



**Gillette India Limited**

CIN: L28931MH1984PLC267130

Regd. Office

P&G Plaza, Cardinal Gracias Road,

Chakala, Andheri (E),

Mumbai - 400099

Tel: (91-22) 6958 6000

Fax: (91-22) 6958 7337

Website: in.pg.com

September 20, 2024

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: Analysts/Institutional Investors – Outcome – Transcript of the meeting**

This has reference to the intimation dated September 03, 2024 and outcome uploaded on September 18, 2024, with respect to the virtual connect with analysts/ institutional investors.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith is the transcript of the above meeting with analysts/ institutional investors, copy of the same is also made available on the website of the Company.

This is for your record and appropriate dissemination.

Thanking you.

Yours faithfully,

For **Gillette India Limited**

**Flavia Machado**  
Company Secretary

Gillette India Limited

Investors & Analysts' Call

September 18, 2024

Start Time: 5:30 P.M.

Speakers:

Mr. V. Kumar, Managing Director

Mr. Gautam Kamath, Chief Financial Officer

Ms. Flavia Machado, Moderator, Investor Relations

**Flavia Machado:**

Good evening, everyone, and welcome to the Company's Investors and Analysts Call.

Thank you for joining us today. Today we will begin with presentation by the management of the company on the company's performance, results, strategies and business outlook.

We have received questions submitted by the participants at the time of registration of the call. The management will address the questions received after the presentation.

Let me introduce our presenters for today.

We have on the call, Mr. V. Kumar, Managing Director of the Company and Mr. Gautam Kamath, Chief Financial Officer.

All participants are placed on mute and can participate in the Listen only mode.

Please note that during the course of the call, the presentation and information shared by the management may include forward looking statements. This may include words, phrases, numbers that set forth anticipated results based on management's current plans and assumptions. Forward-looking statements are based on current expectations and assumptions, which are subject to risks and uncertainties that may cause results to differ materially from those expressed or implied in those statements. The Company cautions investors that any such forward-looking statements are not guarantees of future performance and that actual events or results may differ materially from those statements. Actual events or results may differ materially because of factors that affect international businesses and global economic conditions, as well as matters specific to the Company and the markets it serves. The Company undertakes no obligation to update these statements whether as a result of new information, future events or otherwise, except to the extent required by law.

With that, I now handover to V. Kumar, for the management presentation.

**V. Kumar:**

Good evening, everyone. Thank you for joining us on the call today. It is our pleasure to interact with all of you. Today, I shall take you through the work that we have been leading at Gillette India Limited, and what we have accomplished in the last fiscal year.

First things first, let me take you through our fiscal results for the year.

This was another strong performance by Gillette India, delivering a balanced top-line and bottom-line growth in the fiscal. Despite a challenging operating and competitive environment, the Company delivered sales of ₹2633 crore, up 6% versus year ago, Profit After Tax (PAT) for the fiscal year, was ₹412 crore, up 16% versus year ago due to the topline growth with product innovation.

These results have been possible as we have remained committed to our integrated growth strategy of:

- A portfolio of daily-use products, where performance drives brand choice,
- Superiority across product, package, brand communication, retail execution, and value
- Productivity to fund this superiority.

- Constructive disruption of the entire value chain to future proof our business,
- all enabled by an empowered, agile, and accountable organization.

These strategic choices reinforce and build on each other. When executed well, they grow markets and create new business which, in turn, grows our share, sales, household penetration and profit. Importantly, this strategy is inherently dynamic. It adapts to the changing needs of consumers, customers, and society. It demands that we not sit still.

P&G people are focused on executing each element of our integrated growth strategy with excellence, to delight consumers and win in the marketplace, to deliver the level of balanced growth and value-creation results you and we expect.

Let me take this opportunity to talk more on the focused portfolio of daily-use products for Grooming and Oral categories - both where performance plays a significant role in brand choice. We concentrate our efforts and focus on delivering and increasing the superiority of our offerings at every price tier in which we operate.

Throughout the fiscal year, the Company continued to delight the Indian consumers and drive category growth through a strong product portfolio, superior consumer communication and a continuous stream of product innovations. Our robust portfolio caters to a wide variety of jobs that our consumers expect grooming solutions to do, ranging from safe and efficient shaves, to styling and shaping tools and an assortment of dedicated ranges in shave preps as well as electronic grooming.

