



November 13, 2024

To,
The Corporate Relations Department
The BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001.
Ref:- Scrip ID:- 500126

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

Dear Sir / Madam,

Sub: Annual Report and Notice calling the 57th Annual General Meeting of the Company for the Financial Year ended June 30, 2024

We refer to our letter dated August 22, 2024, informing the date of 57th Annual General Meeting. In this respect, please find enclosed Annual Report and Notice calling the 57th Annual General Meeting of the Company for the Financial Year ended June 30, 2024.

In accordance with the Circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Annual Report for the Financial Year 2023-24, including the Notice of AGM have been sent in electronic mode to Members, today, November 13, 2024 whose e-mail address is registered with the Company. The copy of the Notice along with the Annual Report enclosed herewith and is also available on the Company's website: <https://www.pghealthindia.com/investors/>

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 investorgrievance.im@pg.com or shah.zs@pg.com from the date of this notice up to December 1, 2024 (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 Procter & Gamble Health Limited

Zeal Rupani
Company Secretary

NOTICE

NOTICE is hereby given that the Fifty-Seventh Annual General Meeting (AGM) of the Members of the Company will be held on **Thursday, December 5, 2024, at 3:30 p.m.** through video conference (VC) / other audio-visual Means (OAVM), to transact the business mentioned in the notice. The venue of the meeting shall be deemed to be the registered office of the Company at 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, 2024 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 payment of interim dividend and to declare Final Dividend for the Financial Year ended June 30, 2024.
3. To appoint a Director in place of Mr. Lokesh Chandak (DIN-10083315), Executive Director, who retires by rotation and being eligible, offers himself for re- appointment.

Special Business

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

Ratification of remuneration payable to the Cost Auditor for the Financial Year 2024-25

“**RESOLVED THAT** pursuant to the provisions of section 148 and all other applicable provisions, if any, of the Companies Act, 2013, Rules framed thereunder (as amended from time to time) and other applicable laws, such other permissions as may be necessary, the Members hereby ratify payment of remuneration of ₹ 500,000 per annum plus out of pocket expense payable to M/s. Joshi Apte & Associates, Cost Accountants, who are appointed by the Board of Directors of the Company to conduct audit of the cost records maintained by the Company for the Financial Year 2024-25.”

By Order of the Board of Directors

Zeal Rupani
Company Secretary

Mumbai
August 21, 2024

Registered Office:

P&G Plaza,
Cardinal Gracias Road,
Chakala, Andheri East,
Mumbai 400099

NOTES

1. The relevant Explanatory Statement in respect of business under Item no. 4 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, (SEBI (LODR) Regulations 2015) in respect of the Director proposed to be re-appointed by rotation at the ensuing 57th AGM, forms integral part of the Notice of the 57th AGM.
3. Pursuant to Circular Nos. 14/2020, 17/2020, 20/2020, 2/2022, 10/2022, 09/2023, latest being No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA), Companies are permitted to conduct AGM through VC/OAVM till September 30, 2025 without physical presence of Members at a common venue. 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 (LODR) Regulations, 2015, and in accordance with the above-mentioned circulars of and all other applicable provisions, this 57th AGM of the Company shall be conducted through VC.
4. In accordance with, the General Circular issued by MCA No. 02/2022 dated May 05, 2022 issued by MCA and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/6 2 dated May 13, 2022, Circular no. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023, latest being Circular no. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2024/133 dated October 3, 2024, the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), including 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).
5. As the AGM shall be conducted through VC, 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, participate thereat and cast their votes through e-Voting.
6. The Members can join the 57th 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.

7. 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 SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
8. The Notice calling the AGM has been uploaded on the website of the Company at www.pghealthindia.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
9. This Annual Report comprising of Notice, Audited Financial Statements, Directors' Report, Auditors' Report etc. is being sent in the electronic form to all the Members who have furnished their e-mail ids to the Company or updated/ provided their e-mail ids to their respective DPs. Members may kindly note that they are entitled to be furnished, free of cost a printed copy of the Annual Report of the Company, upon receipt of requisition at any

time. The communications/ documents issued by the Company would also be made available on the Company's website: www.pghealthindia.com. Members holding shares in physical form, who have not registered/updated their respective e-mail addresses, are requested to get their email ids registered with the Company by writing to the Registrar Kfin Technologies Limited. Members holding shares in dematerialized form, who have not registered/updated their respective e-mail ids, are requested to do so with their respective DPs.

10. **The procedure and instructions for Members relating to remote e-Voting are as under:**

The remote e-Voting period commences on Saturday, November 30, 2024 at 9:00 a.m. and ends on Wednesday, December 4, 2024 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 28, 2024, 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. Dholakia & Associates LLP, Practicing Company Secretaries, represented by Mr. Nrupang B. Dholakia, Practicing Company Secretary and in his absence Ms. Michelle M. Martin, Practicing Company Secretary 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., Thursday, November 28, 2024 only shall be entitled to avail the facility of remote e-Voting. A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.

A. 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:

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 advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 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. 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 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. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 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 to Easi/Easiest facility are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password. After successful login the Easi/Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting their vote during the remote e-voting period. Additionally, there are 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.

Type of shareholders	Login Method
	<ol style="list-style-type: none"> If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com, click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-voting page by providing demat account number and PAN from a link on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile number & e-mail as recorded in the demat account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and will also be able to directly access the system of all e-voting Service Providers.
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 for e-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 Forget User ID and Forget Password option available at abovementioned 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 022 - 4886 7000.
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. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting 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?

- 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, 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.

4. 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 132107 then user ID is 132107 001***

5. **Password details for shareholders other than Individual shareholders are given below:**

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) 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.

6. **How to retrieve your 'initial password'?**

- i. 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'.

- ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
- iii. **If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:**
 - a. 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.
 - b. Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.
 - c. 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.
 - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- iv. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- v. Now, you will have to click on "Login" button.
- vi. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : How to cast your vote electronically on NSDL e-Voting system?

- 1. 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.

2. Select “EVEN” of company for which you wish to CAST your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investorgrievance.im@pg.com
2. In case shares are held in demat mode, please provide DPID-CLID (12 digit DPID + CLID or 16 digit beneficiary ID), Name, client master, copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar 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.
3. 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.

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 the call on 022 - 4886 7000 or send a request at evoting@nsdl.co.in.

11. **Instructions for members for attending the AGM through VC/OAVM are as under:**
 - a. Member will be provided with a facility to attend the 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 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 investorgrievance.im@pg.com from the date of this notice up to Sunday, December 1, 2024 (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.

12. The Instructions for Members for e-Voting on the day of the AGM are as under

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted 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.
3. 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.
4. For any grievances connected with the facility for e-Voting on the day of the AGM, refer to the contact details mentioned for Remote e-voting.

General guidelines for shareholders

1. 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 email to scrutinizer@dholakia-associates.com with a copy marked to evoting@nsdl.com.
2. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and

holding shares as on the cut-off date i.e. November 28, 2024 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/ RTA or follow instructions provided in this notice. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.

