



Gillette India Limited
CIN: L28931MH1984PLC267130
Regd. Office
P&G Plaza, Cardinal Gracias Road,
Chakala, Andheri (E),
Mumbai - 400099
Tel : 91-22-2826 6000
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Website: in.pg.com

October 22,2022

To,
The Corporate Relations Department
The BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001.
Ref:- Scrip Code:- 507815

To,
The Listing Department
The National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400051
Ref:- Scrip Code:- GILLETTE

Dear Sir / Madam,

Sub: Annual Report for the Financial Year ended June 30, 2022 and Notice calling the 38th Annual General Meeting of the Company

We refer to our letter dated September 09, 2022, informing the date of 38th Annual General Meeting (AGM). In this respect, please find enclosed Annual Report for the Financial Year ended June 30, 2022 and Notice calling the 38th Annual General Meeting of the Company.

In accordance with, the General Circular No. 02/2022 issued by MCA and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62, the Annual Report for the Financial Year 2021-22, including the Notice of AGM has been sent in electronic mode to Members today, October 22,2022, whose e-mail addresses are registered with the Company. The copy of the Notice along with the Annual Report is enclosed herewith and is also available on the Company's website: <https://in.pg.com/india-investors/gil/shareholder-information/info/>.

Further, it may be noted that shareholders who would like to express their views/have questions, may register themselves as a speaker by sending their request in advance mentioning their name, demat account number/ folio number, E-mail id, mobile number at investorgil.im@pg.com or machado.f.1@pg.com from the date of this notice up to **November 15, 2022** (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time for the AGM.

Kindly take the same on record and oblige.

Thanking you,
Yours faithfully,

For Gillette India Limited

Flavia Machado
Company Secretary



Gillette India Limited

Annual Report 2021-22



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Corporate Information

Board of Directors & Key Managerial Personnel

Mr. Gurcharan Das
 Mr. L. V. Vaidyanathan
 Mr. Chittranjan Dua
 Mr. Anil Kumar Gupta
 Ms. Anjuly Chib Duggal
 Mr. Pramod Agarwal
 Mr. Karthik Natarajan
 Ms. Sonali Dhawan
 Mr. Gagan Sawhney
 Mr. Gautam Kamath
 Mr. Srinivas Maruthi Patnam
 Ms. Flavia Machado

Independent Director and Chairman
 Managing Director (effective July 1, 2022)
 Independent Director
 Independent Director
 Independent Director
 Non-Executive Director
 Non-Executive Director
 Non-Executive Director
 Non-Executive Director
 Executive Director and Chief Financial Officer
 Executive Director
 Company Secretary

Registered Office

Gillette India Limited
 (CIN: L28931MH1984PLC267130)
 P&G Plaza, Cardinal Gracias Road,
 Chakala, Andheri (East), Mumbai – 400 099
 Tel. No.: (022) 2826 6000
 Investor helpline Nos.: 86575 00524
 Email Id: investorgil.im@pg.com

Auditors

Statutory Auditors
 Kalyaniwalla & Mistry LLP
 Chartered Accountants

Secretarial Auditor

Saraf & Associates
 Company Secretaries

Registrar & Share Transfer Agents

MAS Services Limited
 T-34, 2nd Floor,
 Okhla Industrial Area, Phase II,
 New Delhi – 110 020
 Tel. No.: 011 2638 7281 / 82 / 83
 E-mail Id: info@masserv.com

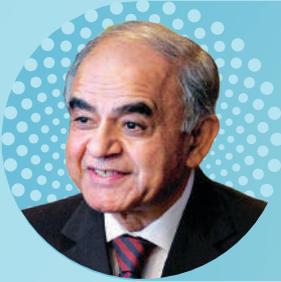
Listed on Stock Exchanges

BSE Limited
 National Stock Exchange of India Limited

Note: Certain statements in this Annual Report may be seen as forward looking statements. The actual results may differ materially from those expressed or implied in the statement depending on circumstances.



Your Board of Directors



Mr. Gurcharan Das, Chairman and Independent Director

Mr. Das, an alumnus of Harvard University, was CEO, Procter & Gamble India and later Managing Director, Procter & Gamble World-wide (Strategic Planning). After a 30-year career, he took early retirement to become an author. He is on a number of boards and is a regular speaker to the managements of the world's largest corporations. He is a regular columnist for leading newspaper publications and also contributes periodically to other journals.

Mr. Chittranjan Dua, Independent Director

Mr. Dua is the founding partner of Dua Associates and is currently chairman of the firm and engaged in providing strategic advice and direction for its further growth and development. His experience and expertise encompasses a broad range of areas including corporate and commercial law, corporate finance, securities law, infrastructure, public policy and administration, governance and ethics, land acquisition, power projects, foreign investments and collaborations, privatization of public sector undertakings, mergers and acquisitions and exchange control regulations.



Mr. Anil Kumar Gupta, Independent Director

Mr. Gupta is an engineer from IIT New Delhi. He also holds a Post Graduate Diploma in Industrial Management from Jamnalal Bajaj Institute of Management Studies, Mumbai. He has a vast experience of over 40 years in India and abroad in the field of Manufacturing, Projects and Supply Chain Management.

Ms. Anjuly Chib Duggal, Independent Director

Ms. Anjuly Chib Duggal, a 1981 batch IAS Officer (Punjab cadre), retired as Secretary of Department of Financial Services, Ministry of Finance, Government of India, in 2017. In the last decade, she worked in the areas of finance (public expenditure and financial services including banking, insurance, pensions and financial inclusion) and corporate affairs. Prior to this, Ms. Duggal was Secretary in the Ministry of Corporate Affairs (MCA). Ms. Duggal is a Fellow of LEAD (Leadership for Environment and Development) International since 1993, a global program that trained mid-career professionals from across the world in leadership in environment and development. She also serves as an Independent Director on the Board of Life Insurance Corporation of India Limited.



Mr. Pramod Agarwal, Non-Executive Director

Mr. Agarwal is an MBA from IIM, Ahmedabad. After over 28 years of experience with P&G, he retired in 2016. He worked in seven geographies - India, Thailand, Japan, Philippines, USA, Singapore and Switzerland. Mr. Agarwal has led several major changes which have had a lasting impact on the business and organization. He is now a management consultant, an angel investor and mentor to several start-ups.



Mr. L. V. Vaidyanathan, Managing Director

Mr. L. V. Vaidyanathan is a Bachelor of Engineering (Mech.) from National Institute of Technology, Nagpur and is an MBA from IIM-Ahmedabad. Mr. L. V. Vaidyanathan started his career with P&G in India in 1996 and worked in various leadership roles. He has more than 26 years of experience across diverse geographies like India, Singapore, Philippines, Thailand and Vietnam. Prior to this role, he was leading P&G business in Indonesia as CEO where he has been responsible for industry-leading growth and value creation.



Mr. Gautam Kamath, Executive Director and Chief Financial Officer

Mr. Gautam Kamath is a Chartered Accountant and an MBA from IIM, Ahmedabad with overall experience of over 20 years across several industries and geographies. He has spent the last 15 years with P&G across four geographies, leading transformational projects and delivering outstanding results for several important P&G businesses. In his previous role, Mr. Kamath was the Regional CFO of the Fabric and Home Care Business Unit for the Asia-Pacific region and CFO of P&G's Australia and New Zealand business prior to that.



Mr. Srinivas Maruthi Patnam, Executive Director

Mr. Srinivas P.M. is a Bachelor of Engineering from Nagpur University and an MBA (Human Resources) from Symbiosis Institute of Business Management, Pune. He has been associated with the P&G and Gillette group for the last 22 years. He is currently Vice President, Human Resources (HR), P&G Indian subcontinent. As an HR leader, he has led and driven transformational projects in various business units across five geographies.



Mr. Karthik Natarajan, Non-Executive Director

Mr. Karthik Natarajan is a Chartered Accountant and B. Com from R. A. Podar College, Mumbai. He has been with P&G for over 21 years and is currently the Senior Vice President and regional CFO, Asia Pacific, Middle East & Africa. He has worked across multiple locations like India, US, China, Philippines, Middle East and Singapore and has led strategy development, business and financial planning and operational execution with excellence for several important P&G businesses.



Ms. Sonali Dhawan, Non-Executive Director

Ms. Dhawan is a B.Com (Hons) in Business Studies from Lady Shriram College. She is an MBA (Marketing) from IIM, Ahmedabad. Ms. Dhawan has been with P&G for over 24 years and is currently Senior Vice President, Marketing, Feminine Hygiene, Asia, Middle East & Africa. She has worked across multiple regions including ASEAN, India, Australia & Middle East.



Mr. Gagan Sawhney, Non-Executive Director

Mr. Gagan Sawhney is an MBA from IIM, Ahmedabad who joined P&G in 2001. He has more than 20 years of experience across multiple geographies like India, ASEAN, Greater China and Middle East. Presently, Mr. Sawhney is Regional CFO, Middle East and Africa P&G. He has held several leadership roles such as leading Finance for P&G Indian subcontinent and providing assurance and consulting support across regions as Finance Director- Internal Audit for P&G Global operations.

ABOUT US

OUR PURPOSE

We will provide branded products and services of superior quality and value that improve the lives of the world's consumers, now and for generations to come.



OUR PRINCIPLES

- We show respect for all individuals.
- The interests of the Company and the individual are inseparable.
- We are strategically focused on our work.
- Innovation is the cornerstone of our success.
- We are externally focused.
- We value personal mastery.
- We seek to be the best.
- Mutual interdependency is a way of life.

The Procter & Gamble Company, US ("P&G") is a global leader in the fast-moving consumer goods industry, focused on providing branded consumer packaged goods of superior quality and value to its consumers around the world. Today, P&G products are sold in approximately 180 countries and territories. P&G believes in finding small but meaningful ways to improve lives—now and for every generation to come.

Gillette India Limited ("the Company") was incorporated in India as Indian Shaving Products Limited in 1984. P&G acquired the Company in the year 2005. The Company is engaged in manufacturing and selling of branded packaged fast moving consumer goods in the grooming and oral care businesses. It is one of the well-known FMCG companies that has in its portfolio Gillette and Oral-B, which are world's leading brands. The Company has carved a reputation for delivering superior products to meet the needs of consumers. The Company is committed to making every day in the lives of consumers better through superior value propositions.

P&G is committed to stepping up as a force for good and has embedded citizenship in the way we do business. We are serving our communities, focusing on building a more equal and inclusive world and protecting our planet.

CITIZENSHIP

AT P&G GROUP IN INDIA 2022



Community Impact



P&G SHIKSHA

Through our flagship CSR program launched in the year 2005, we are focused on providing access to holistic education for underprivileged children through a 360-degree intervention.



P&G SURAKSHA INDIA

Since the outbreak of the COVID-19 pandemic, we have directed our efforts towards protecting and serving our employees, consumers and communities, relief authorities and frontline warriors.



DISASTER RELIEF

We are committed to step up in challenging times to help communities affected by natural calamities, through timely and relevant intervention.



LEVERAGING THE VOICE OF OUR BRANDS

Our brands and employees have been consistently working towards making a difference in the lives of the people in the communities we serve, by raising awareness and driving interventions to challenge stereotypes.



#WeSeeEqual SUMMIT

We announced declarations and commitments to advance gender equality inside and outside P&G.



INCLUSIVE BENEFITS FOR LGBTQ+ COMMUNITY

We extended our company-offered comprehensive financial and medical benefits to partners of our LGBTQ+ employees.



GILLETTE #ENGINEERING-CHANGE

Gillette launched its #ShavingStereotypes movement to challenge stereotypes prevalent in the society.



SHARE THE CARE LEAVE POLICY

This policy provides all new parents including biological parents, domestic partners, adoptive parents, parents in same-sex couples to 8 weeks of fully paid parental leave.



Equality & Inclusion



Environmental Sustainability



PLASTIC PACKAGING WASTE NEUTRALITY

As P&G Group, we achieved 'plastic packaging waste neutrality', as we collected, processed, and recycled over 19,000 MT post-consumer plastic packaging waste from across the country.



PLEDGE TO BE 'NET ZERO' BY 2040

We are striving to achieve net-zero greenhouse gas (GHG) emissions across our operations and supply chain, from raw material to retailer, by the year 2040.



ZERO MANUFACTURING WASTE TO LANDFILL

All our manufacturing facilities in India are zero manufacturing waste to landfill.



WE ARE PROGRESSING IN OUR FOCUS AREAS

We have made consistent and significant progress across our focus areas of climate, water and waste.



बढ़ी के स्कूलों को संवार रहा पी. एंड जी.

6 वर्षों में खर्च किए 5 करोड़ रुपये

बीबीसी न्यूज़, 2 दिसम्बर (एनएन)। बीबीसी न्यूज़ ने विश्व के क्षेत्र में एक विशाल कार्यक्रम की है। विश्व में 6 वर्षों में खर्च किए 5 करोड़ रुपये के अंतर्गत 600 स्कूलों को संवारने का कार्यक्रम है।



बीबीसी न्यूज़: राजस्थान की एक स्कूल में पी. एंड जी. द्वारा बनाया गया खेल मैदान।



P&G India to introduce career relaunch program for STEM professionals

The initiative called 'P&G Relaunch program' is part of the company's commitment to strengthen diversity in IT, research & development, and product supply, the company said in a press statement on Tuesday.

P&G commits to create access to brand advertising to people with impairments

The company aims to make brand advertising, which includes social media content and websites accessible to people with sight and hearing impairments by 2024 in order to make their brands more inclusive. The company will do this for all new brand advertising across India...



P&G IN THE NEWS

IndIAA Awards for Creative Excellence 2022

Sabre Awards South Asia- Gold Winners for Corporate Social Responsibility and Platinum winners for Best in Show

Corporate Social Responsibility award from Bhiwadi Manufacturers Association for COVID-19 contribution

P&G India recognized as one of the 'Best Company for women in India' by 'Working Mothers' magazine

P&G India becomes 'plastic waste neutral'

BENGALURU, DHNS: Procter & Gamble India (P&G) today announced that it has become 'plastic waste neutral' in the past year (April 2021 - March 2022). P&G has collected, processed, and recycled over 19,000 MT of post-consumer plastic packaging waste from across the country which is more than the amount of plastic packaging in its products sold in a year. The company is working with recycling partners across 75 cities in India to collect plastic which is then sent to different recyclers, waste to energy plants, and cement kilns.

Procter & Gamble India extends medical, workplace benefits to partners of LGBTQ+ employees

The consumer goods company will extend medical support, emergency financial assistance, tax subsidy allowance and relocation benefits to partners of LGBTQ+ employees with effect from April 1, 2022.



Procter & Gamble India sets up a task force of mental health first aiders at workplace

Procter & Gamble has set up a task force of certified mental health first aiders to strengthen its mental health support system for employees, the company said in a press release on Thursday.

The first aiders are the company's own employees from different work groups equipped to identify signs and symptoms of emotional distress and initiate supportive conversation with a person, guide them towards available resources or encourage them to seek professional support.

Procter & Gamble Pledges Net Zero Emissions By 2040, Says It Is An 'urgent Task'

P&G's actions on climate began a decade old and their science-based plan to net-zero will prioritize cutting most of its emissions, said the company.



Procter & Gamble (P&G), on Tuesday, 14 September 2021, announced a comprehensive plan to accelerate action related to climate change. It has also set a new ambition to achieve net-zero greenhouse gas (GHG) emissions across its operations and supply chain, from raw material to retailer, by 2040 as well as interim 2030 goals to make meaningful progress this decade, the company stated via its official website.



FINANCIAL HIGHLIGHTS 2021-2022

₹2,256cr

REVENUE FROM
OPERATIONS

₹411cr

PROFIT
BEFORE TAX

₹289cr

PROFIT
AFTER TAX

₹88.79

EARNING PER
SHARE

19%

OPERATING
PROFIT MARGIN

₹585cr

CASH GENERATED
FROM
OPERATIONS

TEN YEAR FINANCIAL HIGHLIGHTS

	IND AS							IGAAP			
	2022 [^]	2021 [^]	2020 [^]	2019 [^]	2018 [^]	2017 [^]	2016 [^]	2016	2015	2014	2013
YEAR END FINANCIAL POSITION (₹ Crores)											
Net Fixed Assets	428	382	318	325	305	277	266	274	219	233	200
Net Worth	861	789	911	778	694	501	937	858	742	643	649
SUMMARY OF OPERATIONS (₹ Crores)											
Gross Sales	2256	2009	1679	1862	1677	1788	1863	2072	1984	1766	1459
Profit Before Tax	411	429	314	339	345	374	328	327	246	81	138
Profit After Tax	289	310	230	253	229	253	214	213	158	51	87
Dividend paid in the Financial Year	224.84	430.12	81.46	136.86	32.59	566.98	64.78	81.07	48.88	48.88	48.88
PER SHARE DATA											
Eps (₹)	88.79	95.25	70.64	77.62	70.29	77.67	65.73	65.38	48.53	15.78	26.75
Dividend paid in the Financial Year(%)	690	1320	250	420	100	1740	199	249	150	150	150
NUMBER OF SHARES											
Shares (Lakhs)	325.85	325.85	325.85	325.85	325.85	325.85	325.85	325.85	325.85	325.85	325.85

[^]Figures for these years are as per new accounting standards (Ind AS) and Schedule III of Companies Act, 2013. Hence these numbers are not comparable with previous years.



Dear Shareholders,

It gives me great pleasure to share with you the performance of your Company for the Financial Year 2021-22. During the last year, the pandemic continued to pose unprecedented challenges and impacted most aspects of life, business, and economy. Despite the volatility and unforeseen headwinds from the external economic landscape, your Company continued its resilience in these tough times and delivered a double-digit sales growth driven by its firm commitment to serve its consumers and communities.

Your Company has embedded citizenship in the way it does business, in line with its philosophy of being a force for growth and a force for good in the communities it serves. Your Company continued to support the P&G Suraksha India initiative, which is P&G India's response to the COVID-19 pandemic. As part of the program, the Company contributed lakhs of masks and hand sanitizers for the protection of frontline workers and underprivileged communities.

Further, with the flagship CSR program 'P&G Shiksha', your Company continues to focus its efforts on three main areas - improving learning outcomes, empowering marginalized girls through education and improving educational infrastructure program in India. The Program has so far supported thousands of schools that will impact the lives of millions of children and help them move closer to their dreams and aspirations. Together with our NGO partner Pratham Education Foundation, we are working towards bridging existing learning gaps in children through on-ground remedial learning interventions. We are partnering with Educational Initiatives (EI) to implement 'Mindspark', a computer based adaptive learning tool to remediate learning gaps in students. Along with our NGO partner Round Table India (RTI), we have focused on constructing new classrooms, building playgrounds and improving health and hygiene facilities for children at Government owned schools. We also continued to impact the communities around our plants in a holistic manner.

Further, your Company continues to make significant headway towards P&G's Ambition 2030 goals. Your Company achieved significant milestones in environmental sustainability, by achieving Plastic packaging Waste neutrality and continuing to ensure 'zero waste to landfill' status for its Plant sites.

As the world moves back to the normal, we will continue to focus on driving superiority, improving productivity, and prioritizing the health and well-being of our people for achieving balanced growth. I would like to express my gratitude to all our consumers, customers, business partners, employees and You, our valued shareholders for constantly supporting us through the year. Going into the new fiscal year, while the near-term outlook remains uncertain with volatility and economic challenges, we will continue to innovate and bring superior products to consumers. I look forward to your sustained support and participation in the growth of your Company, as we continue to touch and improve lives.

Gurcharan Das
Chairman



Dear Shareholders,

I would like to take this opportunity to share with you the overall performance of your Company in 2021-22.

Our unwavering strategy has empowered us to deliver balanced, consistent results yet again this fiscal year, driven by brand fundamentals, strength of the product portfolio, deliberate productivity, and a resilient organization.

Despite unprecedented headwinds from macroeconomic challenges and softening consumption trends during the fiscal, the Company delivered sales of ₹2,256 crore, up 12% versus year ago. Profit After Tax (PAT) was ₹289 crore, down 7%, largely behind commodity cost inflation. Compared to

the fiscal two years ago, the Company's sales are up 34% and Profit After Tax (PAT) is up 26%. This is a testament to the strength of our product portfolio and strategic choices to drive meaningful superiority across products, packages, communication, retail execution and value.

In the grooming business, Gillette continued to be the market leader and added millions of new consumers to the portfolio. Gillette registered a strong year-on-year value, volume and market share growth behind irresistible superiority on products and commercial innovations, including the launch of Venus Skin Love, Braun and an upgrade on the Gillette Mach 3 portfolio. In the oral care business, Oral B continued to innovate, grow market share and increase penetration by delighting consumers with superior value propositions to meet their hygiene needs. Oral B also continued to bring innovations to the consumers, including Criss Cross range of toothbrushes.

Our brands also continued to step up as a force for good during these challenging times. Gillette also launched its #ShavingStereotypes campaign, featuring true stories which urges young Indian students to introspect and rethink how education can be a stepping-stone for changing more than just their own lives. The featured true story serves as an example to convey the brand's message: "Every one of us can meaningfully contribute to our communities, we just need to be aware of our true potential."

As a responsible corporate citizen, your Company continues to aspire to create positive impact across each area of Citizenship– Community Impact, Equality and Inclusion and Environment Sustainability. Through our flagship CSR program, P&G Shiksha, the P&G group in India has supported over 2500 schools impacting more than 23 lakh children. Over the years P&G Shiksha has evolved into a 360-degree educational intervention addressing three critical barriers to achieving universal education – access to education infrastructure, gender inequality in access to education and gap in learning. Your Company also committed to accelerating the pace towards an equal tomorrow, by committing to support second careers for women in STEM with our 'Relaunch' Program.

As we enter the next fiscal, the FMCG sector continues to be an essential contributor to the economy. We are focused on delighting and serving consumers, customers, society, and shareholders through five strategic and integrated choices: a portfolio of daily-use products in categories where performance drives brand choice; superiority across product, package, brand communication, retail execution and value; productivity in everything we do; constructive disruption across the value chain; and an agile, accountable, and empowered organization. These are not independent strategic choices. They reinforce and build on each other, and when executed well, they lead to balanced top-line and bottom-line growth and value creation. There is still meaningful opportunity for improvement and leverage in every facet of this strategy, and we continue to work to strengthen our execution of these choices.

L.V. Vaidyanathan
Managing Director



REPORT OF THE BOARD OF DIRECTORS AND MANAGEMENT DISCUSSION & ANALYSIS

Your Directors' have the pleasure of presenting the 38th Annual Report and the Audited Financial Statements of the Company for the Financial Year ended June 30, 2022.

FINANCIAL RESULTS

(Figures in ₹ Crores)

Particulars	2021-22	2020-21
Revenue from Operations	2,256	2,009
Profit before tax	411	429
Profit after tax	289	310
Earnings per share		
- Basic (₹)	88.79	95.25
- Diluted (₹)	88.79	95.25

FINANCIAL YEAR

The Company's Financial Year is July 1st to June 30th.

DIVIDEND

During the Financial Year, the Board of Directors declared an interim dividend of ₹ 33 per Equity Share. The payment of interim dividend to the shareholders was completed on February 25, 2022.

Your Directors are pleased to recommend a final dividend of ₹ 36 per Equity Share for the Financial Year ended June 30, 2022. This final dividend is subject to approval of the members at the ensuing 38th Annual General Meeting.

ECONOMY AND MARKETS

The operating environment this year continued to be volatile, with unprecedented challenges, with high inflation in key commodities and supply chain disruptions, among others. Despite these headwinds, the Indian economy grew by 8.7%* in Financial Year 2021-2022 as we emerged from the pandemic. Several initiatives and measures introduced by the government, most importantly the accelerated rate of vaccinations, provided impetus and contributed towards economic recovery by aiding mobility, resumption of services and helping boost consumer confidence.

The pandemic accelerated many consumer and market trends, including the emergence of new channels, an enhanced focus on health, hygiene, and wellbeing. Digital dependency in everyday consumer lives increased substantially. However, inflation has ebbed consumption momentum, especially in rural markets.

* Source: Press release of Ministry of Finance dated August 1, 2022.

OPPORTUNITIES, RISK AND OUTLOOK

The International Monetary Fund (IMF) projects Indian economy to grow by 7.4%* in the Financial Year 2022-2023. With this, India will remain to be one of the fastest growing major economies in the world in 2022-23.

However, IMF projects global inflation in 2022 at 8.3%*. Sustained inflationary outlook, supply-chain constraints and external headwinds will continue to pose challenges. Amidst this, it will be imperative for companies to navigate through uncertainties caused by external factors and leverage the available opportunities with agility.

While short to medium term challenges exist owing to a weak global economic outlook, the long-term outlook for the FMCG sector remains positive. Your Company is well positioned to sustain and improve its performance with a resilient workforce, leverage opportunities with agility, address challenges and overcome the risks.

* Source: IMF World Economic Outlook July 2022.

BUSINESS PERFORMANCE

Despite unprecedented headwinds from macroeconomic challenges and softening consumption trends during the fiscal, the Company delivered sales of ₹ 2,256 crores, up 12% versus year ago behind the strength of its superior product portfolio and improved retail execution. Profit after tax was ₹ 289 crores, down 7%, largely behind commodity cost inflation which was significantly countered by cost productivity and price-mix. Compared to the fiscal two years ago, the Company's sales are up 34% and Profit after tax is up 26%.

Our commitment to our integrated strategies of a strong portfolio, superiority, productivity, constructive disruption, and an agile & accountable organization structure, has empowered us to deliver these consistent results this fiscal year, despite unforeseen headwinds and disruptions in the macroeconomic and business landscape. This is a testament to the strength of our products and strategic choices to drive meaningful superiority across products, packaging, communication, retail execution and value proposition. Our strategy is fueled by balancing innovation and industry-leading practices, while driving productivity in everything we do via resilient organization. While the near-term continues to be marked by unprecedented challenges and uncertainties, we will continue to focus on our strategy which has consistently enabled us to deliver balanced growth and value creation.

INTEGRATED STRATEGIC CHOICES



Your Company has delivered great results over the years, in a volatile macro environment against very capable competition, through focus on executing our integrated strategies with excellence. We are focused on delighting and serving consumers, customers, society and shareholders through five strategic and integrated choices: a portfolio of daily-use products where performance drives brand choice; superiority across product, package, brand communication, retail execution and value; productivity in everything we do; constructive disruption across the value chain; and an agile, accountable and empowered organization. These are not independent strategic choices. They reinforce and build on each other, and when executed well, they lead to balanced top and bottom line growth and value creation. There is still meaningful opportunity for improvement and leverage in every facet of this strategy, and we continue to work to strengthen our execution of these choices.

FINANCIAL RATIOS

	2021-22	2020-21	Change (%)	Explanation for changes over 25% in the ratios, if any
Debtors' (Trade receivable) turnover	9.93	10.34	-4	-
Inventory turnover	6.10	6.17	-1	-
Interest coverage ratio	40.10	82.80	-52	The variation is on account of higher interest on income tax in the current year
Current ratio	1.43	1.46	-2	-
Debt equity ratio	-	-	-	-
Operating profit margin	19%	22%	-14	-
Net profit margin	13%	15%	-17	-
Return on Net worth	35%	37%	-4	-

GROOMING BUSINESS

Your Company's grooming business had a strong year. Our irresistible superiority on product and commercial innovations continued to add millions of new users to the Gillette franchise delivering holistic top-line, bottom-line and market share growth.

This year, we executed an initiative on Gillette Mach 3 with a wider product range, premium packaging and best in-store visibility. We also launched Venus Skin love – a premium disposable razor that has helped add new consumers via strong demand creation and go-to-market excellence.



We have also delivered strong growth on our double edge blades business by delivering highest ever distribution.



We integrated the selling and marketing operations for Braun in India. Braun is a world-renowned brand known for its design, precision and innovative technology. Braun adds an extensive range of male and female grooming products like electric shavers, trimmers and epilators thereby better catering to evolving needs of today's consumer.



As a result of key interventions across the Gillette portfolio, we recorded our highest-ever market share in the Blades and Razors category this Financial Year.

ORAL CARE BUSINESS

After an extremely strong Financial Year 2020-21, Oral-B delivered another year of strong results in Financial Year 2021-22 with strong growth across value share, volume share and market penetration for the brand. Our deliberate focus on irresistible superiority across vectors resulted in adding millions of new users to the brand, along with balanced top and bottom-line growth.



We launched the superior Criss Cross range of toothbrushes with Indicator bristles and also expanded our naturals portfolio. We launched our entry level Kids toothbrush which will help bring quality oral care at an affordable price.



In the electric toothbrush range, we drove strong growth behind our digital activations to help deliver on our promise to provide superior oral care to our consumers.

The combination of strong innovations, with a robust go-to-market execution and strong media presence led to meaningful value to our consumers and customers helping us grow significantly ahead of the category.

We continued to leverage our targeted trial programs and deeper distribution plans enabling more consumers to have access to superior brushes.

RISK MANAGEMENT

Your Company has set up a Risk Management Committee, details of which are provided in the Corporate Governance section of the report. The Company has also adopted a risk management policy. The Company's risk management policy is in line with the parent Company's global guidelines and as such adequate measures have been adopted by the Company to anticipate, plan and mitigate the spectrum of risks it faces.

BUSINESS, FINANCE & OPERATIONAL RISKS

On business risks, the Company undertakes a Competition Response Model program. For financing risks, it has a robust operational contingency plan. It also undertakes Business Contingency Plan for key vendors and natural disasters. The Company also has adequate Insurance coverage to protect the value of its assets. This coverage duly covers any risks relating to business interruption resulting from property damage and legal liability resulting from property damage or personal injury. The Company has in place a very stringent and responsive system under which all its distributors and vendors are assessed before being selected.

REGULATORY AND COMPLIANCE RISKS

Your Company operates within the letter and spirit of all applicable laws. General compliance with legal requirements is an important component of your Company's Worldwide Business Conduct Manual and the same directs the following action from every employee:

- To obey all legal requirements at all times;
- To understand exactly what legal requirements apply to the work function;
- To consult the legal personnel if there are conflicting legal requirements in different jurisdictions;
- To strictly follow the directions from the legal personnel;
- To address and resolve, in a timely manner, any legal compliance issues that have been identified;
- Absolutely no violation of any law; and
- To immediately report any instance of violations to the Legal Department.

Your Company has set in place the requisite mechanism for meeting with the compliance requirements, periodic monitoring of compliance to avoid any deviations, and regular updates to keep pace with the regulatory changes.

SECURITY RISKS

Your Company has implemented comprehensive security programs supported by latest technology and trained manpower to protect employees and assets, at all its offices and plants. During the Financial Year under review, no major security breaches or incidents occurred at any of the Company's plants. A comprehensive security risk assessment is carried out regularly and adequate security measures are implemented to cater to changing security scenario. Your Company has installed the best of the security measures and processes to protect its personnel and assets.

INTERNAL CONTROLS & THEIR ADEQUACY

Your Company continues to prioritize sustainable control processes that are integral part of organization Culture. It has built strong Internal Controls Environment and Risk Assessment / Management systems. These systems enable the Company to comply with Internal Company policies, procedures, standard guidelines, and local laws to help protect Company's assets and confidential information including personally identifiable information (PII) against financial losses and unauthorized use. The robust controls environment at your Company is efficiently managed and monitored through:

• Controls Self-Assessments (CSAs)

CSAs are performed during October to December period of every Financial Year across business processes. The purpose of this thorough exercise is to review and evaluate process compliances against standard control objective, activities and attributes. This enables the Company to proactively identify control weaknesses and initiate actions to sustainably mitigate them.

• Stewardship and Global Internal Audit (GIA)

Reviews led by a team of three independent fulltime Internal Controls experts, their role is to ensure that all key processes i.e. selling, revenue, distribution, trade & marketing spends, vendor payments, and plant operations are reviewed and assessed at appropriate intervals. The observations and findings are shared with senior management for implementing quality action plans to strengthen overall controls environment in these processes. The assessments of High risks and SOX Compliance areas are assessed by an independent internal audit department lead by the Company's Global Internal Audit team. This team comprises of certified internal controls process experts and have experiences across different markets that the Company operates in. The action taken by the management to correct the processes is then reviewed and reported appropriately.

• Governance Board

The Governance Board is led by the Managing Director and comprises of Group Chief Financial Officer, Chief Human Resource Officer, Supply Chain Leader, Purchasing & Sustainability Leader and General Counsel. The Governance Board assesses, and reviews enterprise level risks and works with process owners and functional managers to ensure that corrective action is taken, and risk is mitigated as appropriate.

During the Financial Year under review, all Controls issues identified have been 100% remediated by



executing quality action plans in consultation with internal controls and stewardship experts.

During the Financial Year, the Board of Directors had appointed Ms. Pooja Bhutra, Chartered Accountant, as the Internal Auditor of the Company for the Financial Year 2021-22.

BUSINESS RESPONSIBILITY REPORT

A separate report on Business Responsibility has been appended as **Annexure I** to this Report.