In our decades of serving the Indian consumers, we have in return gained their trust, making Gillette a market leader.

Similarly, our Oral Care portfolio serves a diverse range of consumers and their unique needs, with an assortment of products - from sensitive to deep-clean, special range for kids, to an advanced power-oral care line-up. We have continued to upgrade our propositions to keep delighting our consumers and meeting their evolving needs pertaining to their oral health.

Superiority continues to be the formula to delight consumers and earn and maintain their chosen loyalty.

Our commitment to and investment in irresistible superiority through innovation, across the 5 vectors of product, package, brand communication, retail execution and value, continues to be strong. We are leveraging the superiority to delight consumers, grow markets and our share in them.

Let's take an example on our Gillette portfolio. We introduced a super-premium razor - Gillette Labs, that transforms the mundane act of shaving into an extraordinary experience by offering a smooth and comfortable shave. With cutting-edge technology and a lifetime warranty on the handle, Gillette's latest razor delivers a superior shaving experience that combines close shaves with gentle exfoliation.

For over 115 years, Gillette has constantly challenged itself to advance shaving technology and provide consumers with the best shave they deserve, and this new launch is a step forward towards this commitment while strengthening our portfolio and create value.

Coming to Female grooming, Venus introduced its Bikini Sensitive Razor, designed exclusively to cater to intimate grooming needs of consumers, based on a strong insight that existing products for intimate care result in irritation due to the hair texture being different. The razor is

dermatologically tested, comes with a patented irritation-defence bar, and delivers a flawlessly smooth result without any discomfort in intimate areas.

Superior packing is a critical vector for us, enabling us to create the perfect First Moment of Truth with consumers to reinforce the delighters as they look at our product. Taking the example of the recently introduced Gillette Labs, the pack in one glance delivers the message on what the product does and its unique features. This helps our consumers make the right choice regarding the product that best serves their need.

Similarly, Oral-B introduced unique solutions to make brushing fun for its younger consumers by enhancing its toothbrushes with 'Chhota Bheem' designs – a popular animated character loved by children in India. The packaging brings this to life and enables parents to engage children in a very important activity of brushing, inculcating the right oral health habits at a young age.

Over the years, we have also evolved our communication strategy to better cater to the specific consumer we are reaching, and effectively resonate with them. In line with this, Gillette Guard developed an innovative communication approach to reach its target consumers in the Hindi heartland. Through deep consumer research the brand understood the nuance of simple, sharp, yet high-on-energy 'local' stories resonated better. Gillette Guard created unique TV copies featuring local celebrities and incorporating exciting music and dance routines, while delivering the key message of a safe and smooth shave sharply.

Can we see the video please?

<Audio Visual playing>

There exists a common perception about all toothbrushes functioning the same way, leading to consumers being unaware about selecting the right solution. 49 % consumers are currently dissatisfied with the cleaning their brush provides. We recognize the need for innovation and education. Oral B's Criss Cross technology offers consumers a revolutionary choice for achieving better oral hygiene, so we had to create a compelling communication piece that can drive this awareness among our consumers. Let's watch the video to understand more.

<Audio Visual playing>

Our retail execution strategy focuses on maximizing category growth and value creation. It ensures that consumers have access to the products they want, when they want them. By optimizing store coverage, product assortment, pricing, and merchandising, we deliver a delightful shopping experience at the retail and grocery stores.

Success in our highly competitive industry also requires agility that comes with a mindset of constructive disruption – a willingness to change, adapt and create new trends and technologies that will shape P&G and our industry for the future. We are focused on leading disruption in a constructive way that delivers better outcomes and creates value for consumers, customers, employees, society, and shareowners.

Let me illustrate this using some recent examples:

1. We are leveraging seamless data, analytics, and automation to optimize our supply chain, resulting in 60% fewer touchpoints than a few years ago. We have also moved to an artificial intelligence, machine learning ordering system for our distributors, which is helping us better predict distributor shipments and replenishment. This is advancing us in our journey of Supply 3.0.