3. 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.
4. 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. KFIn Technologies Limited.
5. During the AGM, the Registers to be maintained under the Companies Act, 2013, shall be available for inspection by the Members.
6. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) 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.
7. Further, SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors, 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:

8. The Register of Members and the Share Transfer books of the Company will remain closed from *Friday, November 29, 2024 to Thursday, December 5, 2024* (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.
9. The final dividend on Equity Shares for the Financial Year ended June 30, 2024, as recommended by the Directors, if approved at the Annual General Meeting, will be paid on or before December 20, 2024:
 - 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 28, 2024;
 - 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 December 5, 2024.
10. 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.
11. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 and relevant circulars thereafter, latest being Circular No. SEBI HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024 all the listed companies are required to record the PAN, and other KYC details of all the shareholders holding shares 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 shareholder will be eligible to lodge grievance or avail any service request with the Company/or its RTA only after furnishing PAN and other KYC details. Further that, for any payment including dividend, in respect of such folios, Company will be able to remit the same only through electronic mode. Members are encouraged to provide 'choice of nomination' in their own interest for ensuring smooth transmission of securities held by them as well as to prevent accumulation of unclaimed assets in securities market. The Company has sent out intimations to those Members, who have not registered their PAN, KYC and/ or Nomination details. For further details, shareholders are requested to follow steps mentioned in the circular uploaded on the website of the Company at <https://www.pghealthindia.com/investors/#shareholder-information>.
Shareholders holding shares in dematerialized mode have been requested to register their email address and mobile number with their depository participants for receiving intimations and regular updates from the Company.
12. 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, 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 einward.ris@kfintech.com by Tuesday, November 12, 2024. For any clarification, please write to us at investorgrievance.im@pg.com.

13. 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.
14. As per sections 124 and 125 of Companies Act, 2013 and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, 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 during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company as on June 30, 2024 are available on the website of the Company at <https://www.pghealthindia.com/investors/>. The shareholders whose dividend / shares as transferred to the IEPF Authority can

now 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>.

15. Members are requested to contact the Company's RTA, M/s. KFin Technologies Limited, for claiming the unclaimed dividends.
16. Members are requested to address all correspondences, including Share related documents and dividend matters to the Company's RTA :

M/s. KFin Technologies Limited,
Selenium Tower B, Plot 31-32, Financial District, Nanakramguda Serilingampally Mandal, Hyderabad, Telangana – 500 032.

Toll Free No: 1- 800-309-4001

Email: einward.ris@kfintech.com Website: www.kfintech.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.

By Order of the Board of Directors

Zeal Rupani
Company Secretary

Mumbai
August 21, 2024

Registered Office:
P&G Plaza,
Cardinal Gracias Road,
Chakala, Andheri East,
Mumbai 400099

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Resolution at Item No. 4**Ratification of Payment of Remuneration to the Cost Auditor for the Financial Year 2024-25**

The Board of Directors at their meeting held on August 21, 2024, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Joshi Apte & Associates, Cost Accountants as the Cost Auditors to conduct the audit of the Cost records of the Company for the Financial Year 2024-25 at a remuneration of ₹ 5,00,000/- per annum plus out of pocket expense.

In terms with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

The Board recommends passing of the resolution at item no. 4 as an Ordinary resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in this item.

By Order of the Board of Directors

Zeal Rupani
Company Secretary

Mumbai
August 21, 2024

Registered Office:

P&G Plaza,
Cardinal Gracias Road,
Chakala, Andheri East,
Mumbai 400099

Details of Director proposed to be re-appointed at the ensuing 57th Annual general meeting

Resolution at item no.	3
Name of Director	Mr. Lokesh Chandak (DIN 10083315)
Age	37 years
Date of appointment on the Board	1-04-2023
Qualification	Chartered Accountant and Company Secretary
Names of other Companies in which he holds Directorships	Nil
Listed entities from which he has resigned in the past three years	Nil
Companies in which he is a Managing Director, Chief Executive Officer, Whole time Director, Secretary, Chief Financial Officer, Manager	Appointed as Chief Financial Officer of the Company effective April 1, 2023
Chairman/Member of the Committee(s) of the Board of Directors of the Company	Member of: <ul style="list-style-type: none"> • Corporate Social Responsibility Committee • Risk Management Committee • Stakeholder Relationship Committee
Chairman/Member of the Committee(s) of Board of Directors of other Companies in which he is a Director	Not Applicable
Shareholding in the Company	Nil
Relationship with other Directors, Manager or key Managerial Personnel, if any	None
Remuneration drawn by Director for FY 2023-24	₹ 249.35 lakhs
Number of Meetings of the Board attended during the year	5 out of 5



Contents

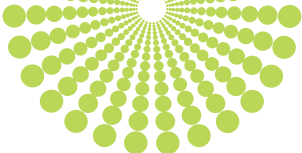


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Cautionary Statement

Certain statements in this report regarding our business operations may constitute forward-looking statements. These include all statements other than statements of historical facts, including those regarding the financial position, business strategy, management plans and objectives for future operations. Forward-looking statements can be identified by words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with our future operations and financial performance.

Such statements involve known and unknown risks, uncertainties and other factors that may cause actual outcome to differ from those expressed or implied in these statements. The Company assumes no responsibility to publicly update, amend, modify or revise any forward-looking statements.



About your Company



The Procter & Gamble Company, US ("P&G") is a world leading multinational consumer goods Company, focused on providing trusted, branded products of superior quality, performance and value to improve the lives of its consumers around the world. Today, P&G products are sold in about 180 countries and territories throughout the world.

Procter & Gamble Health Limited ("Company") was incorporated in India as Merck Limited in 1967. P&G acquired the Company in the year 2018. Today, the Company is one of India's largest VMS Companies, manufacturing and marketing vitamins, minerals and supplements, which are products for a healthy lifestyle and improved quality of life, including Neurobion, Livogen, SevenSeas, Evion, Polybion and Nasivion. Our trusted products are household names in India, protecting and supporting millions of people at every stage of life.

Company Secretary

Ms. Zeal Rupani

Secretarial Auditor

Dholakia & Associates LLP
Company Secretaries

Statutory Auditor

Haribhakti & Co. LLP
Chartered Accountants

Cost Auditor

Joshi Apte & Associates
Cost Accountants

Listed on Stock Exchanges

**National Stock Exchange of India Limited
BSE Limited**

Plant Location

**Plant No. 11/1, Usgaon, Ponda,
Goa - 403 407**

Registered Office

Procter & Gamble Health Limited
P&G Plaza, Cardinal Gracias Road, Chakala,
Andheri (E), Mumbai - 400009, India
Phone: +91 22 6866 9000
Fax: +91 22 2518 6828
Website: www.pghealthindia.com
Email: investorgrievance.im@pg.com

Registrar and Share Transfer Agent

Kfin Technologies Limited
Selenium Tower B, Plot 31-32
Financial District, Nanakramguda
Serilingampally Mandal
Hyderabad, Telangana - 500 032
Toll Free No: 1- 800-309-4001
Email: einward.ris@kfintech.com
Website: www.kfintech.com



MEET THE BOARD



Directors from left to right

Mr. Milind Thatte, Ms. Seema Sambasivan,
Mrs. Rani Jadhav, Mr. Suresh Talwar,
Mr. S. Madhavan, Mr. Aalok Agarwal,
Mr. Lokesh Chandak

Mr. Suresh Talwar,

Chairman and Independent Director

Mr. Talwar is a B.com., LLB and a solicitor. Mr. Talwar is a co-founder of Talwar, Thakore & Associates. As a practicing lawyer with the Bombay High Court since 1966, he has over 45 years of experience in the legal profession, specializing in corporate law dealing specifically with mergers and acquisitions, corporate taxation, foreign exchange laws, international issues of Indian securities and real estate laws among others. He has been a Director on the Boards of several prominent companies in India.

Mrs. Rani Jadhav,

Independent Director

Mrs. Jadhav is a retired IAS Officer. She worked for 38 years in the Indian Administrative Service before retiring in 2008 from the position of Chairperson, Mumbai Port Trust in the rank of Secretary, Government of India. She has held a number of senior positions in government both at the federal and state levels and is, therefore, well acquainted with all aspects of public administration in India. The positions held by her included Principal Secretary, Textiles; Managing Director, Maharashtra State Textiles Corporation; Joint Secretary (Fund-Bank), Ministry of Finance, GOI; Managing Director, State Petro-Chemicals Corporation, Khadi and Village Industries. She held the position of Chairperson, Tariff Authority for major ports till June 2013.