CORPORATE SOCIAL RESPONSIBILITY & CITIZENSHIP EFFORTS

We have built Citizenship into how we do business every day. Our Citizenship framework comprises of our actions and initiatives across key pillars of Community Impact, Equality & Inclusion and Environmental Sustainability, with a foundation of Ethics & Corporate Responsibility guiding everything we do. Since its foundation, your Company believes in being a force for growth and force for good in the communities that it operates in.

Through our flagship CSR program – P&G Shiksha, we continue to focus on providing holistic education for underprivileged children through a 360-degree educational intervention. We launched the ‘#PGSurakshaIndia’ program in response to the COVID-19 pandemic, to serve our employees, consumers, and communities alike in testing times, in partnership with various government and relief organizations. Further, our disaster relief efforts aim to provide aid to those affected by natural disasters. In addition to this, our brands and people continue to make a positive difference in society through their consistent hard work.

We introduced our flagship CSR program ‘P&G Shiksha’ in 2005 with the vision of providing means to education to underprivileged children in the country. Today, we have come a long distance from where we began. The 2500 schools that we have built and supported over the years will impact over 23 lakh children in need by improving their learning environment.

Over time, ‘P&G Shiksha’ has evolved into a holistic education program that aims to improve learning outcomes in children, strengthen educational infrastructure and empower marginalized girls through education.

Along with our NGO partner Round Table India (RTI), we have focused on constructing new classrooms, building playgrounds and improving health and hygiene facilities for children like clean drinking water and separate toilets for girls and boys at Government owned schools. We believe that this will impact the learning environment and encourage more students to take interest in education, return to school and

enable a change in mindset. Last year, we undertook multiple projects and constructed more than 300 classrooms.

We are partnering with Educational Initiatives to implement ‘Mindspark’, a computer based adaptive learning tool to remediate learning gaps in students across government schools in Rajasthan, Himachal Pradesh, Maharashtra, Madhya Pradesh, Andhra Pradesh, Uttarakhand, Gujarat and Telangana. Research found that children studying in a particular grade may not possess the conceptual understanding and grade level competency which is at par with the grade they are in. This means, that a child may progress to a higher grade, yet does not fully understand a concept from a lower grade.

‘Mindspark’ helps in minimizing this learning gap in children and bringing their learning levels at par with their grade. The tool integrates pedagogy, teacher instruction and a learning management system to assess a student’s learning level and develop a customized learning path for each one of them. During the pandemic induced school closure, we upgraded the tool to make it available on smartphones, to enable children to continue learning from the safety of their home and minimize learning losses. As schools begin to reopen, we are now focusing on bringing the program back to schools, so the children can learn more effectively and efficiently. Last year, the program impacted over 72,000 children across 8 states in the country, by enabling learning from the safety of home.

Together with our NGO partner Pratham Education Foundation, we are working towards bridging existing learning gaps in children through on-ground remedial learning interventions. We do this through a community based and an ‘in-school’ model, together with the support of trained volunteers from within the community and teachers at school. During the lockdown, we had adopted a remote outreach model of engaging with the children, by leveraging technology and mobilizing the community volunteers, to ensure learning continuity. As part of this, we regularly shared simple project-based activities with children focused on language, math and science by leveraging WhatsApp, phone calls and SMSs. Further, we also shared curated messages in text, audio and video formats to aid the learning process.

As schools begin to reopen, in addition to our digital outreach, we conducted learning camps focused on strengthening foundational learning levels in children. This was aimed at ensuring school-readiness, with the support of our community volunteers. During the fiscal year, we impacted over 30,000 children across 5 states and 1 Union Territory and observed a significant improvement in their learning levels. At the end of the intervention, more than 70% students

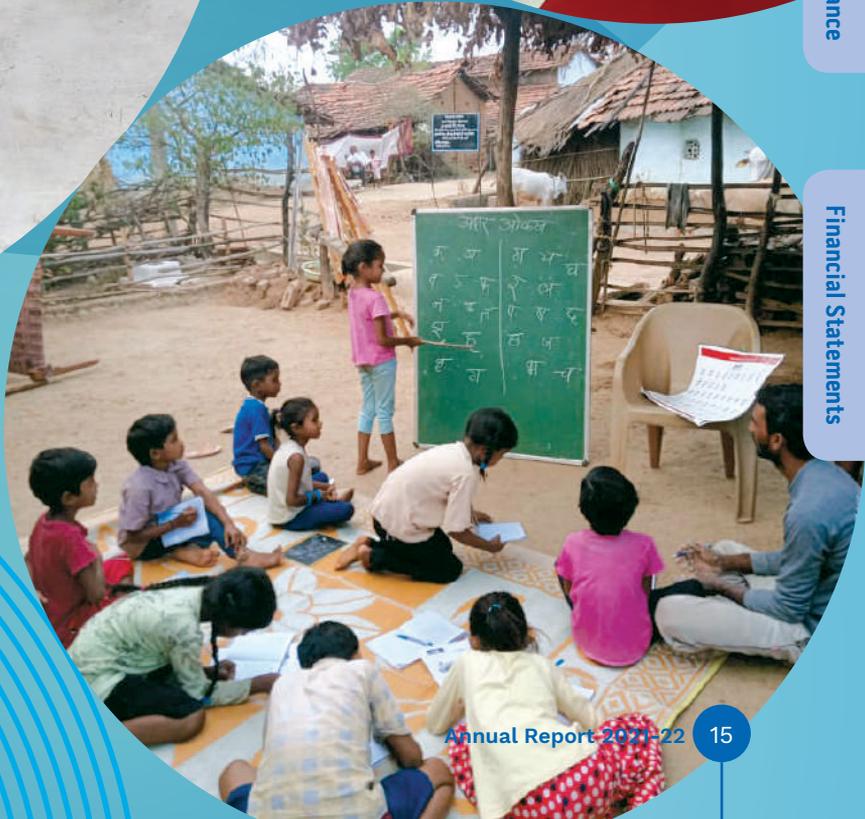
We've built citizenship into our business which is enabling us to responsibly serve all our stakeholders and the broader world around us

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were able to read as per their expected learning levels compared to less than 25% at the beginning of the intervention.

Through our early childhood education program in partnership with Pratham Education Foundation, we are focusing on developing motor, cognitive, social-emotional, language and creative skills in children, thereby setting them up for a fast-paced growth as they start school. During the pandemic, we ensured learning continuity, by engaging with parents and community volunteers to conduct learning activities with children at home using materials easily available at home like peas, beads, clay and more. As the pandemic began to ease, we launched a school readiness campaign, for equipping children studying in Grades 1 and 2, with essential foundational skills as they start school, with the support of their mothers. During the year, we impacted more than 55,000 children through this program. At the end of the intervention, more than 80% of children in the intervention group demonstrated socio-emotional, cognitive, motor and language skills.

Additionally, your Company also continued to impact the communities around its plants in a holistic manner throughout the Financial Year.

Your Company has constituted a Corporate Social Responsibility Committee. The composition and terms of reference of the Corporate Social Responsibility Committee are provided in the Corporate Governance Report annexed to this Report.

Annual report on Corporate Social Responsibility activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as **Annexure II** to this Report.

ENVIRONMENTAL SUSTAINABILITY AND CONSERVATION OF ENERGY

Environmental sustainability is embedded in everything we do, and we work towards achieving ambitious goals that we set, to continue our progress. We believe that while it is our responsibility to create and deliver superior products and value to our consumers to improve their lives, it is also our responsibility to do so in a way which minimizes our environmental footprint. We ensure this by focusing on technologies, processes and improvements that matter for the environment and are based on our endeavour of being a force for good for the planet.

Within its operations, your Company strives to grow responsibly and continuously improve our efficiency while reducing our carbon footprint.

All our manufacturing units in India are ‘zero waste to landfill’, which means that no manufacturing waste is discharged into the environment. Your Company’s plants have significantly reduced carbon emission and energy consumption. Apart from this, the plants are also raising awareness about environmental sustainability in the neighbouring community through engagements and plantation drives.

The P&G brands have also stepped forward towards environmental sustainability. Our brand *Venus* already uses 30% recycled plastic for its handles. The Venus boxes are also fully recyclable.

Additionally, we put forth a new ambition to achieve net-zero greenhouse gas (GHG) emissions across its operations and supply chain, from raw material to retailer, by the year 2040. Your Company continues to build partnerships with external organizations to combat some of the challenges and issues we are facing today on sustainability.

Certain sustainability measure taken by the Company at its various sites are given below:

- Installation of brane tank in softener plant during the softener regeneration, helped to reduce water consumption.
- Installation of scale watcher controllers for cooling tower led to reduction in water usage & chemical dosing.
- Installation of Zero Liquid Discharge system is under progress at Bhiwadi plant, through which we will be able to recirculate the ETP treated water back to process thereby resulting in water footprint reduction.
- Installation of motion sensors in meeting rooms to switch off split air conditioners, when not in use, to save energy.
- Installation of piped natural gas kit on diesel generator sets for dual energy.
- Identification of air leakages through regular inspections and maintenance of compressed air systems along with use of specialized equipment for air leakage detection has minimized compressed air leaks and resulted in reduction in consumption of power.
- GHG emission reduction by investment in renewable energy certificate.
- Use of electric vehicles for regular transport of employees and electrification of kitchen, leading to reduction of GHG emissions.



TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT

Your Company has the advantage of availing advanced technology and continuous upgradation thereof from The Procter & Gamble Company, USA and its subsidiaries (The Procter & Gamble group). This is an unmatched competitive advantage that helps the Company deliver strong business results.

Your Company benefits from the Procter & Gamble group's research and development efforts and activities across the globe. Technology absorption and adaptation is a continuous process. The products manufactured / sold by the Company are a result of the imported technology received on an ongoing basis from the Procter & Gamble group. Initiatives are constantly undertaken for innovation of products, new product development, improvement of packaging, enhancement of product quality and application of best information technology to automate, simplify and generate efficiencies in various business processes.

The Company, having ongoing access to cutting-edge technology, derives benefits such as product development, consistent superior product quality, process efficiencies, cost effectiveness and energy efficiency.

As the Company avails benefits of research and development of the Procter & Gamble group across the globe, your Company has not incurred any expenditure on research and development during the Financial Year.

FOREIGN EXCHANGE EARNINGS & OUTGO

The details of foreign exchange earnings and outgo as required under Section 134 of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014 are mentioned below:

(Figures in ₹ Lakhs)

	For the year ended June 30, 2022	For the year ended June 30, 2021
Foreign Exchange earnings	17,532	11,980
Foreign Exchange outgo	58,760	57,284

RELATED PARTY TRANSACTIONS

Your Company has formulated a policy on related party transactions which is available on Company's

website at <https://in.pg.com/india-governance-and-policies/gil/terms-and-policies/>. This policy deals with the review and approval of related party transactions. All related party transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for related party transactions which are of repetitive nature, entered in the ordinary course of business and at arm's length. All related party transactions are subjected to independent review by chartered accountant firm to confirm compliance with the requirements under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of material related party transaction entered into during the Financial Year 2021-22 are given below:

Name of Related Party	Procter & Gamble International Operations S.A., Singapore Branch
Nature of transaction	Import of Finished goods
Amount of transaction during Financial Year 2021-22	₹ 295.76 crores

The above transaction was approved by the Shareholders by passing an Ordinary Resolution through Postal Ballot on January 8, 2018. Being related parties, the Promoter shareholders had abstained from voting on the said resolution.

All related party transactions entered into during the Financial Year were in the ordinary course of business and on arm's length basis. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable to your Company.

LOANS AND GUARANTEES GIVEN AND INVESTMENTS MADE

Your Company has not given any loans, guarantees or made any investments during the Financial Year.

PUBLIC DEPOSITS

Your Company has not accepted any Public Deposits under Chapter V of the Companies Act, 2013, during the Financial Year.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder,



your Company has constituted Internal Complaints Committee. During the Financial Year, three complaints with allegations of sexual harassment were filed with the Company. The complaints were closed during the Financial Year. No complaints were pending as on June 30, 2022.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Sections 134(3) (c) of the Companies Act, 2013, with respect to the Directors' Responsibilities Statement, it is hereby confirmed:

- i. that in the preparation of the Annual Accounts for the Financial Year ended June 30, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the Financial Year under review;
- iii. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the Directors had prepared the accounts for the Financial Year ended June 30, 2022, on a "going concern" basis;
- v. that the Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- vi. that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

A separate report on Corporate Governance along with the Auditors' Certificate on its compliance is annexed to this Report.

ANNUAL RETURN

The Annual Return for Financial Year 2021-22, as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company at <https://in.pg.com/india-investors/gil/reports-announcements/announcements/>.

HUMAN RESOURCES

Your Company operates in a highly competitive environment vis-à-vis attracting the best talent for its operations and therefore the human resources management function has assumed vital importance in the Company. Your Company focuses on attracting, motivating and retaining the best talent. Its people systems like talent supply, performance management and talent development are robust and competitive. We have put in place robust HR programs to ensure that the organization is geared up to deliver the future.

Attracting & Retaining Talent: Your Company continues to be a key source for Global talent and a preferred Employer of Choice for the workforce in India. We continue to drive our build from within strategy and focus on our core campus programs, which coupled with our innovative campus branding initiative ensures we continue to be an Employer of Choice in our Core Campuses and beyond. Over the course of the last year, we have massively scaled up our lateral hiring capabilities, in line with our growing business needs. We implemented a fully face to face internship program this year for all our campus interns. We continue to retain our Top 10 Best Employer ranking in the Annual Dare2Compete Campus Survey.

Developing Talent: Our policies on leadership pipeline, talent planning, mentoring and diversity & inclusion continue to evolve and stay ahead of the times, to ensure that we attract and retain the best talent. All our new hires undergo a very comprehensive 3-day corporate on-boarding program called 'GetIN' which is coupled with functional onboarding programs to ensure that they are able to make an impact and feel valued from Day 1. Building organization capability continues to be a key focus area for us and we continue to organize virtual learning sessions as part of the P&G Learning Academy offerings.

Our Company's performance management system is robust and strives for Impact through Growth. It

clearly assesses and differentiates employees on the basis of performance. We have established a CARE program to build the capability of our people managers. With our focus on inclusive development, we were recognized by 'Working Mothers' Magazine as one of the Best Companies for Women in India 6th year in a row. The number of employees as on June 30, 2022 was 597.

The statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure III** to this Report.

As per the provisions of first proviso to Section 136 (1) of the Companies Act, 2013, this Report and Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at investorgil.im@pg.com.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Gagan Sawhney ceased to be Chief Financial Officer of the Company effective July 31, 2021 and was re-designated as 'Non-Executive Director' of the Company effective August 1, 2021.

Mr. Gautam Kamath had been appointed as the Chief Financial Officer of the Company effective August 1, 2021. The Board of Directors, on the recommendation of the Nomination & Remuneration Committee had appointed Mr. Gautam Kamath as an Additional Director upto the 37th Annual General Meeting of the Company and Executive Director for a period of five years, effective August 1, 2021. Further, the Shareholders have approved such appointment by resolution passed through postal ballot mechanism on October 16, 2021. Mr. Kamath being a non-resident at the time of his appointment, application was made to Central Government for its approval.

Mr. Karthik Natarajan was re-designated as Non-Executive Director of the Company effective August 24, 2021.

The Board of Directors on the recommendation of the Nomination & Remuneration Committee had appointed Mr. Srinivas Maruthi Patnam, as an Additional Director holding office upto the 37th Annual General Meeting of the Company and Executive Director for a period of five years, effective

September 1, 2021. Further, the Shareholders of the Company approved such appointment at the 37th Annual General Meeting.

Mr. Ghanashyam Hegde ceased to be Company Secretary & Compliance Officer of the Company effective August 31, 2021 and Ms. Flavia Machado has been appointed as the Company Secretary & Compliance Officer of the Company effective September 1, 2021.

Mr. Madhusudan Gopalan ceased to be the Managing Director of the Company effective June 30, 2022. The P&G Management and the Board of Directors of the Company express their deepest gratitude to Mr. Madhusudan Gopalan for his exemplary leadership and consistent value creation, guidance and direction to the Company during his tenure as Managing Director.

Mr. L. V. Vaidyanathan has been appointed as Managing Director of the Company effective July 1, 2022. The Shareholders of the Company have approved his appointment by resolution passed through postal ballot mechanism on July 17, 2022. Mr. L. V. Vaidyanathan being a non-resident at the time of his appointment, the Company is in the process of seeking approval for his appointment from the Central Government.

Mr. Pramod Agarwal and Ms. Sonali Dhawan, Directors, retire by rotation and being eligible, offer themselves for re-appointment at the ensuing 38th Annual General Meeting.

Appropriate resolutions for the re-appointment of the aforesaid Directors are being proposed at the ensuing 38th Annual General Meeting, which the Board recommends for approval of the Shareholders of the Company.

Brief Profiles of these Directors are mentioned in Corporate Governance section of this report. Details of the Directorships of Directors proposed to be re-appointed as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are contained in the Notice convening the ensuing 38th Annual General Meeting of the Company.

The Independent Directors of your Company have given declarations to your Company stating that they meet the criteria of independence as mentioned under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



The Board is of the opinion that all the Independent Directors of the Company possess integrity, have relevant expertise and experience and fulfill the conditions specified under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the familiarization programme and Annual Board Evaluation process for Directors have been provided under the Corporate Governance section of the Report.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

Six (6) meetings of the Board of Directors of the Company were held during the Financial Year. For further details on meetings of the Board of Directors and its Committees, please refer to the Corporate Governance section of Report.

POLICIES

Your Company has adopted various policies including policies on related party transactions, corporate social responsibility, vigil mechanism, nomination and remuneration, materiality of events and dividend distribution which are available on the website of the Company at <https://in.pg.com/india-governance-and-policies/gil/terms-and-policies/>.

AUDITORS

Kalyaniwalla & Mistry LLP, Chartered Accountants were appointed as Statutory Auditors of your Company at the 33rd Annual General Meeting held on November 15, 2017 for a term of five consecutive years up to the ensuing 38th Annual General Meeting. It is proposed to re-appoint Kalyaniwalla & Mistry LLP, Chartered Accountants as Statutory Auditors of your Company to hold office from the conclusion of the 38th Annual General Meeting until the conclusion of the 43rd Annual General Meeting. The Audit Committee and the Board of Directors of the Company recommend the said re-appointment to the Shareholders for their approval. Appropriate resolution for the said re-appointment is being moved at the ensuing 38th Annual General Meeting.

The Report given by Kalyaniwalla & Mistry LLP, Statutory Auditors on the financial statements of the

Company for the Financial Year ended June 30, 2022 is part of this Report. There has been no qualification, reservation or adverse remark given by the Auditors in their Report.

SECRETARIAL AUDIT

Secretarial Audit was carried out by M/s. Saraf & Associates, Practicing Company Secretaries for the Financial Year 2021-22. There were no qualifications, reservations or adverse remarks given by Secretarial Auditors of the Company. The Secretarial Audit report has been appended as **Annexure IV** to this Report.

SECRETARIAL STANDARDS

During the Financial Year, your Company has complied with mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

ACKNOWLEDGEMENT

We are grateful to The Procter & Gamble Company, USA and its subsidiaries for their invaluable support in terms of access to the latest information and knowledge in the field of research & development for products, ingredients and technologies; timely inputs to exceptional marketing strategies; and the goodwill of its world-renowned Trademarks and superior brands. We are proud to acknowledge this unstinted association that has vastly benefited the Company.

Your Directors' place on record its deep appreciation for the co-operation and support of the Government authorities, distributors, wholesalers, retailers, suppliers, clearing and forwarding agents, business associates, bankers, consumers, employees and Shareholders and look forward to their continued support on the journey ahead.

On behalf of the Board of Directors

Mumbai
August 22, 2022

Gurcharan Das
Chairman



ANNEXURE I

Business Responsibility Report for Financial Year 2021-22

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	Details
1.	Corporate Identity Number (CIN)	L28931MH1984PLC267130
2.	Name of the Company	Gillette India Limited
3.	Registered address	P & G Plaza, Cardinal Gracias Road, Chakala, Andheri (East), Mumbai 400099
4.	Website	in.pg.com
5.	E-mail id	investorgil.im@pg.com
6.	Financial Year reported	July 1, 2021 to June 30, 2022
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Blades & razors (NIC 25931) Oral care (NIC 20235) Toiletries (NIC 20237)
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	1. Blades and Razors 2. Oral care Products 3. Toiletries
9.	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (b) Number of National Locations	None The Company's business and operations are spread across the country. Details of location of plants are given below: Plant locations Bhiwadi Plant SPA – 65A, Bhiwadi Industrial Area, Bhiwadi, Dist. Alwar, Rajasthan – 301019 Baddi Plant Plot no. 4, Industrial Area, Village Katha, Bhatoli Kalan Dist. Solan, Baddi – 173205, Himachal Pradesh
10.	Markets served by the Company	The Company's products have a national presence and some of the products are also exported to other countries.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars	Details
1.	Paid up capital	₹32.59 Crores
2.	Total turnover	₹2,256 Crores
3.	Total profit after taxes	₹289 Crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Refer Corporate Social Responsibility Report which is appended as Annexure II to the Directors' Report
5.	List of activities in which expenditure in 4 above has been incurred	Refer CSR Report which is appended as Annexure II to the Directors' Report



SECTION C: OTHER DETAILS

Sr. No.	Particulars	Details
1.	Does the Company have any Subsidiary Company(ies)?	The Company does not have any Subsidiary Company.
2.	Do the Subsidiary Company(ies) participate in the BR Initiatives of the parent company? If yes, then indicate the number of such Subsidiary Company(ies).	Not applicable, as the Company does not have any Subsidiary Company.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?	Your Company’s Sustainability Guidelines for External Business Partners set our expectations with our supply base with regard to Social and Environmental Responsibility. We actively seek business relationships with partners that share these values, and that promote high standards within their own supply chains. Our risk-based audit program supports this effort by assessing partners through third-party audits, and identifying and remediating issues. We strive to effect change in our supplier base when we identify improvement opportunities, and this is an important way we fulfill our purpose. We want to build a robust system of External Business Partners that is fully integrated and synchronized with your Company’s business and values.

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director(s) responsible for Business Responsibility

The Corporate Social Responsibility (CSR) Committee of the Company is responsible for the Business Responsibility policies of the Company.

Details of the CSR Committee, which is responsible for implementation of the Business Responsibility policies:

DIN	02588131	09632201	00100011	06808527
Name	Mr. Anil Kumar Gupta	Mr. L. V. Vaidyanathan [#]	Mr. Gurcharan Das	Ms. Sonali Dhawan
Designation	Independent Director	Managing Director	Independent Director	Non-Executive Director

[#]Mr. L. V. Vaidyanathan was appointed as the Managing Director and member of the Committee effective July 1, 2022.

2. Principle-wise (as per NVGs) Business Responsibility

Business Responsibility Principles are as stated below:

Principle 1	Ethics, Transparency and Accountability (P1)	Principle 5	Human Rights (P5)
Principle 2	Safe Products & Products Lifecycle Sustainability (P2)	Principle 6	Environment Protection (P6)
Principle 3	Employees’ Well-being (P3)	Principle 7	Policy Advocacy (P7)
Principle 4	Stakeholder Engagement (P4)	Principle 8	Inclusive Growth (P8)
		Principle 9	Customer Value (P9)

DETAILS OF COMPLIANCE:

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy(ies) for the relevant Principle?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national or international standards?	The Worldwide Business Conduct Manual and the Human Rights policy statement follows UN guiding principles on Business & Human Rights								
4.	Has the policy being approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified Committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online	https://in.pg.com/policies-and-practices/worldwide-business-conduct-manual/								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy(ies) to address stakeholders' grievances related to the policy(ies)?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

Note: Y = Yes

3. Governance related to Business Responsibility

At P&G, we strive to be a force for good and a force for growth. All successful and sustainable companies have one thing in common – good governance practices. Your Company believes in “Doing the Right Thing, Everytime”.

Your Company operates within the spirit and letter of the law, maintaining high ethical standards wherever we conduct business. We believe that good governance practices contribute to better results for stakeholders. We maintain governance principles, policies and practices that support management accountability. These are in the best interest of the Company, our shareholders and all stakeholders, and they are consistent with the Company’s Purpose, Values and Principles.

The Corporate Social Responsibility Committee and the Board of Directors assess the Business responsibility performance annually. The Business Responsibility Report is issued annually along with the Annual Report of the Company. The Business Responsibility Report can be viewed at in.pg.com.

**OUR
PURPOSE**
VALUES & PRINCIPLES

P&G Brands and P&G people are the foundation for P&G's success.

P&G People bring the values to life as we focus on improving the lives of the world's consumers

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

Your Company is committed to being a good corporate citizen and doing the right thing. Our Purpose, Values and Principles (PVPs) are the foundation of the Company. Our philosophy is that a reputation of trust and integrity is built over time, earned every day and is what sets us apart. And our Principles articulate P&G's unique approach to conducting work every day. We operate within the letter and spirit of the law, maintaining high ethical standards. Our Purpose is to improve consumers' lives in meaningful ways, and it inspires your Company to make a positive contribution every day. Our Values of Integrity, Leadership, Ownership, Passion for Winning, and Trust shape how we work with each other and with our partners. We believe that good governance practices contribute to better results for Shareholders. We maintain governance principles, policies and practices that

support management accountability. These are in the best interest of the Company and our Shareholders, and they are consistent with the Company's PVPs.

Your Company reinforces responsibilities on all its employees, of observing high standards of Corporate Governance through the Company's Worldwide Business Conduct Manual which sets forth management's commitment to conduct its business affairs with high ethical standards. The Sustainability Guidelines for external business partners explain the global standards to be followed by the external business partners in their daily business activities on behalf of the Company. External business partners and their suppliers are expected to share your Company's commitment to these standards.

Your Company is committed to creating a work environment that fosters open communication and supports employees in reporting potential violations. Your Company being a part of the Procter & Gamble group is guided by a Whistle Blower Policy as laid down in its Worldwide Business Conduct Manual. Any employee or other interested person can call on The Worldwide Business Conduct Helpline, twenty-four hours a day, seven days a week, to report any concerns about violations of the Company's Worldwide Business Conduct Standards. The Worldwide Business Conduct Helpline is not staffed or monitored by the Company personnel. All calls can be completed anonymous if the caller desires. The Helpline can take calls in most languages spoken by employees around the world. Calls made to the Helpline are reported to the Company's Corporate Security and Legal personnel, who ensure appropriate investigation and follow-up of all calls. Callers are given a confidential identification number so they can inquire about the status of their reported concerns. The Worldwide Business Conduct Helpline is accessible to all employees. Your Company is committed to reviewing all allegations of wrongdoing, and we do not tolerate retaliation of any kind.

In compliance with the requirement under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 and the Rules made thereunder, the Company has adopted the said whistle blower policy as the vigil mechanism for Directors and employees to report genuine concerns or grievances such as unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Audit Committee oversees the vigil mechanism and cases reported alongwith the status report and action taken (if any) are reported to the Committee. During the Financial Year, 6 complaints were reported to the Audit Committee. These cases were dealt with in accordance with the Worldwide Business Conduct Manual.

Principle 2 : Safety and Sustainability throughout the life cycle

We have a responsibility to make the world better—through the positive impact our brands and Company can have in communities worldwide. Our goal is to create brands that enable consumers to make more sustainable choices. We have integrated sustainability into our business practices, operations, innovation, brand building and culture.

In order to improve lives, now and for generations to come, we ensure that our products, packaging and operations are safe for employees, consumers and the environment. We ensure this with a focus on technologies, processes and improvements that matter for the environment. Product quality and safety are of the utmost importance to your Company. Our purpose is to make superior products that not only delight consumers but are also produced responsibly. Customers choose your Company because we provide products of superior quality and value that improve the lives of the consumers.

P&G continuously strives to deliver products with an improved environmental profile. To reduce the environmental impact of our products P&G uses life cycle analysis to understand where the biggest impact exists, to know where to focus innovation. Its deep understanding of the consumer enables P&G to develop sustainable products that will delight the consumer, without tradeoffs in performance.

Your Company is focused on the environmental performance of its entire supply chain, including its manufacturing facilities, its suppliers, and the logistics of its finished products. Your Company is

focused on creating efficiencies in energy, water and waste emissions.

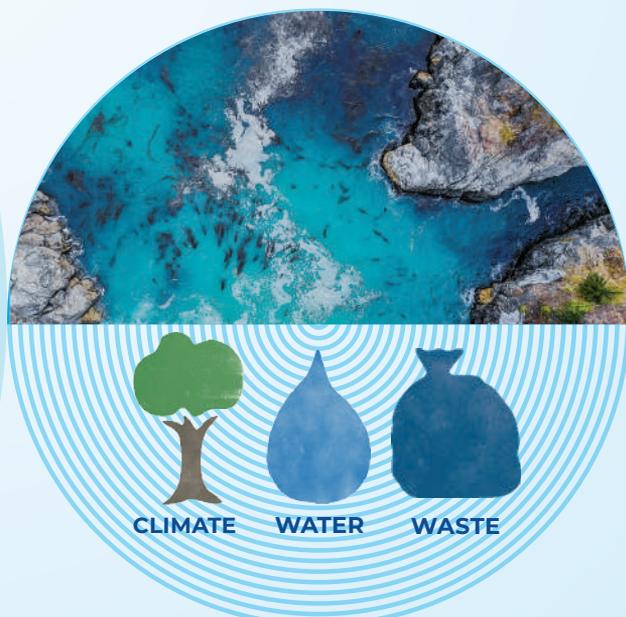
Within our operations, we strive to grow responsibly and continuously improve our efficiency while reducing our carbon footprint. This year, P&G Group in India achieved ‘plastic packaging waste neutrality’, as it collected, processed and recycled over 19,000 MT post-consumer plastic packaging waste from across the country, which is more than the amount of plastic packaging in its products sold during the year. In the last 5 years, the Group has reduced usage of packaging material by more than 5000 MT. We remain committed to help reduce the flow of plastic by continuing to make changes now and bringing long-term solutions.

Additionally, the Group put forth a new ambition to achieve net-zero greenhouse gas (GHG) emissions across its operations and supply chain, from raw material to retailer, by the year 2040. Your Company continues to build partnerships with external organizations to combat some of the challenges and issues we are facing today on sustainability.

The environment sustainability guidelines of the Company cover both the Company and other people associated with the Company. Your Company’s broad-reaching environmental sustainability goals are designed to enable responsible consumption and sustainable manufacturing.

Our sustainability work goes beyond the core of our manufacturing operations, extending to a holistic end-to-end view of opportunities. We deliver strong results across the supply chain, ranging from manufacturing to finished product logistics—engaging our suppliers throughout the process:

1. **Manufacturing:** Between the procurement of raw materials and the creation of a product, we strive to reduce waste, water, energy, and CO₂ through systemic conservation efforts. We apply smart eco-design through innovative construction process improvements. And, we re-use where feasible, giving new life to what was once waste.
2. **Finished Product Logistics:** In the logistics stage, we reduce waste in customization by applying more sustainable designs. We have also optimized our transportation efficiency by making changes to the rate, route, mode and method of transportation. We have focused on eliminating inefficiencies such as loading and unloading delays, rush transport up-charges, dead legs (empty trucks) and P&G production line stops. We are identifying solutions that optimize the distribution routes and drive increased use of multi-modal transportation thereby reducing our carbon footprint.





Your Company ensures that it meets all applicable legislative and regulatory requirements related to product quality, safety and labeling.

Principle 3: Employee Well-Being

For your Company, people are its most important asset. Accordingly, we are committed to the highest standards of safety to protect employees as well as extended business partners who work at or visit the Company sites.

Your Company ensures fair employment practices and encourages employee engagement and participation by:

- Ensuring Health and Safety of all the employees
- Providing a Safe work environment by avoiding violence and harassment
- Encouraging diverse workforce, non-discriminated opportunities
- Freedom of forming Associations
- Continuous Learning, growth and development

Your Company has identified the creation of a highly engaged, business focused organization as a key priority. Our engagement strategy continues to position the Company as an exciting and inspiring place to work, in line with our business strategy. Our overall plan for the year had several interventions including best in class recruitment practices, meaningful equality & inclusion initiatives, learning & development opportunities, digital capability building and opportunities for individuals to innovate.

Your Company also endeavors to be a ‘Great Place to Work’ via various employee centric policies. This year, P&G India announced the extension of all our Company offered benefits to partners of LGBTQ+ employees & rolled out fertility treatment support. These latest initiatives build on top of our ‘Share the Care’ inclusive parental leave policy that we launched last year.

P&G India continued to extend support to employees & their families resolving 12000+ queries via the COVID CARE Helpdesk.

Your Company is at the forefront of re-imagining the future of work post-pandemic with the objective of - how employees can best manage their work and personal priorities, how they can continue to improve on their productivity & how they can maintain strong connectedness via a hybrid new work environment. Under this program, we invited employees back to

the office helping us significantly improve the in-office collaboration, celebration and a sense of community for our employees.