2. We are leveraging AI-powered image recognition to automated quality checks, streamlining production, and improving product quality. This innovative approach has enabled speed and effectiveness in our manufacturing processes, optimizing our operations and helping us ensure our products are manufactured and available for our consumers swiftly.
3. We have continued to explore relevant touchpoints where we can engage with our consumers when they are entering our categories, to educate them and make them aware of our propositions. Gillette has been organizing university programs to engage with adolescent and Gen-Z consumers. We have continued to evolve this program to share insights into overall grooming and personality development, across Gillette and Venus.

The strategic need to keep investing in superiority, coupled with the ongoing need to drive balanced top- and bottom-line growth, including margin expansion, underscore the importance of ongoing productivity.

We have developed a strong productivity muscle over the years. Productivity is now fully embedded in our operating model and is embraced in every part of our operation. Specifically last year, through our productivity interventions, GIL achieved savings of over Rs. 45 crores. That is the fuel that allows us to reinvest in superiority across the five vectors and stay ahead of what consumers want.

Organization is an integral part of our Integrated Growth Strategy. After all, it is our people who deliver and execute these strategies. We have designed, and continue to refine and strengthen, our organization structure so that it enables P&G people to focus on our biggest opportunities for growth – fully empowered, agile, and accountable.

With the power of our organization, we have also continued our efforts to balance the need of all our stakeholders.

Equality and Inclusion is good for our business – broadening our ability to serve more consumers and driving market growth. Simply put, it helps us win in the marketplace. It's how we understand and serve billions of increasingly diverse consumers around the world. It's how we develop market leading brands. It's how we recruit top-notch talent and develop the best organization in the world. It's how we lead our industries and strengthen our communities.

We bring our approach to life through our Brands, our employees, our partners, and communities. We collaborate with partners to reach and serve more consumers and enrich the communities in which we live and work, which in turn helps create growth for our business. In India, we have joined hands with other highly engaged and effective organizations, like education institutions, to help achieve equal access and opportunities for everyone in the communities that we touch.

We continue to positively impact communities we serve and operate in, with our flagship CSR program - Shiksha. Over last 19 years, Shiksha has continued to support thousands of schools and communities, impacting more than 45 lakh children with access to education and enablers to improve learning outcomes.

Many of our efforts have been recognized externally which only motivates us to raise the bar and double down on our efforts to better all our stakeholders.

While we should expect the volatile macro dynamics we have been experiencing to continue, our job every day is to continue to put in the hard work that can delight consumers, customers, employees, society and shareowners in that context. Our best path forward remains to double

down on our dynamic, market-constructive strategy to deliver balanced top- and bottom-line growth and value creation.

With that I handover to Gautam Kamath, our CFO.

**Gautam Kamath:**

Thank You, Kumar! Good afternoon, Ladies and Gentlemen. My name is Gautam Kamath and I'm the CFO, Gillette India Ltd.

Kumar spoke about our Integrated Growth Strategy and how it is making a difference to our business results. You also saw 6% sales and 16% structural profit growth delivered for the past year. At this point, I would like to reflect the results over a longer period. I will also share with you our view on the recent trends and outlook for the industry. Of course, many of you sent over questions, which I will address during my section.

Our Integrated Growth Strategy is working for us. We have delivered consistent mid-single digit sales growth over the past 10 years, even with the evolving definition of male grooming. At the same time, we have delivered a cumulative annual profit growth of 23%, while becoming more and more asset efficient. Our return on equity has become 5x during this period. Our operating profit margin during this period has increased by 200 basis points, behind our strong productivity program across all spend buckets.

Another way to look at these numbers is in absolute. Our absolute sales have grown 1.5x over the past 10 years, while absolute profit have grown to 8x, demonstrating our ability to consistently deliver superior execution of our strategies.

This has resulted in us creating significant shareholder value over this period through a record 30 years of consistent dividend payout. Our share price has more than tripled, reflecting the consistency of business result delivery.

Before I address some of your questions, I want to talk about the external landscape and how we see it evolving.

The Indian economy is thriving – GDP growth is back to its peak at 8.2% for the year we just closed. With stable revenues from tax and increasing foreign exchange reserves, the financial outlook will continue to attract investments to the country. These are definite green shoots.