Mr. S. Madhavan,

Independent Director

Mr. S. Madhavan is a Chartered Accountant and holds a Master's Degree in Business Administration from the Indian Institute of Management, Ahmedabad, India. He has around 37 years of experience in Accountancy, Economics, Finance, Law, Information Technology, Human Resources, Risk Management and Business Management. He is a Director on the Boards of several prominent companies in India.

Mr. Milind Thatte,

Managing Director

Mr. Thatte holds dual Master's degree in Pharmaceutical Sciences and Business Administration. In a career spanning over 32 years, he has worked across functions such as Sales & Marketing, Business Development, Market Research, Formulation R&D and SFE in APAC with leading healthcare companies. He brings with him an extensive experience in marketing, portfolio development and rebalancing across prescription, OTC, and consumer health categories.

Mr. Lokesh Chandak,

Executive Director and Chief Financial Officer

Mr. Lokesh Chandak is a Chartered Accountant and a Company Secretary. He comes with an experience of over 15 years in finance and accounting across multiple geographies. He has spent the last 13 years with Procter & Gamble (P&G) across 3 geographies, multiple businesses, leading various projects having significant impact on business and controls. In his last role, Mr. Lokesh Chandak was Director – Commercial Finance & Stewardship, India, Consumer Health & Director – Stewardship, Personal Health Care (Asia, Middle East & Africa) of the Company.

Mr. Aalok Agrawal,

Non-Executive Director

Mr. Agrawal is a Bachelor of Science (Physics) and an MBA from Indian Institute of Management, Ahmedabad. He has been with P&G for over 25 years with leadership experience on consumer healthcare & FMCG businesses and deep mastery in diverse OTC value creation business models. He has worked in diverse cultural contexts across the globe. He is currently Sr. Vice President & General Manager, Consumer Healthcare for Asia-Pacific, India, Middle East & Africa region.

Ms. Seema Sambasivan,

Non-Executive Director

Ms. Seema Sambasivan holds a Master's Degree in Science (Microbiology) from the University of Mumbai. She has been with P&G for over 25 years and has specialized in the health care category. She is currently the Senior Director for Personal Health Care – Global Product Stewardship across Africa, Middle East, Asia-Pacific and China. Over the last 19 years, Ms. Sambasivan has focused on Regulatory Affairs and leads a team across the region delivering compliance strategies for Base Business and Innovation. Her experience encompasses a wide portfolio including medicines, medical devices, electronic devices, supplements, food and cosmetics across diverse categories including Respiratory, Nerve Care, Anemia, Energy & Muscle Health, General Health, Digestive Wellness and Oral Care.

Foreword

Our Integrated Growth Strategy



P&G Health people are focused on executing each element of our integrated strategy with excellence:

- A focused portfolio of Trusted, Quality, Highly Recommended brands where performance drives brand choice.
- Irresistible superiority across product, package, brand communication, retail execution and value, to delight consumers and grow markets.
- Productivity improvement in all areas of our operations.
- Constructive disruption — a willingness to change, adapt and create new trends, technologies and capabilities that will shape the future of our industry.
- An empowered, agile and accountable organization that is inclusive and diverse — enabling us to better serve an increasingly diverse set of consumers.



Our FY 2023-24 Annual Report highlights the ways, Procter & Gamble Health Limited's Integrated Growth Strategy continues to guide its efforts to generate sustainable, balanced top-and-bottom line growth and value creation.



Managing Director's Message



Dear Shareholders,

I am pleased to present to you the Annual Report of the company, highlighting the journey, challenges, and successes for the fiscal year 2023-2024.

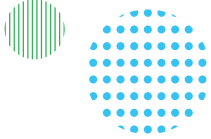
During the year, the Company reported sales of ₹ 1129 crores, down 6% vs. a year ago. Profit (before exceptional items and tax) for the fiscal year ended June 30, 2024 was ₹ 294 Crores, down 7% vs. a year ago. While this fiscal year tested our resilience, our perseverance made us stronger, enabling us to navigate evolving market dynamics while ensuring our trusted, quality brands remain the preferred choice for healthcare professionals, pharmacists and consumers.



While challenges persisted, we persevered on our integrated strategy towards driving balanced growth and value creation, despite external headwinds. We remained focused on executing each element of our strategy with excellence: a portfolio of trusted, quality and highly recommended brands where performance drives brand choice; superiority across product, package, brand communication, retail execution, and value; productivity; constructive disruption; all enabled by an empowered, agile and accountable organization. Embracing constructive disruption as a mindset is crucial for success, enabling us to adapt, innovate, and create new trends that will propel our company and industry forward. With this mindset and an integrated approach, we revamped our go-to-market model to significantly strengthen our reach, distribution, and retail execution and position us for long-term competitiveness.

Our consumer awareness efforts are focused on health and wellness through targeted campaigns and educational programs across on-ground and digital platforms. Our brands launched some notable initiatives such as Livogen's 'Na Na Anemia Bus Yatra 2.0', and 'Neurobion's Language of Diabetes.' We also set our 4th GUINNESS WORLD RECORD™ with over 50,000 doctors pledging to diagnose and treat Peripheral Neuropathy. Additionally, we created a record in the Asia Book of Records with 'Nasivion' to drive awareness about nasal health.

We actively collaborated with leading healthcare practitioners (HCPs), healthcare associations and pharmacists for research, awareness, education for conditions such



as Vitamin Deficiencies, Neuropathy, Iron-Deficiency Anaemia, and others that continue to be underdiagnosed and undertreated in our country. Our collaboration with the Indian Medical Association (IMA) for World Diabetes Day featured the #KnowtheSigns Scientific Conclave, focusing on Diabetic Peripheral Neuropathy and its management. We also partnered with the Indian Academy of Pediatrics (IAP) on 'Sankalp: Sampoorna Swasthya (SSS)' to promote nutritional awareness and prevention of non-communicable diseases (NCDs) among school children, teachers, and parents.

Recognizing that our human capital is our greatest asset, we continued to promote employee well-being, focusing on mental and physical health, work-life balance, and professional growth. Driven by the key pillars of Equality & Inclusion and guided by the strong compass of Stewardship & Compliance - our employees are an agile and empowered workforce. Together, we are united by one line of sight, consistently delivering excellence in every aspect of our operations. The accolades and recognitions we received throughout the year stand as testament to the dedication and hard work of our team members. These honors motivate us to strive for excellence continuously and serve as a reminder of the impact we have made in our industry and beyond.

Our Corporate Social Responsibility initiatives under SEHAT highlight our commitment to enhancing public health. We continued to strengthen our bespoke programs addressing healthcare disparities and enabling access to care, and quality of life for underserved populations.

All these efforts to build a strong business while laying a strong foundation for future growth and long-term competitiveness, would not have been possible without the trust of our esteemed shareholders and our partners, customers, HCPs, consumers and employees, and we thank you for the same.

There is still more work to do to continue improving the areas in our control, needed to offset the headwinds that are largely not in our control. However, we are confident that strong execution of our strategy will deliver balanced growth and value creation.

Yours Sincerely,

Milind Thatte

Managing Director, P&G Health.



Livogen®

Iron ki kami ko haraana,
Haemoglobin ko 12 par laana,
Yeh hai mera **Baarah Ka Naara!**



In mein se koi bhi lakshan dikhein toh apne nazdeeki doctor ko zarur dikhayein.



Atyaadhik Thakaan



Kamzori



Baalon Ka Jhadna



Tvacha Ki Rangat
Feeeki Padna



A Focused Portfolio of Trusted, Quality, and Highly recommended brands where performance drives brand choice



Across our key categories, we are always listening to what our consumers need & incorporating these insights across Product, Packaging, Brand Awareness, Education, Communication, Pharmacy & Retail Execution, and Value. In terms of formulation, our focus is product superiority.