Your Company’s policies on leadership pipeline, talent planning, mentoring and diversity & inclusion continue to evolve and stay ahead of the times, to ensure that we attract and retain the best talent. All our new hires undergo a very comprehensive 3-day corporate on-boarding program called ‘GetIN’ which is coupled with functional onboarding programs to ensure that they are able to make an impact and feel valued from Day 1. Building organization capability continues to be a key focus area for us and we continue to organize virtual learning sessions as part of the P&G Learning Academy offerings.

Your Company forbids the use of child or forced labor in any of its operations or facilities. Your Company fully respects and follows all applicable labor laws. Your Company respects every employee’s right to choose to join or not to join a trade union, or to have recognized employee representation in accordance with applicable law.

As on June 30, 2022, your Company had a total of 597 permanent employees, including 48 permanent women employees. 536 persons were engaged on temporary / contractual basis. During the Financial Year under review, the Company did not receive any complaints relating to child labour, forced labour, involuntary labour, or discriminatory employment. Your Company had received three complaints on sexual harassment, which were resolved during the year and no complaints were pending as on June 30, 2022. All the employees and persons engaged on temporary / contractual basis were given safety & skill up-gradation training.





Principle 4 : Stakeholder Engagement & Relation

Your Company acknowledges that improving transparency, respecting human and labor rights and sourcing responsibly is an enormous challenge and progress will be made through a journey of collaboration and engagement with our stakeholders. Thus, we seek meaningful collaboration and engagement with our stakeholders including employees, shareholders, consumers, customers, communities, external business partners, authorities, NGOs, industry associations and the government.

In 2015, our brand Gillette launched the 'Safalta' program with the vision to impart soft-skills and grooming training to the youth in the age group 18-24 years. Research indicates that despite having the right technical skills, a large section of employable youth in the country faces hardships in getting a dream job, due to lack of soft skills and grooming.

The #GilletteSafaltaMutthiMein program aims to help the youth eliminate this barrier and be job ready, by providing them best-in-class soft-skills and grooming training. During the pandemic induced lockdown, we adopted a hybrid approach and continued delivering the training through videoconferences as well as in-class sessions with limited seating. Since the inception of the program, we have trained over 50 lakh students across 15 geographies in the country.

In 2019, Gillette launched its #ShavingStereotypes movement to challenge and redefine gender stereotypes prevalent in the society. In its first edition, Gillette showcased the story of two sisters Jyoti and Neha Narayan, known as the 'Barbershop

Girls of India' who are inspiring the next generation of men by redefining gender stereotypes. The second edition of the movement asked the question - 'Why don't men show their tears?' and the third edition Gillette sparked conversations the need for men to re-think their notions of masculinity and strength through the campaign -- #ManEnough.

The latest edition of the campaign - #EngineeringChange Gillette brought to life the true story of Prashant Gade, an engineer who left behind a high-paying job to create the world's most affordable bionic arm. Prashant is helping thousands of amputees through his Inali Foundation. Through this story, the campaign urges young Indian students to introspect and rethink how education can be a steppingstone for changing more than just their own lives. In line with its global mission of inspiring 'The Best a Man Can Be', the film authentically portrays the one-dimensional perspective with which many people treat their education and degrees. The featured true story serves as an example to convey the brand's message: "Every one of us can meaningfully contribute to our communities, we just need to be aware of our true potential."

Face masks and hand sanitizers have acted as the first guard of defense against the pandemic for people around the globe. In the wake of the pandemic, we had installed additional capacity at our manufacturing sites in India to produce masks for safeguarding our employees and assisting the frontline warriors. We distributed over 20 lakh masks and bottles of hand sanitizer in partnership with government and relief authorities.



Principle 5 : Human Rights Protection

At P&G, we believe in an equal tomorrow. Therefore, we aspire to be a company and a world where equality and inclusion is achievable for all, where respect and inclusion are the cornerstones of our culture; where equal access and opportunity to learn, grow, succeed, and thrive are available to everyone.

At P&G, we know that an equal world is a better world — for everyone. Our success is grounded in the success of our employees, consumers and communities. All of them. Our Equality & Inclusion (E&I) strategy is holistic and integrated so that we make meaningful impact in four key areas: for our employees, with our brands, through our partners and in our communities. We are committed to honoring the individuality and unique contributions of our people, and by being united in our values and goals, our people flourish, business thrives and our communities prosper.

Our core values as a Company include treating everyone with respect. We have a strong non-discrimination policy and have zero tolerance for unlawful discrimination. Your Company advocates for all employees, regardless of race, religion, gender, sexuality, age or disability. We respect everyone's right to be who they are, and want all employees to feel safe, included and able to bring their whole selves to work. We aspire to create a gender-equal world with equal representation for all individuals. We are committed to driving equality within the Company. We are adopting equality based policies, broadening our definition of leadership and empowering our people to join us in building a workplace that is equal for all individuals. We are driving equality across the shop floor through deliberate interventions right from the recruitment stage. Your Company's Human Rights Policy statement extends to all the employees and all stakeholders associated with the Company. No complaints with respect to Human Rights violation were received by the Company during the Financial Year.

We use our voice through films, advertising, and programs to advance equality in our industry and society at large. We believe when brands and businesses meaningfully engage in supporting equality, it leads to a better world for all. We are also committed to accelerating the pace towards an equal and inclusive tomorrow. Your Company made efforts to spark conversations on gender equality through campaigns like Gillette #ShavingStereotypes.

To maximize our efforts, we focus on driving change in the areas within which we believe we can have the greatest impact. By being visible in our actions and staying anchored in our commitments to our

employees, through our brands and with our business partners, we can continue to drive and accelerate important change in the diverse communities that we operate in. As P&G group, your Company had undertaken following initiatives towards fostering Equality and Inclusion:



GABLE

GABLE is dedicated to fostering an inclusive, supportive global network that enables Lesbian, Gay, Bisexual and Transgender (LGBTQ+) employees, and their allies, to contribute to their fullest potential and to bring their whole self to work every day. GABLE began more than 25 years ago as a network for fostering workplace equality for LGBTQ+ employees, today it has grown into a supportive and global community, with chapters in 40 countries including India. These chapters represent the diversity of our employees, as well as strong allies to support individuality and inclusion. We are busting myths, initiating series of conversations internally and externally and taking meaningful steps towards creating a truly inclusive culture, where all LGBTQ+ employees and allies can bring their full selves to work every day.

P&G extended the company benefits to partners of LGBTQ+ employees

At P&G, our goal is to create a fully inclusive workplace where our employees feel included and are able to bring their authentic selves to work every day. In line with this, we transformed our company-offered comprehensive financial and medical benefits into a fully inclusive and equality-based program, which

extends to partners of our LGBTQ+ employees. This builds on top of our 'Share the Care' inclusive parental leave policy, which provides all new parents including biological parents, domestic partners, adoptive parents, parents in same-sex couples to 8 weeks of fully paid parental leave.

Pride Job Fair

We partnered with Pride Circle for 'RISE 2022', India's premier LGBTQ+ job fair and conference, where LGBTQ+ job seekers can meet companies, interact with the recruiters, learn about job opportunities, and get interviewed from the comfort of their home. This is part of our endeavor to not only foster a diverse workplace but also create a positive societal impact and inspire change.

Gender equality at our manufacturing sites

Gender Equality is a long-standing value at P&G. Over the past few years, P&G India has made significant progress and increased representation of women at P&G plants in India. P&G group in India is inducting over 20% more NEEM apprentices in the manufacturing plants. This has been possible through our intentional and deliberate approach to identify and bust barriers that are holding women back.

The Women's Interactive Network

It has been our mission to foster an environment within P&G where every employee feels valued and respected. We have set-up the Women's Interactive Network (iWIN) to create a community for women,

helping ensure that women's skills and insights are well represented at all levels of leadership. iWIN organizes events and programs that promote mentoring, sponsorship, development of leadership skills, flexibility and increasing representation of women throughout the Company.

#WeSeeEqual Summit

During the year, we hosted the India chapter of #WeSeeEqual Summit 2022. The annual equality and inclusion summit brought together P&G leaders, like-minded influencers, advocates and thought leaders from various walks of life to discuss the challenges that society faces on equality and inclusion, and how different stakeholders can accelerate progress together. This year, the illustrious speakers came together to talk about Shaping today's generation for an equal tomorrow, Driving Equality in Education and Economic Opportunity for women, as well as LGBTQ inclusion at workplace, among others.

We also committed to several actions needed to advance progress towards creating an equal and inclusive world during the summit, which urged us to #UnLearn biases, and #UnLeash the accelerated journey towards an equal and inclusive tomorrow.

Partnering with NITIE to advance gender equality in supply chain

Research indicates that women comprise only 12% of the workforce in manufacturing roles and 20% of the workforce in supply chain roles. One of the reasons for this, is the deep rooted on-ground,

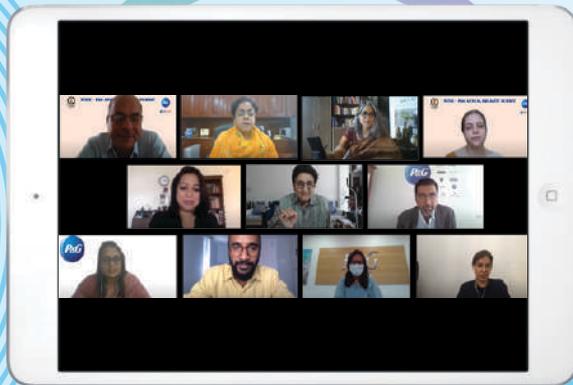




perception-based and opportunity-linked barriers in advancement of women in STEM roles. To break these stereotypes, we partnered with NITIE to host the second P&G-NITIE Equality Summit with an aim to spark conversations on issues that perpetuate a glass ceiling for women, uncover deep-rooted stereotypes that still exist, and motivate change specifically linked to equal representation in STEM and Supply Chain. Through the event, we reached out to and engaged with over 700 colleges offering STEM curriculum, through a dedicated program focused on breaking gender barriers in STEM and Supply Chain

P&G's 'Women in Tech' summit

We hosted the second edition of the 'Women in Tech' summit to spark conversations on gender equality in tech and IT, through nuanced panel conversations among thought leaders from different walks of life. During the engaging rounds of conversations, the speakers shared their journey, experiences and shared their thoughts on building a gender equal workplace. P&G continues to be committed towards



building digital and technological capability of women across its external network (including customers, retailers, agency partners, among others).

Welcoming talented STEM professionals back with the P&G Relaunch Program

We introduced 'P&G Relaunch program' to welcome back talented professionals who took a break from the workforce and are looking to restart their careers in STEM (Science, Technology, Engineering, and Mathematics) roles, with targeted support and development. This program is part of the Company's commitment to strengthening diversity in STEM and is focusing on people looking to relaunch their

careers in IT, Research & Development, and Product Supply.

P&G commits to driving equal representation behind the camera

P&G, as a group, has been leveraging its voice in advertising and media to spark conversations on gender equality through campaigns like Gillette #ShavingStereotypes, among others. As we continue to drive accurate portrayal of women in front of the camera, last year we announced our commitment to drive equal representation behind the camera. With the belief that having more women behind the camera will help the industry achieve a more accurate and unbiased portrayal of women in advertising, we are leading this change through a comprehensive set of actions. In the last year, nearly 40% of advertising films of P&G group in India were directed by female directors in line with our endeavor to drive equality behind the camera and increase diversity in the creative pipeline.

Principle 6 : Environment

At P&G, environmental sustainability is embedded in everything we do, and we work towards achieving ambitious goals that we set, to continue our progress.

All P&G manufacturing units in India are 'zero waste to landfill', which means that no manufacturing waste is discharged into the environment. Your Company's plants in Baddi and Bhiwadi consistently take efforts to reduce carbon emission and energy consumption. The plants leverage technology, experts, employees and renewable sources of energy to reduce our overall carbon footprint, improve energy and water efficiency and make our operations more sustainable.

During Earth Week in 2018, P&G group announced its global sustainability goals called Ambition 2030. These broad-reaching goals have one purpose in mind: to enable and inspire positive impact on our environment and society while creating value for us as a company and you as a consumer. In an effort to address two of the world's most pressing environmental challenges—finite resources and growing consumption—we have focused our ambitious goals across four specific areas – brands, supply chain, society and employees. This includes improving finished product transportation emissions efficiency, making packaging recyclable or reusable, and reducing virgin petroleum plastic packaging. We're also committed to using our voice, reach, innovation and expertise to make responsible consumption across all our brands irresistible, and we've recently launched a program called "It's Our Home" to share how small actions at home can make a big difference in reducing energy use, waste and water



Globally, P&G Group also recently announced a global water strategy which aims to restore water in 18 water-stressed areas around the world for people and nature, responding to water challenges through innovation and partnerships, and reducing water in our operations. Out of these 18 water-stressed areas, 5 are in India. 5 of P&G India's manufacturing sites have already achieved 35% water efficiency target as part of P&G's Ambition 2030.

As we look to the future, our global Ambition 2030 program includes commitments that our operations will be carbon neutral for the decade by driving breakthrough energy efficiency, purchasing 100% renewable electricity and using natural climate solutions to compensate for any remaining emissions.

As P&G Group, we have put forth a new ambition to achieve net-zero greenhouse gas (GHG) emissions across our operations and supply chain, from raw material to retailer, by the year 2040. P&G's actions on climate began over a decade ago, and we know there is more work to do. Our plan to net zero will prioritize cutting most of our emissions across our operations and supply chain, from raw material to retailer. For residual emissions in these categories

that cannot be eliminated, we will use natural or technical solutions that remove and store carbon.

We are progressing in our focus areas- at your Company's registered office. We have made significant progress across our focus areas of climate, water and waste. Your Company's registered office is a zero waste to landfill, which means that no waste is discharged into the environment. We have installed electronic vehicle (EV) charging stations to facilitate our people as they make a transition towards greener commuting. Further, we have installed 'green cleaning solutions' which averts chemical waste.

Your Company, carries out 'waste-drive' at its registered office in Mumbai, by segregating plastic, paper, organic, e-waste, metal and other wastes. Waste collected is reused and recycled in partnership with authorized waste management agencies.

Principle 7 : Business Policy & Advocacy

As a corporate citizen, your Company often engages in efforts to affect legislation or government policy on issues that could impact our business and society at large. Your Company ensures that all its advocacy activities are consistent with its Purpose, Values & Principles and applicable laws.

Your Company is a member of following trade and chambers of association, through which advocacy was conducted in listed areas:

- Federation of Indian Chambers of Commerce & Industry (FICCI);
- Confederation of Indian Industry (CII);
- US India Business Council (USIBC); and
- India Home & Personal Care Industry Association (IHPCIA).

Some of the key issues on which your Company engaged with the Government in 2021-22 through the above associations or directly, include:

- Laws relating to environmental sustainability;
- Packaging Commodity Rules and Legal Metrology; and
- Obtaining permissions for administering vaccinations to employees at various sites.





Principle 8 : Inclusive growth and Equitable development

At P&G, our endeavor is to be a force for growth and a force for good in the communities we serve. This means not only serving consumers through our leading brands but going beyond business and creating a meaningful impact in their lives through our Corporate Social Responsibility (CSR) programs. This has been an integral part of our purpose and values since our foundation. We believe that the only way to build a sustainable business is to improve lives. Your Company strives to get the full value of diversity through inclusion — fostering an environment where its people can be their best, full and authentic selves in the workplace. But our job doesn't end there — our belief and commitment extend beyond P&G's walls. We are driving action to make a meaningful difference, and we care deeply about our impact, always striving to make the world a little bit better through our actions.

For your Company, sustainability means making every day better for people through how we innovate and how we act. As one of the world's largest consumer products Company, we have both a responsibility and an opportunity to do the right thing and create change. This strategy has inspired an enduring CSR strategy supported by its key pillars – P&G Shiksha and Timely Disaster Relief. Your Company has undertaken Corporate Social Responsibility initiatives during the Financial Year amounting to ₹ 6.18 Crores which are detailed in the CSR Report which is appended as Annexure II to the Directors' Report.

Through our flagship CSR program, P&G Shiksha, P&G group has supported over 2500 schools, impacting more than 23 lakh children. Over the years, P&G Shiksha has evolved into a 360-degree educational intervention addressing three critical barriers to achieving universal education – access to education infrastructure, gender inequality in access to education and gap in learning. During the pandemic, we worked with our trusted NGO partners to maintain continuity in learning. As schools re-open, we are ensuring back-to-school readiness with learning camps being organized at community level. Through our holistic covid response initiative P&G Suraksha, we continued to protect health and wellbeing of our people and the communities.

Principle 9 : Customer Value and Responsibility

Your Company understands and accepts the responsibility we have towards our consumers,



shareholders, customers, communities, and each other. And this is a responsibility we take rather seriously.

We believe that it is our responsibility to create and deliver superior products and value to our consumers to improve their lives. Our Purpose is to improve consumers' lives in small but meaningful ways, and it inspires P&G to make a positive contribution every day. In developing and marketing our products, we adopt a "Consumer Is Boss" approach to ensure that we delight consumers by launching new products and product improvements that genuinely meet their needs.

We actively encourage consumers to contact us because we want to hear about our consumers' experiences with our products. Our aspiration is to serve the world's consumers better than our best competitors, creating superior shareholder value in the process.

Innovation is at the heart of your Company's business. It's how we delight consumers, create value with retail partners, and create new businesses. P&G group combines "what's needed" with "what's possible", conducting number of consumer research studies to understand what people need and want, in order to create superior value and product experience every day.



ANNEXURE II

**Annual Report on Corporate Social Responsibility
(Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014)**

1. Brief outline of the Company's Corporate Social Responsibility policy:

Doing the right thing is the foundation of Procter & Gamble's Purpose, Values, and Principles. It is naturally woven into the way we work every day — paying competitive wages, working consistently with our retailers and suppliers, preventing conflicts of interest, ensuring consumer privacy and maintaining financial stewardship. This approach to business is at the heart of all we do at P&G. Doing the right thing also includes investing in the communities in which we live, work, and serve. At its core, P&G's Corporate Social Responsibility efforts aim to improve lives.

The Companies Act, 2013 ("Act") highlights the importance of Corporate Social Responsibility ("CSR") as a strategic tool for sustainable growth of the people, the communities we operate in and the Company as a whole. In line with the global principles followed by the Procter & Gamble group and the terms of the Act, the policy on Corporate Social Responsibility is broadly framed considering the following:

- We believe it's essential to run our business responsibly, and our operating practices reflect this commitment.
- We are focused on making every day better for people and the planet through our innovations and our actions-
 - i) Environment - by conservation of resources, using renewable resources, generating worth from waste; and
 - ii) Social - by providing the comforts of home, improving health and hygiene of

2. The composition of the CSR Committee as on June 30, 2022:

Name of the Member of the Committee	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Mr. Anil Kumar Gupta	Chairman	2	2
Mr. Madhusudan Gopalan*	Member	2	2
Mr. Gurcharan Das	Member	2	2
Ms. Sonali Dhawan	Member	2	2

* Mr. Madhusudan Gopalan ceased to be the Managing Director and member of the Committee effective June 30, 2022.

Mr. L. V. Vaidyanathan was appointed as the Managing Director and member of the Committee effective July 01, 2022.

people, social and cultural development, imparting education, training and social awareness.

The Corporate Social Responsibility activities to be undertaken by the Company, include, but are not limited to the following:

- Imparting education, training (vocational and skill based) and creating social awareness;
- Awareness programs on girl education;
- Empowerment of women for education/ health & self-employment;
- Empowerment of differently abled children and their self-development;
- Skill development and generation of employment by locally driven initiatives;
- Promoting preventive healthcare and sanitation by providing health and hygiene products;
- Making available safe drinking water;
- Promoting sports and cultural activities;
- Creating awareness and development of infrastructure for sports and cultural activities;
- Measures for the benefit of armed forces veterans, war widows and their dependents; and
- Relief and support to victims of natural calamities in any part of the Country.

The Corporate Social Responsibility Policy is available on the website of the Company at <https://in.pg.com/india-governance-and-policies/gil/terms-and-policies/>



The composition of the CSR Committee is available on the website of the Company at <https://in.pg.com/india-governance-and-policies/gil/board-composition/#social>.

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

The Company conducts internal assessments to monitor and evaluate its CSR programs. The requirement of impact assessment report is not applicable to the Company for the Financial Year 2021-22.

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

Amount available for set-off - ₹ 9.43 Crores

Amount available for set-off - ₹ 1.09 Crores

5. Average net profit of the Company for last three Financial Years – ₹ 363.64 Crores

- 6. a) Prescribed CSR expenditure (2% of amount as in item 5) – ₹ 7.27 Crores
- b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years – Nil
- c) Amount required to be set off for the Financial Year – ₹ 1.09 Crores
- d) Total CSR obligation for the Financial Year (a+b-c) – ₹ 6.18 Crores

7. Details of CSR spent during Financial Year

- a) Total amount spent for the Financial Year – ₹ 6.18 Crores
- b) Total Amount transferred to Unspent CSR Account as per section 135 (6) of the Companies Act, 2013 – Nil
- c) Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) of the Companies Act, 2013 – Nil

8. Details of CSR amount spent against ongoing projects for the Financial Year

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No)	(5) Location of the project	(6) Project duration	(7) Amount allocated for the project (in ₹ Cr)	(8) Amount spent in current financial year (in ₹ Cr)		(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹). *	(10) Mode of Implementation: Direct (Yes/No)	(11) Mode of implementation agency	
							Amounts disbursed to implementation partner (in ₹ Cr)	Amounts utilized in current financial year (in ₹ Cr)			Name	CSR registration number
1.	P&G Shiksha: Build & Support Schools	Promoting education	Yes	PAN India	12 months	1.90	1.90	0.88	N.A.	No	Round Table India Trust	CSR00000895

* The funds are disbursed to the NGO and not lying with the Company. Implementation of project is in process. The funds will be utilized within the project duration.

9. Details of CSR amount spent against other than ongoing projects for the Financial Year:

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No)	(5) Location of the project	(6) Amount spent for the project (in ₹ Crores)	(7) Mode of Implementation: Direct (Yes/No)	(8) Mode of implementation Through implementing agency	
							Name	CSR registration number
1	P&G Shiksha: Supporting remedial learning via digital learning	Promoting education	Yes	Rajasthan, Madhya Pradesh, Himachal Pradesh, Telangana	1.70	Yes	-	-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project	Amount spent for the project (in ₹ Crores)	Mode of Implementation: Direct (Yes/No)	Mode of implementation Through implementing agency	
							Name	CSR registration number
2	P&G Shiksha: Read India Program	Promoting education	Yes	Himachal Pradesh,	2.47	No	Foundation	CSR00000258
3	P&G Shiksha: Early Childhood Education			Rajasthan, Telangana, Madhya Pradesh Maharashtra				
4	P&G Shiksha: Supporting communities around our plant	Promoting education	Yes	Bhiwadi, Rajasthan	0.11	No	IBTADA	CSR00002333

10. a. Amount spent in Administrative Overheads – Nil
b. Amount spent on Impact Assessment, if applicable – Nil
c. Total amount spent for the Financial Year – ₹ 6.18 Crores
d. Excess amount for set-off, if any -

Sr. No.	Particulars	Amount (in ₹ Crores)
1	Two percent of average net profit of the Company as per section 135(5) of the Companies Act, 2013	7.27
2	Total amount spent for the Financial Year	6.18
3	Excess amount spent for the Financial Year [(2)-(1)]	Nil
4	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
5	Amount available for set off in succeeding Financial Years	8.34

11. a) Details of Unspent CSR amount for the preceding three Financial Years: Not Applicable
b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s): Not Applicable

12. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year** – Not applicable

13. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) of the Companies Act, 2013** - Not applicable

The CSR committee confirms that the implementation and monitoring of CSR activities, is in compliance with CSR objectives and policy of the Company.

L. V. Vaidyanathan
Managing Director

Anil Kumar Gupta
Chairman of the CSR Committee



ANNEXURE III

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. Ratio of remuneration to the median remuneration of the employees of the Company and % increase in remuneration of Directors & Key Managerial Personnel for the Financial Year:

Name of Director	Designation	Total remuneration (₹ in lakhs)	% increase in remuneration	Ratio to median remuneration
Mr. Madhusudan Gopalan~	MD	176.68	10%	14.79
Mr. Chittranjan Dua	ID	26.50	Nil	2.22
Mr. Gurcharan Das	ID	26.25	Nil	2.20
Mr. Anil Kumar Gupta	ID	26.75	Nil	2.24
Ms. Anjuly Chib Duggal	ID	24.50	Nil	2.05
Mr. Pramod Agarwal	NED	26.00	Nil	2.18
Ms. Sonali Dhawan	NED	-	-	-
Mr. Karthik Natarajan^	NED	-	-	-
Mr. Gagan Sawhney&	NED	3.72	N.A.	0.31
Mr. Srinivas Maruthi Patnam#	ED	42.41	N.A.	3.55
Mr. Gautam Kamath*	ED, CFO	96.24	N.A.	8.06
Ms. Flavia Machado§	CS	4.48	N.A.	0.38
Mr. Ghanashyam Hegde®	Erstwhile CS	5.20	N.A.	0.44

~ Mr. Madhusudan Gopalan is paid remuneration from Procter & Gamble Hygiene and Health Care Ltd and the Company contributes towards the same in proportion to its Net Outside Sales. Mr. Madhusudan Gopalan has exercised Stock Options of the ultimate Holding Company amounting to ₹ 2,06,84,625 under its Employee Stock Option Plan, which were charged to Procter & Gamble Hygiene and Health Care Ltd.

Mr. Srinivas Maruthi Patnam was appointed as Executive Director of the Company effective September 1, 2021. Mr. Srinivas Maruthi Patnam is paid remuneration from Gillette India Limited. Procter & Gamble Hygiene and Health Care Ltd and Procter & Gamble Home Products Private Ltd contribute towards the same in proportion to their Net Outside Sales. The abovementioned amount reflects contribution of Gillette India Limited towards remuneration of Mr. Srinivas Maruthi Patnam.

& Mr. Gagan Sawhney was redesignated as Non-Executive Director effective August 1, 2021. Mr. Gagan Sawhney was paid remuneration from Procter & Gamble Home Products Private Ltd and the Company contributes towards the same in proportion to its Net Outside Sales.

* Mr. Gautam Kamath was appointed as Executive Director & CFO of the Company effective August 1, 2021. Mr. Gautam Kamath was paid remuneration from Procter & Gamble Home Products Private Ltd and the Company contributes towards the same in proportion to its Net Outside Sales. Mr. Gautam Kamath has exercised Stock Options of the ultimate Holding Company amounting to ₹ 2,98,161 under its Employee Stock Option Plan, which were charged to Procter & Gamble Home Products Private Ltd.

® Mr. Ghanashyam Hegde ceased to be Company Secretary effective August 31, 2021. Mr. Ghanashyam Hegde was paid remuneration from Gillette India Limited. Procter & Gamble Hygiene and Health Care Ltd and Procter & Gamble Home Products Private Ltd contribute towards the same in proportion to their Net Outside Sales. The abovementioned amount reflects contribution of Gillette India Limited towards remuneration of Mr. Hegde.

§ Ms. Flavia Machado was appointed as Company Secretary effective September 1, 2021. Ms. Flavia Machado was paid remuneration from Procter & Gamble Hygiene and Health Care Ltd. The Company contributes towards the same in proportion to its Net Outside Sales.

ii. The % increase in the median remuneration of employees in the Financial Year - 4%

iii. The number of permanent employees on the rolls of Company- 597.

iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average percentage increase in the salaries of employees other than the managerial personnel in the Financial Year was 10% whereas the increase in managerial remuneration was 15%. The average increase every year is an outcome of company's market competitiveness as against peer group companies.

We affirm that the remuneration is as per the remuneration policy of the Company.



ANNEXURE IV
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year Ended 30th June, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
GILLETTE INDIA LIMITED
CIN: L28931MH1984PLC267130
P&G Plaza, Cardinal Gracias Rd,
Chakala, Andheri (E),
Mumbai MH 400099 IN.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GILLETTE INDIA LIMITED (L28931MH1984PLC267130)** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit; the explanations and clarifications given to me; the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 30th June, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 30th June, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment only as the Company has neither made any Overseas Direct Investment nor obtained External Commercial Borrowings during the audit period
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

The Company has further complied with below mentioned laws, which are specifically applicable to the Company.

- i. Drugs and Cosmetics Act, 1940
- ii. Cosmetics Rules, 2020
- iii. The Legal Metrology Act, 2009 and
- iv. The Legal Metrology (Packaged Commodities) Rules, 2011

Following laws were not applicable to the Company during the Audit period:

- i. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;



- ii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (up to 12th August 2021) and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (with effect from 13th August 2021);
- iii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (up to 15th August 2021);
- iv. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (up to 15th August 2021);
- v. Securities and Exchange Board of India (Issue and Listing of Non-Convertible securities) Regulations, 2021(with effect from 16th August, 2021)
- vi. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (up to 9th June 2021) and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (with effect from 10th June 2021)
- vii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

I have also examined compliance with the applicable clauses of the following

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

Note : This report is to be read with my letter of even date which is annexed as ‘ANNEXURE 1’ and forms an integral part of this report.

I further report that:

- The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decisions were carried through unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes, commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no specific events/ actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. referred to above.

For **Saraf & Associates**
Practising Company Secretaries

K.G. SARAF
Proprietor
FCS: 1596 | CP: 642
FRN. S1988MH004801
PR. 1003/2020

Place : Mumbai
Date : 22.08.2022
UDIN : F001596D000826081



'ANNEXURE 1'

**To,
The Members,
GILLETTE INDIA LIMITED
CIN: L28931MH1984PLC267130**

P&G Plaza, Cardinal Gracias Rd,
Chakala, Andheri (E),
Mumbai MH 400099 IN.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices as per Auditing Standards issued by the Institute of Company Secretaries of India to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Saraf & Associates**
Practising Company Secretaries

K.G. SARAF
Proprietor
FCS: 1596 | CP: 642
FRN. S1988MH004801
PR. 1003/2020

Place : Mumbai
Date : 22.08.2022
UDIN : F001596D000826081



CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY

Your Directors are pleased to present the Corporate Governance Report.

Your Company has a strong history of operating with integrity – at all levels, both internally and externally. Your Company’s actions and the actions of all its employees are governed by its *Purpose, Values and Principles* (PVPs).

Your Company reinforces responsibilities of observing high standards of Corporate Governance on all its employees through the Company’s “*Worldwide Business Conduct Manual*” (“WBCM”) which sets forth management’s commitment to conduct its business affairs with high ethical standards. This Manual describes the Company’s Business Conduct Standards. These standards flow from the following core values of the Company:



The WBCM also details the policy statements, operating policies, procedures, practices and Internal Controls being followed by the Company with specific emphasis on ethical behaviour of employees, compliance with all applicable laws in letter and spirit, ensuring accuracy of books and records, maintaining confidentiality of corporate data, avoidance of conflict of interest, fair dealings, fair competition, fair employment practices, diversity and inclusion and environmental protection.

Your Company has a highly experienced Board of Directors, which helps to maintain the highest standards of Corporate Governance. The Audit Committee is comprised of Independent Directors, with appropriate financial skills to provide good oversight. Your Company has adopted a Code of Conduct for its Directors, which is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct. Your Company has in place strong internal controls, to ensure compliance with all relevant regulations and standards. Its

rigorous business process controls include ongoing programs of self-assessment, controls, as well as internal and external audits.

Our reputation is earned by our conduct: what we say, what we do, the products we make, the services we provide, and the way we act and treat others. As conscientious citizens and employees, we want to do what is right. For your Company, this is the only way to do business.

BOARD OF DIRECTORS

(a) Composition of the Board

The Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors. As on date, the Board comprises of a Non-Executive Independent Chairman, three Executive Directors and seven other Non-Executive Directors. All other Directors, except Managing Director and Non-Executive Independent Directors, are liable to retire by rotation.

The Independent Directors are independent of the management and bring external perspective to decision making. The terms and conditions of appointment of Independent Directors are available on the website of the Company at <https://in.pg.com/india-governance-and-policies/gil/terms-and-policies/>.

All Independent Directors have provided declaration to the Company stating that they meet the criteria of independence as mentioned under Section 149 (6) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015"). The Board is of the opinion that all the Independent Directors of the Company possess integrity, have relevant expertise and experience and fulfill the conditions specified under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. All Independent Directors have completed the registration with the Independent Directors Databank maintained by the Indian Institute of Corporate Affairs.