Closer home, for the FMCG industry, positive trends are finally emerging on consumption – both rural and urban. Inflation has been consistently softening with July closing below RBI's medium-term target of 4%. With monsoons across 75% of the countries districts normal or above normal, rural demand is expected to keep up with the positive trends. The watchouts are declining rural wages and rising unemployment, which should stabilise in near term with government's recently announced intervention. Collectively, this should augur well for consumption trends.

Looking at the near term, we anticipate some challenges to continue. However, we remain confident in the dynamic and integrated nature of our strategy to help us navigate the difficulties and continue to serve and delight consumers to drive sustained, balanced results.

I'm now going to move to the Q&A session. Thank you to everyone who took out the time to share the questions with us in advance.

We will take questions in groups, as there many common themes in the questions you have shared with us. Please note, we will refrain from sharing anything that is unpublished, price sensitive or confidential to protect the competitive advantage.

The first set of questions I would like to address, are on our Male Grooming Segment

**Mr. Gokul Maheshwari from Awriga Capital has asked about Gillette's growth in the fiscal F23-24 in Male Grooming market, as well as about Market Share. Mr. Mayur Parkeria from Wealth Managers (India) Pvt. Ltd. has sent a question on overall size of grooming market. Mr. Mehul Savla - Ripplewave Equity Advisors LLP's question is on signs of beard culture trend and its implication on the business. We have similar questions from Mr. Jayesh Poladia, Mr. Senthil ManiKandan K- Ithought PMS, Mr. Priyank Chheda- Vallum Capital, Mr. Vicky Punjabi- UTI Mutual Fund, Mr. Ranjeet Hingorani, and others.**

- Over the past three years, the Company has consistently delivered a balanced topline and bottom-line growth, driven by product innovation. Along with this, the Company continued to lead the market share and market growth in in the Blades and Razors category in FY 23-24. The grooming category stands at approx. 3300 crores today, growing at mid-singles levels. There is increased competitive activity. We do believe that healthy competition enables category growth, and we are all for it.
- Coming to some of the pertinent consumer trends. The definition of Male Grooming has been evolving and changing, more rapidly now than before. The trend is shifting towards more men now preferring to grow beards, which brings the new job to be done of grooming, styling, and shaping the beards. For over 115 years, Gillette has constantly challenged itself to advance shaving technology and provide consumers with the best shave and grooming they deserve. With the category undergoing transformation, this presents an opportunity for us to position our premium systems, appliances, and trimmers to delight consumers for this new set of jobs. In fact, our Gillette fusion portfolio is redesigned as a beard styling tool, helping our consumers stay groomed as per their preference. This is enabled by FlexBall Technology that allows the razor to get virtually every hair - and can be used in various ways basis the consumer's styling needs. We spoke of Gillette Labs that provides an extraordinary shaving experience combining close shaves with gentle exfoliation. With our MACH3 razor your tenth shave feels better than your first shave with a new disposable\*
- Our focus therefore has been to offer consumers with products so good that they recognize the difference. We are continuing to grow and drive category growth, recording our highest ever shares.

**Moving on, we had some questions on the landscape and growth in the female grooming segment.**

**Mr. Krishnan Sambamoorthy, Nirmal Bang Institutional Equities has asked about the proportion of female grooming to overall grooming sales in India, and whether the category is still growing faster than other options like waxes & lotions and salons. Mr. Ranjeet Hingorani has asked about the habits for shaving on the go for women. Ms. Jinal Sheth- Awriga Capital Advisors LL has asked about the growth in this category. Similar questions have been asked by Mr. Preeyam Tolia- Axis Securities', Mr. Mayur Matani- Maheshkumar and Co.**