We continue to put in extensive efforts to improve awareness and accessibility of our Trusted Brands; through scientifically backed communications, empowering our consumers identify symptoms and seek timely treatment for desired treatment outcomes and improved quality of life.

Company Overview

Boards Report and MDA

Corporate Governance

Financial Statements

Are you choosing the right Vitamin E?

HAR HARA HOTA NAHI KHARA

Choose genuine. Choose **Evion®**

India's **#1** Vitamin E

IQVIA MAT June'23, MAT-9N-OTHER-24-000078. For more information on Evion, please refer Product Information at www.evion.in/PI

IQVIA MAT Feb'24

Polybion® ACTIVE

- With added lysine¹⁴
- Supports immunity during convalescence¹⁴
- Provides faster recovery^{15,16}

Includes **#1** B Complex^{17,18} in tasty **Mango** Flavour

Home States Polybion Active References

NEUROBION® Forte Doctor's Recommendation **#1**

Tingling and Numbness are symptoms of B-Vitamin deficiency

Help relieve B-Vitamin deficiency with Neurobion Forte

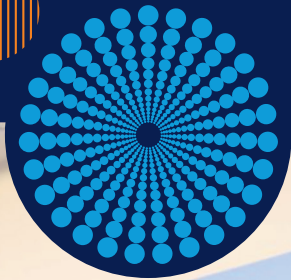
FOR **SWIFT UNBLOCK SWITCH TO** 25 12 2

BLOCKED NOSE GIVING NIGHTMARES!

Try **Nasivion®**

NOTHING WORKS FASTER^{#1}

Amongst Topical Nasal Decongestants 1. Reinecke S et al. Investigation of the effect of Oxymetazoline on the duration of Rhinitis. Results of a placebocontrolled double-blind study in patients with acute rhinitis, Fortsch. Med. Originalien III/2005 (Vol. 147).



WORLD
DIABETES
DAY



#KnowTheRisk

Scientific Advocacy, Evidence Generation and Integrated Education and Awareness initiatives

Conditions such as Vitamin Deficiencies, Neuropathy, Iron-Deficiency Anaemia, continue to be underdiagnosed and undertreated in our country. Challenges being lack of awareness of symptoms, lack of understanding of treatment options and their impact on QoL (Quality of Life).

Procter & Gamble Health Limited actively collaborates with leading healthcare practitioners, healthcare associations and pharmacists for research, awareness, education, in each of the categories we operate.

Company Overview

Boards Report and MDA

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Nasivion
Strategic collaboration with Indian Academy of Pediatrics (IAP)
GATEWAY TO AIRWAY WORKSHOP

PRE-MONSOON ACTIVATION WITH IAP

- 912 Pediatrics & ICUs engaged so far and counting...
- 18 cities across North, South, East & West in 1.5 month (pre-monsoon)
- Case based module on URTI & Allergic issue among baby/children

More to come in JAS'24 from Nasivion Gateway to Airway



NASH Symposium
15th June, 2024 8:00 PM Onwards

MODERATORS:
Dr. Adarsh CK (MD, DNB Gastro), Dr. Vinay Kumar BR (MD, DM (Neurology))

SPEAKERS:
Dr. Prashanth Gandhi (MD, DM (DNB Gastro)), Dr. Shyam Sundar (MD, DM (Endo)), Dr. Sreehari D (MD, DNB Gastro)

On the occasion of 'World Iron Deficiency Month'

PANEL DISCUSSION: OVERCOME ANEMIA

Saturday, 25 November 2023
Session: 2.00 – 3.00 PM
Hall: Takniki Grand Hyatt, Mumbai

Chairpersons:
Dr. Bhaskar Pal, Dr. Ameya Purandare

2.00 – 2.15 PM Talk:
Dr. Haresh Doshi

Moderators:
Dr. Bhaskar Pal, Dr. Ameya Purandare

Panelists:
Dr. Shobha Gudi, Dr. Priya Vora, Dr. Chinmayee Ratha, Dr. Rajashree Katke, Dr. P Shyju, Dr. Varsha Lahade, Dr. Manisha Takhtani

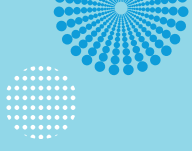




An Organization that is Empowered, Agile and Accountable

We have designed and continue to refine and strengthen our organization structure so that it enables our people to focus on our biggest opportunities for growth — fully empowered, agile and accountable.





Community Impact

From Public Health Capability Building to providing access to Basic Primary Healthcare, our goal is to improve the health and well-being of the communities we touch, through our CSR programme - SEHAT.



External Accolades for 2023-2024



e4m Health and Wellness Marketing Awards

- **Silver Award for Best PR Campaign**
Livogen's Na Na Anemia Campaign
- **Silver Award for Best Integrated Campaign**
Livogen's Na Na Anemia Campaign
- **Gold Award for Best PR Campaign**
Neurobion's Feel Life Campaign.



PRMoment HealthComms Awards

- **Silver Award for Best Public Health Communication Campaign**
Livogen's Na Na Anemia Campaign
- **Bronze Award for Best Use of Social Media for Healthcare Campaign**
Neurobion's Feel Life Campaign.



Fulcrum Awards

- **Bronze for Best Use of Digital**
Evion In Beauty On Campaign.



PR Awards India

- **Gold for Cause-related Public Awareness Campaign**
Livogen's Na Na Anemia Campaign
- **Gold for Integrated Marketing**
Neurobion's Feel Life Campaign.



India Pharma Awards

- **Excellence in Marketing**
Neurobion's Feel Life Campaign.



OPPI National Conference & Awards



IHW Digital Awards



10th CSR Summit & Awards



GUINNESS WORLD RECORDS



ASIA BOOK OF RECORDS

Best Consumer Health Digital Marketing Campaign

Livogen's Na Na Anemia Campaign

2nd Runners Up for Consumer Health Brand of the Year

Neurobion

Gold Award for Digital Health Solutions Public Awareness Campaign

Neurobion's Feel Life Campaign.