All Directors have confirmed that as on June 30, 2022, they have not been disqualified from being appointed as a Director in terms of section 164(2) of the Companies Act, 2013. The Company has obtained a certificate from M/s Saraf & Associates, Company Secretaries, annexed to this Report, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing to hold office of Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

The composition of the Board of Directors and other Directorships held as on June 30, 2022 are given below:

Name of the Director	Category	Designation	Directorships in other companies*	Membership of Board Committees of other companies **	
				Member	Chairman
Mr. Gurcharan Das	ID	Chairman	2	-	-
Mr. Madhusudan Gopalan [@]	ED	Managing Director	2	2	-
Mr. Chittranjan Dua	ID	Director	13	4	1
Mr. Anil Kumar Gupta	ID	Director	1	2	-
Ms. Anjuly Chib Duggal	ID	Director	1	-	-
Mr. Pramod Agarwal	NED	Director	2	-	-
Ms. Sonali Dhawan	NED	Director	1	-	-
Mr. Karthik Natarajan [!]	NED	Director	1	-	-
Mr. Gagan Sawhney [#]	NED	Director	1	-	-
Mr. Gautam Kamath ^{\$}	ED	Executive Director & Chief Financial Officer	-	-	-
Mr. Srinivas Maruthi Patnam [^]	ED	Executive Director	-	-	-

NED – Non-Executive Director

ED – Executive Director

ID– Independent Director

* Includes directorships in private companies and companies registered under Section 8 of the Companies Act, 2013 and excludes directorships in foreign companies

** Includes memberships of only Audit Committee and Stakeholders' Relationship Committee of Public Companies

@ Mr. Madhusudan Gopalan has ceased to be the Managing Director of the Company effective June 30, 2022.

! Mr. Karthik Natarajan has been re-designated as Non-Executive Director effective August 24, 2021.

Mr. Gagan Sawhney ceased to be the Chief Financial Officer of the Company effective July 31, 2021 and has been re-designated as Non-Executive Director effective August 01, 2021.

\$ Mr. Gautam Kamath has been appointed as Executive Director on the Board & Chief Financial Officer of the Company effective August 01, 2022

^ Mr. Srinivas Maruthi Patnam has been appointed as Executive Director on the Board effective September 01, 2022

The Board of Directors at their meeting held on April 19, 2022, on the recommendation of the Nomination & Remuneration Committee, have appointed Mr. L. V. Vaidyanathan, as an Additional Director and Managing Director of the Company for a period of five years effective July 1, 2022 approved by the Shareholders, by way of Postal Ballot. This appointment is also subject to approval of the Central Government, which is being sought by the Company.

The other listed companies in which Directors on the Board of your Company are also Directors as on June 30, 2022 are listed below:

S.No.	Name of Director	Directorships in other listed companies
1.	Mr. Gurcharan Das	Nil
2.	Mr. Madhusudan Gopalan	Managing Director: 1. Procter & Gamble Hygiene and Health Care Limited
3.	Mr. Chittranjan Dua	Non-Executive Independent Director: 1. Procter & Gamble Hygiene and Health Care Limited 2. TVS Motor Company Limited 3. Pearl Global Industries Limited



S.No.	Name of Director	Directorships in other listed companies
4.	Mr. Anil Kumar Gupta	Non-Executive Independent Director: 1. Procter & Gamble Hygiene and Health Care Limited
5.	Ms. Anjuly Chib Duggal	Non-Executive Independent Director: 1. Life Insurance Corporation of India Limited
6.	Mr. Pramod Agarwal	Non-Executive Director: 1. Procter & Gamble Hygiene and Health Care Limited
7.	Mr. Karthik Natarajan	Non-Executive Director: 1. Procter & Gamble Hygiene and Health Care Limited
8.	Ms. Sonali Dhawan	Non-Executive Director: 1. Procter & Gamble Hygiene and Health Care Limited
9.	Mr. Gagan Sawhney	Non-Executive Director: 1. Procter & Gamble Hygiene and Health Care Limited
10.	Mr. Srinivas Maruthi Patnam	Nil
11.	Mr. Gautam Kamath	Nil

(b) Meetings of the Board:

The Board meets at least once a quarter to discuss financial results and other business and compliance matters, including business performance and strategy. The Board and Committee meetings are scheduled well in advance and the Directors are annually provided with tentative dates along with tentative agenda plan for the Board and Committee meetings, as a measure to enable the Directors to plan ahead and have effective participation in the meetings.

Six meetings of the Board of Directors were held during the Financial Year July 1, 2021 to June 30, 2022. These meetings were held on July 06, 2021, August 24, 2021, November 02, 2021, February 02, 2022, April 19, 2022 and April 29, 2022. Apart from the Board meetings, the Directors also had an additional meeting on March 16, 2022 for a detailed strategic discussion on business and operations of the Company.

(c) Flow of information to the Board:

Every Director is provided a set of Company’s constitutional and policy documents, on their appointment on the Board.

The Company Secretary determines the items for agenda and finalizes them in consultation with the management of the Company and the Managing Director. The Board is sent detailed agenda well in advance of the Board meeting.

To ensure confidentiality and as part of green initiative for reducing usage of papers, agenda is circulated via email, restricting the email to only Directors and Key Managerial Personnel of the Company. The Company Secretary of the Company attends all the meetings and is primarily responsible for noting of the minutes of the meeting. The draft Minutes are circulated to the Board and its Committees in compliance with the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. On receipt of comments, the Minutes are entered in the books within 30 days of the Meeting.

The Company secretary notes actionable items discussed during the meeting. The Management gets back to the Board on the status of such items in the subsequent meeting or as needed post the meeting. The Management also makes continuous efforts to update the Board on new laws and rules that impact the Company and to make such information available to the Board which are material in nature and may influence business of the Company.

The Company adheres to the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Secretarial Standards and the SEBI (LODR) Regulations, 2015 with respect to convening and holding the meetings of the Board of Directors, its Committees and the General Meetings of the Shareholders of the Company, with letter and spirit.

(d) Directors' attendance record:

The attendance of the Directors at the Board Meetings held during the Financial Year and at the last Annual General Meeting held on November 23, 2021, are as under:

Name of Director	No. of Board meetings held during the tenure	No. of Board meetings attended	Last Annual General Meeting (Whether Attended)
Mr. Gurcharan Das	6	6	Yes
Mr. Madhusudan Gopalan [#]	6	6	Yes
Mr. Chittranjan Dua	6	6	Yes
Mr. Anil Kumar Gupta	6	6	Yes
Ms. Anjuly Chib Duggal	6	6	Yes
Mr. Pramod Agarwal	6	6	Yes
Ms. Sonali Dhawan	6	6	No
Mr. Karthik Natarajan	6	4	Yes
Mr. Gagan Sawhney	6	4	Yes
Mr. Gautam Kamath [®]	5	5	Yes
Mr. Srinivas Maruthi Patham [^]	4	4	Yes

[#] Mr. Madhusudan Gopalan ceased to be the Managing Director of the Company effective June 30, 2022.

[®] Mr. Gautam Kamath was appointed as an Executive Director on the Board and Chief Financial Officer of the Company effective August 01, 2021.

[^] Mr. Srinivas Maruthi Patnam was appointed as an Executive Director on the Board effective September 01, 2021.

(e) Separate meeting of Independent Directors:

The Independent Directors of the Company had a meeting separately without the presence of Non-Independent Directors or management representatives via video-conference on August 10, 2022 to review the performance of Non-Independent Directors; the Board & the Chairperson of the Company, and to assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The Chairperson did not participate in discussions pertaining to his own evaluation.

(f) Related Party Transactions:

The Company has adopted Related Party Transaction Policy ('RPT Policy') to ensure that all Related Party Transactions entered into by the Company shall be in the best interest

of the Company and in accordance with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. During the year, SEBI introduced substantial changes in the related party transactions framework, inter alia, by enhancing the purview of the definition of related party, and overall scope of transactions with related parties. Considering the changes to the SEBI (LODR) Regulations, 2015 relating to related party transactions, the Company's RPT Policy was suitably amended to align the same with the new requirements prescribed by SEBI. The RPT Policy is available on the Company's website at <https://in.pg.com/india-governance-and-policies/gil/terms-andpolicies/>.

Prior omnibus approval of the Audit Committee is obtained for related party transactions which are of repetitive nature. All related party transactions are reviewed by chartered accountant firm to ensure transactions are in ordinary course of business, at arm's length and are in compliance with the RPT Policy of the Company. All related party transactions are placed before the Audit Committee for periodical review.

Details of material related party transaction entered into during the Financial Year 2021-22 are given below:

Name of Related Party	Procter & Gamble International Operations S.A., Singapore Branch
Nature of transaction	Import of Finished Goods
Amount of transaction during Financial Year 2021-22	₹ 295.76 crores

The above transaction was approved by the shareholders by passing an Ordinary Resolution through postal ballot on January 8, 2018. Being related parties, the promoter shareholders had abstained from voting on the said resolution.

There are no other material pecuniary relationships / significant transactions made by the Company with its promoters, directors or management, or their relatives etc. which have potential conflict with the interests of the Company at large. Transactions with related parties, are disclosed in Note 33 forming part of the Financial Statements.



(g) Remuneration of Directors:

The Members of the Company at their 33rd Annual General Meeting held on November 15, 2017, had accorded approval for payment of commission upto 1% of the net profits per annum in aggregate to the Non-Executive Directors of the Company for a period of five years effective January 1, 2018 and had also empowered the Board of Directors to fix the quantum of commission payable to each of the Non-Executive Directors and to determine the period for which said commission is payable.

The Board of Directors at their meeting held on August 22, 2022 approved a payment of annual commission of ₹ 15 lakhs, to Non-P&G (who are not in employment of any P&G group entity) Non-Executive Directors. These Directors are paid to compensate their valuable contribution to the Company owing to their wealth of experience and knowledge.

No fee or compensation is payable to the Directors on severance of Directorship of the Company.

Details of the remuneration paid / provided to the Directors of the Company for the Financial Year ended June 30, 2022 are given below:

(Amount in ₹ lakhs)

Name of Director	Relationship with other Directors	Salary including Bonus + PF contribution	Commission	Sitting Fees	Shares held (Equity Shares of ₹ 10/- each)*
Mr. Gurcharan Das	None	—	15.00	11.25	—
Mr. Madhusudan Gopalan	None	178.68 [§]	—	—	—
Mr. Chittranjan Dua	None	—	15.00	11.50	—
Mr. Anil Kumar Gupta	None	—	15.00	11.75	—
Ms. Anjuly Chib Duggal	None	—	15.00	9.50	—
Mr. Pramod Agarwal	None	—	15.00	11.00	100
Ms. Sonali Dhawan	None	—	—	—	—
Mr. Karthik Natarajan	None	—	—	—	—
Mr. Gagan Sawhney	None	3.72 [§]	—	—	—
Mr. Gautam Kamath	None	96.24 [*]	—	—	—
Mr. Srinivas Maruthi Patnam	None	42.41 [#]	—	—	—

[§] Mr. Madhusudan Gopalan is paid remuneration from Procter & Gamble Hygiene and Health Care Ltd and the Company contributes towards the same in proportion to its Net Outside Sales. Mr. Madhusudan Gopalan has exercised Stock Options of the ultimate Holding Company amounting to ₹ 2,06,84,625 under its Employee Stock Option Plan, which were charged to Procter & Gamble Hygiene and Health Care Ltd.

[§] Mr. Gagan Sawhney was redesignated as Non-Executive Director effective August 1, 2021. Mr. Gagan Sawhney was paid remuneration from Procter & Gamble Home Products Private Ltd and the Company contributed towards the same in proportion to its Net Outside Sales.

[#] Mr. P. M. Srinivas was appointed as Executive Director of the Company effective September 1, 2021. Mr. P. M. Srinivas is paid remuneration from Gillette India Limited. Procter & Gamble Hygiene and Health Care Ltd and Procter & Gamble Home Products Private Ltd contribute towards the same in proportion to their Net Outside Sales. The abovementioned amount reflects contribution of Gillette India Limited towards remuneration of Mr. P. M. Srinivas

^{*} Mr. Gautam Kamath was appointed as Executive Director & CFO of the Company effective August 1, 2021. Mr. Gautam Kamath was paid remuneration from Procter & Gamble Home Products Private Ltd and the Company contributes towards the same in proportion to its Net Outside Sales. Mr. Gautam Kamath has exercised Stock Options of the ultimate Holding Company amounting to ₹ 2,98,161 under its Employee Stock Option Plan, which were charged to Procter & Gamble Home Products Private Ltd.

Stock Options:

The Company does not have any Stock Option Plan for its employees. However, all employees of the Company including its Managing Director are given the right to purchase shares of the ultimate Holding Company – The Procter & Gamble Company, USA under its ‘International Stock Ownership Plan’. Certain employees of the Company are also entitled to Stock Option of the Ultimate Holding Company under its Employee Stock Option Plan. Details as regards the same are disclosed vide Note 32 forming part of the Financial Statements.

(h) Committees of the Board:**Audit Committee**

The Audit Committee presently comprises of Mr. Chittranjan Dua (Chairman), Mr. Gurcharan Das (Member), Mr. Anil Kumar Gupta (Member), Ms. Anjuly Chib Duggal (Member), Mr. Pramod Agarwal (Member) and Mr. L. V. Vaidyanathan[§] (Member). Ms. Flavia Machado is the Secretary to the Audit Committee. During the Financial Year, the Audit Committee met on July 06, 2021, August 24, 2021, November 02, 2021, February 02, 2022, and April 29, 2022.

The attendance of the members of the Audit Committee during Financial Year 2021-22 is as under:

Members of the Committee	No. of Meetings held during tenure	No. of Meetings attended
Mr. Chittranjan Dua	5	5
Mr. Gurcharan Das	5	5
Mr. Anil Kumar Gupta	5	5
Ms. Anjuly Chib Duggal	5	5
Mr. Madhusudan Gopalan [®]	5	5
Mr. Pramod Agarwal	5	5

[®] Mr. Madhusudan Gopalan ceased to be a member of the Committee effective June 30, 2022.

[§] Mr. L.V. Vaidyanathan was inducted as a member of the Committee effective July 01, 2022.

The Audit Committee plays the role as is contemplated under Section 177 of the Companies Act, 2013 read with the SEBI (LODR) Regulations, 2015.

The Audit Committee powers include the following:

- to investigate any activity within its terms of reference;
- to seek information from any employee;
- to obtain outside legal or other professional advice; and
- to secure attendance of outsiders with relevant expertise, if it considers necessary.



The Audit Committee role includes the following:

- i. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- ii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii. Approval or any subsequent modification of transactions of the Company with related parties;
- iv. Scrutiny of inter-corporate loans and investments;
- v. Valuation of undertakings or assets of the Company, wherever it is necessary;
- vi. Valuation of internal financial controls and risk management systems;
- vii. Oversight 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;
- viii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- ix. Examination and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - 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;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Modified opinion(s) in the draft audit report.
- x. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- xi. Monitoring the end use of funds raised through public offers and related matters and reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, 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;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. 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;
- xvi. 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;
- xvii. 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;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and
- xx. Reviewing any other areas which may be specified as role of the Audit Committee under the SEBI (LODR) Regulations, 2015, the Companies Act, 2013 and other statutes, as amended from time to time.

Stakeholder Relationship Committee

The Stakeholder Relationship Committee presently comprises of Mr. Anil Kumar Gupta (Chairman), Mr. L. V. Vaidyanathan[§] (Member) and Ms. Sonali Dhawan (Member). During the Financial Year, three meetings were held on August 24, 2021, November 02, 2021 and April 29, 2022.

Attendance of the members of the Stakeholders Relationship Committee during the Financial Year:

Members of the Committee	No. of Meetings held during tenure	No. of Meetings attended
Mr. Anil Kumar Gupta	3	3
Mr. Madhusudan Gopalan [®]	3	3
Ms. Sonali Dhawan	3	3

[®] Mr. Madhusudan Gopalan ceased to be a member of the Committee effective June 30, 2022.

[§] Mr. L.V. Vaidyanathan was inducted as a member of the Committee effective July 01, 2022.

The role of the Committee is as follows:

- Resolving the grievances of the security holders of the Company including complaints related to transfer and transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates etc.;
- Review of measures taken for effective exercise of voting rights by Shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the Shareholders of the Company.

During the Financial Year, the Company received 14 complaints from Shareholders. These complaints have been resolved during the

Financial Year. There were no pending complaints as on June 30, 2022.

Ms. Flavia Machado, Company Secretary is the Compliance Officer of the Company and is responsible for redressing investor grievances.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee presently comprises of Mr. Chittranjan Dua (Chairman), Mr. Gurcharan Das (Member), Mr. Anil Kumar Gupta (Member), Mr. Pramod Agarwal (Member), Ms. Anjuly Chib Duggal (Member) and Ms. Sonali Dhawan (Member). During the Financial Year, four meetings were held on July 06, 2021, August 24, 2021, April 19, 2022 and April 29, 2022.

Attendance of the Members of the Nomination & Remuneration Committee during the Financial Year:

Members of the Committee	No. of Meetings held during tenure	No. of Meetings attended
Mr. Chittranjan Dua	4	4
Mr. Gurcharan Das	4	4
Mr. Anil Kumar Gupta	4	4
Ms. Anjuly Chib Duggal [*]	2	2
Mr. Pramod Agarwal	4	4
Ms. Sonali Dhawan	4	4

^{*} Ms. Anjuly Chib Duggal was inducted as a member of the committee effective November 2, 2021

The role of the Committee is as follows:

- Formulation of criteria for determining qualifications, positive attributes and independence of Directors;
- Formulation of evaluation criteria for performance evaluation of Independent Directors and the Board;
- Recommendation to the Board of a Policy, relating to the remuneration of Directors, Key Managerial Personnel and Senior Management;
- Identification of persons who are qualified to become Directors and who may be appointed in senior management and recommendation to the Board, their appointment and removal;



- Carrying out evaluation of every Director’s performance;
- Devise a policy on Board diversity; and
- Any other role & responsibility, as may be mandated by any statutory legislation, from time to time.

The Company has adopted a Nomination and Remuneration Policy. The Nomination and Remuneration Policy is in compliance with all applicable provisions of the Companies Act, 2013, particularly Section 178 read together with the applicable rules thereto and Regulation 19 of the SEBI (LODR) Regulations, 2015. The Policy is designed to attract, motivate and retain leadership members in a competitive and international market. The Policy reflects the Company’s objectives for good corporate governance as well as sustained long-term value creation for Shareholders. The Policy is available on the website of the Company at <https://in.pg.com/india-governance-and-policies/gil/terms-and-policies/>.

The Company has also adopted a Board Diversity Policy which is based on the principle that the Company’s Board of Directors should have a balance of skills, experience and diversity of perspectives appropriate to the Company’s business. The Company recognizes that a Board composed of appropriately qualified people with a broad spectrum of experience relevant to the business is important for effective corporate governance and sustained commercial success of the Company. The Company aims to achieve a sustainable and balanced development by building a diverse and inclusive culture.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee presently comprises of Mr. Anil Kumar Gupta (Chairman), Mr. L. V. Vaidyanathan[§] (Member), Mr. Gurcharan Das (Member) and Ms. Sonali Dhawan (Member). During the Financial Year, two meetings were held on August 24, 2021 and April 29, 2022.

Attendance of the members of the Corporate Social Responsibility Committee during the Financial Year:

Members of the Committee	No. of Meetings held during tenure	No. of Meetings attended
Mr. Anil Kumar Gupta	2	2
Ms. Sonali Dhawan	2	2
Mr. Madhusudan Gopalan [@]	2	2
Mr. Gurcharan Das	2	2

[@] Mr. Madhusudan Gopalan ceased to be a member of the Committee effective June 30, 2022.

[§] Mr. L.V. Vaidyanathan was inducted as a member of the Committee effective July 01, 2022.

The role of the Committee is as follows:

- Formulation and recommendation to the Board, a Policy which shall indicate the activities to be undertaken by the Company;
- Recommendation of the amount of expenditure to be incurred on the CSR activities;
- Monitoring the CSR Policy of the Company from time to time;
- Formulation and monitoring of implementation of business responsibility policies; and
- Annual assessment of the business responsibility performance and reporting.

The Company has adopted a Corporate Social Responsibility Policy (‘CSR Policy’). In line with the global principles followed by the P&G group and the terms of the Companies Act, 2013, the CSR Policy is broadly framed taking into account the following:

- We believe it’s essential to run our business responsibly, and our operating practices reflect this commitment.
- We are focused on making every day better for people and the planet through our innovations and our actions:
 - i. On the Environment – by conservation of resources, using renewable resources, generating worth from waste; and

- ii. On the Society – by providing the comforts of home, improving health and hygiene of people, social and cultural development, imparting education, training and social awareness.

The CSR initiatives of the Company form part of the Directors' Report. The CSR Policy is available on the Company's website at <https://in.pg.com/india-governance-and-policies/gil/terms-and-policies/>.

Risk Management Committee

The Company has constituted a Risk Management Committee to monitor and review the Risk Management Policy and plans of the Company. The Committee presently comprises of Mr. L.V. Vaidyanathan[§] (Chairman), Mr. Chittranjan Dua (Member), Mr. Karthik Natarajan (Member), Mr. Pramod Agarwal (Member), Mr. Gurcharan Das (Member), Mr. Ghanashyam Hegde (Member) and Mr. Gagan Sawhney (Member). During the Financial Year, four meetings were held on August 24, 2021, November 02, 2021, February 02, 2022 and April 29, 2022.

The Company has adopted a Risk Management Policy, which aims to create a standard, structured and efficient approach to identify, assess and mitigate risks. Our Company meetings are structured to plan, assess and mitigate risks. These include annual & monthly business planning meetings as well as specific category and go-to-market assessments.

The role of the Committee is as follows:

- To formulate a detailed risk management policy which shall include details, as prescribed by law from time to time.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- To keep the Board of Directors informed about the nature and content of its

discussions, recommendations and actions to be taken.

- To review appointment, removal and terms of remuneration of the chief risk officer (if any).

Attendance of the members of the Risk Management Committee during the Financial Year:

Members of the Committee	No. of Meetings held during tenure	No. of Meetings attended
Mr. Madhusudan Gopalan [®]	4	4
Mr. Chittranjan Dua	4	4
Mr. Gurcharan Das	4	4
Mr. Karthik Natarajan	4	2
Mr. Pramod Agarwal	4	4
Mr. Gagan Sawhney	4	2
Mr. Ghanashyam Hegde	4	4

[®] Mr. Madhusudan Gopalan ceased to be a member of the Committee effective June 30, 2022.

[§] Mr. L. V. Vaidyanathan was appointed as a member of the Committee effective July 01, 2022.

Cash & Investment Committee

The Company has constituted a Cash & Investment Committee, comprising of Mr. Pramod Agarwal (Chairman), Mr. Chittranjan Dua (Member), Mr. Anil Kumar Gupta (Member) and Mr. Karthik Natarajan (Member). During the Financial Year, two Meetings were held on August 24, 2021 and February 02, 2022.

Attendance of the members of the Cash & Investment Committee during the Financial year:

Members of the Committee	No. of Meetings held during tenure	No. of Meetings attended
Mr. Pramod Agarwal	2	2
Mr. Chittranjan Dua	2	2
Mr. Anil Kumar Gupta	2	2
Mr. Karthik Natarajan	2	2



The role of the Committee is as follows:

Assessment and recommendation to the Board the best possible utilization of cash generated by the Company, on basis of following primary considerations:

- i. protecting long term growth of the Company;
- ii. maximizing return to the Shareholders; and
- iii. ensuring risk free investment choices.

(i) Familiarization programme for Independent Directors:

The familiarization programme aims at familiarizing the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates and business model of the Company.

Your Company conducts induction session for new independent directors and conducts presentations at meetings of the Board and meeting of various Committees of the Board periodically to familiarize the Independent Directors with the business performance, business strategy and operations. Your Company also annually conducts a strategy meeting for the Board of Directors to discuss plans and updates on business categories, supply chain, go-to-market and organization. Such discussions are led by functional heads so that Independent Directors can have direct interaction with them. This helps the Independent Directors to understand the Company's strategy, business model, operations, market, competition, organization structure, risk analysis and such other areas.

The Company updates the Independent Directors on changes in relevant laws / regulations from time to time. Each member of the Board, including the Independent Directors, are given any information relating to the Company, whenever they so request. Independent Directors have the freedom to interact with the Company's management.

In case of appointment of new Independent Director on the Board of the Company, the Company:

- Issues a formal letter of appointment at the time of appointment;
- Provides introductory documents including Annual Report, Board committee framework, codes of conducts as may be applicable to the Director, various Policies and procedures adopted by the Company.

The details of the familiarization programmes are available on the Company's website at <https://in.pg.com/india-governance-and-policies/gil/terms-and-policies/#fam-programme>.

(j) Succession planning:

The Nomination and Remuneration Committee works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and in senior management. The Company strives to maintain an appropriate balance of skills and experience within the organization and the Board in an endeavor to introduce new perspectives while maintaining experience and continuity.

By integrating workforce planning with strategic business planning, the Company puts the necessary financial and human resources in place so that its objectives can be met. Our Board members bring to the table their broad and diverse skills and viewpoints to aid the Company in advancing its strategy.

(k) Key Board qualifications, expertise and attributes :

The Company is engaged in manufacturing and selling of branded packaged fast moving consumer goods in the grooming and oral care businesses.

The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

Accounting Expertise		Experience of financial management with appropriate professional qualifications (e.g. MBA in Finance, Chartered Accountants, Cost Accountants, Chartered Financial Analyst etc.)
Legal Expertise		Experience in the field of law, litigations or advisory with appropriate professional qualifications (e.g. Lawyers, Solicitors, Company Secretaries)
Strategy / Business Operation Expertise		Experience of leading the companies as CEO or part of Senior management or as Functional leader with strategic or business operations expertise; or Experience in digital, technology driven businesses
FMCG Domain Expertise		Experience of FMCG industry
Regulatory / Policy		Experience of regulatory advisory, policy formulation & implementation, public administrative experience

While all the Board members possess the skills, their core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's aforesaid business for efficient functioning of the Board are as follows:

Name of Director					
Mr. Gurcharan Das	✓	-	✓	✓	✓
Mr. Madhusudan Gopalan [^]	✓	-	✓	✓	-
Mr. Chittranjan Dua	-	✓	✓	-	✓
Mr. L. V. Vaidyanathan [@]	✓	-	✓	✓	-
Mr. Anil Kumar Gupta	-	-	✓	✓	-
Ms. Anjuly Chib Duggal	✓	-	-	-	✓
Mr. Pramod Agarwal	✓	-	✓	✓	-
Ms. Sonali Dhawan	-	-	✓	✓	-
Mr. Karthik Natarajan	✓	-	✓	✓	-
Mr. Gagan Sawhney	✓	-	✓	✓	-
Mr. Gautam Kamath	✓	-	✓	✓	-
Mr. Srinivas Maruthi Patnam	-	-	✓	✓	-

[^] Mr. Madhusudan Gopalan has ceased to be the Managing Director of the Company effective June 30, 2022.

[@] Mr. L.V. Vaidyanathan was appointed as the Managing Director of the Company effective July 01, 2022.

(I) Annual Evaluation of the Directors:

In terms of the requirement of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance and that of its Committees as well as performance of the Directors individually with the aim to improve the effectiveness of the Board and the Committees.

During the year, feedback was sought by way of structured questionnaires covering various aspects in line with the Guidance Note on Board evaluation issued by the Securities and Exchange Board of India vide its circular dated January 5, 2017 like, Board oversight and effectiveness, performance of Board Committees, Board skills and structure, etc. Performance evaluation was carried out by the Lead Independent Director based on the responses received from the Directors.



(m) Disclosures regarding re-appointment of Directors:

1. Pramod Agarwal

Mr. Pramod Agarwal is an MBA from Indian Institute of Management, Ahmedabad. After over 28 years of experience with P&G, he retired in 2016. He worked in seven geographies-India, Thailand, Japan, Philippines, USA, Singapore and Switzerland. Mr. Agarwal has led several major changes which have had a lasting impact on the business and organization. He is now a management consultant, an angel investor and mentor to several start-ups. He is also a Director on the Board of Procter & Gamble Hygiene and Health Care Limited. Mr. Agarwal, retires by rotation and being eligible, offers himself for re-appointment at the ensuing 38th Annual General Meeting.

2. Ms. Sonali Dhawan

Ms. Sonali Dhawan is a graduate from Lady Shriram College, with a B.Com (Hons.) in Business Studies. She completed her MBA in marketing from the Indian Institute of Management, Ahmedabad. Ms. Dhawan has been with P&G for over 24 years and is currently Senior Vice President, Marketing, Feminine Hygiene, Asia, Middle East & Africa. She has worked across multiple regions including ASEAN, India, Australia & Middle East. She is also a Director on the Board of Procter & Gamble Hygiene and Health Care Limited.

Ms. Dhawan, retires by rotation and being eligible, offers herself for re-appointment at the ensuing 38th Annual General Meeting.

COMMUNICATION TO SHAREHOLDERS

(i) Annual Report and Notice calling the Meeting

This Annual Report along with Notice calling the Annual General Meeting, for the Financial Year 2021-22, in electronic form, is being sent to the Members at the email address provided/ updated by the Members with the Depository Participants / Registrar & Transfer Agents, as applicable.

Members who need hard copy of the report are requested to write to the Company Secretary at investorgil.im@pg.com

(ii) Results

The quarterly results of the Company are announced within 45 days of completion of the quarter or within the time as prescribed by the Securities & Exchange Board of India. Audited Annual Results are announced within 60 days of the end of the Financial Year or within the time as prescribed by the Securities & Exchange Board of India. Financial Results were published in the Business Standard and Mumbai Lakshadeep. The Company's results and official news releases are published on Company's website: <https://in.pg.com/>.

No presentations were made to Analysts and Institutional Investors during the Financial Year.

(iii) Communication with respect to deduction of tax on dividend income

Shareholders may note that, in accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Indian Finance Act, 2020, dividend declared and paid by the Company after April 1, 2020, is taxable in the hands of shareholders and the Company is required to deduct the tax at source ("TDS") on the distribution of dividend income to its shareholders at the applicable rates. In order to enable us to determine the appropriate TDS rate as applicable, shareholders are requested to submit the requisite documents as mentioned in our letter, which is put up on the website at <https://in.pg.com/india-investors/gil/reports-announcements/announcements/>, in order to facilitate company to deduct TDS at time of final dividend. The said documents (duly completed and signed) are required to be submitted to Company's Registrar & Transfer Agent (RTA) on or before **November 2, 2022**.

(iv) Sustainability Initiative

In line with our 'Ambition 2030' environment sustainability goals, our commitment to operate responsibly is reflected in the steps we have in place to ensure rigorous financial discipline and Corporate Governance. The Company has requested its shareholders to join in its endeavor to conserve resources by updating relevant information for receiving online communication and dividend payout.

(v) Updation of PAN, KYC and Nomination details

As per SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, all the listed companies are required to record the PAN, Nomination and KYC details of all the shareholders and Bank Account details of first holder. This is applicable for all the security holders in physical mode. Shareholders holding shares in physical form with the Company are requested to update above information with the Company, if pending. It is hereby informed that if any ONE of the above mentioned KYC details are not updated to the Company before March 31, 2023, the folio shall be frozen as per SEBI circular.

The Company, with the help of the RTA and the depositories has reached out to the shareholders who have not registered their KYC and other details, requesting them to update the same. Your Company greatly appreciates your response and assistance in this regard. For further details, shareholders are requested to follow steps mentioned in the circular uploaded on the website of the Company at <https://in.pg.com/india-investors/gil/guidance/#shareholderservices>.

Shareholders holding shares in dematerialized mode have been requested to register their email address and mobile number with their depository participants for receiving intimation and regular updates from the Company.

(vi) Share Transfer System/Dematerialization

As per SEBI directives, the request for transfer As per SEBI directions, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form effective April 1, 2019.

The transfer deed(s) lodged prior to deadline, i.e., April 1, 2019, and returned due to deficiency in the documents were allowed to be re-lodged for transfer with MAS Services Limited (Registrar & Transfer Agents), on or before March 31, 2021 (cut-off date) as fixed by SEBI vide circular dated September 7, 2020. No physical transfer lodgement/re-lodgement has been allowed thereafter.

Further, SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors vide its circular dated 25th January, 2022, has mandated the listed entities to issue securities for the following service

requests only in dematerialised form viz., Issue of duplicate securities certificate; Claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Transmission; Transposition, etc. For the purpose of the same, after due verification, registrar and transfer agent/issuer companies shall retain share certificates and process the service requests by issuing letter of confirmation, valid for a period of 120 days. As per the process, shareholders are required to submit their demat requests within this validity period, failing which the Company shall credit the securities to a suspense escrow demat account of the Company. The manner and process of making application as per the revised framework and operational guidelines thereto is available on the website of the Company.

All requests for dematerialization of shares are processed and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within 15 days from the date of receipt of relevant documents, provided they are complete in all respects.

STATUTORY COMPLIANCE

The Company was compliant with applicable requirements prescribed by the regulatory and statutory authorities during the preceding three Financial Years on all matters related to capital markets and no penalties / strictures in this respect have been imposed on the Company. The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations, 2015.

