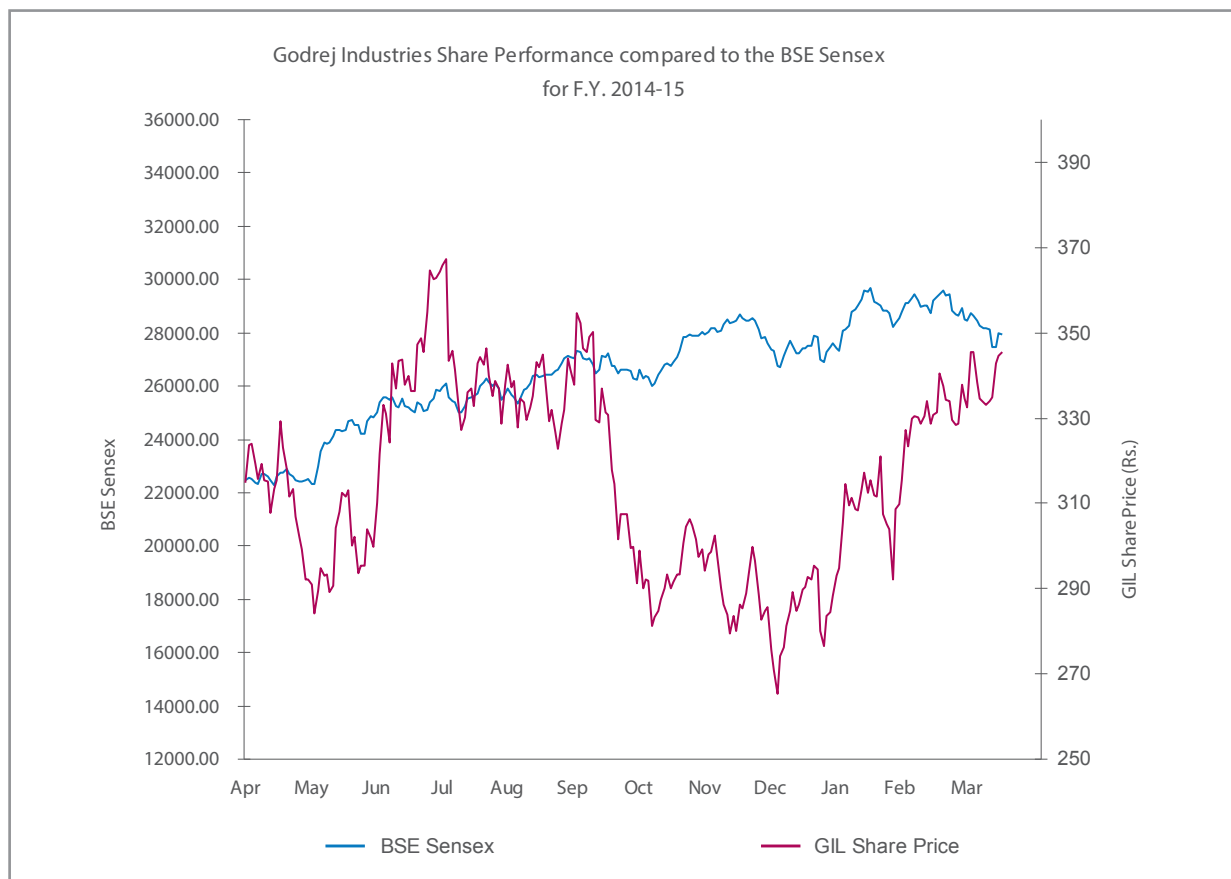
**Note:** High and low are in Rupees per traded share. Volume is the total monthly volume of trade (in numbers) in equity shares of the Company on the BSE.

**Monthly high and low prices and trading volumes of equity shares of the Company at NSE for the year ended March 31, 2015**

Month	High (₹)	Low (₹)	Volume (No. of Shares)
April 2014	334.80	297.60	46,34,150
May 2014	322.45	282.00	73,09,780
June 2014	368.00	297.55	1,79,54,677
July 2014	372.80	323.80	86,69,701
August 2014	349.00	321.10	73,62,360
September 2014	359.65	298.00	1,13,40,393
October 2014	309.70	274.20	71,58,031
November 2014	313.00	278.05	80,90,513
December 2014	303.55	261.50	85,17,974
January 2015	322.45	272.95	67,62,904
February 2015	340.00	285.15	1,15,91,416
March 2015	350.90	327.05	58,85,124

**Note:** High and low are in Rupees per traded share. Volume is the total monthly volume of trade (in numbers) in equity shares of the Company on the NSE.