Silver Award for Digital Health Solutions for Women and Children

Livogen's Na Na Anemia Campaign

Best CSR Project of the Year

SEHAT - Yes to Poshan

Largest Photo Album of People Wearing Pin Badges

Neurobion

Largest Brand Promotion Sentence Using Snow

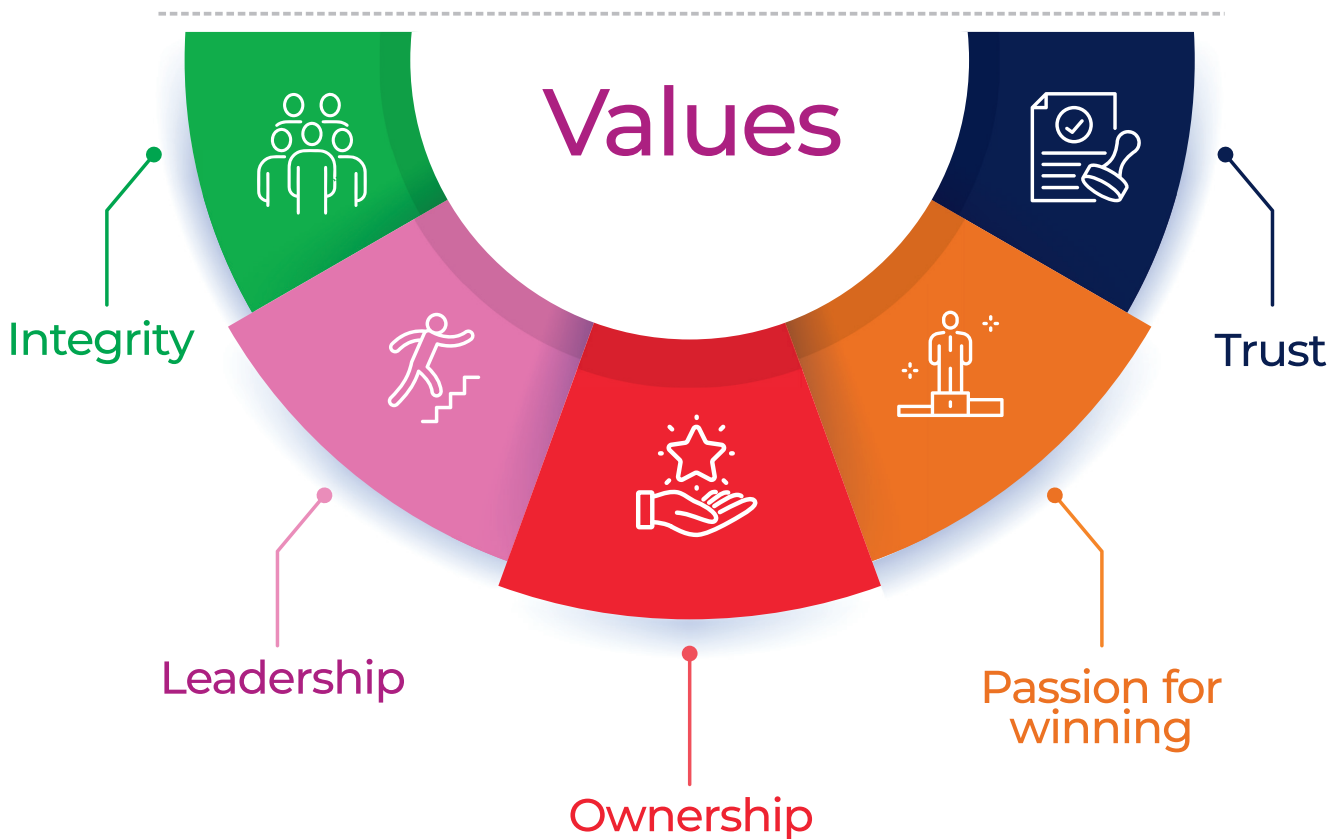
Nasivion

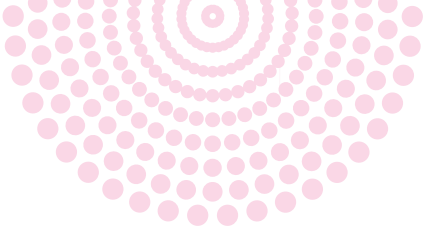


Our Purpose, Values & Principles

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.





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.

- 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

REPORT OF THE BOARD OF DIRECTORS AND MANAGEMENT DISCUSSION & ANALYSIS

The Board of Directors have the pleasure of presenting the 57th Annual Report including the Audited Financial Statements of the Company for the Financial Year ended June 30, 2024.

FINANCIAL HIGHLIGHTS

(₹ in Crores)

Particulars	2023-24	2022-23
Revenue from Operations	1,151.26	1,229.62
Sale of Products	1,129.49	1,205.86
Profit before tax & exceptional items	293.51	314.20
Profit after tax	200.98	229.47
Appropriations:		
Opening Reserve	370.91	237.07
Re-measurement gain/loss on defined benefit plan (net of tax)	0.67	(1.84)
Dividend paid in the year	(414.99)	(93.79)
Balance carried to the Balance Sheet	157.57	370.91
Earnings per share		
Basic and Diluted (₹)- Before Exception item	133	138
Basic and Diluted (₹)- After Exception item	121	138

FINANCIAL YEAR

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

DIVIDEND

During the Financial Year, the Board of Directors of the Company at its meeting held on February 6, 2024, declared an interim dividend of ₹ 200 per equity share (including one-time special dividend of ₹ 150 per share), which was paid on March 1, 2024.

The Board of Directors of the Company, at its meeting held on August 21, 2024, have recommended a final dividend of ₹ 60 per equity share, for the Financial Year ended June 30, 2024. This final dividend is subject to approval of the Members at the ensuing 57th Annual General Meeting of the Company.

The aggregate dividend for the Financial Year ended June 30, 2024, (including the interim dividend) amounts to ₹ 260 per equity share.

ECONOMY AND MARKETS

Consumer demand in both urban and rural markets remained tepid for the large part of the year, owing to inflationary pressures and factors like delayed monsoons causing lower agricultural yields.

Despite this, India's real gross domestic product

(GDP) grew by 8.2* per cent in FY 2024, exceeding 8 per cent mark in three out of four quarters of FY 2024. Indian economy has recovered and expanded in an orderly fashion post pandemic. The annual Economic Survey of India in July 2024 highlighted that the real GDP in FY 2024 was 20 per cent higher than its level in FY 2020, a feat that only a very few major economies achieved. Further, the Survey also highlighted that timely policy interventions by the government and Reserve Bank of India's price stability measures helped maintain retail inflation at 5.4 per cent in FY 2024[§].

The economic growth of 8.2 per cent in FY 2024 was supported by an industrial growth rate of 9.5 per cent. Despite disruptions on many fronts, the manufacturing sector achieved an average annual growth rate of 5.2 per cent in the last decade[§].

Despite a challenging global landscape, India's economy stayed resilient. India solidified its position as the world's fifth-largest economy, showcasing its significant economic strength and becoming one of the fastest growing major economies.

*Source: Press release of Ministry of Statistics & Programme Implementation dated May 31, 2024.

§Source: Annual Economic Survey, July 2024.

OPPORTUNITIES, RISK AND OUTLOOK

The healthcare sector in India has undergone a significant transformation, fueled by substantial investments in infrastructural development. The interim budget for FY 2024-25 reflects the government's strong commitment to the healthcare sector. Since 2016, the Indian healthcare industry has witnessed a consistent growth trajectory, boasting an impressive Compound Annual Growth Rate (CAGR) of about 22%*. The consumer healthcare sector shows promising prospects for the future. The Company is well-positioned to sustain and strengthen its position in the market.

*Source: Economic Times, April 7, 2024.

FINANCIAL RATIOS

Particulars	2023-24	2022-23	Change (%)
Debtors (trade receivables) turnover	11.45	12.35	-7
Inventory turnover	9.43	9.83	-4
Return on investment	0.05	0.04	0
Net capital turnover	3.77	2.50	51*
Trade payables turnover	1.63	1.86	-12
Return on Capital Employed	0.51	0.42	21

Particulars	2023-24	2022-23	Change (%)
Interest coverage ratio**	N.A.	N.A.	-
Current ratio	2.39	2.62	-9
Debt equity ratio**	N.A.	N.A.	-
Operating profit margin	23.42%	25.18%	-7
Net profit margin	17%	19%	-6
Return on Networth	51	42	21

* Efficiency in working capital management

** The Company did not have any borrowings during the Financial Year

BUSINESS PERFORMANCE AND GROWTH STRATEGY

The Company is committed towards bringing quality and affordable range of vitamins, minerals and supplements (VMS) to patients, consumers and customers across the country. The Company is well known in India for its rich heritage in healthcare sector with brands that are household names like Polybion, Neurobion, Evion, Seven Seas, Nasivion, Livogen, etc.

During the Financial Year, the Company delivered sales of ₹1129 crores and operational profit for the fiscal year ended June 30, 2024 was ₹ 294 Crores. While this fiscal year tested Company’s resilience, our perseverance made us stronger, enabling us to navigate through the evolving market dynamics while ensuring our brands remain the preferred choice for healthcare professionals, pharmacists and consumers.