GENERAL MEETINGS

Annual General Meeting	Date	Time	Venue	No. of special resolutions passed
37 th	23.11.2021	11:00 a.m.	Annual General Meeting was convened through Video conferencing/ other audio visual means. Deemed venue for the meeting was the Registered Office of the Company : P&G Plaza, Cardinal Gracias Road, Chakala, Andheri East, Mumbai - 400 099.	-
36 th	25.11.2020	11:00 a.m.	Annual General Meeting was convened through Video conferencing/ other audio visual means. Deemed venue for the meeting was the Registered Office of the Company : P&G Plaza, Cardinal Gracias Road, Chakala, Andheri East, Mumbai - 400 099.	-
35 th	26.11.2019	11:00 a.m.	Y. B. Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Mumbai - 400 021	4



At the 35th Annual General Meeting held on November 26, 2019, the following Special Resolutions were passed:

- (i) Re-appointment of Mr. Bansidhar Sunderlal Mehta as an Independent Director of the Company for a term of one year with effect from September 29, 2019;
- (ii) Re-appointment of Mr. Anil Kumar Gupta as an Independent Director of the Company for a term of five years with effect from September 29, 2019;
- (iii) Re-appointment of Mr. Gurcharan Das as an Independent Director of the Company for a term of five years with effect from September 29, 2019; and
- (iv) Re-appointment of Mr. Chittranjan Dua as an Independent Director of the Company for a term of five years with effect from September 29, 2019;

POSTAL BALLOT

During the Financial Year, the following resolution was approved by way of postal ballot mechanism.

- I. Resolution for approval of appointment of Mr. Gautam Kamath (DIN 09235167) as an Executive Director of the Company for a period of five years, was passed by the Shareholders of the Company through Postal Ballot on October 16, 2021. The Board of Directors had appointed Mr. B. V. Dholakia, Practicing Company Secretary, and in his absence Mr. Nrupang Dholakia, Practicing Company Secretary, Designated Partners of Dholakia & Associates LLP, to act as the scrutinizer, for conducting the postal ballot process, in a fair and transparent manner.

The results of the postal ballot were declared on October 18, 2021. Details of the voting pattern are as under:

Description of Resolution: Approval for appointment of Mr. Gautam Kamath as an Executive Director of the Company for a period of five years, effective August 1, 2021 (Ordinary Resolution)

Particulars	No. of Votes (Physical ballots and e-voting)	Votes Cast (No. of Shares)	% of Votes
Assented to the resolution	579	2,82,21,744	98.87
Dissented to the resolution	105	3,22,789	1.13
No. of total valid Postal Ballot Forms / e-votes received	684	2,85,44,533	100.00

Accordingly, the said Resolution was approved by the Shareholders of the Company, with requisite majority.

- II. Resolution for approval of appointment of Mr. L. V. Vaidyanathan (DIN 09632201) as a Director and Managing Director of the Company for a period of five years effective July 1, 2022 was approved by the Shareholders of the Company through Postal Ballot mechanism on July 17, 2022.

The Board had appointed Mr. Nrupang B. Dholakia, Practicing Company Secretary and in his absence Mr. Vishvesh G Bhagat, Practicing Company Secretary, Designated Partners of Dholakia & Associates LLP as the scrutinizer to conduct the Postal Ballot process in a fair and transparent manner. The results of the postal ballot were declared on July 18, 2022.

Description of Resolution: To appoint Mr. L. V. Vaidyanathan (DIN 09632201) as a Director and Managing Director of the Company for a period of five years effective July 1, 2022 (Ordinary Resolution)

Particulars	No. of Votes (Physical ballots and e-voting)	Votes Cast (No. of Shares)	% of Votes
Assented to the resolution	497	2,78,81,012	97.78
Dissented to the resolution	123	6,32,882	2.22
No. of total valid Postal Ballot Forms/ e-votes received	620	2,85,13,894	100.00

Accordingly, the said Resolution was approved by the Shareholders of the Company, with requisite majority.

No special resolution is proposed to be conducted through Postal Ballot as on the date of this Report.

Procedure for Postal Ballot:

In compliance with Sections 108, 110 and other applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, the Company provided electronic voting (e-voting) facility to all its Shareholders. The Company engaged the services of National Securities Depository Limited (“NSDL”) for the purpose of providing e-voting facility to all its members. The Shareholders had an option to vote either by postal ballot or through e-voting. The Company dispatched the postal ballot notices and forms along with postage prepaid business reply envelopes to its Shareholders whose names appeared

on the Register of Members/list of beneficiaries as on cut-off date. The postal ballot notice was sent to Shareholders in electronic form to the email addresses registered with the depository participants/ Company's Registrar & Share Transfer Agents. The Company also published a notice in the newspapers declaring the details of completion of dispatch and other requirements under the Secretarial Standards issued by the Institute of Company Secretaries of India, the Companies Act, 2013 and the Rules issued thereunder. Voting rights were reckoned on the paid up value of shares of the Company registered in the names of the Shareholders as on the cut-off date. Shareholders desiring to vote through postal ballot were requested to return the forms, duly completed and signed so as to reach the Scrutinizer before the close of the voting period. Members desiring to exercise their votes by electronic mode were requested to vote before the close of business hours on the last date of e-voting. The Scrutinizer submitted his report to the Chairman, after the completion of scrutiny and the consolidated results of the voting by postal ballot were then announced by the Company. The results were displayed on the website of the Company at in.pg.com, besides being communicated to the Stock Exchanges.

MD / CFO CERTIFICATION

A compliance certificate in accordance with requirement of Regulation 17(8) of the SEBI (LODR) Regulations, 2015, was provided to the Board of Directors in the prescribed format for the Financial Year 2021-22, which was reviewed by the Audit Committee and taken on record by the Board.

ADOPTION OF DISCRETIONARY REQUIREMENTS

The Company has adopted following discretionary requirements of Regulation 27(1) of the SEBI (LODR) Regulations, 2015:

- a. There are no audit qualifications in the Company's financial statements for the Financial Year 2021-22, the Company continues to adopt best practices to ensure regime of unmodified audit opinion;
- b. The Internal Auditor of the Company directly reports to the Audit committee.

WHISTLE BLOWER POLICY

The Company being a part of the P&G group is guided by a Whistle Blower Policy as laid down in its '*Worldwide Business Conduct Manual*'. Any employee or other interested person can call on '*The Worldwide Business Conduct Helpline*', twenty-four hours a day, seven days a week, to report any concerns about violations of the Company's '*Worldwide Business Conduct Standards*'.

The Worldwide Business Conduct Helpline is not staffed or monitored by the Company personnel. All calls can be completed anonymous if the caller desires. The Helpline can take calls in most languages spoken by employees around the world.

Calls made to the Helpline are reported to the Company's Corporate Security and Legal personnel, who will ensure appropriate investigation and follow-up of all calls. Callers are given a confidential identification number so they can inquire about the status of their reported concerns.

The '*Worldwide Business Conduct Helpline*' is accessible to all employees.

In compliance with the requirement under the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013 and the Rules made thereunder, the Company has adopted the Whistle Blower policy as the vigil mechanism for Directors and employees to report genuine concerns or grievances such as unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

The Audit Committee oversees the vigil mechanism and number of cases reported alongwith the status report and action taken, (if any) are reported to the Committee. No personnel has been denied access to the Audit Committee.

The Vigil Mechanism is available on the Company's website at <https://in.pg.com/india-governance-and-policies/gil/terms-and-policies/>.

CODE OF CONDUCT

(i) Code of Conduct for Directors:

The Company has in place a Code of Conduct for its Directors and senior management. This Code is derived from three interlinked fundamental



principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct.

The Board Members and Senior Management Personnel have affirmed their compliance with the Code of Conduct and a certificate from Managing Director to that effect is annexed to this Corporate Governance Report. The Code of Conduct has been hosted on the Company's website at <https://in.pg.com/india-governance-and-policies/gil/terms-and-policies/#code>

(ii) Code of Conduct for Prohibition of Insider Trading:

The Board of the Company has adopted a Code of Conduct for Prohibition of Insider Trading under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The code has been hosted on the Company's website at <https://in.pg.com/india-governance-and-policies/gil/terms-and-policies/#code>

GENERAL SHAREHOLDER INFORMATION

I. Annual General Meeting

Pursuant to the circular number 14/2020, 14/2020, 20/2020 and 02/2022 issued by the ministry of corporate Affairs, the 38th Annual General Meeting will be held on **Friday, November 18, 2022 at 11.00 a.m.** through Video conferencing facility. Deemed Venue for Meeting shall be the Registered Office of the Company: P&G Plaza, Cardinal Gracias Road, Chakala, Andheri East, Mumbai - 400 099. Details of the link for joining and participating in the meeting through video-conferencing are provided in the notice convening the 38th Annual General Meeting. A transcript of the Annual General Meeting will be made available on the Company's website at <https://in.pg.com>.

VIII. Listing of Equity Shares on Stock Exchanges

The Company's shares are listed on below stock exchanges:

Name of Stock Exchange	Company Scrip Code	Address of stock exchange
BSE Limited	507815	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001
National Stock Exchange of India Limited	GILLETTE	Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051

IX. ISIN Code

Dematerialization ISIN Code : **INE322A01010**

II. Financial Calendar

Presently, the Company follows July-June Financial Year. The Financial Results are declared within timelines as prescribed by the Securities & Exchange Board of India.

III. Book Closure Dates: Saturday, November 12, 2022 to Friday, November 18, 2022 (both days inclusive). The said book closure is for payment of dividend, if declared at the ensuing Annual General Meeting.

IV. Dividend Payment Date: On or before December 12, 2022.

V. Total fees paid to Statutory Auditors of the Company: Total fees of ₹128.95 lakhs for Financial Year 2021-2022, was paid by the Company to Kalyaniwalla & Mistry LLP, Statutory Auditors of the Company.

VI. Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the Financial Year 2021-22 are as under:

- a. Number of complaints filed during the Financial Year: 3
- b. Number of complaints disposed of during the Financial Year: 3
- c. Number of complaints pending as at end of the Financial Year: 0

VII. Recommendations of Committees of the Board

There were no instances during the Financial Year 2021-22, wherein the Board had not accepted recommendations made by any Committee of the Board.



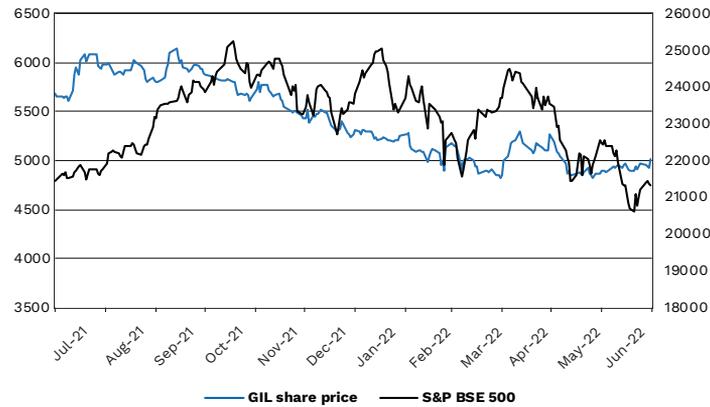
X. Stock Price Data

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
July – 2021	6,244.65	5,587.70	6,215.65	5,550.00
August – 2021	6,070.00	5,733.00	6,081.00	5,700.00
September – 2021	6,270.05	5,756.00	6,275.00	5,753.50
October – 2021	5,919.45	5,525.00	5,932.00	5,608.00
November – 2021	5,850.55	5,373.05	5,860.00	5,400.00
December – 2021	5,593.00	5,221.00	5,552.05	5,202.00
January – 2022	5,373.65	5,090.35	5,939.95	5,170.00
February – 2022	5,600.00	4,864.10	5,301.40	4,750.00
March -2022	5,179.95	4,803.90	5,190.25	4,800.00
April – 2022	5,335.15	4,872.55	5,333.00	4,840.00
May – 2022	5,213.25	4,751.00	5,255.00	4,748.00
June – 2022	5,242.00	4,801.00	5,050.00	4,750.00

(Source: www.bseindia.com & www.nseindia.com)

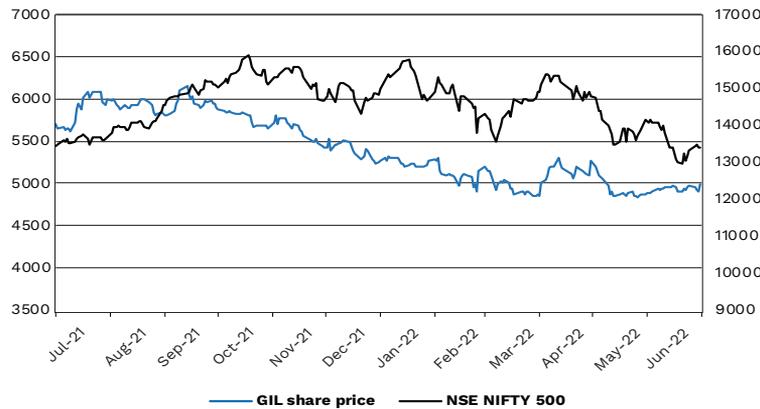
XI. Stock Performance in comparison to the BSE Sensex and NSE Nifty

The following chart shows the performance of the Company’s shares as compared to the BSE Sensex during the Financial Year 2021-22:



(Source: www.bseindia.com)

The following chart shows the performance of the Company’s shares as compared to the NSE Nifty during the Financial Year 2021-22:



(Source: www.nseindia.com)



XII. Registrar and Transfer Agents(RTA)

MAS Services Limited
T-34, 2nd floor, Okhla Industrial Area Phase II,
New Delhi – 110 020.
Ph: 011-26387281/82/83, Fax: 011-26387384
E-mail : info@masserv.com

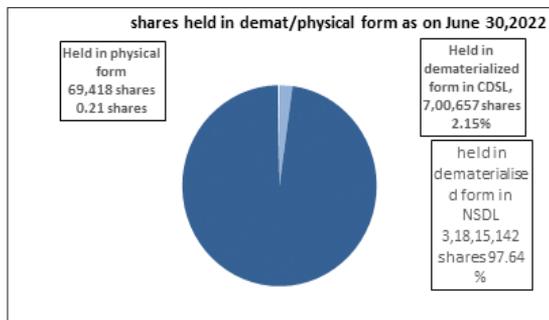
XIII. Distribution of shareholding by size class as on June 30, 2022.

Shareholding (in ₹)	Shareholders		Shares	
	Number	% to Total	Number	% to Total
Upto 5000	49 185	98.84	12 90 116	3.96
5001 – 10000	310	0.62	2 22 789	0.68
10001– 20000	127	0.26	1 83 698	0.56
20001 – 30000	44	0.09	1 11 453	0.34
30001 – 40000	13	0.03	48 294	0.15
40001 – 50000	12	0.02	56 586	0.17
50001– 100000	25	0.05	1 84 784	0.57
100001 and above	46	0.09	3 04 87 497	93.56
TOTAL	49762	100.00	3 25 85 217	100.00

XIV. Dematerialization of shares and liquidity

The Company’s shares are required to be compulsorily traded in the stock exchanges in dematerialized form. As on June 30, 2022, the number of shares in dematerialized and physical mode are as under:

Particulars	No. of shares	% to total capital issued
Held in dematerialized form in CDSL	700 657	2.15
Held in dematerialized form in NSDL	3 18 15 142	97.64
Held in physical form	69 418	0.21
Total	3 25 85 217	100.00



XV. As on date, the Company has not issued GDR / ADR / warrants or any convertible instruments.

XVI. Distribution of shareholding by ownership as on June 30, 2022

Category	Number of shares held	% of shares held
Foreign & Indian promoters	2 44 37 803	75.00
Resident Individuals and others	23 13 869	7.09
Mutual Funds	14 61 776	4.49
Financial Institutions / Banks	19 37 791	5.95
Foreign Institutional Investors	7 10 006	2.18
Private Bodies Corporate	15 85 211	4.86
NRIs	1 38 761	0.43
TOTAL	3 25 85 217	100.00

XVII. Commodity price risk or foreign exchange risk and hedging activities

The Company has no exposure to commodity and commodity risks in Financial Year 2021-22. The details of foreign currency risk management are disclosed in Note 31 forming part of the Financial Statements. The Company has not entered into any hedging activities in Financial Year 2021-22.

XVIII. Unclaimed / unpaid Dividends

In accordance with the provisions of Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) dividends not encashed / claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate companies to transfer shares of Members whose dividends remain unpaid / unclaimed for a continuous period of seven years to the demat account of IEPF Authority. The Members whose dividend / shares are transferred to the IEPF Authority can claim their shares / dividend from the Authority.

Interim Dividend declared during the Financial

Year 2015-16 and final dividend for the Financial Year ended June 30, 2015 and for the subsequent years, which remain unpaid or unclaimed, will be due for transfer to the IEPF of the Central Government on the dates mentioned in the table below. The Company has sent individual notices and issued advertisements in the newspapers, requesting the shareholders to claim their dividends in order to avoid transfer of shares/ dividends to the IEPF.

Members who have not encashed their dividend warrants for these years are requested to apply in writing to the Company's RTA, M/s. Mas Services Limited for revalidation of their dividend warrants on or before the due dates mentioned herein.

Those holding shares in the dematerialized form are requested to update their bank account other relevant details reduce the quantum of physical dividend warrants and other correspondence that is sent through physical mode in order to enable digitization of data.

For the Financial Year ended	Date of Declaration	Transfer to IEPF
Interim 2015-16	12.10.2015	17.11.2022
30.06.2015	26.10.2015	01.12.2022
30.06.2016	30.11.2016	05.01.2024
Interim 2016-17	06.05.2017	11.06.2024
30.06.2017	15.11.2017	21.12.2024
30.06.2018	30.11.2018	05.01.2026
Interim 2018-19	07.02.2019	15.03.2026
30.06.2019	26.11.2019	01.01.2027
30.06.2020	25.11.2020	31.12.2027
1 st Interim 2020-21	04.02.2021	12.03.2028
Special dividend 2020-21	05.05.2021	10.06.2028
30.06.2021	23.11.2021	30.12.2028
Interim 2021-22	02.02.2022	11.03.2029

The members who have a claim on the dividends and shares transferred to the IEPF Authority

may claim the same by submitting an online application in web Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents listed in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred.

During the Financial Year 2021-22, unclaimed final dividend amount for the Financial Year ended June 30, 2014 amounting to ₹ 785,910 and 1,036 shares were transferred to the IEPF. The details of unpaid/ unclaimed dividend as on June 30, 2022 have been hosted on the website of the Company, viz., <https://in.pg.com/>. As on date of this report, Ms. Flavia Machado is the Nodal Officer of the Company under the IEPF Rules.

XIX. Plant location

(i) Bhiwadi Plant

SPA-65A, Bhiwadi Industrial Area, Bhiwadi, Dist.Alwar, Rajasthan – 301019

(ii) Baddi Plant

Plot no. 4, Industrial Area, Village Katha, Bhatoli Kalan Dist. Solan, Baddi – 173205 Himachal Pradesh

XX. Investor Queries and Grievances Redressal

Shareholders can send their correspondence to the Company with respect to their shares, dividend, request for annual reports and shareholder grievances.

Address for Correspondence:

Compliance Officer & Company Secretary | IEPF Nodal Officer

Gillette India Limited

P&G Plaza, Cardinal Gracias Road, Chakala, Andheri (East) Mumbai – 400 099

Investor Helpline nos.: 86575 00524

Ph : 022-28266000

Fax : 022-28267337

Email Id: investorgil.im@pg.com

Declaration

As provided under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members have confirmed compliance with the Directors' Code of Conduct for the Financial Year ended June 30, 2022 and the Senior Management has complied with the Business Conduct Manual for the Financial Year ended June 30, 2022.

Mumbai,
August 22, 2022

For **GILLETTE INDIA LIMITED**

L. V. Vaidyanathan
Managing Director



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

GILLETTE INDIA LIMITED

CIN: L28931MH1984PLC267130

P&G Plaza, Cardinal Gracias Rd,

Chakala, Andheri (E),

Mumbai 400099

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **GILLETTE INDIA LIMITED** having CIN: **L28931MH1984PLC267130** and having registered office at P & G Plaza, Cardinal Gracias Road, Chakala, Andheri East, Mumbai MH 400099 IN (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 30th June, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in Company*
1.	Chittranjan Dua	00036080	31/07/2002
2.	Pramod Agarwal	00066989	08/05/2015
3.	Gurcharan Das	00100011	29/01/2007
4.	Anil Kumar Ishwar Dayal Gupta	02588131	28/03/2009
5.	Anjuly Chib Duggal	05264033	26/03/2019
6.	Karthik Natarajan	06685891	23/01/2017
7.	Sonali Dhawan	06808527	25/02/2014
8.	Gagan Sawhney	08279568	22/08/2019
9.	Gautam Yeshvanth Kamath	09235167	01/08/2021
10.	Srinivas Maruthi Patnam	09296558	01/09/2021
11.	Madhusudan Gopalan	08158357	01/07/2018 [#]

*the date of appointment is as per the MCA Portal.

[#] Mr. Madhusudan Gopalan has ceased to be the Director of the Company with effect from June 30,2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Saraf & Associates**
Practising Company Secretaries

K.G. SARAF

Proprietor

FCS: 1596 | CP: 642

FRN. S1988MH004801

PR. 1003/2020

Place : Mumbai

Date : 22.08.2022

UDIN : F001596D000826244



CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
GILLETTE INDIA LIMITED
CIN: L28931MH1984PLC267130
P&G Plaza, Cardinal Gracias Rd,
Chakala, Andheri (E),
Mumbai 400099

I have examined the compliance of the conditions of Corporate Governance by **GILLETTE INDIA LIMITED** (CIN - **L28931MH1984PLC267130**) ('the Company') as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the year ended on June 30, 2022.

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is

neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the management; I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on June 30, 2022.

I 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 **Saraf & Associates**
Practising Company Secretaries

K.G. SARAF

Proprietor

Place : Mumbai

Date : 22.08.2022

UDIN : F001596D000826178

FCS: 1596 / CP: 642

FRN. S1988MH004801

PR. 1003/2020



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GILLETTE INDIA LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS Financial Statements of **GILLETTE INDIA LIMITED** (“the Company”), which comprise the Balance Sheet as at June 30, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the Ind-AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as ‘financial statements’).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind-AS financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting

Standards) Rules, 2015, as amended (Ind-AS), and with other accounting principles generally accepted in India, of the state of affairs of the Company as at June 30, 2022, the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind-AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Financial Statements’ section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind-AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind-AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind-AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr.	Key Audit Matter	Auditor’s Response
1.	<p>Revenue Recognition (note no. 2.3(a) and 20 to the financial statements)</p> <p>Revenue is measured net of trade discounts, rebates and various types of Marketing and Distribution Activities such as incentives and promotions.</p> <p>The estimation of the various types of discounts, incentives and rebate schemes to be recognised based on sales made during the year is material and considered to be judgmental owing to the varying terms of the agreements with customers which are based on annual contracts or shorter term arrangements. In addition, the value and timing of promotions for products varies from period to period, and the activity can span over a year end.</p>	<p>Our audit procedures included:</p> <p>(a) Assessing the appropriateness of the revenue recognition accounting policies, including those relating to discounts, incentives and rebates by comparing with applicable accounting standards.</p> <p>(b) Testing the design, implementation and operating effectiveness of the Company’s general IT controls and key IT/manual application controls over the Company’s systems which govern recording of revenue and rebates/schemes in the general ledger accounting system.</p>



Sr.	Key Audit Matter	Auditor's Response
	<p>Accumulated experience is used to estimate the provision for discounts and rebates considering the terms of the underlying schemes and arrangements with customers.</p> <p>There is also a risk that revenue may be overstated due to fraud including through manipulation of the discounts and incentives recognised resulting from the pressure local management may feel to achieve performance targets.</p>	<p>(c) We tested the design, implementation and operating effectiveness of controls over the calculation of discounts, incentives and rebates including review of the independent service auditor's SOC 1 (Type 2) report with regards to the third party service organization's system and the suitability of the design and operating effectiveness of IT / manual controls relating to processing of claims.</p> <p>(d) Performing substantive testing (including year-end cut-off testing) by selecting samples of revenue transactions recorded during the year (and before and after the financial year end) by verifying the underlying documents, which included sales invoices, contracts and shipping documents.</p> <p>(e) We compared the historical discounts, rebates/schemes and allowances to current payment trends. We also considered the historical accuracy of the Company's estimates in previous years.</p> <p>(f) Performing substantive testing by checking samples of rebate / schemes transactions to supporting documentation.</p> <p>(g) We assessed manual journals posted to revenue to identify unusual items.</p> <p>(h) Considering the adequacy of the Company's disclosures in respect of revenue.</p>
2.	<p>Uncertain Tax Positions (note no. 27 and 36 to the financial statements)</p> <p>The Company is subject to a range of tax risks. There is inherent judgement involved in determining provisions for uncertain tax positions. The Company is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business, including direct taxes, transfer pricing and indirect taxes. Applicable tax laws and regulations are subject to differing interpretations and the resolution of a final tax position can take several years to complete. Where the amount of tax payable is uncertain, the Company establishes provisions based on Management's judgement of the likelihood of settlement being required.</p> <p>Given the number of judgements involved in estimating the provisions relating to uncertain tax positions and the complexities of dealing with tax rules, this was considered as a key audit matter.</p>	<p>Our audit procedures included:</p> <p>(a) We evaluated the design and tested the operating effectiveness of controls over the assessment of uncertain tax positions and completeness of disclosures.</p> <p>(b) We discussed the status and potential exposures in respect of significant tax litigations with the Company's tax team including their views on the likely outcome of each assessment / litigation and magnitude of potential exposure.</p> <p>(c) We focused on the judgements made by Management in assessing the likelihood of potentially material exposures and the estimates used to determine such provisions where required. In particular, we focused on the impact of changes in local tax regulations and ongoing inspections by local tax authorities, which could materially impact the amounts recorded in the financial statements.</p>

Company Overview

Board's Report and MDAR

Corporate Governance

Financial Statements



Sr.	Key Audit Matter	Auditor's Response
		<p>(d) We involved our in-house tax experts to evaluate and challenge the appropriateness of Management's assessment and judgements to estimate the provisions held in respect of uncertain tax positions. To do this, we assessed the provisions recognized in the financial statements using the outcome of prior and ongoing tax assessments conducted on the Company, correspondences between the Company and relevant tax authorities, judgemental positions taken in tax returns and current year estimates, our own experience in these areas and assessing whether the approach applied by the Company is supported by the practice in the industry.</p> <p>(e) We have also assessed the adequacy of the Company's disclosures in respect of tax and uncertain tax positions.</p>

Information Other than the Ind-AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and the Report on Corporate Governance but does not include the Ind-AS financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report.

Our opinion on the Ind-AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind-AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind-AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind-AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind-AS financial statements that give a

true and fair view of the financial position, financial performance, changes in equity and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind-AS financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind-AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind-AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind-AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of the users of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind-AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind-AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the



adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flows Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind-AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the relevant rules issued thereunder.
 - e) On the basis of the written representations received from the Directors of the Company as on June 30, 2022, taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on June 30, 2022, from being appointed as a Director in terms of section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure B**.
 - g) According to information and explanations given to us and based on our examination of the records of the Company, the Company has paid managerial remuneration in

accordance with the requisite approvals mandated by the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 ("the Rules"), in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its Ind-AS financial statements – Refer Note. 36 to the Ind-AS financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv) The Management has represented that:
 - a) to the best of its knowledge and belief, other than as disclosed in the standalone Ind-AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) to the best of its knowledge and belief, other than as disclosed in the standalone Ind-AS financial statements, no funds have been received by the Company from any



person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Based on such audit procedures performed by us which is considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) of the Rules as provided under a) and (b) above contain any material misstatement.

- v) As per information and explanation represented by Management and based

on the records of the Company, the dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS

Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
Partner

M. No. 42454

UDIN: 22042454APNGBA5383

Mumbai: August 22, 2022.



Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the Members of the Company on the Ind-AS financial statements for the year ended June 30, 2022)

- (i) Property, Plant and Equipment
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - b) As explained to us, the Company has a program for physical verification of Property, Plant and Equipment at periodic intervals by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. The discrepancies reported on such verification are not material and have been properly dealt with in the books of account.
 - c) According to the information and explanations given to us, the title deeds, comprising all the immovable properties of buildings, other than self-constructed buildings, are held in the name of the Company. In respect of immovable properties of land that have been taken on lease and disclosed as non-current / current assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
 - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) during the year.
 - e) According to the information and explanations given to us, representation obtained from Management and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at June 30, 2022, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.
- (ii) Inventory
 - a) The inventory has been physically verified by the Management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on verification between the physical stocks and the book records were less than 10% in the aggregate for each class of inventories and have been properly dealt with in the books of account.
 - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of sub-clause (a), (b), (c), (d), (e) and (f) of paragraph 3(iii) of the Order are not applicable.
- (iv) According to the information and explanations given to us, the Company has not advanced any loans or given guarantee or provided any security to parties covered under section 185 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us and records examined by us, the provisions of section 186 of the Companies Act, 2013, in respect of loans given have been complied with by the Company.
- (v) According to the information and explanations given to us, the Company has not accepted

deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Act and the rules framed thereunder apply. Accordingly, paragraph (v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of specified products of the Company. For such products we have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination

of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us and records of the Company examined by us, in our opinion:

a) the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Goods and Services Tax, Cess, Professional Tax and other statutory dues, as applicable, with the appropriate authorities and there are no undisputed amounts which have remained outstanding as at the last day of the financial year, for a period of more than six months from the date they became payable.

b) there are no dues of Sales Tax, Value Added Tax, Service Tax, Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise or Cess or other statutory dues which have not been deposited with the appropriate authorities on account of any dispute, other than the following:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates *	Amount Involved (₹ in lakhs) **
The Central Excise Act, 1944	Excise Duty	Appellate Authority - up to Commissioners / Revisional authorities level	1994-95 to 1997-98, 2002-03 to 2004-05, 2006-07 to 2017-18	30,362
		Customs, Excise and Service Tax Appellate Tribunal	2004-05 to 2007-08	8
		High Court	1990-91	9
Sales Tax and Laws as per statutes applicable in various states	Sales Tax and VAT	Appellate Authority - up to Commissioners / Revisional authorities level	1999-00 to 2007-08, 2009-10 to 2013-14, 2015-16 to 2017-18	1,013
		Appellate Authority - Tribunal	1999-2000, 2002-2003, 2006-07 to 2011-12	1,603
Customs Act, 1962	Customs Duty	Appellate Authority - up to Commissioners / Revisional authorities level	2005-06 to 2006-07, 2012-13	1,534
Finance Act, 1994	Service Tax	Appellate Authority - up to Commissioners / Revisional authorities level	2007-08 to 2017-18	3,044
		Customs, Excise and Service Tax Appellate Tribunal	2010-11 to 2013-14	190
Income-tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	2010-11, 2013-14, 2014-15, 2015-16, 2016-17	60,718
	DDT	National Faceless Assessment Centre (NFAC)	2015-16, 2016-17	98

* Period denotes the financial year April to March

** includes penalty and interest on taxes, wherever applicable



(viii) According to the information and explanations given to us and on the basis of the records examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) Borrowings

- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, paragraph 3(ix)(a) of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or Government or any Government authority.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any term loans from any lender. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any funds on short-term basis. Accordingly, paragraph 3(ix)(d) of the Order is not applicable to the Company.
- e) According to the information and explanations given to us, representation obtained from Management, and on an overall examination of the financial statements of the Company, the Company does not have any subsidiaries, associates or joint ventures and accordingly reporting on paragraphs 3(ix)(e) and (f) of the Order are also not applicable.

(x) Allotment of Shares

- a) According to the information and explanations given to us, representation obtained from Management, the Company has not raised any money by way of initial public offer or further public offer (including debt

instruments) during the year. Accordingly, the provisions of paragraph 3(x)(a) of the Order is not applicable to the Company.

- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) Frauds

- a) According to the information and explanations given to us, on the basis of the records examined by us and representation from Management, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of the paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) Internal Audit System

- a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the Company issued till date for the period under audit.



- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) a) In our opinion, according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has also not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the provisions of paragraphs 3(xvi)(a) and (b) of the Order are not applicable.
- b) Neither the Company nor any company in the Group is a part of the Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of paragraphs 3(xvi)(c) and (d) of the Order are not applicable.
- (xvii) According to the information and explanations given to us and based on our examination of the financial statements of the Company, the Company has not incurred cash losses during the current financial year and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditor of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities,

other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and representation from Management. Our report does not give any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) There are no unspent amounts towards Corporate Social Responsibility (CSR) as at June 30, 2022. Accordingly, provisions of paragraphs 3(xx)(a) and 3(xx)(b) of the Order are not applicable for the year.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
 Firm Regn. No.: 104607W / W100166

Daraius Z. Fraser
Partner
 M. No. 42454
 UDIN: 22042454APNGBA5383

Mumbai: August 22, 2022.



Annexure B to the Independent Auditor's Report

(Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Ind-AS financial statements for the year ended June 30, 2022)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **GILLETTE INDIA LIMITED** ("the Company") as of June 30, 2022 in conjunction with our audit of the Ind-AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we

comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind-AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind-AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and directors of the Company; and



(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind-AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at June 30, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
Firm Regn. No.: 104607W / W100166

Darius Z. Fraser
Partner

M. No. 42454
UDIN: 22042454APNGBA5383

Mumbai: August 22, 2022.