*\*First 2 Blades Vs Blue Presto Disposable*



- Female hair removal is actually a large and diverse market, where razors compete with creams, in-home waxes and salons. Our focus has been on the in-home hair removal segment. In the last 3-5 years, razors as a sub-segment have seen fastest growth.
- Today, women are juggling multiple responsibilities at the same time, and considering the day is so jam-packed, they have no time for tasks like body hair removal the conventional way. Coupled with the need for on-the-move solutions, Venus has become her go to friend, which she can carry in her to-go pouches. Our strategy includes creating awareness about shaving for women, its benefits, busting myths and providing delightful experience to the consumer every single time with Venus as a preferred, hassle-free and pain-free solution of hair removal.
- We have continued to strengthen our portfolio, with products catering to diverse and evolving consumer needs. We spoke of the recently introduced Venus Bikini razor to cater to the unique need of intimate grooming with the benefit of 'Irritation free Smooth Bikini Skin', communicated via relatable media channels like Social and Key Opinion Leaders. The product is specifically curated to give the consumer a superior experience for a unique job to be done. In fact, the entire Venus range is designed to glide smoothly on a women's curves to reveal super smooth skin without any pain and hassle. Our Comfort Glide range is also equipped with special soap bars to provide an incredibly smooth experience.
- With all of this, consumers are demonstrating their affinity and love for the Venus franchise. In the past 5 years, Venus has doubled its business and contributes double digit to the grooming segment for us. We are confident in our ability to continue delighting consumers and growing the category.

**We also have a few questions on appliances.**

**Mr. Senthil ManiKandan K- Ithought PMS asked regarding Braun brand - what is the current share of sales and please share some insights how the company is planning to play in this category? Ms. Jinal Sheth from Awriga Capital Advisors LLP's questions is on trends in male shaving. We had similar questions from Mr. Ajay Thakur from Anand Rathi Institutional Equities, Mr. Ronak Chheda- Awriga Capital Advisors LLP, Ms. Fatema Pacha- Mahindra Manulife, Krishnan Sambamoorthy, Nirmal Bang Institutional Equities.**

- Thank you for these questions. Currently, Appliances contribute to 2% of the category in India. Our approach on the segment is to understand and meet the needs of the Indian consumers with our global insights and serve them with a strong portfolio of offerings under Braun. Braun today has the world's best technology when it comes to Shaving and Trimming. Braun's focus has been superior Design & Craftsmanship, with the belief that a good design is simple, useful, and built to last. Basis the consumer habits and preferred platforms, we are making Braun range available primarily on ecommerce and digital platforms. We are leveraging social media to engage with our targeted audience and create awareness about our superior propositions - be it for male grooming with the electronic shavers, stylers, and trimmers, or with the robust female grooming range that consists of varied products like epilators, facial hair removers, bikini stylers, etc. Overall, we are also bringing our Integrated Growth strategy to life to win with the consumer.

**Many of you had questions on the performance and trends in the Oral Care category - these were from Mr. Sunny Bhadra from Nirmal Bang Institutional Equities, Mr. Niril Parekh- Awriga Capital Advisors LLP, Ms. Fatema Pacha- Mahindra Manulife, Mr. Mayur Parkeria- Wealth Managers (India) Pvt. Ltd., Mr. Navin Matta- Mahindra Manulife and others.**

- Our growth has been slow in the Oral Care segment due to competitive activity in entry tier. Despite the challenges, we have been able to maintain our business size in the category. We expect Oral care as a category to demonstrate market growth of mid-single digits, in line with FMCG market growth.
- We remain focused on driving growth and serving consumers with superiority in segments where performance can drive brand choice, and we can empower consumers with the right brushing tools. For example: our Criss Cross sensitive range, with the revolutionary Criss cross technology and ultrathin bristles, promises a gentle but no-compromise cleaning. We are ensuring that we are communicating this superiority with the right consumer segments, to create the needed awareness - you saw a glimpse of this in the presentation as well. This segment for us is growing at a strong double-digit rate. Another segment doing very well for us, is Professional Oral Care portfolio - that I am about to talk next. In fact, Oral-B is world's no1 dentist recommended toothbrush brand.
- Let's also take an example of something as simple yet impactful as packaging. Our aim here is packaging that attracts consumers, conveys brand equity, and helps consumers select the best product for their needs. For oral care, we realised that consumers find it challenging to pick the right toothbrush for their needs, owing to the shelf clutter and complex packaging cues. To solve for this, we upgraded our packaging to drive the right cues, iconography, differentiators, and cleaning capabilities on our packaging, allowing consumers to easily identify the product that best suits their needs.