The Company has delivered strong results over the years, in a volatile macro environment against very capable competition, through focus on executing its integrated growth strategy with excellence. We are focused on delighting and serving consumers, customers and shareholders through five strategic and integrated choices:

1. A focused portfolio of Trusted, Quality, Highly Recommended brands where performance drives brand choice.
2. Irresistible superiority across product, package, brand communication, retail execution and value, to delight consumers and grow markets.
3. Productivity improvement in all areas of our operations.
4. Constructive disruption — a willingness to change, adapt and create new trends, technologies and capabilities that will shape the future of our industry.
5. An empowered, agile and accountable organization that is inclusive and diverse — enabling us to better serve an increasingly diverse set of consumers.

These choices 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. The Company has made choices to strengthen the execution of its integrated strategy with the deployment of a transformed go-to-market model. We’re confident these changes will deliver superior reach, distribution, retail execution and improve our persisting competitiveness in the long-run.

Public health concerns such as Vitamin Deficiencies, Neuropathy, Iron deficiency Anaemia, continue to be underdiagnosed and undertreated due to multiple challenges like lack of awareness of symptoms, understanding of treatment options and their impact on lack of Quality of Life. During the year, the Company focused on increasing consumer awareness about health and wellness through campaigns, educational programs, and across digital platforms-through launching of notable initiatives such as:

-Livogen’s ‘Na Na Anemia Bus Yatra 2.0’- at driving awareness of anaemia diagnosis about Iron deficiency-Anemia;

-Evion’s ‘own my glow (OMG)’ campaign-for the launch of new Evion Cream and highlighting its benefits;

-Neurobion’s ‘language of Diabetes’ - a self care digital campaign, aimed to empower patients to recognise

and seek timely diagnosis for diabetes related complications, including Peripheral Neuropathy.

Further, the Company actively collaborated with leading healthcare practitioners, healthcare associations, and pharmacists for research, awareness, and education, in each of the categories where the Company operates, like:

- collaboration with the Indian Medical Association for World Diabetes Day focusing on Diabetic Peripheral Neuropathy and its management;
- partnering with Indian Academy of Pediatrics to promote nutritional awareness and prevention of non-communicable diseases among school children, teachers, and parents, amongst other campaigns.

The Company also set its 4th Guinness World Record™ with 50,000+ doctors pledging to diagnose and treat Peripheral Neuropathy. The Company also set a record in the Asia Book of Records for brand promotion with 'Nasivion' to drive awareness about the benefits of Nasal decongestants.

Across our portfolio, we are always listening to what our consumers need & are incorporating these insights across product, packaging, brand awareness, education and communication, pharmacy & retail execution and creating value. The Company strives to identify opportunities to grow its share thereby bringing a meaningful change to the lives of consumers and its stakeholders.

RISK MANAGEMENT

The Company has set up a Risk Management Committee and 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. The Company's Risk Management process focuses on ensuring that these risks are identified on a timely basis and adequately addressed.

For financing risks, the Company 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.

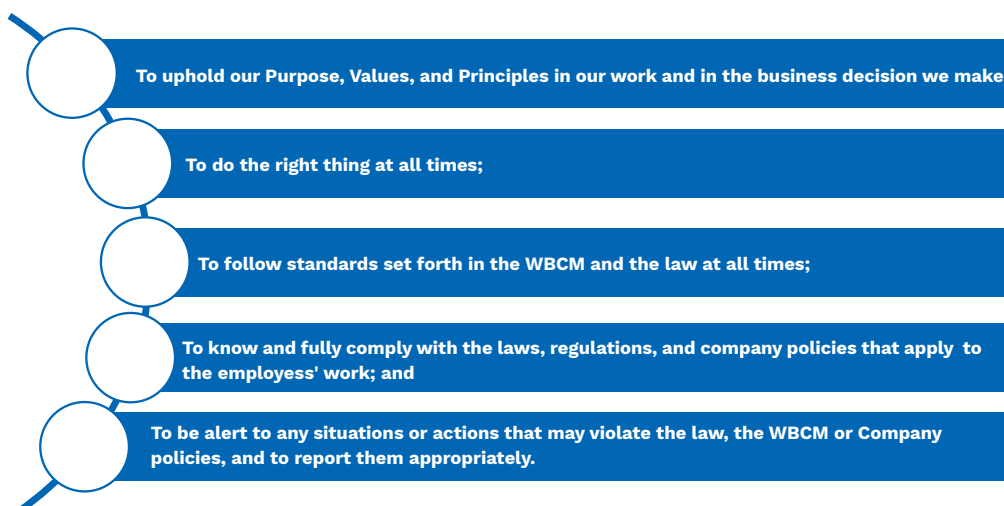
The Company has in place a very stringent and responsive system under which all its distributors and vendors are assessed before being selected.

As part of the business sustainability and governance process, in order to ensure a robust risk management system, in line with the applicable laws, the Company follows a proactive risk management policy, aimed at protecting its employees, assets and the environment, while at the same time ensuring growth and continuity of its business.

The risks are identified by a consistent process across functions and the Company also strives to link each risk with a mitigation step to ensure business continuity. Risk managers consistently map the risks to establish a risk management culture. The risk report is reviewed at regular intervals, to ensure that risks are planned for mitigation, for the fact that not all risks can be eliminated.

REGULATORY AND COMPLIANCE

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



SECURITY

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

INFORMATION TECHNOLOGY

The Company uses varied IT systems and processes in its day-to-day businesses operations. There are software related precautions like handling of data integrity, access rights, virus firewalls, data protection, social media risk, etc. The Company has robust framework and policies on information security which cover risks related to cyber security. Adherence to the Company's information security guidelines and processes is continuously monitored and are subject to Controls Self-Assessments and global audits at regular intervals.

INTERNAL CONTROLS AND THEIR ADEQUACY

The Company maintains a strong focus on internal controls, considering them an essential part of its organizational culture. It has established robust systems for internal controls environment and risk assessment & management. These systems ensure compliance with internal company policies, procedures, standard guidelines, and local laws, safeguarding the Company's assets and confidential information from financial losses and unauthorized use.

The following practices effectively manage the controls environment of the Company:

- **Controls Self-Assessments (CSAs):**

Each year, comprehensive CSAs are conducted across business processes. These assessments review and evaluate process compliance against standard control objectives, activities, and attributes. They allow the Company to proactively identify control weaknesses and take appropriate measures to mitigate them.

- **Stewardship and Global Internal Audit (GIA):**

In addition to compliance programs, the Company has dedicated internal compliance experts to guide business operations in adherence to laws

and regulations. Independent internal controls experts lead reviews and audits of key processes, including selling, revenue, distribution, trade & marketing spends, vendor payments, and plant operations. Findings and observations are shared with senior management to implement action plans that enhance the overall controls environment. The Company's Global Internal Audit team, consisting of certified internal controls process experts with diverse market experiences, assesses high-risk areas and SOX compliance. The management's corrective actions are subsequently reviewed and reported.

- **Governance Board:**

The Governance Board consists of the Managing Director, Chief Financial Officer, Chief Human Resource Officer, Supply Chain Leader, General Counsel, and Sales Leader. This board assesses and reviews enterprise-level risks, collaborating with process owners and functional managers to ensure timely corrective actions and risk mitigation.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

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

CORPORATE SOCIAL RESPONSIBILITY

As a responsible Healthcare Company, the Company continued to channelize its Corporate Social Responsibilities (CSR) efforts towards building a healthier India under its CSR umbrella program – 'SEHAT' (meaning Health). With SEHAT, the Company aspires to make a sustainable impact to public health in India.

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

A brief outline of the Corporate Social Responsibility Policy of the Company and the initiatives undertaken by the Company on CSR activities during the Financial Year are set out in **Annexure II** to this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. In compliance with requirements of Section 135 of the Companies Act, 2013, the Company has laid down a CSR Policy which is published on its website- <https://www.pghealthindia.com/investors/>.