**BALANCE SHEET**

as at June 30, 2022

	Notes	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Assets			
Non-current assets			
Property, plant and equipment	4	36 304	30 977
Capital work-in-progress	4	6 495	7 204
Financial assets			
(i) Loans	5	1 904	2 356
(ii) Other financial assets	11	493	400
Deferred tax assets (Net)	6	3 306	2 787
Non-current tax assets (Net)		12 747	13 643
Other non-current assets	7	4 351	5 240
Total non-current assets		65 600	62 607
Current assets			
Inventories	8	37 344	36 658
Financial assets			
(i) Trade receivables	9	25 638	19 794
(ii) Cash and cash equivalents	10 (a)	28 895	16 435
(iii) Bank balances other than (ii) above	10 (b)	212	197
(iv) Loans	5	344	426
(v) Other financial assets	11	410	667
Other current assets	7	2 387	2 740
Total current assets		95 230	76 917
Total assets		1 60 830	1 39 524
Equity and Liabilities			
Equity			
Equity share capital	12	3 259	3 259
Other equity	13	82 861	75 642
Total equity		86 120	78 901
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Leased Liabilities	15	7	11
Provisions	14	8 327	7 911
Total non-current liabilities		8 334	7 922
Current liabilities			
Financial liabilities			
(i) Leased Liabilities	15	5	5
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	16	2 358	1 148
Total outstanding dues of creditors other than micro enterprises and small enterprises	16	52 105	39 691
(iii) Other financial liabilities	17	4 276	4 403
Provisions	14	3 858	3 509
Current tax liabilities (Net)	18	888	909
Other current liabilities	19	2 886	3 036
Total current liabilities		66 376	52 701
Total liabilities		74 710	60 623
Total equity and liabilities		1 60 830	1 39 524
See accompanying notes to the financial statements			

In terms of our report attached

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Regn No : 104607W/W100166

Daraius Z. Fraser
Partner
M. No : 42454

Place: Mumbai
Date: August 22, 2022

For and on behalf of Board of Directors

Gurcharan Das
Chairman
DIN No : 00100011

Gautam Kamath
Director & Chief Financial Officer
DIN No : 09235167

L. V. Vaidyanathan
Managing Director
DIN No : 09632201

Flavia Machado
Company Secretary



STATEMENT OF PROFIT AND LOSS

for the year ended June 30, 2022

	Notes	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Income			
Revenue from operations	20	2 25 616	2 00 942
Other income	21	774	3 173
Total income		2 26 390	2 04 115
Expenses			
Cost of raw and packing materials consumed	22	59 141	48 267
Purchases of stock-in-trade (Traded Goods)		43 951	41 655
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	1 854	(1 849)
Employee benefits expense	24	15 011	14 322
Finance costs	25	1 053	525
Depreciation and amortization expense	4	6 836	5 752
Other expenses	26	57 411	52 497
Total expense		1 85 257	1 61 169
Profit before tax from operations		41 133	42 946
Tax expense			
Current tax	27.1	11 847	10 790
Deferred tax	27.1	(553)	59
Prior year tax adjustments	27.1	906	1 059
Income tax expense		12 200	11 908
Profit for the year		28 933	31 038
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss:			
Re-measurement of the defined benefit plans	30.2(B)	513	(613)
Income tax effect	27.2	(129)	154
Total other comprehensive income for the year		384	(459)
Total comprehensive income for the year		29 317	30 579
Earnings per equity share	29		
- Basic (in ₹)		88.79	95.25
- Diluted (in ₹)		88.79	95.25
Face Value of Equity Share (in ₹)		10.00	10.00

See accompanying notes to the financial statements

In terms of our report attached

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Regn No : 104607W/W100166

Darius Z. Fraser
Partner
M. No : 42454

Place: Mumbai
Date: August 22, 2022

For and on behalf of Board of Directors

Gurcharan Das
Chairman
DIN No : 00100011

Gautam Kamath
Director & Chief Financial Officer
DIN No : 09235167

L. V. Vaidyanathan
Managing Director
DIN No : 09632201

Flavia Machado
Company Secretary

**STATEMENT OF CASH FLOWS**

for the year ended June 30, 2022

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
A. Cash Flows from Operating Activities		
Profit before tax	41 133	42 946
Adjustments for:		
Depreciation and amortization expense	6 836	5 752
Loss/(Gain) on disposal of property, plant and equipment	38	(77)
Finance costs	1 053	525
Provision for doubtful receivables (net)	(124)	712
Interest income	(525)	(1 073)
Net unrealised foreign exchange loss	24	279
Expense recognised in respect of equity settled share based payments	386	206
Operating profit before working capital changes	48 821	49 270
Working capital adjustments		
(Increase) in trade receivables	(5 606)	(615)
Decrease in financial assets	798	1 310
(Increase) in inventories	(686)	(8 231)
Decrease in other assets	1 242	1 989
Increase in trade and other payables	13 197	10 345
Increase in provisions	782	1 452
Cash generated from operations	58 548	55 520
Income taxes paid (net of refund)	(12 395)	(11 204)
Net cash generated from operating activities	46 153	44 316
B. Cash Flows from Investing Activities		
Payment to acquire property, plant and equipment	(11 641)	(9 183)
Proceeds from sale of property, plant and equipment	9	166
Interest received	518	1 082
(Decrease) in earmarked balances	(90)	—
Net cash (used in) investing activities	(11 204)	(7 935)



STATEMENT OF CASH FLOWS

for the year ended June 30, 2022 (Contd.)

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
C. Cash Flows from Financing Activities		
Dividend paid on equity shares	(22 484)	(43 012)
Principal payment of lease liabilities	(4)	(3)
Interest paid on lease liabilities	(1)	(1)
Net cash (used in) financing activities	(22 489)	(43 016)
Net increase/(decrease) in cash and cash equivalents	12 460	(6 635)
Cash and cash equivalents at the beginning of the year	16 435	23 070
Cash and cash equivalents at the end of the year (refer note 10(a))	28 895	16 435

Note:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.

See accompanying notes to the financial statements

In terms of our report attached

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Regn No : 104607W/W100166

Daraius Z. Fraser
Partner
M. No : 42454

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Managing Director
DIN No : 09632201

Flavia Machado
Company Secretary

STATEMENT OF CHANGES IN EQUITY

for the year ended June 30, 2022

a. Equity share capital

	Amount ₹ in lakhs
Balance as at July 1, 2020	3 259
Changes in equity share capital during the year	—
Balance as at June 30, 2021	3 259
Changes in equity share capital during the year	—
Balance as at June 30, 2022	3 259

b. Other equity

	Attributable to the equity share holders of the Company							Total
	General reserve	Securities premium	Share options outstanding account	Retained earnings	Capital Reserve	Contingency reserve		
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	
Balance as at July 1, 2020 (refer note)	14 323	3 290	700	44 067	12 589	12 900	87 869	31 038
Profit for the year	—	—	—	31 038	—	—	—	—
Items of OCI for the year, net of tax	—	—	—	(459)	—	—	—	(459)
Remeasurement benefit of defined benefit plans	—	—	—	—	—	—	—	—
Total comprehensive income for the year	—	—	—	30 579	—	—	30 579	—
Payment of dividends (refer note 40)	—	—	—	(43 012)	—	—	(43 012)	—
Payment of dividend distribution tax	—	—	—	—	—	—	—	—
Transfer from retained earnings	—	—	—	—	—	—	—	—
Recognition of share-based payments	—	—	206	—	—	—	206	—
Balance as at June 30, 2021	14 323	3 290	906	31 634	12 589	12 900	75 642	28 933
Profit for the year	—	—	—	28 933	—	—	—	—
Items of OCI for the year, net of tax	—	—	—	—	—	—	—	—
Remeasurement benefit of defined benefit plans	—	—	—	384	—	—	384	—
Total comprehensive income for the year	—	—	—	29 317	—	—	29 317	—
Payment of dividends (refer note 40)	—	—	—	(22 484)	—	—	(22 484)	—
Recognition of share-based payments	—	—	386	—	—	—	386	—
Balance as at June 30, 2022	14 323	3 290	1 292	38 467	12 589	12 900	82 861	—

Note: There are no changes in other equity due to prior period errors.

See accompanying notes to the financial statements

In terms of our report attached

For **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Regn No : 104607W/W100166

Daraius Z. Fraser
Partner
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Place: Mumbai
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For and on behalf of Board of Directors

Gurcharan Das
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Managing Director
DIN No : 09632201

Gautam Kamath
Director & Chief Financial Officer
DIN No : 09235167

Flavia Machado
Company Secretary



Notes to Financial Statements for the year ended June 30, 2022

1 Corporate information

Gillette India Limited ('the Company') is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 having CIN L28931MH1984PLC267130. Its ordinary shares (Equity) are listed on two recognised stock exchanges in India. The registered office of the Company is located at P&G Plaza, Cardinal Gracias Road, Chakala, Andheri (E), Mumbai - 400099.

The Company is engaged in manufacturing and selling of branded packaged fast moving consumer goods in the grooming and oral care businesses. The Company's products are sold through retail operations including mass merchandisers, grocery stores, membership club stores, drug stores, department stores and high frequency stores. The Company has its manufacturing locations at Bhiwadi in Rajasthan and Baddi in Himachal Pradesh, apart from third party manufacturing locations spread across India.

2 Significant accounting policies

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

2.2 Basis of preparation and Measurement

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements have been prepared on the historical cost basis except for certain items that are measured at fair values at the end of the reporting period, as explained in accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurement that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2.

In addition, for the financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.



Notes to Financial Statements for the year ended June 30, 2022

2.3 Summary of significant accounting policies

a. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. Revenue is reduced for rebates and other similar allowances. Accumulated experience is used to estimate and accrue for the discounts and rebates considering the terms of the underlying schemes and arrangements with customers.

Goods and Services tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed and there are no longer unfulfilled obligations, at which time all the following conditions are satisfied:

- a. the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b. the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- c. the amount of revenue can be measured reliably at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as Goods and Services Tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates;
- d. it is probable that the economic benefits associated with the transaction will flow to the Company; and
- e. the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income

Interest income is recorded using the Effective Interest Rate (EIR). Interest income is included in Other Income in the Statement of Profit and Loss.

b. Leasing

The Company as a lessee

The Company's lease assets classes primarily consist of leases for land and plant & machinery. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) The contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

Notes to Financial Statements for the year ended June 30, 2022

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

c. Foreign currencies

The financial statements are presented in Indian Rupee (₹ in lakhs), which is also the Company's functional currency.

Transaction and balances

Transactions in currencies other than the Company's functional currency i.e. (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value is determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on such translations are recognised in the Statement of Profit and Loss in the period which they arise.

d. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for its intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.



Notes to Financial Statements for the year ended June 30, 2022

e. Employee benefits

i) Short term employee benefits - Short term employee benefits including salaries and performance incentives, are charged to the Statement of Profit and Loss on an undiscounted, accrual basis during the period of employment.

ii) Post-employment Benefits

a) Defined Contribution Plans:

The Company has Defined Contribution Plans for post employment benefits charged to the Statement of Profit and Loss, in the form of :

- Superannuation Fund as per Company policy administered by the Life Insurance Corporation of India.
- State Defined Contribution Plans: Employer's Contribution to Employees' State Insurance.

b) Defined Benefit Plans:

Funded Plan: The Company has Defined Benefit Plan for post employment benefits in the form of

- Gratuity for all employees administered through a trust, which is administered through trustees and / or Life Insurance Corporation of India, where one of the group company is also the participant.
- Provident Fund for all permanent employees is administered through a trust. The Provident Fund is administered by trustees of an independently constituted common trust recognised by the Income Tax authorities where two other group Companies are also participants. Periodic contributions to the Fund are charged to revenue and when services are rendered by the employees. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and notified interest rate by the Government.

Unfunded Plan: The Company has unfunded Defined Benefit Plans in the form of Post Retirement Medical Benefits (PRMB) and Compensated Absences (plant technicians) as per its policy.

Liability for the above defined benefit plans is provided on the basis of valuation, as at the Balance Sheet date, carried out by independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to Retained Earnings through Other Comprehensive Income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in the Statement of Profit and Loss on the earlier of:

- ▶ The date of the plan amendment or curtailment, and
- ▶ The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate at the beginning of the year to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- ▶ Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- ▶ Net interest expense or income



Notes to Financial Statements for the year ended June 30, 2022

- iii) Liability for Compensated Absences, Bonus, Leave Travel Allowance etc which are in the nature of short term benefits is provided for as per Company rules based on the undiscounted amount of benefits expected to be paid in exchange of services rendered.
- iv) Termination benefits and long service awards in terms of Company policy are recognised as an expense as and when incurred.

f. Share-based payment arrangements

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The Procter & Gamble Company, USA has an "Employee Stock Option Plan (ESOP)" whereby the specified employees covered by the plan are granted an option to purchase shares of the Ultimate Holding Company i.e. The Procter & Gamble Company, USA at a fixed price (grant price) for a fixed period of time. The difference between the market price and grant price on the exercise of the stock options issued by the Ultimate Holding Company to the employees of the Company is charged in the year of exercise by the employees. Parent company will recharge an amount equal to spread as on date of exercise of options.

The cost of equity-settled transactions is recognised in employee benefits expense, together with a corresponding increase in equity (other reserves) over the period in which the service and performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. Recharge to parent company to the extent of fair value of options will be debited in equity reserves and any excess recharge above the fair value of options will be recognised as equity distribution from the Company.

Employee share purchase plan

The Procter & Gamble Company, USA has an "International Stock Ownership Plan (ISOP)" (employee share purchase plan) whereby specified employees of its subsidiaries have been given a right to purchase shares of the Ultimate Holding Company i.e. The Procter and Gamble Company, USA. Every employee who opts for the scheme contributes by way of payroll deduction up to a specified percentage (upto 15%) of base salary towards purchase of shares on a monthly basis. The Company contributes 50% of employee's contribution (restricted to 2.5% of his base salary) and charged to employee benefit expenses. The expenses related ISOP are recognised immediately in the Statement of Profit and Loss statement since there are no vesting conditions attached to the scheme.

The expense in the Statement of Profit and Loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit and Loss.

g. Taxation

Income tax expense represents the sum of the current tax and deferred tax.



Notes to Financial Statements for the year ended June 30, 2022

Current tax

Provision for current tax for the Company's financial year ended on June 30 is based on the results of the period July 1 to March 31 (later part of the fiscal year ended March 31) and for the balance and for the period April 1 to June 30 (beginning of the next fiscal year) as per the provisions of the Income Tax Act, 1961 and other applicable tax laws. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

h. Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated. Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and



Notes to Financial Statements for the year ended June 30, 2022

equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Cost of Property, plant and equipment which are not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they are incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful life, using straight-line method. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The management's estimate of useful lives are in accordance with Schedule II to the Act, other than certain assets which are based on the Company's expected usage pattern supported by technical assessment.

The estimated useful life of certain property, plant and equipment of the Company are as follows:

Asset Class	Useful lives
Buildings	20 - 30 years
Plant & machinery	10 - 15 years
Furniture and fixtures	3 - 15 years
Office equipment	3 - 15 years
Vehicles	4 - 8 years
Moulds & Dies	3 - 15 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

i. Impairment of property, plant and equipment

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its own carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.



Notes to Financial Statements for the year ended June 30, 2022

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal is recognised immediately in the Statement of Profit and Loss.

j. Inventories

Inventories consist of raw and packing materials, stores and spares, work in progress, stock-in-trade and finished goods. Inventories are valued at lower of cost and net realisable value after providing for obsolescence and other losses where considered necessary. Cost of inventories is determined on weighted average basis. Cost of manufactured finished goods and work-in-progress includes material cost determined on weighted average basis and also includes an appropriate portion of allocable overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

k. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) 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 a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, its present value, that reflects the current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in the Notes to the Financial Statements. Contingent liabilities are disclosed for (1) possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the financial statements as this may result in the recognition of income that may never be there.

l. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liabilities (other than financial asset and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transactions costs directly attributable to the acquisition of financial asset and financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

m. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Notes to Financial Statements for the year ended June 30, 2022

All recognised financial assets are subsequently measured at either amortised cost or fair value through profit or loss or fair value through other comprehensive income, depending on the classification of the financial assets. Financial assets are not reclassified subsequent to their recognition, except during the period the Company changes its business model for managing financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- a) The asset is held within a business model whose objective is to hold assets in order or collect contractual cash flows; and
- b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that does not meet the above conditions are subsequently measured at fair value. Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). A financial asset not classified as either amortised cost or Fair Value through OCI, is classified as Fair Value through Profit or loss.

Effective interest method

The effective interest is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount in initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in the Statement of Profit and Loss and is included in the "Other income" line item.

Impairment of financial assets

The Company applies expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.



Notes to Financial Statements for the year ended June 30, 2022

For trade receivables or any contractual right to receive cash, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience with adjusted for forward-looking information.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all of the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the Statement of Profit and Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost, the exchange differences are recognised in the Statement of Profit and Loss.

n. Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liability or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.



Notes to Financial Statements for the year ended June 30, 2022

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at initial recognition are classified as financial liabilities at fair value through profit or loss, loans, borrowings and trade payables, as appropriate.

Financial liabilities that are not held-for-trading and are not designated as at fair value through profit or loss are measured at amortised cost at the end of the subsequent accounting period. The carrying amount of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance costs" in the Statement of Profit and loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, (where appropriate), a shorter period, to the net carrying amount at initial recognition.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instrument and are recognised in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial liability when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

o. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

p. Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

q. Earnings Per Share

Basic earnings per share is computed by dividing the net profit for the year after tax for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit / loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



Notes to Financial Statements for the year ended June 30, 2022

r. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

s. Recent accounting pronouncements

Standards issued but not yet effective.

Ministry of Corporate Affairs (MCA), vide notification dated 23rd March, 2022, has made the following amendments to Ind AS which are effective July 1, 2022:

- a) Ind AS 109: Annual Improvements to Ind AS (2021)
- b) Ind AS 103: Reference to Conceptual Framework
- c) Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract
- d) Ind AS 16: Proceeds before intended use

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its financial statements.

3 Critical accounting judgments and key sources of estimation uncertainty

3.1 Critical judgments in applying accounting policies

In the application of the Company's accounting policies, which are described in Note 2, the Directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision if it affects both current and future periods.

3.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a. Useful lives of property, plant and equipment

As described at 2.3 (h) above, the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period.

b. Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Management of the Company determines appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities is disclosed in Note 31.



Notes to Financial Statements for the year ended June 30, 2022

c. Defined benefit obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the Management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in note 24, 'Employee benefits expense'.

d. Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions (refer note 27).

- e. Measurement and likelihood of occurrence of provisions and contingencies – As disclosed in Note 14 and Note 36, Management has estimated and measured the likelihood of the litigations and accounted the provision and contingencies as appropriate.

Notes to Financial Statements for the year ended June 30, 2022

4 Property, plant and equipment and capital work-in-progress

Property, plant and equipment	At June 30, 2022 ₹ in lakhs	At June 30, 2021 ₹ in lakhs
Owned Assets	35 598	30 255
Leased Assets	706	722
Total	36 304	30 977

A. Owned Assets

	Buildings ₹ in lakhs	Plant & machinery ₹ in lakhs	Furniture and fixtures ₹ in lakhs	Office equipment ₹ in lakhs	Vehicles ₹ in lakhs	Moulds & Dies ₹ in lakhs	Total ₹ in lakhs
Gross Block							
At July 1, 2020	6 624	31 105	2 572	2 576	164	6 536	49 577
Additions	268	4 705	248	174	—	1 777	7 172
Disposals	(30)	(73)	(11)	(11)	—	(25)	(150)
At June 30, 2021	6 862	35 737	2 809	2 739	164	8 288	56 599
Additions	555	7 628	469	345	50	3 163	12 210
Disposals	—	(31)	(24)	(5)	—	(39)	(99)
At June 30, 2022	7 417	43 334	3 254	3 079	214	11 412	68 710
Accumulated depreciation							
At July 1, 2020	1 080	15 914	672	1 294	48	1 661	20 669
Depreciation charge for the year	360	4 256	324	190	17	589	5 736
Disposals	(9)	(30)	(5)	(5)	—	(12)	(61)
At June 30, 2021	1 431	20 140	991	1 479	65	2 238	26 344
Depreciation charge for the year	389	4 968	332	247	20	864	6 820
Disposals	—	(13)	(8)	(1)	—	(30)	(52)
At June 30, 2022	1 820	25 095	1 315	1 725	85	3 072	33 112
Net carrying amount							
At June 30, 2022	5 597	18 239	1 939	1 354	129	8 340	35 598
At June 30, 2021	5 431	15 597	1 818	1 260	99	6 050	30 255
At July 1, 2020	5 544	15 191	1 900	1 282	116	4 875	28 908

Notes:

- (a) None of the above assets are mortgaged / hypothecated as security by the Company.
 (b) The amount of contractual commitments for the acquisition of property, plant and equipment is disclosed in note 35.

Notes to Financial Statements for the year ended June 30, 2022

4 Property, plant and equipment and capital work-in-progress (Contd.)

B. Leased Assets

	Land	Plant & machinery	Total
	₹ in lakhs	₹ in lakhs	₹ in lakhs
Gross Block as on July 1, 2020	731	23	754
Additions	—	—	—
Disposals	—	—	—
At June 30, 2021	731	23	754
Additions	—	—	—
Disposals	—	—	—
At June 30, 2022	731	23	754
Accumulated depreciation as on July 1, 2020	11	5	16
Depreciation charge for the year	11	5	16
At June 30, 2021	22	10	32
Depreciation charge for the year	11	5	16
At June 30, 2022	33	15	48
Net Block as at June 30, 2020	720	18	738
Net Block as at June 30, 2021	709	13	722
Net Block as at June 30, 2022	698	8	706

The Company has adopted Ind AS 116 effective July 1, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application July 1, 2019.

C. Capital work-in-progress

	At June 30, 2022 ₹ in lakhs	At June 30, 2021 ₹ in lakhs
Capital work-in-progress	6 495	7 204
	6 495	7 204

Capital work-in-progress ageing schedule

As at June 30, 2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2 925	3 469	27	74	6 495
Projects temporarily suspended	—	—	—	—	—
Sub Total	2 925	3 469	27	74	6 495



Notes to Financial Statements for the year ended June 30, 2022

As at June 30, 2021	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1 058	1	6 110	35	7 204
Projects temporarily suspended	—	—	—	—	—
Sub Total	1 058	1	6 110	35	7 204

Note : The Company does not have any overdue projects as at the end of the periods.

5 Loans

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Unsecured considered good		
Non-current		
Loans to related parties (refer note (a), (c) and note 33)	324	—
Loan to employees (refer note (a))	1 580	2 356
	1 904	2 356
Current		
Loans to related parties (refer note (b), (c) and note 33)	39	—
Loan to employees (refer note (a))	305	426
	344	426

Notes:

- (a) Non-current loan to related parties includes loan to key managerial personnel ₹ 324 lakhs (June 30, 2021: ₹ Nil).
- (b) Current loan to related parties includes loan to key managerial personnel ₹ 39 lakhs (June 30, 2021: ₹ Nil).
- (c) Loans given to employees / key managerial personnel as per the Company's policy are not considered for the purposes of disclosure under Section 186 (4) of the Act.
- (d) There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
- repayable on demand; or
 - without specifying any terms or period of repayment

6 Deferred tax assets (Net)

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Deferred tax assets	3 652	3 304
Deferred tax liabilities	(346)	(517)
	3 306	2 787

Notes to Financial Statements for the year ended June 30, 2022

Deferred tax assets / (liabilities) in relation to:

2021-2022	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing Balance
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Property plant and equipment	(517)	171	—	(346)
Voluntary retirement scheme	312	(114)	—	198
Allowance for doubtful debts	120	(30)	—	90
Disallowance u/s 43 B of the Income Tax Act, 1961	2 307	697	(129)	2 875
Other temporary differences	565	(76)	—	489
	2 787	648	(129)	3 306

2020-2021	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing Balance
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Property plant and equipment	(384)	(133)	—	(517)
Voluntary retirement scheme	369	(57)	—	312
Provision for doubtful debts	100	20	—	120
Disallowance u/s 43 B of the Income Tax Act, 1961	1 538	615	154	2 307
Other temporary differences	681	(116)	—	565
	2 304	329	154	2 787

7 Other assets

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Non-current		
Other loans and advances		
Capital advances	69	20
Balances with government authorities (includes amounts deposited with Excise, Sales Tax and other authorities, pending resolution of disputes)	4 282	5 220
	4 351	5 240
Current		
Prepaid expenses	—	1
Other advances (including advance to vendors)	239	274
Advance to employees (refer note (a) below)	8	32
Balances with government authorities (includes Service Tax and Cenvat credit receivable)	2 140	2 433
	2 387	2 740

(a) Advances given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186 (4) of the Act.



Notes to Financial Statements for the year ended June 30, 2022

8 Inventories

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Inventories (lower of cost and net realisable value)		
Raw materials (including packing materials)	15 068	12 859
Work-in-progress	1 134	1 261
Finished goods*	10 055	10 550
Stock-in-trade*	8 797	10 029
Consumable stores and spares	2 290	1 959
	37 344	36 658

*Includes in transit ₹ 15 245 lakhs (June 30, 2021: ₹ 8 057 lakhs in transit)

- (a) The cost of inventories recognised as an expense during the year is disclosed in note 22, 23 and 26.
- (b) The cost of inventories recognised as an expense includes ₹ Nil (during 2020-2021: ₹ Nil) in respect of write-downs of inventory to net realisable value. There has been no reversal of such write down in current and previous years.

9 Trade receivables

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Unsecured, considered good	25 638	19 794
Credit Impaired	392	535
	26 030	20 329
Less: Allowance for expected credit loss	(392)	(535)
	25 638	19 794

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the provision matrix.

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Movement in the allowance for doubtful receivables

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Balance at the beginning of the year	535	575
Amounts written off during the year (net)	(19)	25
Changes in allowance for credit impairment during the year	(124)	(65)
Balance at end of the year	392	535



Notes to Financial Statements for the year ended June 30, 2022

Ageing for trade receivables as at June 30, 2022

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
Considered good	24 489	917	—	58	155	19	25 638
Which have significant increase in credit risk	—	—	—	—	—	—	—
Credit impaired	—	35	31	189	33	104	392
Disputed trade receivables							
Considered good	—	—	—	—	—	—	—
Which have significant increase in credit risk	—	—	—	—	—	—	—
Credit impaired	—	—	—	—	—	—	—
Sub Total	24 489	952	31	247	188	123	26 030
Less: Allowance for Credit Impairment							(392)
Total							25 638

Ageing for trade receivables as at June 30, 2021

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
Considered good	17 198	2 213	383	—	—	—	19 794
Which have significant increase in credit risk	—	—	—	—	—	—	—
Credit impaired	—	28	44	149	206	108	535
Disputed trade receivables							
Considered good	—	—	—	—	—	—	—
Which have significant increase in credit risk	—	—	—	—	—	—	—
Credit impaired	—	—	—	—	—	—	—
Sub Total	17 198	2 241	427	149	206	108	20 329
Less: Allowance for Credit Impairment							(535)
Total							19 794



Notes to Financial Statements for the year ended June 30, 2022

10(a) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents include cash in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting year as shown in the Statement of Cash Flows can be reconciled to the related items in the Balance Sheet as follows:

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Balances with banks:		
- In current accounts	3 646	2 769
- Deposits with original maturity of less than three months	25 249	13 666
Cash and cash equivalents as per Balance Sheet	28 895	16 435
Cash and cash equivalents as per Statement of Cash Flows	28 895	16 435

10(b) Other bank balances

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Earmarked accounts		
- Unclaimed / Unpaid dividend account	211	193
- Other earmarked accounts (deposits with sales tax authorities)	1	1
Bank deposits with original maturity more than 3 months but less than 12 months	—	3
	212	197

11 Other financial assets

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Non-current		
Security deposits	493	400
	493	400
Current		
Security deposits	36	21
Due from related parties (refer note 33)	363	642
Interest accrued on deposits with banks	11	4
	410	667

Notes to Financial Statements for the year ended June 30, 2022

12 Equity share capital

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Authorised share capital:		
3 30 00 000 fully paid equity shares of ₹ 10 each	3 300	3 300
	3 300	3 300
Issued and subscribed share capital:		
3 25 85 217 fully paid equity shares of ₹ 10 each	3 259	3 259
	3 259	3 259

12.1 Fully paid equity shares

	Number of shares	Share Capital ₹ in lakhs
Balance at July 1, 2020	3 25 85 217	3 259
Movements	—	—
Balance at June 30, 2021	3 25 85 217	3 259
Movements	—	—
Balance at June 30, 2022	3 25 85 217	3 259

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

No shares are bought back by the Company during the period of 5 years immediately preceding the Balance Sheet date.

No shares are allotted as fully paid up by way of bonus shares during the period of 5 years immediately preceding the Balance Sheet date.

No shares are reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.

No shares are allotted as fully paid up pursuant to contracts without being payment received in cash during the period of 5 years immediately preceding the Balance Sheet date.

12.2 Details of shares held by ultimate holding company / holding company and / or their subsidiaries / associates

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Ultimate Holding Company		
The Procter & Gamble Company, USA	—	—
Holding Company		
Procter & Gamble Overseas India BV, The Netherlands	1 307	1 307
Subsidiaries of the Ultimate Holding Company		
Gillette Diversified Operations Private Limited	1 136	1 136



Notes to Financial Statements for the year ended June 30, 2022

12.3 Details of shareholders holding more than 5% equity shares in the company

	As at June 30, 2022		As at June 30, 2021	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
<i>Equity shares of ₹ 10 each fully paid</i>				
Procter & Gamble Overseas India BV, The Netherlands	1 30 73 465	40.12	1 30 73 465	40.12
Gillette Diversified Operations Private Limited	1 13 64 338	34.88	1 13 64 338	34.88

12.4 Details of shareholdings by the promoter's of the company

Promoter Name	As at June 30, 2022		As at June 30, 2021		% change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
Procter & Gamble Overseas India BV, The Netherlands	1 30 73 465	40.12	1 30 73 465	40.12	—
Gillette Diversified Operations Private Limited	1 13 64 338	34.88	1 13 64 338	34.88	—
Total Promoters shares outstanding	2 44 37 803	75.00	2 44 37 803	75.00	—
Total shareholding	3 25 85 217		3 25 85 217		

13 Other equity

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Reserves & surplus		
General reserve	14 323	14 323
Securities premium	3 290	3 290
Share options outstanding account	1 292	906
Retained earnings	38 467	31 634
Capital reserve	12 589	12 589
Contingency reserve	12 900	12 900
	82 861	75 642

13.1 General reserve

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Balance at the beginning of year	14 323	14 323
Transferred from surplus in Statement of Profit and Loss	—	—
Balance at the end of year	14 323	14 323

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the Statement of Profit and Loss.

Notes to Financial Statements for the year ended June 30, 2022

13.2 Securities Premium

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Balance at the beginning of year	3 290	3 290
Movements	—	—
Balance at the end of year	3 290	3 290

The amount received in excess of face value of the equity shares is recognised in securities premium which is utilised in accordance with the provisions of the Act.

13.3 Share options outstanding account

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Balance at the beginning of year	906	700
Arising on share-based compensation	386	206
Balance at the end of year	1 292	906

The above reserve relates to share options granted by the Ultimate Holding Company to specific employees of its subsidiaries under its employee stock option plan. Further information about share-based payments to employees is set out in note 32.

13.4 Retained earnings

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Balance at the beginning of year	31 634	44 067
Profit attributable to the owners of the Company	28 933	31 038
Other comprehensive income arising from remeasurement of defined benefit obligation (net of income tax)	384	(459)
Payment of interim / final dividend on equity shares (refer note 40)	(22 484)	(43 012)
Balance at the end of year	38 467	31 634

This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefits obligation. This Reserve can be utilised in accordance with the provisions of the Act.

In December 2021, final dividend of ₹ 36 per share (total dividend ₹ 11 731 lakhs) for the year ended June 30, 2021 was paid to holders of fully paid equity shares. In December 2020, the final dividend paid was ₹ 49 per share (total dividend including tax thereon ₹ 15 966 lakhs) for the year ended June 30, 2020 .

In February 2022, an interim dividend of ₹ 33 per share (total dividend ₹ 10 753 lakhs) was paid to holders of fully paid equity shares.

In February 2021, an interim dividend of ₹ 33 per share (total dividend including tax thereon ₹ 10 753 lakhs) was paid to holders of fully paid equity shares.

In May 2021, an interim dividend of ₹ 50 per share (total dividend including tax thereon ₹ 16 293 lakhs) was paid to holders of fully paid equity shares.



Notes to Financial Statements for the year ended June 30, 2022

13.5 Capital reserve

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Balance at the beginning of year	12 589	12 589
Movements	—	—
Balance at the end of year	12 589	12 589

The above reserve represents the difference between value of the net assets transferred to the Company in the course of business combinations / amalgamations and the consideration paid for such combinations/ amalgamations and capital grant received from its erstwhile parent.