**On another note, Mr. Ranjeet Hingorani has shared that he's a very happy & satisfied user of Oral B electric toothbrush and that it has reduced his dentist visits for cleaning. He has asked about our approach towards Electric toothbrush segment.**

- Thank you for sharing your valuable feedback and experience. We are happy that you have seen a significant difference in your Oral Health. This is congruent to the experience of our consumers as well, with our superior IO range of electrical toothbrushes. Within the segment, we have continued to strengthen our portfolio and introduce a holistic range, for adults and kids, enabling families with a smarter way to brush!
- The reason is that Oral-B iO power toothbrushes deliver superior cleaning and a delightful user experience. We have strengthened our portfolio to also include products at a lower starting price point. Powered with the insight that manual brushes leave 50% of plaque bacteria behind, but with its round head, Oral-B iO removes 100% more plaque in hard-to-reach places - we are communicating this to our consumers. Just like you, the portfolio has found a loyal consumer base that continues to grow, and this superior proposition is accelerating power brush trial, thereby bringing new users into the category.

**Moving on, Mr. Jayesh Poladia, Mr. Niril Parekh from Awriga Capital Advisors LLP, Mr. Vicky Punjabi- UTI Mutual Fund, Mr. Vishal Punmiya - YES Securities, have sent in some very interesting questions on the growth of Advertising Spends**

- There are various factors that impact A&P spends. This spend is a function of the business need at hand and the right scale of consumer awareness needed to address it. It also considers innovation pipeline and the awareness support this may require. Therefore, this could vary from year to year. When we have a superior product that we have innovated and brought into the market, we intend to make as many right consumers as possible aware of that superior proposition - with the right combination of messages and touchpoints. This year, we had a

brilliant lineup of innovation, including the ones we discussed like Gillette Labs, Venus Bikini Sensitive, etc. Long term equity building investments are foundational for superiority and trust that our brands have developed, and payout is seldom within a couple of quarters.

- The focus has always been, and remains, growing the category by delighting our consumers with superior propositions.

**There were few questions from Mr. Mayur Parkeria from Wealth Managers (India) Pvt. Ltd and Fatema Pacha from Mahindra Manulife on the toothpaste segment.**

- We would like to clarify, that we only operate in the Toothbrush segment within Oral Care in India.

**We have a set of questions on a more detailed revenue mix, shares of sub segments, salience of different portfolios. These were from Mr. Sunny Bhadra from Nirmal Bang Institutional Equities, Mr. Priyank Chheda- Vallum Capital, Ms. Usha Mimani, Mr. Binay Shukla- Phillip Capital India and others.**

- We won't be able to share these specifics, but what we can share is that our growth in Grooming has been broad based, as we have grown the category as well as strengthened our market leadership. Grooming segment accounts for 80% of the Company's business salience.

**There was also an interest on understanding our future innovation pipeline, be it in premium/super premium segment or in Oral Health. These questions were from Ms. Vartika - Money Control, Mr. Mayur Parkeria- Wealth Managers (India) Pvt. Ltd, and others.**

- Actually, this past year has been great in terms of our brands upgrading and introducing innovations across the portfolio. Throughout the fiscal year, the Company continued to delight the Indian consumers and drive category growth through a strong product portfolio, superior consumer communication and a continuous stream of product innovations. This includes the launch of Gillette Labs razors that elevate the shaving experience, seamlessly combining shaving and gentle exfoliation for an extraordinary experience, introduction of Venus Bikini Sensitive Razors designed for intimate grooming, dermatologically tested with patented irritation defense. In the Oral care segment, the Company introduced fun designs for young consumers with Oral-B 'Chhota Bheem' toothbrushes.
- This approach is integral to the success of our integrated growth strategy because it is inherently dynamic. It adapts to the changing needs of consumers, customers, and society. It demands that we not sit still. Superiority that delights our consumers is ever evolving. So, we remain focused on learning and executing what can drive irresistible superiority across each of our categories to attract users and help them more effectively tackle their jobs to be done.

**Mr. Ajay Thakur- Anand Rathi Institutional Equities, Mr. Vishal Punmiya- YES Securities have sent questions on the margin outlook and profitability. We have also received similar questions from Mr. Mayur Matani- Maheshkumar and Company, Ms. Fatema Pacha- Mahindra Manulife and from Mr. Mehul Savla- Ripplewave Equity Advisors LLP - who has also additionally enquired about traded goods purchase.**

- Our structural margins this year have actually improved significantly, to the tune of 200 bps, driven by our deliberate efforts on productivity across cost buckets, as well as innovation in the premium segments to enable consumers to trade up in line with their changing aspirations. We leveraged some short-term sales opportunities coming our way in context of the global geo-

political scenario and its implication on our supply chain, and we continue to tap into such opportunities. We have already shared with you a long-term picture of our trends in the presentation.