ENVIRONMENTAL SUSTAINABILITY AND CONSERVATION OF ENERGY

Our efforts in environmental sustainability are important to create superior propositions for consumers, customers, and shareholders - while improving our environmental impact.

We seek to reduce the footprint of our operations and enable consumers to reduce their footprint.

The Company's plant site at Goa is a zero-manufacturing-waste-to-landfill site, which means that no manufacturing waste is discharged to landfill.

The Company contributes to the P&G group's ambition to reduce Green House Gas (GHG) emissions across its operations. The Company will continue to strive in its efforts towards this ambition. The Company aims to grow responsibly and continuously improve its efficiency while reducing its carbon footprint.

The Company continues to be compliant with the government's Extended Producer Responsibility (EPR) guidelines on plastic packaging waste collection.

For a detailed report on Company's sustainability efforts, kindly refer to the business responsibility and sustainability section (BRSR) appended as Annexure I to this report.

TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT

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

The Company avails benefits from The Procter & Gamble Company and its subsidiaries' research and development efforts and activities across the globe.

Technology absorption and adaptation is a continuous process. The products manufactured and sold by the Company are a result of the imported technology received on an ongoing basis. 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 believes in exploring the latest technology from both within India and beyond to ensure the best quality product is made by the company for our consumers.

Details of the expenditure on Research & Development (R&D) undertaken during the Financial Year:

(₹ in Lakhs)

Expenditure on R&D*	2023-24	2022-23
Capital	-	-
Recurring	386	571
Total	386	571
Total R&D expenditure as a percentage of total turnover	0.36%	0.47%

* The aforesaid R&D expense does not include people costs.

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:

(₹ in Crores)

	For the Financial Year ended June 30, 2024	For the Financial Year ended June 30, 2023
Foreign Exchange earnings	542.1	146.52
Foreign Exchange outgo	801.3	160.54

RELATED PARTY TRANSACTIONS

The Company has formulated a policy on related party transactions for the purposes of review and approval of related party transactions. The policy on related party transactions as approved by the Board is uploaded on the Company's website - [https:// www.pghealthindia.com/investors/](https://www.pghealthindia.com/investors/).

Prior omnibus approval is obtained for related party transactions which are of repetitive nature and 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All related party transactions entered during the Financial Year were in ordinary course of the 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 the Company.

PUBLIC DEPOSITS

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

LOANS AND GUARANTEES GIVEN OR INVESTMENTS MADE

The Company has neither given any loans or guarantees nor made any investments during the Financial Year 2023-24.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereunder. The Company has ensured a wide dissemination of the Policy and has conducted various awareness programs at all locations of the Company. The Company has constituted an Internal Complaints Committees. During the Financial Year, one complaint with allegation of Sexual Harassment was filed with the Company, which was resolved during the Financial Year.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3) of the Companies Act, 2013, the Directors confirm that:

- a. That in the preparation of the annual accounts for the Financial year ended June 30, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. That the Directors had selected appropriate accounting policies and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. That the Directors have prepared annual accounts on a going concern basis;
- e. That the Directors have had laid down appropriate internal financial controls and that such internal financial controls were adequate and were operating effectively; and
- f. 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 the Financial Year 2023-24 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, which can be accessed at <https://www.pghealthindia.com/investors/>.

HUMAN RESOURCES

The Company continues to look at the fundamentals of creating an appealing employer brand, attracting talent that is a suitable match for the Company, and consequently nurturing that talent. We have designed holistic Human Resource strategies to ensure that the organization is geared up to deliver the future.

For your Company, human capital is an intangible asset which is not listed in the Company's balance sheet. Thus, human capital is the stock of knowledge, skills, know-how and other acquired personal attributes. Human Resources (HR) department oversees workforce management, workforce planning and strategy, recruitment, employee training and development, reporting and analytics and employee safety. We continue to facilitate and speed up expansion with a clear roadmap.

Our 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. Our 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: Our Company continues to be a key source for global talent and a preferred Employer of Choice for the workforce in India. We continue to 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. P&G Group continued to retain its 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.

We strongly believe in co-creating careers with our employees, which allows them to partner with the business to achieve a fulfilling career with us. We encourage our employees to bring their true authentic self to work in order to consistently evolve from Good to Great. Our Company's performance management system continues to clearly assess employees based on their impact through growth.

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

The number of employees as on June 30, 2024 was 1336.

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, the 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 investorgrievance.im@pg.com.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, there were no changes in the Company's Board of Directors.

Mr. Lokesh Chandak, Executive Director and CFO, retires by rotation and being eligible, offers himself for re-appointment at the ensuing 57th Annual General Meeting. Brief profile and details of the Directorships of Mr. Lokesh Chandak, are contained in the Corporate Governance section of this Annual Report.

All Independent Directors of the Company have given declarations 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.

The Board is of the opinion that all the Independent Directors of the Company possess integrity, have relevant expertise and experience and fulfil the conditions specified under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of the familiarization programmes and annual Board evaluation process for Directors have been provided under Corporate Governance section of the report.

During the Financial Year, none of the Directors and Key Managerial Personnel of the Company had any material pecuniary relationship or transactions with the Company.

NUMBER OF MEETINGS OF THE BOARD

Five (5) meetings of the Board were held during the Financial Year 2023-24. For details of the meetings of the Board and its Committees, please refer to the Corporate Governance section of the Report.

POLICIES

The 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://www.pghealthindia.com/investors/#policies>

INTERNAL AUDITOR

Mr. Arihant Jain was appointed as Internal Auditor of the Company for the Financial Year ended June 30, 2024.

STATUTORY AUDITORS

The Shareholders at the 55th Annual General Meeting (AGM) held on November 23, 2022 had approved the re-appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants (ICAI Firm Registration No.: 103523W/W100048), as statutory auditors of the Company, to hold office from the conclusion of 55th AGM upto the conclusion of the 60th AGM.

The Report issued by the Statutory Auditors on the financial statements of the Company for the Financial Year ended June 30, 2024 is part of the Report. There have been no qualification, reservation or adverse remark given by the Auditors in their Report.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Central Government has prescribed cost audit of the accounts to be maintained by the Company. M/s. Joshi Apte & Associates, Cost Accountants carried out the cost audit for the Financial Year 2023-24. The Board of Directors has re-appointed M/s. Joshi Apte & Associates, Cost Accountants for the Financial Year 2024-25.

A resolution for ratification of the remuneration payable to the Cost Auditor for the Financial Year 2024-25 is proposed in the Notice of the ensuing 57th Annual General Meeting.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014, Secretarial Audit has been carried out by Dholakia & Associates LLP, Company Secretaries, for the Financial Year ended June 30, 2024. There were no qualifications, reservation or adverse remarks given by Secretarial Auditors of the Company. The Secretarial Audit report is annexed to this Report.

SECRETARIAL STANDARDS

During the Financial Year, the Company has complied with the 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, exceptional marketing strategies, and the goodwill of its worldrenowned trademarks and superior brands.

The Board of 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 21, 2024**

**S. N. Talwar
Chairman**

ANNEXURE I

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2023-24

Dear Shareholders,

We are presenting the Company's Business Responsibility and Sustainability Report for the Financial Year ended June 30, 2024.

Our objective is balanced top- and bottom-line growth, while serving the needs of all stakeholders — consumers, customers, employees, society and shareholders. We are growing and creating value through a strategy of five integrated choices - a focused product portfolio where performance drives brand choice, superiority (of product performance, packaging, brand communication, retail execution and consumer and customer value), productivity, constructive disruption, and an agile, empowered and accountable organization. This strategy is inherently dynamic and adapts to the changing needs of consumers, customers and society. We see success in environmental, social and governance areas, what we call Citizenship, as an opportunity to create competitive advantage that can drive shareholder value creation.

Our efforts in environmental sustainability are important to create superior propositions for consumers, customers, and shareholders, while improving our environmental impact. We seek to reduce the footprint of our operations and enable consumers to reduce their footprint.