13.6 Contingency reserve

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Balance at the beginning of year	12 900	12 900
Transferred from retained earnings	—	—
Balance at the end of year	12 900	12 900

The Company had in earlier years filed a writ petition in the High Court of Himachal Pradesh at Shimla challenging the premature withdrawal of Excise duty exemption for packing/repacking activities at its Baddi Manufacturing Facility. The High Court has since passed an order on April 24, 2008 in favour of the Company and has struck down the notification withdrawing the excise exemption. The Excise department has preferred an appeal on October 31, 2009 with the Hon'ble Supreme Court of India against the said order of the High Court. The Company has, as a matter of prudence, created a Contingency Reserve of ₹ 12 900 lakhs by way of appropriation of profits to the extent of excise duty payable (net of Cenvat credit) on dispatches made from the Baddi plant. This Reserve will be reviewed as and when this litigation is finally decided. The appropriation has been made till March 9, 2017, being the last date of excise exemption.

14 Provisions

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Employee benefits (refer note (i) below)	8 370	7 944
Other provisions	3 815	3 476
	12 185	11 420
Current	3 858	3 509
Non - current	8 327	7 911
	12 185	11 420

Notes to Financial Statements for the year ended June 30, 2022

Other provisions

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Balance at the beginning of year	3 476	2 800
Additional provision recognised	339	676
Reduction arising from payments	—	—
Balance at the end of year	3 815	3 476

- (i) The provision for employee benefits includes gratuity, post retirement medical benefits (PRMB) and compensated absences. For other disclosures refer note 30.

15 Lease Liabilities

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Non-current		
Lease liabilities payable beyond 12 months	7	11
	7	11
Current		
Lease liabilities payable within 12 months	5	5
	5	5

The movement in Lease liabilities (Non-current and Current) is as follows:

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Balance as at beginning of the year	16	19
Add: Addition	—	—
Add: Accretion of interest	1	1
Less: Payments (including foreclosure)	5	4
Less: Others (including foreclosure)	—	—
Balance as at end of the year	12	16



Notes to Financial Statements for the year ended June 30, 2022

16 Trade payables

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Total outstanding dues of micro enterprises and small enterprises (refer note 37)	2 358	1 148
Total outstanding dues of creditors other than micro enterprises and small enterprises	52 105	39 691
	54 463	40 839

Ageing for trade payables as at June 30, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	—	2 146	212	—	—	—	2 358
Undisputed dues - Others	25 783	24 290	1 832	71	129	—	52 105
Disputed dues - MSME	—	—	—	—	—	—	—
Disputed - Others	—	—	—	—	—	—	—
Total	25 783	26 436	2 044	71	129	—	54 463

Ageing for trade payables as at June 30, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	—	949	199	—	—	—	1 148
Undisputed dues - Others	26 749	12 156	748	35	1	2	39 691
Disputed dues - MSME	—	—	—	—	—	—	—
Disputed - Others	—	—	—	—	—	—	—
Total	26 749	13 105	947	35	1	2	40 839

17 Other financial liabilities

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Current		
Payables for property, plant and equipment	4 065	4 210
Unclaimed / Unpaid dividends *	211	193
	4 276	4 403

*There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Act as at June 30, 2022 (Previous year: Nil).

Notes to Financial Statements for the year ended June 30, 2022

18 Current tax liabilities (Net)

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Income tax payable	888	909
	888	909

19 Other current liabilities

	As at June 30, 2022 ₹ in lakhs	As at June 30, 2021 ₹ in lakhs
Superannuation	5	5
Taxes and other liabilities (including statutory remittances, excise and sales tax payable)	2 881	3 031
	2 886	3 036

20 Revenue from operations

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Sale of products	2 25 616	2 00 942
	2 25 616	2 00 942

21 Other income

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Interest income earned on:		
Bank deposits	525	1 073
Other financial assets carried at amortised cost	92	87
	617	1 160
Other non-operating income (net of expenses directly attributable to such income)		
Write-back of liabilities no longer required	1	17
Miscellaneous Income	156	1 996
	157	2 013
Total	774	3 173



Notes to Financial Statements for the year ended June 30, 2022

22 Cost of raw and packing materials consumed

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Inventories at the beginning of year	12 859	6 130
Add: Purchases	61 350	54 996
	74 209	61 126
Less: inventories at the end of year	15 068	12 859
Cost of raw and packing materials consumed	59 141	48 267

23 Changes in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Inventories at the beginning of year:		
Finished Goods	10 550	4 233
Stock-in-Trade	10 029	14 795
Work-in-Progress	1 261	963
	21 840	19 991
Inventories at the end of year:		
Finished Goods	10 055	10 550
Stock-in-Trade	8 797	10 029
Work-in-Progress	1 134	1 261
	19 986	21 840
Net Decrease/(Increase)	1 854	(1 849)

24 Employee benefits expense

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Salaries and wages*	10 425	9 673
Contribution to provident and other funds (refer note 30)	1 405	1 294
Share-based payment to employees (refer note 32)	738	652
Staff welfare expense	517	758
Reimbursement of employee cost cross charged by related parties (refer note 38)	1 926	1 945
	15 011	14 322

* Salaries and Wages includes ₹ Nil (Previous year: ₹ Nil) for expenditure on Voluntary Retirement Scheme.

Notes to Financial Statements for the year ended June 30, 2022

25 Finance costs

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Interest costs:		
Interest expense on trade payables (refer note 37)	134	134
Interest on lease liabilities	1	1
Interest on Income tax	421	—
Net interest on the net defined benefit liability (refer note 30)	497	390
	1 053	525

26 Other expenses

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Consumption of store and spares	1 314	1 872
Processing charges	3 301	3 283
Power and fuel	1 652	1 432
Freight, transport, warehousing and distribution charges	4 262	2 553
Rent (refer note 34)	375	372
Rates and taxes	287	655
Insurance	67	28
Repairs and maintenance		
Plant and machinery	253	214
Others	579	679
Trade incentives	3 303	2 753
Advertising expenses	25 569	23 638
Royalty	1 975	1 890
Business process outsourcing expenses	5 478	2 421
Travelling and conveyance	536	450
Communication costs	139	98
Computer expenses	551	460
Legal and professional fees	1 431	1 298
Directors commission	75	81
Payment to auditors (refer note 26.1)	126	129
Exchange differences (net)	556	581
Inventory written off (net of Insurance claims recovered)	1 616	1 370
Provision for doubtful receivables (net)	(124)	712
Loss on sale of property, plant and equipment (net)	38	(77)
Miscellaneous expenses	3 363	4 809
Reimbursement of expenses shared by related parties (refer note 38)	689	796
	57 411	52 497



Notes to Financial Statements for the year ended June 30, 2022

26.1 Payments to auditors:

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
(a) To statutory auditors		
For audit	105	105
For other services	16	19
Reimbursement of expenses	5	5
	126	129

26.2 Corporate Social Responsibility

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
(i) Amount required to be spent by the Group	727	667
(ii) Amount spent during the year on:		
(a) Construction/acquisition of asset	—	—
(b) For purposes other than (a) above	618	1 610
(iii) Set off from previous year	109	—
(iv) Shortfall at the end of the year	—	—
(v) Total of previous years shortfall	—	—
(vi) Reason for shortfall	—	—

(vii) The Corporate Social Responsibility activities to be undertaken by the Company, include, but are not limited to promoting education through interventions in remedial learning, early child education, digital remedial learning, education infrastructure and supporting education of girls and women.

(viii) Amount of surplus to be carried forward in subsequent years for set off:

₹ in lakhs

Amount spent in excess of requirement under section 135(5) of Companies Act, 2013	Opening balance	Amount required to be spent during the year	Actual amount spent during the year	Surplus carried forward to be set off in subsequent years
FY 20 - 21	—	667	1 610	943
FY 21 - 22	943	727	618	834

(ix) None of the above amount spent is through any related party / affiliate.

(x) The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.

Notes to Financial Statements for the year ended June 30, 2022

27 Income tax expense

27.1 Income tax recognised in the Statement of Profit and Loss

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Current tax		
In respect of the current year	11 847	10 790
In respect of prior years	1 001	1 447
	12 848	12 237
Deferred tax		
In respect of the current year	(553)	59
In respect of prior years	(95)	(388)
	(648)	(329)
Total income tax expense recognised in the current year	12 200	11 908

The income tax expense for the year can be reconciled to the accounting profit as follows:

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Profit before tax	41 133	42 946
Income tax expense calculated at 25.168% (2020-2021: 25.168%)	10 352	10 809
Effect of allowances	—	—
Effect of expenses that are not deductible in determining taxable profits	942	40
Effect of income that is exempt from taxation	—	—
	11 294	10 849
Adjustments recognised in the current year in relation to the current tax/deferred tax of prior years	906	1 059
Income tax expense recognised in the Statement of Profit and Loss	12 200	11 908

The tax rate used for 2021-22 is the corporate tax rate of 25.168%. The tax rate used for 2020-21 is the corporate tax rate of 25.168% applicable under the Indian laws.

27.2 Income tax recognised in other comprehensive income

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Deferred tax		
Arising on expense recognised in other comprehensive income		
Remeasurement of defined benefit obligations	129	(154)
	129	(154)
Total income tax recognised in other comprehensive income not to be reclassified to Statement of Profit and Loss	129	(154)



Notes to Financial Statements for the year ended June 30, 2022

28 Segment information

28.1 Products from which reportable segments derive their revenues

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods delivered. The Directors of the Company have chosen to organise the Company around differences in products. No operating segments have been aggregated in arriving at the reportable segments of the Company.

Specifically, the Company's reportable segments under Ind AS 108 - Operating Segments are as follows:

- The grooming segment, produces and sells shaving system and cartridges, blades, toiletries and components.
- The oral care segment, produces and sells tooth brushes and oral care products.

28.2 Segment revenues and results

	Segment revenue		Segment profit	
	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Grooming	1 72 307	1 53 535	33 831	37 262
Oral Care	53 309	47 407	7 761	5 144
Total	2 25 616	2 00 942	41 592	42 406
Add / (Less): unallocated corporate expenses net of unallocated income			(180)	(2 108)
Other income			774	3 173
Finance costs			(1 053)	(525)
Profit before tax			41 133	42 946

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2020-2021: Nil).

The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 2.3(o). Segment profit represents the profit before tax earned by each segment without allocation of unallocated corporate expenses net of unallocated income, other income as well as finance costs. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

28.3 Segment assets and liabilities

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Segment assets		
Grooming	93 641	83 249
Oral Care	11 529	10 855
Total segment assets	1 05 170	94 104
Unallocated	55 660	45 420
Total assets	1 60 830	1 39 524

Notes to Financial Statements for the year ended June 30, 2022

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Segment liabilities		
Grooming	45 047	34 162
Oral Care	13 480	10 887
Total segment liabilities	58 527	45 049
Unallocated	16 183	15 574
Total liabilities	74 710	60 623

For the purpose of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments other than loans, other financial assets and income and deferred tax assets. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and
- All liabilities are allocated to reportable segments other than other financial liabilities and current tax liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to the segment cost ratio.

28.4 Other segment information

	Depreciation expense		Capital expenditure	
	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Grooming	6 814	5 734	11 641	9 017
Oral Care	—	—	—	—
	6 814	5 734	11 641	9 017

28.5 Geographical information

The Company operates in two principal geographical areas - India (country of domicile) and outside India. The Company's revenue from external customers by location of operations and information about its segment assets by location of assets are detailed below:

	Revenue from external customers		Segment assets	
	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
India	2 06 787	1 85 954	1 05 170	94 104
Outside India	18 829	14 988	—	—
	2 25 616	2 00 942	1 05 170	94 104

There are no transactions with single external customer which amounts to 10% or more of the Company's revenue.



Notes to Financial Statements for the year ended June 30, 2022

29 Earnings per share

	Year ended June 30, 2022 ₹ per share	Year ended June 30, 2021 ₹ per share
Basic and diluted earnings per share		
Total basic earnings per share (face value ₹ 10)	88.79	95.25
Total diluted earnings per share (face value ₹ 10)	88.79	95.25

29.1 Basic and Diluted earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Profit for the year attributable to owners of the Company	28 933	31 038
Earnings used in calculation of basic and diluted earnings per share	28 933	31 038

	Year ended June 30, 2022	Year ended June 30, 2021
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	3 25 85 217	3 25 85 217

30 Employee benefit plans

30.1 Defined contribution plans

The Company operates defined contribution superannuation fund and employees' state insurance plan for all qualifying employees of the Company. Where employees leave the plan, the contributions payable by the Company is reduced by the amount of forfeited contributions.

The employees of the Company are members of a state-managed employer's contribution to employees' state insurance plan and superannuation fund which is administered by the Life Insurance Corporation of India. The Company is required to contribute a specific percentage of payroll costs to the contribution schemes to fund the benefit. The only obligation of the Company with respect to the contribution plan is to make the specified contributions.

The total expense recognised in the statement of profit and loss of ₹ 62 lakhs (for the year ended June 30, 2021: ₹ 58 lakhs) for superannuation fund represent contributions payable to these plans by the Company at rates specified in the rules of the plans. As at June 30, 2022, contributions of ₹ 5 lakhs (as at June 30, 2021: ₹ 5 lakhs) due in respect of 2021-2022 (2020-2021) reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the reporting periods.

30.2 Defined benefit plans

a) Gratuity Plan (Funded)

The Company sponsors funded defined benefit gratuity plan for all eligible employees of the Company. The Company's defined benefit gratuity plan is a final salary plan for India employees, which requires contributions to be made to a separately administered trust, which is administered through trustees and / or Life Insurance Corporation of India, where one of the group company is also the participant. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

Notes to Financial Statements for the year ended June 30, 2022

b) **Provident Fund (Funded)**

Provident Fund for all permanent employees is administered through a trust. The provident fund is administered by trustees of an independently constituted common trust recognised by the Income Tax authorities where one of the group company is also a participant. Periodic contributions to the fund are charged to revenue. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and notified interest rate by the Government. The contribution by employer and employee together with interest are payable at the time of separation from service or retirement whichever is earlier. The benefit under this plan vests immediately on rendering of service.

c) **Post Retirement Medical Benefit (PRMB) (Unfunded)**

The Company provides certain post-employment medical benefits to employees. Under the scheme, employees get medical benefits subject to certain limits of amount, periods after retirement and types of benefits, depending on their grade at the time of retirement. Employees separated from the Company as part of early separation scheme are also covered under the scheme. The liability for post retirement medical scheme is based on an independent actuarial valuation.

d) **Compensated absences for Plant technicians (Unfunded)**

The Company also provides for compensated absences for plant technicians which allows for encashment of leave on termination / retirement of service or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Company makes provision for compensated absences based on an actuarial valuation carried out at the end of the year.

These plans typically expose the Company to actuarial risks such as: Investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality rate of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plans liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase on the salary of plan participants will increase the plans liability.

In respect of the plans, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at June 30, 2022. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

A. **The principal assumptions used for the purposes of the actuarial valuations were as follows:**

	Valuations as at	
	June 30, 2022	June 30, 2021
Discount rate:		
Gratuity plan (funded)	7.40%	6.50%
Compensated absence plan (unfunded)	7.40%	6.50%
Post retirement medical benefit (PRMB) (unfunded)	7.40%	6.50%



Notes to Financial Statements for the year ended June 30, 2022

	Valuations as at	
	June 30, 2022	June 30, 2021
Expected rate of salary increase		
Gratuity plan (funded) - Managers	9.00%	9.00%
Gratuity plan (funded) - Non-managers	12.00%	12.00%
Compensated absence plan (unfunded)	9.00%	9.00%
Compensated absence plan (unfunded) - Non-managers	12.00%	12.00%
Post retirement medical benefit (PRMB) (unfunded)	NA	NA
Medical Inflation rate		
Post retirement medical benefit (PRMB) (unfunded)	5.50%	5.50%
Average longevity at retirement age for current beneficiaries of the plan (years)		
Post retirement medical benefit (PRMB) (unfunded)	20.98	21.82
Demographic Assumptions		
Mortality in Service: Indian Assured Lives Mortality (2006-08) Ultimate table		
Mortality in Retirement: Indian Individual Annuitant's Mortality Table (2012-15)		

B. Amounts recognised in the Statement of profit and loss in respect of these defined benefit plans are as follows:

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Gratuity Plan (Funded)		
Service costs:		
Current service cost	495	456
Net interest expense	440	348
Components of defined benefit costs recognised in the statement of profit and loss (A)	935	804
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	(16)	(5)
Actuarial (gains) / losses arising from changes in assumptions	(657)	1 097
Actuarial (gains) / losses arising from changes in demographic assumptions	—	(503)
Actuarial (gains) / losses arising from changes in experience adjustments	166	24
Components of defined benefit costs recognised in other comprehensive income (B)	(507)	613
Total (C=(A+B))	428	1 417

Notes to Financial Statements for the year ended June 30, 2022

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Compensated absence plan (Unfunded)		
Service costs:		
Current service cost	83	55
Net interest expense	50	36
Immediate recognition of (gains)/losses – other long term employee benefit plans	(146)	141
Components of defined benefit costs recognised in the statement of profit and loss (D)	(13)	232
Post retirement medical benefit (PRMB) (Unfunded)		
Service costs:		
Current service cost	1	1
Net interest expense	6	6
Components of defined benefit costs recognised in the statement of profit and loss (E)	7	7
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in assumptions	(10)	—
Past service cost - plan amendments	4	—
Actuarial (gains) / losses arising from changes in demographic adjustments	—	—
Actuarial (gains) / losses arising from changes in experience adjustments	—	—
Components of defined benefit costs recognised in other comprehensive income (F)	(6)	—
Total (G=(E+F))	1	7
Total defined benefit costs recognised in the statement of profit and loss	929	1 043
Total defined benefit costs recognised in other comprehensive income	(513)	613

The current service cost for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The net interest expense for the year is included in the 'Finance costs' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.



Notes to Financial Statements for the year ended June 30, 2022

C. The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Gratuity Plan (Funded)		
Present value of funded defined benefit obligation	8 069	7 685
Fair value of plan assets	(870)	(913)
Net liability arising from defined benefit obligation	7 199	6 772
Compensated absence plan (Unfunded)		
Present value of funded defined benefit obligation	743	784
Net liability arising from defined benefit obligation	743	784
Post retirement medical benefit (PRMB) (Unfunded)		
Present value of funded defined benefit obligation	106	106
Net liability arising from defined benefit obligation	106	106

D. Movement in the present value of the defined benefit obligation are as follows:

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Gratuity Plan (Funded)		
Opening defined benefit obligation	7 685	6 509
Current service cost	495	456
Interest cost	495	413
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in assumptions	(657)	1 097
Actuarial (gains) / losses arising from changes in demographic assumptions	—	(503)
Actuarial (gains) / losses arising from changes in experience adjustments	166	24
Benefits paid	(115)	(311)
Closing defined benefit obligation	8 069	7 685
Compensated absence plan (Unfunded)		
Opening defined benefit obligation	784	567
Current service cost	83	55
Interest cost	50	36
Immediate recognition of (gains)/losses – other long term employee benefit plans	(146)	141
Benefits paid	(28)	(15)
Closing defined benefit obligation	743	784

Notes to Financial Statements for the year ended June 30, 2022

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Post retirement medical benefit (PRMB) (Unfunded)		
Opening defined benefit obligation	106	101
Current service cost	1	1
Interest cost	6	6
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in assumptions	(10)	—
Past service cost - plan amendments	4	—
Actuarial (gains) / losses arising from changes in demographic adjustments	—	—
Actuarial (gains) / losses arising from changes in experience adjustments	—	—
Benefits paid	(1)	(2)
Closing defined benefit obligation	106	106

E. Movement in the fair value of the plan assets are as follows:

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Gratuity Plan (Funded)		
Opening fair value of plan assets	913	1 153
Interest Income	55	65
Remeasurement gain / (loss):		
Return on plan assets (excluding amounts included in net interest expense)	16	5
Employer Contributions	1	1
Benefits paid	(115)	(311)
Closing fair value of plan assets	870	913

F. The fair value of the plan assets for plan at the end of the reporting year is as follows:

	Gratuity Plan (Funded)	
	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Life Insurance Corporation of India	870	913
Total	870	913

Expected employer contributions for the period ending June 30, 2022 is ₹ Nil (for the year ended June 30, 2021: ₹ Nil)

The Company's Plan Assets in respect of Gratuity, alongwith one of the group company, is funded through the group scheme of the Life Insurance Corporation of India.

The actual return on plan assets was ₹ 71 lakhs (for the year ended June 30, 2021: ₹ 70 lakhs).



Notes to Financial Statements for the year ended June 30, 2022

Maturity profile of defined benefit obligation:

	Gratuity Plan ₹ in lakhs
Within 1 year	571
1 - 2 year	676
2 - 3 year	908
3 - 4 year	847
4 - 5 year	888
5 - 10 years	4333

Significant actuarial assumptions of the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Gratuity Plan (Funded)

If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by ₹ 329 lakhs (increase by ₹ 354 lakhs) (as at June 30, 2021: decrease by ₹ 341 lakhs (increase by ₹ 368 lakhs)).

If the expected salary growth increases (decreases) by 0.5%, the defined benefit obligation would increase by ₹ 344 lakhs (decrease by ₹ 324 lakhs) (as at June 30, 2021: increase by ₹ 389 lakhs (decrease by ₹ 327 lakhs)).

Compensated absence plan (Unfunded)

If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by ₹ 38 lakhs (increase by ₹ 42 lakhs) (as at June 30, 2021: decrease by ₹ 44 lakhs (increase by ₹ 49 lakhs)).

If the expected salary growth increases (decreases) by 0.5%, the defined benefit obligation would increase by ₹ 41 lakhs (decrease by ₹ 38 lakhs) (as at June 30, 2021: increase by ₹ 46 lakhs (decrease by ₹ 43 lakhs)).

Post retirement medical benefit (PRMB) (Unfunded)

If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by ₹ 6 lakhs (increase by ₹ 7 lakhs) (as at June 30, 2021: decrease by ₹ 7 lakhs (increase by ₹ 7 lakhs)).

If the expected medical inflation rate increases (decreases) by 0.5%, the defined benefit obligation would increase by ₹ 6 lakhs (decrease by ₹ 6 lakhs) (as at June 30, 2021: increase by ₹ 6 lakhs (decrease by ₹ 6 lakhs)).

The sensitivity analysis presented above may not be representative of the actual change of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method as the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes to Financial Statements for the year ended June 30, 2022

30.3 Provident Fund

The Provident Fund assets and liabilities are managed by "Gillette India Limited Provident Fund" in line with The Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

The plan guarantees minimum interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefit vests immediately on rendering of the services by the employee. In terms of the guidance note issued by the Institute of Actuaries of India for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumptions provided below, there is no shortfall as at June 30, 2022.

The Company's contribution to Provident Fund ₹ 849 Lakhs (Previous Year: ₹ 780 Lakhs) has been recognised in the statement of profit and loss under the head employee benefits expense (refer note 24).

The details of the "Gillette India Limited Provident Fund" and plan assets position as at June 30, 2022 is given below:

Particulars	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Present value of net benefit obligation at period end	(832)	(1 099)
Fund reserves at period end, restricted to the net benefit obligation	832	1 099

Assumptions used in determining the present value obligation of the interest rate guarantee under the Projected Unit Credit Method (PUCM):

	Valuations as at	
	June 30, 2022	June 30, 2021
Discounting Rate	7.40%	6.50%
Expected Guaranteed interest rate	8.10%*	8.50%*

* Rate mandated by EPFO

31 Financial instruments

31.1 Capital management

The Company manages its capital to ensure that it will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. Equity share capital and other equity are considered for the purpose of group's capital management.

The Company is not subject to any externally imposed capital requirements.

The Company's risk management committee manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return on capital to shareholders or issue new shares.



Notes to Financial Statements for the year ended June 30, 2022

31.2 Categories of financial instruments

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Financial assets		
Measured at amortised cost		
(i) Trade receivables	25 638	19 794
(ii) Cash and cash equivalents	28 895	16 435
(iii) Bank balances other than (ii) above	212	197
(iv) Loans	2 248	2 782
(v) Other financial assets	903	1 067
Financial liabilities		
Measured at amortised cost		
(i) Trade payables	54 463	40 839
(ii) Other financial liabilities	4 276	4 403
(iii) Leased liabilities	12	16

31.3 Financial risk management objectives

The Company's overall policy with respect to managing risks associated with financial instruments is to minimise potential adverse effects of financial performance of the Company. The policies for managing specific risks are summarised below.

31.4 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Liabilities as at		Assets as at	
	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
USD	12 894	15 027	4 856	10 387
EUR	1 633	1 231	—	—
JPY	135	211	—	—
GBP	18	66	—	—
BDT	12	571	—	—
AUD	—	52	—	—
PLN	9	15	—	—
SGD	—	11	—	—

Notes to Financial Statements for the year ended June 30, 2022

31.4.1 Foreign currency sensitivity analysis

The Company is mainly exposed to the currencies stated above.

The following table details impact to profit or loss of the Company by sensitivity analysis of a 10% increase and decrease in the respective currencies against the functional currency of the Company. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible changes in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change on foreign currency rates.

If the relevant foreign currency strengthens/weakens by 10% against the functional currency of the Company, profit or loss will increase (decrease) by:

	Increase / (decrease) at + 10%		Increase / (decrease) at - 10%	
	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
USD	(804)	(464)	804	464
EUR	(163)	(123)	163	123
JPY	(14)	(21)	14	21
GBP	(2)	(7)	2	7
BDT	(1)	(57)	1	57
AUD	—	(5)	—	5
PLN	(1)	(2)	1	2
SGD	—	(1)	—	1

31.5 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company performs ongoing credit evaluation of the counterparty's financial position as a means of mitigating the risk of financial loss arising from defaults. The Company only grants credit to creditworthy counterparties.

The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics as disclosed in Note 9 to the financial statements.

31.6 Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company does not have interest bearing borrowings, it is not exposed to risk of changes in market interest rates. The Company has not used any interest rate derivatives.

31.7 Other price risk management

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. The Company is not exposed to pricing risk as the Company does not have any investments in equity instruments and bonds.

31.8 Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company maintains adequate highly liquid assets in the form of cash to ensure necessary liquidity.



Notes to Financial Statements for the year ended June 30, 2022

The table below analyse financial liabilities of the Company into relevant maturity groupings based on the reporting period from the reporting date to the contractual maturity date:

	Less than 1 Year ₹ in lakhs	Between 1 to 5 Years ₹ in lakhs	Over 5 years ₹ in lakhs	Total ₹ in lakhs	Carrying Value ₹ in lakhs
As at June 30, 2022					
Trade Payables	54 463	—	—	54 463	54 463
Other financial liabilities	4 281	7	—	4 288	4 288
As at June 30, 2021					
Trade Payables	40 839	—	—	40 839	40 839
Other financial liabilities	4 408	11	—	4 419	4 419

31.9 Fair value measurements

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

32 Share-based payments

a) International Stock Ownership Plan (Stocks of the Ultimate Holding Company)

The Gillette Company, USA (TGC) had a “Global Employee Stock Ownership Plan” (employee share purchase plan) whereby specified employees of its subsidiaries have been given a right to purchase shares of TGC. Every employee who opted for the scheme contributed by way of payroll deduction up to a specified percentage (upto 15%) of his gross salary towards purchase of shares on a monthly basis. The Company contributes 50% of employee's contribution (restricted to 2.5% of gross salary). Such contribution is charged under employee benefits expense. Subsequent to the worldwide merger of Aquarium Acquisition Corporation (wholly owned subsidiary of the Procter & Gamble Company, USA) with TGC on October 1, 2005, the shares of TGC got delisted from the New York Stock Exchange and the share purchase plan has been adopted by the Procter & Gamble Company, USA.

The shares of TGC (till September 30 2005) / The Procter & Gamble Company, USA are listed with New York Stock Exchange of USA and are purchased on behalf of the employees at market price on the date of purchase. During the year 3305.18 shares (Previous year: 3117.14 shares) excluding dividend were purchased by employees at weighted average fair value of ₹ 11 238.69 (Previous year: ₹ 9 923.26) per share. The Company's contribution during the year on such purchase of shares amounts to ₹ 104 lakhs (Previous year: ₹ 89 lakhs).

b) Employees Stock Options Plan (Stocks of the Ultimate Holding Company)

The Gillette Company, USA (TGC) had an Employees Stock Options Scheme whereby specified employees of its subsidiaries covered by the plan were granted an option to purchase shares of the Parent Company i.e. The Gillette Company, USA at a fixed price (grant price) for a fixed period of time. Subsequent to the worldwide merger of Aquarium Acquisition Corporation (wholly owned subsidiary of the Procter & Gamble Company, USA) with The Gillette Company, USA on October 1, 2005, the shares of The Gillette Company got delisted from the New York Stock Exchange. Upon this change in control the 2005 Gillette Option award got automatically converted into P&G options at the established conversion ratio of 0.975 shares in the Procter and Gamble Company, USA for every share held in the Gillette Company. The shares of the Gillette Company (till September 30, 2005) / The Procter & Gamble Company, USA were/are listed with New York Stock Exchange of USA. The options were issued to Key Employees of the Company with Exercise price equal to the market price of the underlying shares on the date of the grant. The Grants issued are vested after 3 years/5 years and have a 5 years /10 years life cycle.

Notes to Financial Statements for the year ended June 30, 2022

The expense recognised for employee services received during the year is shown in the following table:

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Expense arising from equity-settled share-based payment transactions	634	575
Total expense arising from share-based payment transactions	634	575

There were no cancellations or modifications to the awards in June 30, 2022 or June 30, 2021.

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year (excluding SARs):

	Year ended June 30, 2022	Year ended June 30, 2022	Estimated fair value of Options Granted	Year ended June 30, 2021	Year ended June 30, 2021	Estimated fair value of Options Granted
	Number	WAEP (in \$)	in ₹	Number	WAEP (in \$)	in ₹
Outstanding at July 1	43 056	134.93	—	46 979	119.57	—
Granted during the year						
15-Sep-21	1 714	145.12	1 607	—	—	—
1-Oct-21	1 956	139.58	10 529	—	—	—
1-Oct-21	717	139.58	10 529	—	—	—
1-Oct-21	717	139.58	10 529	—	—	—
1-Oct-21	8 359	139.58	1 637	—	—	—
9-Dec-21	187	153.32	11 565	—	—	—
1-Jun-22	1 030	145.64	10 986	—	—	—
15-Sep-20	—	—	—	223	138.63	1 497
1-Oct-20	—	—	—	2 140	139.24	10 252
1-Oct-20	—	—	—	4 637	139.24	1 562
Exercised during the year	(2 118)	155.53	—	(10 273)	132.66	—
Expired during the year	—	—	—	—	—	—
Forfeited during the year	—	—	—	(650)	—	—
Outstanding at June 30	55 618	143.79		43 056	134.93	
Exercisable at June 30	24 637	143.79		22 570	134.93	

The weighted average share price at the date of exercise of these options was \$ 155.53 (June 30, 2021: \$ 132.66).

The weighted average remaining contractual life for the share options outstanding as at June 30, 2022 was 6.14 (June 30, 2021: 6.18) years.

The weighted average fair value of options granted during the year was ₹ 4 469 (June 30, 2021: ₹ 4 216).

These fair values for share options granted during the year were calculated using binomial lattice-based model. The following tables list the inputs to the models used for the plans for the years ended June 30, 2022 and June 30, 2021, respectively:

	Year ended June 30, 2022	Year ended June 30, 2021
Dividend yield (%)	2.45%	2.38%
Expected volatility (%)	18.65%	20.17%
Risk-free interest rate (%)	1.51%	0.59%



Notes to Financial Statements for the year ended June 30, 2022

33 Related party disclosures

The Group Companies of The Procter & Gamble Company, USA include, among others, Gillette Worldwide Holding LLC; Procter & Gamble India Holdings BV; Procter & Gamble Iron Horse Holding BV; Procter & Gamble Eastern Europe LLC; Procter & Gamble Nordic LLC; Procter & Gamble Global Holding Limited; Procter & Gamble Luxembourg Global SARL; Procter & Gamble International SARL; Procter & Gamble India Holdings Inc.; Procter & Gamble International Operations, SA; Gillette Group (Europe) Holdings, BV; Procter & Gamble Canada Holding BV; Procter & Gamble Overseas Canada, BV.

(a) Related party where control exists:

Relationship	Name of the Company
Ultimate Holding Company	The Procter & Gamble Company, USA
Holding Company	Procter & Gamble Overseas India BV, The Netherlands

(b) Other parties with whom transactions have taken place during the year.