**Chart A – The Company’s share performance compared to the BSE Sensex for FY 2014-2015**



**Distribution of shareholding:**

Tables 3 and 4 give the distribution pattern of shareholding of the Company by size and ownership respectively as on March 31, 2015.

**Table 3: Distribution of shareholding by size as on March 31, 2015**

Number of shares	Number of share-holders	Shareholders %	Number of shares held	Shareholding %
1 - 500	44,391	90.13	41,23,891	1.23
501 - 1000	2,627	5.33	20,34,557	0.61
1001 - 2000	952	1.93	13,40,299	0.40
2001 - 3000	430	0.87	9,84,693	0.29
3001 - 4000	199	0.40	6,53,550	0.19
4001 - 5000	110	0.22	4,75,363	0.14
5001 - 10000	255	0.52	16,95,937	0.50
10001 & above	298	0.60	32,45,73,684	96.64
<b>Total</b>	<b>49,262</b>	<b>100.00</b>	<b>33,58,81,974</b>	<b>100.00</b>

**Table 4: Distribution of shareholding by ownership as on March 31, 2015**

Category (as being reported to Stock Exchanges)	No. of shares	% of share holding
<b>Promoter's holding</b>		
-Indian Promoters	25,13,36,467	74.83%
-Foreign Promoters	0	0.00%
Persons deemed to act in concert with promoters	0	0.00%
<b>Institutional Investors</b>		
Mutual Funds & UTI	11,35,280	0.34%
Banks, Financial Institutions and Insurance Companies	1,01,80,635	3.03%
Foreign Institutional Investors	4,16,54,300	12.40%
<b>Others</b>		
Private Corporate Bodies	1,13,45,502	3.38%
Indian Public	1,89,98,840	5.65%
NRIs/OCBs	12,30,950	0.37%
Others	0	0.00%
<b>Total</b>	<b>33,58,81,974</b>	<b>100.00%</b>

**vi. Shares held in physical and dematerialized form**

As on March 31, 2015, 99.74 percent of the Company's shares were held in dematerialized form and the remaining 0.26 percent in physical form. The break up is listed below:

Category	Number of shareholders	Shareholders %	Number of shares held	Shareholding %
Physical	2,336	4.74%	859,012	0.26
Electronic	46,926	95.26%	33,50,22,962	99.74
<b>Total</b>	<b>49,262</b>	<b>100.00%</b>	<b>33,58,81,974</b>	<b>100.00</b>

**vii. Outstanding GDRs/ADRs/Warrants/Convertible instruments and their impact on equity**

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

**vii. Share Transfer**

Share transfers and related operations for the Company are conducted by Computech Sharecap Limited, 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.

**ix. Plant locations**

<b>Location</b>	<b>Address</b>
Ambernath	Plot No. N - 73, Additional Ambernath Industrial Area, Village Jambivali, Taluka Ambernath East, District Thane, Maharashtra. 421 506.
Valia	Burjorjinagar, (DTA & EOU) Plot No. 3, Village Kanerao, Taluka - Valia, District Bharuch, Gujarat 393 135.
Wadala	L.M. Nadkarni Marg, Near M.P.T. Hospital, Wadala (East), Mumbai 400 037.

**xi. Investor correspondence should be addressed to:**

**Computech Sharecap Limited**

147, M.G. Road,

Opp. Jehangir Art Gallery, Fort,

Mumbai 400 001.

Tel: 022-22635000 to 22635002;

Fax: 022-22635001

Email: [helpdesk@computechsharecap.com](mailto:helpdesk@computechsharecap.com)



## Declaration by Managing Director

I, N. B. Godrej, Managing Director of Godrej Industries Limited (GIL), hereby confirm pursuant to clause 49(II) (E) of the listing agreement that:

The Board of Directors of GIL 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 on the Company's website viz. [www.godrejinds.com](http://www.godrejinds.com). All the Board members and senior management personnel have affirmed their compliance with the said code of conduct for the year ended March 31, 2015.

Mumbai, May 27, 2015

**N. B. Godrej**  
Managing Director

## **Auditors' Certificate on Corporate Governance**

We have examined the compliance of conditions of Corporate Governance by Godrej Industries Limited (the Company) for the year ended on March 31, 2015, 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.: 104607 W

Daraius Z. Fraser  
**PARTNER**  
M. No.: 42454

Place : Mumbai  
Date : May 27, 2015.