- Overall, for us Productivity is more than cost cutting. It is a more efficient way of operating – in service to consumers and customers – every day. Like Kumar mentioned - We have developed a strong productivity muscle over the years. Productivity is now fully embedded in our operating model and is embraced in every part of our operation. That is the fuel that allows us to reinvest in superiority across the five vectors and stay ahead of what consumers want.

**There was a keen interest to understand about our distribution network. Mr. Yash Goenka & Mr. Ronak Chheda from Awriga Capital Advisors LLP, Mr. Binay Shukla- PhillipCapital India, Mr. Preeyam Tolia- Axis Securities and a few others have sent questions around this topic.**

- We have been consistently and effectively growing our coverage. Over the span of last 3 years, our reach and coverage has grown over 1.5 times! Even in the grooming category, we have continued to grow our distribution footprint. We have continued to win in store, whether it is with the right content, assortment, ratings, reviews and search on the online channels, or the right store coverage, product forms, sizes, price points, shelving and merchandising in brick-and-mortar stores.
- However, what makes this even more impactful is how we are engaging the stores with the power of data and digital transformation. We developed an in-house Artificial intelligence & machine learnings algorithm that analyses consumer behaviour patterns to customize a range of P&G products at a store level. With this, we have transitioned from a cluster-based planning to store/neighbourhood-based planning. This win-win model is helpful for the consumer in making their desired products available, and helpful for the storeowners helping them optimize inventory and significantly reducing non-moving stock. So, a win-win for all our stakeholders! In another example, we are also bringing our consumer-first approach to how our brands look online. With a thorough assessment of ratings and reviews on Gillette, we have revamped our brand content to better answer consumer queries and provide the information they seek when making purchase decisions. This has helped improve conversion significantly.

**We have a received a question on the reorganization of our businesses globally and India being among the first pilot markets – this is from Mr. Vishal Punmiya, YES Securities.**

- We have designed, and continue to refine and strengthen, P&G's organization structure so that it enables P&G people to focus on our biggest opportunities for growth – fully empowered, agile, and accountable. This is all in service of delighting consumers with superior propositions.

**Ms. Vartika from Money Control has enquired about the growth in demand, sales, and volume expected during the festive season.**

- As part of our strategic approach, we recognize the significance of growing consumption and creating value in various markets. The festive season aligns with a crucial buying period in the retail industry, and we have developed comprehensive plans to cater to both rural and urban markets through traditional retail, modern retail, and ecommerce channels, with strategic partnerships with our customers focused on joint value creation in the season.

**Moving to the last question. Mr. Subham Sharma from Aditya Birla Sun Life AMC asked whether the company has taken any price increase in Gillette Guard portfolio.**

- We are focused on providing consumers with superior performing products at a variety of price points, package sizes and retail channels that deliver great value. Consumers are more value conscious, than outlay conscious, where they are willing to pay for superior propositions. We introduced the upgraded Guard product with platinum coated razors, that provide a safer shave, at the price point of Rs. 12. Platinum provides consumers with more confidence on safe shaving versus stainless steel and can also provide up to 7 shaves per blade. Additionally, we have taken the new product to consumers with a series of superior, compelling advertising. As you saw in the presentation, we created unique TV copies for some of our geographies, featuring local celebrities and incorporating exciting music and dance routines, while delivering the key message of a safe and smooth shave sharply. This resulted in a communication which resonated significantly better with the audiences in the region, ultimately contributing to the growth of business.

With that, we come to a close on the Q&A section.

We hope today's session was both informative and exciting for you. We have endeavored to respond to most of the questions that we received from you - either in the presentations or in the Q&A section at the end. Some questions, while not called out, would have also been addressed as part of what you heard from us today.

Thank you to everyone for joining us today!

*Disclaimer: This transcript has been edited to remove any grammatical inaccuracies or inconsistencies of English language that might have occurred inadvertently while speaking.*

**END OF TRANSCRIPT**