(i) Fellow Subsidiaries

S. No.	Name of the Company	S. No.	Name of the Company
1	The Procter & Gamble Distributing LLC	12	Procter & Gamble Nigeria Limited
2	The Procter & Gamble US Business Services Company	13	Procter & Gamble Trading (Thailand) Limited
3	The Gillette Company LLC	14	Procter & Gamble Middle East FZE
4	Procter & Gamble International Operations SA	15	Procter & Gamble International Operations Sa-Rohq
5	Gillette Poland International SP. Z.O.O	16	Gillette Diversified Operations Private Limited
6	Procter & Gamble Home Products Private Limited	17	Procter & Gamble Services Company NV
7	Procter & Gamble Health Limited	18	Procter & Gamble International Operations SA Singapore Branch
8	Procter & Gamble Philippines Business Services - Inc	19	Procter & Gamble Indochina Company Limited
9	Procter & Gamble Polska SP.Z O.O	20	Procter & Gamble International Operations S.A. Dubai Branch
10	Gillette (Shanghai) Ltd	21	Procter & Gamble Bangladesh Private Limited
11	Procter & Gamble Hygiene & Health Care Limited	22	The Procter & Gamble Manufacturing Company

(ii) Investing company in respect of which the Company is an associate:

S. No.	Name of the Company
1	Gillette Diversified Operations Private Limited (w.e.f. December 22, 2017)

Notes to Financial Statements for the year ended June 30, 2022

(iii) Key Management Personnel of the Company:

S. No.	Name	Designation
1	Mr. L. V. Vaidyanathan	Managing Director (w.e.f. July 1, 2022)
2	Mr. Madhusudan Gopalan	Managing Director (w.e.f. July 1, 2018)*
3	Mr. Gagan Sawhney	Chief Financial Officer (w.e.f. January 1, 2017)**
4	Mr. Gagan Sawhney	Executive Director (w.e.f. August 22, 2019)***
5	Mr. Karthik Natarajan	Whole time director (w.e.f. January 23, 2017)****
6	Mr. Gautam Kamath	Executive Director and Chief Financial Officer (w.e.f. August 1, 2021)
7	Mr. Srinivas Maruthi Patnam	Executive Director (w.e.f. September 1, 2021)

*Ceased to be the Managing Director effective June 30, 2022.

**Ceased to be the Chief Financial Officer effective July 31, 2021.

*** Redesignated as Non-Executive Director effective August 01, 2021.

****Redesignated as Non-Executive Director effective August 24, 2021.

Note: Related parties have been identified by the management.

(c) Details of related party transactions between the Company and its related parties are as under:

₹ in lakhs					
S. No.	Nature of Transactions	For the year ended June 30	Ultimate Holding & Holding Company	Fellow Subsidiary Companies	Key Managerial Personnel
1	Purchase of Goods	2022	—	39 242	—
		2021	—	36 039	—
2	Purchase of Equipment/Assets/Spares	2022	—	7 870	—
		2021	—	6 009	—
3	Purchase of Duty Scripts	2022	—	223	—
		2021	—	325	—
4	Sale of Products	2022	—	16 781	—
		2021	—	13 750	—
5	Sale of Capital goods	2022	—	—	—
		2021	—	134	—
6	Recovery of Expenses Cross charged	2022	159	1 258	—
		2021	228	1 262	—
7	Expenses cross-charged	2022	262	1 722	—
		2021	365	1 685	—
8	Reimbursement of expenses shared by group cos. (Income)	2022	—	2 561	—
		2021	—	2 404	—
9	Reimbursement of expenses shared by group cos. (Expense)	2022	—	5 706	—
		2021	—	5 688	—
10	Business Process Outsourcing expenses	2022	4 729	749	—
		2021	1 719	660	—



Notes to Financial Statements for the year ended June 30, 2022

₹ in lakhs

S. No.	Nature of Transactions	For the year ended June 30	Ultimate Holding & Holding Company	Fellow Subsidiary Companies	Key Managerial Personnel
11	Royalty	2022	—	1 976	—
		2021	—	1 890	—
12	Computer Expenses	2022	—	551	—
		2021	—	501	—
13	Rent expenses	2022	—	446	—
		2021	—	444	—
14	Dividend Remitted/Paid	2022	9 021	7 841	—
		2021	17 257	15 001	—
15	Managerial Remuneration	2022	—	—	675
		2021	—	—	232
16	Outstanding as at June 30				
	Loans	2022	—	—	363
		2021	—	—	—
	Trade and other receivables	2022	60	4 941	—
		2021	—	9 853	—
	Trade payables	2022	2 114	12 371	—
		2021	822	15 000	—

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The Company has not recorded any impairment of receivables relating to amounts owed by related parties in the current year or prior years. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(d) Disclosure in respect of material transactions of the same type with related parties during the year:

₹ in lakhs

S. No.	Nature of Transactions	Year ended June 30, 2022	Year ended June 30, 2021
1	Purchase of Goods		
	Procter & Gamble International Operations SA Singapore Br	29 576	26 004
	Procter & Gamble International Operations SA	3 103	4 204
	Others	6 563	5 831
2	Purchase of Equipment/Assets/Spares		
	The Procter & Gamble Distributing LLC	7 848	6 009
	Others	22	—
3	Purchase of Duty Scripts		
	Gillette Diversified Operations Pvt. Ltd	223	325

Notes to Financial Statements for the year ended June 30, 2022

₹ in lakhs

S. No.	Nature of Transactions	Year ended June 30, 2022	Year ended June 30, 2021
4	Sale of Products		
	Procter & Gamble International Operations SA Singapore Br	9 726	7 661
	Procter & Gamble Bangladesh Pvt. Ltd	6 662	5 292
	Others	393	797
5	Sale of Capital goods		
	Procter & Gamble Indochina Company Ltd	—	134
6	Recovery of Expenses Cross charged		
	Procter & Gamble Home Products Private Ltd	645	508
	Procter & Gamble Hygiene and Health Care Limited	64	67
	The Procter & Gamble Company, USA	159	228
	Procter & Gamble International Operations SA	12	9
	Gillette Diversified Operations Pvt. Ltd	129	233
	Procter & Gamble Health Ltd	228	216
	Procter & Gamble International Operations SA Singapore Br	137	—
	Others	43	229
7	Expenses cross-charged		
	Procter & Gamble Home Products Private Ltd	1 281	1 173
	Gillette Diversified Operations Pvt. Ltd	69	120
	Procter & Gamble Hygiene and Health Care Limited	293	334
	The Procter & Gamble Company, USA	262	365
	Others	79	58
8	Reimbursement of expenses shared by group cos. (Income)		
	Procter & Gamble Home Products Private Ltd	1 640	1 483
	Procter & Gamble Hygiene and Health Care Limited	921	921
9	Reimbursement of expenses shared by group cos. (Expense)		
	Procter & Gamble Hygiene and Health Care Limited	2 186	2 109
	Procter & Gamble Home Products Private Ltd	3 520	3 579
10	Business Process Outsourcing expenses		
	Procter & Gamble Philippines Business Services - Inc	749	—
	Procter & Gamble International Operations SA-ROHQ	—	660
	The Procter & Gamble Company, USA	4 729	1 719
11	Royalty		
	The Gillette Company LLC	1 976	1 890
12	Computer Expenses		
	The Procter & Gamble US Business Services Company	551	501



Notes to Financial Statements for the year ended June 30, 2022

₹ in lakhs

S. No.	Nature of Transactions	Year ended June 30, 2022	Year ended June 30, 2021
13	Rent expenses		
	Procter & Gamble Home Products Private Ltd	446	444
14	Dividend Remitted/Paid		
	Procter & Gamble Overseas India BV, The Netherlands	9 021	17 257
	Gillette Diversified Operations Pvt. Ltd	7 841	15 001

(e) Compensation of key management personnel

The remuneration of directors and other key management personnel during the year was as follows:

₹ in lakhs

	Year ended June 30, 2022	Year ended June 30, 2021
Short-term benefits	322	141
Post-employment benefits	203	—
Share-based payments	150	91
	675	232

(f) Other transactions with key management personnel

₹ in lakhs

	Year ended June 30, 2022	Year ended June 30, 2021
Loan realised	40	—
Interest Income	17	—

34 Leasing arrangements

The Company has taken on lease certain guesthouses, office premises and warehouses with an option of renewal at the end of the lease term and escalation clause in some of the cases. These leases can be terminated with a prior notice as per terms and conditions of the respective lease agreements. The cost of lease for the guesthouses, office premises and warehouses are disclosed under rent expense.

35 Commitments

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Estimated amount of contracts remaining to be executed on capital account and not provided for	370	666
	370	666

Notes to Financial Statements for the year ended June 30, 2022

36 Contingent liabilities

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Claims against company not acknowledged as debts:		
(a) Income tax matters	72 301	52 651
(b) Sales tax matters		
(i) Non submission of "C" Forms/"F" Forms	1 903	1 935
(ii) Other sales tax matters	565	640
(c) Excise duty, service tax and customs duty matters		
(i) Denial of excise duty benefits at excise exempt location of which the Company has a right to claim Cenvat credit of ₹ 16 034 lakhs	30 320	30 320
(ii) Denial of Cenvat credit	29	29
(iii) Service tax matters	3 235	3 235
(iv) Customs valuation disputes	1 528	1 528
(v) Other excise, service tax and customs matters	25	25
(d) Other matters		
(i) Other claims - The Company is a party to various legal proceedings in the normal course of business.	124	126
(ii) Demand from Delhi Development Authority	3 424	3 424
	1 13 454	93 913

37 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
(a) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2 358	1 148
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	822	688
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	5 570	4 782
Principal paid beyond the appointed date	5 570	4 782
Interest paid in terms of Section 16 of the Act	—	—
(d) The amount of interest due and payable for the year	134	134
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	822	688
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	6	9

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



Notes to Financial Statements for the year ended June 30, 2022

38 (a) Reimbursement/(Recovery) of expenses cross charged to related parties include payment/recoveries on account of finance, personnel, secretarial, administration and planning services rendered under common services agreement of the Company with Procter & Gamble Hygiene and Health Care Limited and Procter & Gamble Home Products Private Limited. (refer note 39).

38 (b) Certain expenses in the nature of employee costs, relocation costs and other expenses are cross charged by the Company to its fellow subsidiaries at actual. Similar expenses incurred by fellow subsidiaries are cross charged to the Company at actual.

39 (a) Managerial Remuneration

The computation of managerial remuneration excludes an amount of ₹ 358 lakhs (Previous year: ₹ 141 lakhs) in respect of managerial personnel cross-charged from Procter & Gamble Hygiene and Health Care Limited and Procter & Gamble Home Products Private Limited in terms of common services agreement referred to in note 38 (a) above.

39 (b) Commission to Non-Executive Directors

During the current year, an aggregate amount of ₹ 75 lakhs (Previous Year: ₹ 81 lakhs) has been provided as commission payable to the Non-Executive Directors which is within the overall limits of commission payable to such directors under Schedule V to the Companies Act, 2013.

40 Dividend

	Year ended June 30, 2022 ₹ in lakhs	Year ended June 30, 2021 ₹ in lakhs
Dividend on equity shares paid during the year		
Final dividend for the FY 2020-21: ₹ 36 (Previous year for FY 2019-20: ₹ 49) per equity share of ₹ 10 each	11 731	15 966
Interim dividends for the FY 2021-22: ₹ 33 (Previous year for FY 2020-21: ₹ 83) per equity share of ₹ 10 each	10 753	27 046
TOTAL	22 484	43 012

Proposed Dividend:

The Board of Directors at its meeting held on August 22, 2022 have recommended a payment of final dividend of ₹ 36 per equity share of face value of ₹ 10 each for the financial year ended June 30, 2022 resulting in a dividend payout of ₹ 11 731 lakhs.

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.



Notes to Financial Statements for the year ended June 30, 2022

41 Accounting Ratios

No.	Name of the Ratio	Numerator	Denominator	2021-22	2020-21	Change	Explanation for changes over 25% in the ratios, if any
1	Current Ratio	Current Assets	Current Liabilities	1.43	1.46	-2%	
2	Debt equity ratio	Total debt	Equity	—	—	0%	
3	Debt Service Coverage Ratio	Earnings available for debt service	Total debt service	—	—	0%	
4	Return on Equity	Net profit	Average shareholder equity	35%	37%	-4%	
5	Inventory turnover	Total Sales	Average Inventory	6.10	6.17	-1%	
6	Trade Receivables turnover	Total Sales	Average trade receivable	9.93	10.34	-4%	
7	Trade payables turnover	Total Purchases	Average trade payable	2.21	2.37	-7%	
8	Net capital turnover	Total Sales	Working Capital	7.82	8.30	-6%	
9	Net Profit	Net profit	Net Sales	13%	15%	-17%	
10	Return on Capital employed	Earning before interest and taxes	Capital employed	0.45	0.50	-11%	
11	Return on investment	Income generated from Investments	Time Weighted Average Investments	0.03	0.07	-59%	Refer note

Note : Second interim dividend for FY 20-21 was paid in the fourth quarter of the financial year. This resulted in lower cash at end of previous year and through the current year generating lower income from investments.

42 (a) No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- i) Crypto Currency or Virtual Currency
- ii) Benami Property held under Benami Transactions (Prohibition) Act, 1988 (45 of 1988)
- iii) Registration of charges or satisfaction with Registrar of Companies.
- iv) Relating to borrowed funds:
 - a) Wilful defaulter
 - b) Utilisation of borrowed funds & share premium
 - c) Borrowings obtained on the basis of security of current assets
 - d) Discrepancy in utilisation of borrowings
 - e) Current maturity of long term borrowings



Notes to Financial Statements for the year ended June 30, 2022

42(b) The Company has not entered into any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

42(c) Relationship with Struck off companies

Name of struck off company	Nature of transactions with struck off company	As at June 30, 2022	Relationship with struck off company if any to be disclosed	As at June 30, 2021	Relationship with struck off company if any to be disclosed
L&C PEREIRA HSG CO PVT LTD	Vendor	—	None	—	None

43 During the previous year, National Anti Profiteering Authority (NAA) passed an order alleging that the Company has profiteered to the tune of ₹ 5 799 lakhs (excluding interest) and had directed the Company to deposit the said amount along with interest @18% into the Consumer Welfare Funds. The Company filed an appeal before Hon'ble Delhi High Court against the said order of NAA and the Hon'ble High Court has passed a 'status quo' order in favour of the Company, effectively staying the operation of the NAA order.

44 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

45 Approval of financial statements

The financial statements were approved for issue by the Board of Directors on August 22, 2022.

Signatures to Notes 1 to 45

For and on behalf of Board of Directors

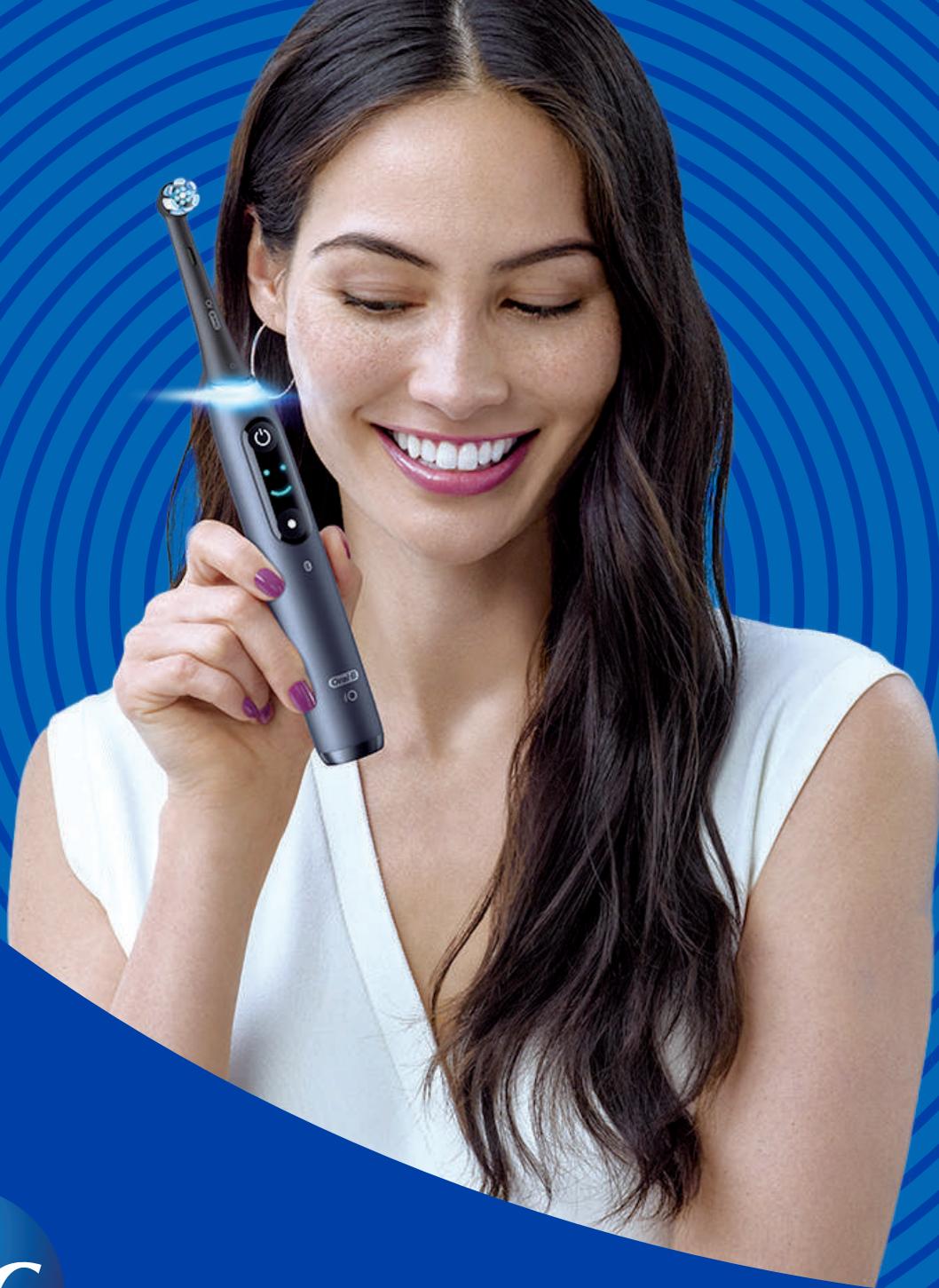
Gurcharan Das
Chairman
DIN No : 00100011

L. V. Vaidyanathan
Managing Director
DIN No : 09632201

Gautam Kamath
Director & Chief Financial Officer
DIN No : 09235167

Flavia Machado
Company Secretary

Place: Mumbai
Date: August 22, 2022



Gillette India Limited

P&G Plaza, Cardinal Gracias road, Chakala,
Andheri (East), Mumbai : 400099
Tel. : (91-22) 2826 6000, Fax: (91-22) 2826 7337



NOTICE

NOTICE is hereby given that the Thirty-Eighth Annual General Meeting ("AGM") of the Members of the Company will be held on **Friday, November 18, 2022, at 11.00 a.m.**, through Video Conferencing or Other Audio Visual Means to transact the business mentioned below. Venue of the Meeting shall be deemed to be the Registered Office of the Company: P&G Plaza, Cardinal Gracias Road, Chakala, Andheri East, Mumbai - 400 099.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at June 30, 2022 and the Statement of Profit and Loss for the Financial Year ended on that date, together with the Reports of the Auditors and Directors thereon.
2. To confirm the payment of interim dividend and to declare final dividend for the Financial Year ended June 30, 2022.
3. To appoint a Director in place of Mr. Pramod Agarwal (DIN 00066989), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Ms. Sonali Dhawan (DIN 06808527), who retires by rotation and being eligible, offers herself for re-appointment.
5. To re-appoint M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Reg. No.104607W/W-100166) as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the Forty-Third Annual General Meeting, on such remuneration and reimbursement of out-of-pocket expenses, as the Board of Directors may decide.

SPECIAL BUSINESS

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

6. **Payment of commission to the Non-Executive Directors of the Company for a period of five years with effect from January 1, 2023**

"RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions of the Companies Act, 2013 ("the Act") the Non-Executive Directors of the Company be paid, a commission up to one percent of the net profits of the Company per annum in the aggregate for a period of five years with effect from January 1, 2023, as per discretion of the Board of Directors of the Company."

By Order of the Board of Directors

**Flavia Machado
Company Secretary**

Mumbai
August 22, 2022

Registered Office :
P&G Plaza, Cardinal Gracias Road,
Chakala, Andheri (E),
Mumbai - 400 099

NOTES

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of business under Item no. 6 is annexed hereto and forms a part of this Notice.
2. Details as required in sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors proposed to be re-appointed by rotation at the ensuing 38th AGM, forms integral part of the Notice of the 38th AGM.
3. In view of continuing social distancing norms, the Ministry of Corporate Affairs (MCA), vide its General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, the latest being 2/2022 dated May 5, 2022, have allowed the companies to conduct AGM through video-conference/other audio visual means till December 31, 2022 without physical presence of Members at a common venue.
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") and in accordance with the said circulars of MCA and applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the 38th AGM of the Company shall be conducted through VC. Your Company has appointed National Securities Depositories Limited ('NSDL') for providing facility for voting through remote e-Voting, for participation in the AGM through VC facility and e-Voting during the AGM. The procedure for participating in the meeting through VC is explained at Note No. 9 below.
5. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

However, the bodies corporate are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-Voting. Institutional/Corporate Members are requested to send a scanned copy (PDF/JPEG format) of the Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Companies Act, 2013 to the Company at investorgil.im@pg.com.
6. In accordance with, the General Circular No. 02/2022 dated May 05, 2022 issued by MCA and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI, the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), and the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).



The Notice of AGM and the Annual Report for the Financial Year 2021-22, is available on the website of the Company at <https://in.pg.com/india-investors/gil/shareholder-information/info/>, on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of NSDL at www.evoting.nsdl.com.

7. The Members can join the 38th AGM through VC/OAVM mode 30 minutes before the time scheduled to start the meeting, by following the procedure mentioned in the notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.
8. **The Instructions for Members relating to remote e-Voting and e-Voting at the AGM are as under:**

The remote e-Voting period commences on Sunday, November 13, 2022 at 9:00 a.m. and ends on Thursday, November 17, 2022 at 5:00 p.m. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on November 11, 2022, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a Member, he/she shall not be allowed to change it subsequently. The Company has appointed M/s. Saraf & Associates, Practicing Company Secretaries, represented by Mr. Kamalax Saraf, Proprietor to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-Voting given hereinafter.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., **Friday, November 11, 2022** only shall be entitled to avail the facility of remote e-Voting or for participation at the AGM and voting. A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9th December, 2020 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled for all the individual demat account holders, by way of single login credential, through their demat accounts/ websites of Depositories/ DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below.

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual Meeting and Voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> 
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL fore-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- a. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- b. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
- c. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.



d. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 122729 then user ID is 122729001***.

Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

How to retrieve your 'initial password'?

- If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
- If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - Click on **"Forgot User Details/ Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - Click on **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/ folio number, your PAN, your name and your registered address etc.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 - Now, you will have to click on "Login" button.
 - After you click on the "Login" button, Home page of e-Voting will open.

C. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-Voting for the resolutions set out in this notice:

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back) and PAN (self attested scanned copy of PAN card) by email to investorgil.im@pg.com
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement and PAN (self attested scanned copy of PAN card) to evoting@nsdl.co.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
- Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Step 2 : How to cast your vote electronically on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
- Now you are ready for e-Voting as the Voting page opens.



- d. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- e. Upon confirmation, the message “Vote cast successfully” will be displayed.
- f. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- g. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

The Instructions for Members for e-Voting on the day of the AGM are as under:

- a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
- b. Only those Members/Shareholders, who will be present in the AGM through VC facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- c. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- d. The contact details for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same as mentioned for Remote e-Voting.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to designated email ID at evoting@nsdl.co.in.

9. Instructions for Members for joining the 38th Annual General Meeting through VC/OAVM are as under:

- a. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting

instructions mentioned in the notice to avoid last minute rush.

- b. Members are encouraged to join the Meeting through Laptops for better experience.
- c. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- e. **Shareholders who would like to express their views/have questions, may register themselves as a speaker by sending their request in advance mentioning their name, demat account number/ folio number, e-mail id, mobile number at investorgil.im@pg.com and machado.f1@pg.com from the date of this notice up to November 15, 2022 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time for the AGM.**

General guidelines for shareholders

10. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to gilagm2022@sarafandassociates.com with a copy marked to evoting@nsdl.co.in.
11. The results along with the Scrutinizer’s Report, shall be placed on the website of the Company and on the website of NSDL within two working days of conclusion of the AGM and shall be communicated to BSE Limited and National Stock Exchange of India Limited.
12. SEBI has mandated submission of Permanent Account Number (“PAN”) for all transactions in the securities market. Members who are holding shares in dematerialized form are requested to submit their PAN details to their respective DP. Members holding shares in physical form can submit their PAN details to the Company’s Registrar and Share Transfer Agent (“RTA”), M/s. MAS Services Limited.
13. During the AGM, the Registers to be maintained under the Companies Act, 2013, shall be available electronically for inspection by the Members, upon login at NSDL e-Voting system at <https://www.evoting.nsdl.com>.
14. As per Regulation 40 of the SEBI (LODR) Regulations, 2015, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. Further an extension had

been provided for those transfer deeds lodged prior to deadline, i.e., April 1, 2019, and returned due to deficiencies in the documents up to March 31, 2021 (for re-lodged cases). No physical transfer lodgement/re-lodgement was allowed post the deadline.

15. Further, SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors vide its circular dated January 25, 2022, has mandated the listed entities to issue securities for the following service requests only in dematerialised form viz, Issue of duplicate securities certificate; Claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Transmission; Transposition, etc. For the purpose of the same, after due verification, registrar and transfer agent/issuer companies shall retain share certificates and process the service requests by issuing letter of confirmation, valid for a period of 120 days. As per the process, shareholders are required to submit their demat requests within this validity period, failing which the Company shall credit the securities to a suspense escrow demat account of the Company.

Instructions related to payment of Dividend to Shareholders:

16. The Register of Members and the Share Transfer books of the Company will remain closed from **Saturday, November 12, 2022**, to **Friday, November 18, 2022** (both days inclusive), for the purpose of determining the names of Members eligible for final dividend on Equity Shares, if declared at the Annual General Meeting.
17. The final dividend on Equity Shares for the Financial Year ended June 30, 2022, as recommended by the Directors, if approved at the Annual General Meeting, will be paid on or before December 12, 2022:
 - a) To all beneficial owners, in respect of shares held in dematerialized form, as per details furnished by the Depositories for this purpose as at the close of business hours on November 11, 2022;
 - b) To all Members, in respect of shares held in physical form, whose names shall appear on the Company's Register of Members as on November 18, 2022.
18. In line with the Securities and Exchange Board of India ("SEBI") directives, the Company is required to update bank details of the Members of the Company to enable usage of the electronic mode of remittance for distributing dividends and other cash benefits to its Members. In this regard, Members holding shares in electronic form are requested to furnish their bank details to their Depository Participants ("DPs"). Members holding shares in physical form are requested to intimate change, if any, in their bank details by sending duly signed Form ISR-1 alongwith required documents to the Company/Registrar and Share Transfer Agent.

SEBI vide its Circular dated November 3, 2021, has provided common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC and Nomination details, mandating

all shareholders holding shares in physical mode to update their records (such as PAN, Nomination details, KYC, etc.) with the Company, failing which, their folio shall be frozen effective April 1, 2023. The said physical folios shall be referred by the Company or RTA to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025. In this regard, Company has sent reminder letters to all shareholders, having shares in the physical form, to update their PAN, Nomination details, KYC etc. and has requested them to get their shares dematerialized.

19. Shareholders may note that, in accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Indian Finance Act, 2020, dividend declared and paid by the Company after April 1, 2020, is taxable in the hands of shareholders and the Company is required to deduct the tax at source ("TDS") on the distribution of dividend income to its shareholders at the applicable rates. In order to enable us to determine the appropriate TDS rate as applicable, shareholders are requested to submit the requisite documents as mentioned in our letter dated September 09, 2022, which is put up on the website at <https://in.pg.com/india-investors/gil/reports-announcements/announcements/#announcements>, in order to facilitate the Company to deduct TDS at time of final dividend. The said documents (duly completed and signed) are required to be emailed to Company's RTA at investor@masserv.com on or before **November 02, 2022** in order to enable the Company to determine and deduct appropriate TDS. For any clarification, please write to us at investor@masserv.com or investorgil.im@pg.com.
20. In the case of dematerialized shares, the Company is obliged to print Bank details on the dividend warrants, as are furnished by the National Securities Depository Limited ("NSDL") and the Central Depositories Services (India) Limited ("CDSL") ("the Depositories") to the Company and the Company cannot entertain any request for deletion/change of Bank details without confirmation from the Depositories. In this regard, Members are advised to contact their DPs and furnish them the particulars of any change(s) desired.
21. Non-resident Indian Members are requested to immediately inform the Company or its RTA or the concerned DP, as the case may be, about the following:
 - a) The change in the residential status on return to India for permanent settlement;
 - b) The particulars of the NRE account with a Bank in India, if not furnished earlier.
22. The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive



years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid/unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash/claim their respective dividend and shares for period detailed in the Annual Report. The details of the unpaid / unclaimed amounts lying with the Company as on June 30, 2022 are available on the website of the Company at <https://in.pg.com/>. The shareholders whose dividend / shares are transferred to the IEPF Authority can claim the same from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>.

23. Members are requested to contact the Company's RTA, M/s. MAS Services Limited, for claiming the unclaimed dividends.
24. Members are requested to address all correspondences, including Share related documents and dividend matters to the Company's RTA, M/s. MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020; Tel: (011) 26387281/82/83; Fax: (011) 26387384; e-mail: info@masserv.com.

Members are requested to quote their ledger folio numbers in all their correspondence to enable the Company to provide better services to the Members.



EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 6:

Payment of commission to the Non-Executive Directors of the Company for a period of five years with effect from January 1, 2023.

At the 33rd Annual General Meeting held on November 15, 2017, a Resolution was passed by the Members of the Company according approval for payment of commission upto 1% of the net profits per annum (maximum permissible by the Companies Act, 2013) in the aggregate to the Non-Executive Directors of the Company. The said resolution had also empowered the Board of Directors and / or a Committee thereof to fix the quantum of commission payable to each of the Non-Executive Directors and to also determine the period for which the said commission is payable. The said Resolution was effective for a period of five years w.e.f. January 1, 2018 i.e. till December 31, 2022. It is therefore proposed to pass an enabling resolution to remunerate all the Non-Executive Directors of the Company for payment of commission upto 1% of the Net Profits per annum (maximum permissible by the Companies Act, 2013) in the aggregate for a period of five (5) years with effect

from January 1, 2023, as per discretion of the Board. The quantum of remuneration payable to each Non-Executive Director and the period for which commission is payable, will be decided by the Board of Directors. This resolution will be effective from January 1, 2023 and will remain in force for a period of five years.

The Board recommends passing of the resolution at item no. 6 as an Ordinary Resolution.

Non-Executive Directors of the Company are deemed to be interested and concerned in this item of business.

By Order of the Board of Directors

Flavia Machado
Company Secretary

Mumbai
August 22, 2022

Registered Office :
P&G Plaza, Cardinal Gracias Road,
Chakala, Andheri (E),
Mumbai - 400 099



**DETAILS OF DIRECTORS PROPOSED TO BE RE-APPOINTED AT THE FORTHCOMING
38TH ANNUAL GENERAL MEETING**

Resolution at Item No.	3	4
Name of Director	Mr. Pramod Agarwal	Ms. Sonali Dhawan
Age	60 years	47 years
Date of appointment on the Board	08-05-2015	25-02-2014
Expertise in specific field	M.B.A. in Finance	M.B.A. in Marketing
Names of other Companies in which he/ she holds Directorships	Listed Companies: Procter & Gamble Hygiene and Health Care Limited Unlisted Companies: Zircon Technologies (India) Limited	Listed Companies: Procter & Gamble Hygiene and Health Care Limited
Listed entities from which he/she has resigned in the past three years	Nil	Nil
Companies in which he/she is a Managing Director, Chief Executive Officer, Whole time Director, Secretary, Chief Financial Officer, Manager	Nil	Nil
Chairman/Member of the Committee(s) of the Board of Directors of the Company	Member of Committees: 1) Audit Committee 2) Nomination and Remuneration Committee 3) Risk Management Committee	Member of Committees: 1) Corporate Social Responsibility Committee 2) Nomination and Remuneration Committee 3) Stakeholders Relationship Committee
Chairman/Member of the Committee(s) of Board of Directors of other Companies in which he/she is a Director	Procter & Gamble Hygiene and Health Care: Chairman of Committees: Cash and Investment Committee Member of Committees: Risk Management Committee	Procter & Gamble Hygiene and Health Care: Member of Committees: Corporate Social Responsibility Committee
Shareholding in the Company	100 shares	Nil
Relationship with other Directors, Manager or key Managerial Personnel, if any	None	None
Remuneration last drawn by each Director	₹ 26 lakhs (commission and sitting fees for the F. Y. 2021-22)	Nil
Number of Meetings of the Board attended during the year	6 out of 6	6 out of 6