In Community Impact, through our flagship Corporate Social Responsibility program – SEHAT (meaning Health), we aspire to make a meaningful impact in the area of Public Health.

We believe that it is important for our workforce to reflect the diversity of our consumers. We seek to foster an inclusive work environment where each individual can bring their authentic self, which helps drive innovation and enables us to better serve our consumers. Our ability to serve diverse consumers most effectively is enabled by a workforce and culture that understands, respects, and reflects the uniqueness of all the consumers we serve.

We are entering the new fiscal year keeping consumers at the center, and an organization passionate to serve and delight the consumer, along with all our stakeholders. When done well, consumers will benefit, customers will grow their businesses, employees will develop and thrive, we will have a positive impact on society, and shareholders will continue to be rewarded for their investment.

Milind Thatte
Managing Director

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No.	Particulars	Details
1.	Corporate Identity Number (CIN)	L99999MH1967PLC013726
2.	Name of the Company	Procter & Gamble Health Limited
3.	Year of incorporation	1967
4.	Registered office address	P&G Plaza, Cardinal Gracias Road, Chakala, Andheri (East), Mumbai – 400099
5.	Corporate office address	
6.	E-mail id	investorgrievance.im@pg.com
7.	Telephone number	Tel no.: +91 022 6866 9000 Investor helpline no.: +91 82919 02520
8.	Website	pghealthindia.com
9.	Financial Year reported	July 1, 2023 to June 30, 2024
10.	Name of the Stock Exchange(s) where shares are listed	<ul style="list-style-type: none"> BSE Limited National Stock Exchange of India Limited
11.	Paid up capital	₹ 16.59 Crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Zeal Rupani Company Secretary & Compliance Officer Tel no.: +91 022 6866 9000 Email ID: investorgrievance.im@pg.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosures under this report are made on Standalone basis
14.	Name of Assurance Provider	Not applicable
15.	Type of Assurance obtained	Not applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacture and sale of health care products	Manufacture and sale of healthcare products, viz., vitamins, minerals and supplements	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Healthcare products viz., vitamins, minerals and supplements	NIC 21002	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

The Registered office of the Company is in Mumbai, and it has a manufacturing plant in Goa.

Location	Number of plants	Number of offices	Total
National	1	9*	10
International	-	-	-

* Includes number of depots/distribution centers/warehouses across India

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	The Company has a pan-India presence, and its products are sold across India (28 States and 8 Union Territories).
International (No. of Countries)	4 countries*

* During the Financial Year 2023-24, the Company exported products to 4 countries.

b. What is the contribution of exports

Percentage of exports to the total turnover of the entity	8%
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c. A brief on types of customers

The Company is engaged in manufacturing and selling of healthcare products, viz., vitamins, minerals and supplements. Patients are end consumers of the products. The Company's distribution channels (direct & indirect), inter alia, include distributors, health care professionals, pharmacies and chemists.

IV. Employees

At P&G, we are committed to an equal and inclusive workplace, by building equality and inclusion into the core of our business, unlocking value, and driving growth. We strive to create a workforce and culture that understands, respects, and reflects the uniqueness of all the consumers we serve, so that we can better meet their needs. For us, every individual matters and we support our employees so that they can make an impact, grow their skills, and feel valued, rewarded and inspired every day.

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees (other than workers)						
1.	Permanent (D)	216	160	74%	56	26%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	216	160	74%	56	26%
Workers						
4.	Permanent (F)	1120	1010	90%	110	10%
5.	Other than Permanent (G)*	209	144	69%	65	31%
6.	Total workers (F + G)	1329	1154	87%	175	13%

* Other than permanent workers include contractual labour

b. Differently abled employees and workers: Nil

21. Participation/Inclusion/Representation of women

Sr. No.	Designation	Total (A)	No. and percentage of females	
			No. (B)	% (B/A)
1.	Board of Directors	7	2	28.57%
2.	Key Managerial Personnel (KMP)	3*	1	33.33%

* 2 KMPs, viz., Mr. Milind Thatte, Managing Director and Mr. Lokesh Chandak, Executive Director and CFO are also part of the Board of Directors

22. Turnover rate for permanent employees and workers

	F.Y. 2023-24			F.Y. 2022-23			F.Y. 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17.72%	26.44%	18.73%	14.80%	32.50%	16.90%	11.90%	26.70%	13.80%
Permanent Workers	40.64%	51.69%	41.9%	19.17%	43.09%	19.51%	10.00%	8.30%	9.80%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	The Procter & Gamble Company, USA	Ultimate holding company	52.18% (Indirect through its subsidiaries)	The Company is a subsidiary of The Procter & Gamble Company, USA, ("P&G US", together with all its subsidiaries "P&G"). The Company has adopted P&G's global standards in P&G's Worldwide Business Conduct Manual as Company's business responsibility policy. The Company's business responsibility initiatives are guided by the global standards and practices followed by P&G US.
2.	Procter & Gamble Overseas India B.V., The Netherlands	Holding company	52.18% (Direct shareholding)	

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover: ₹ 1129.49 Crores

(iii) Net worth: ₹ 538.24 Crores

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY. 2023-24			FY. 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	P&G's Worldwide Business Conduct Manual (the WBCM) sets forth the Company's standards of business responsibility and any grievances with respect to the WBCM are handled in accordance with process set forth in the WBCM. Web-link to the WBCM: https://in.pg.com/policies-and-practices/worldwide-business-conduct-manual/	Nil	Nil	-	Nil	Nil	-
Employees and workers		44	9	-	59	17	-
Customers		Nil	Nil	-	Nil	Nil	-
Value Chain Partners		4	1	-	7	5	-
Investors (other than Shareholders)		Nil	Nil	-	Nil	Nil	-
Shareholders	The Company has dedicated contact details for investors and shareholders- investorgrievance.im@pg.com .	5	Nil	-	20	Nil	-

26. Overview of the entity’s material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Note: Information provided in this report, including in response to this item, should not be construed as “material” for purposes of financial reporting, ESG reporting, or otherwise under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Indian Companies Act, 2013 (read with Rules thereunder), U.S. securities laws and regulations, or the laws or regulations of any jurisdiction. We provide information below on the environmental and social matters that we judge to be most relevant and meaningful to our business.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Plastic packaging waste	Risk	The Company’s products have plastic packaging.	The Company is committed towards reducing plastic packaging waste. The Company aims to design the consumer packaging to be recyclable or reusable; and to reduce the use of virgin petroleum plastic resin in consumer packaging. The Company has been collecting plastic packaging waste and fulfilling its Extended Producer Responsibility (EPR) Obligations.	Creating superior and sustainable packaging solutions represents an opportunity to delight consumers and retail partners and create incremental sales and profit in return. However, the cost of developing sustainable packaging alternative and cost of implementing processes to be put in place for compliance with EPR obligations in respect of reuse, recycle and end of life disposal of plastic packaging waste could be significant, especially with challenges such as absence or unavailability of technology solutions for developing alternative packaging, and lack of availability of post-consumer recycled (PCR) meeting appropriate quality standards.
2.	Diversity and Inclusion	Opportunity	Diversity and Inclusion is good for our business – broadening our ability to better serve our consumers, as well as supplementing our efforts to attract, develop, and retain the best employees from the broadest pool of talent available.	Our Equality & Inclusion (E&I) efforts are integrated into how we serve diverse consumers. Our ability to do this most effectively is enabled by a workforce and culture that understands, respects and reflects the uniqueness of all the consumers we serve.	We believe that our E&I efforts provide us with a sustained competitive advantage and further enhances shareholder value.
3.	Community impact	Opportunity	Being a good corporate citizen is core to who we are as a Company. Therefore, it remains a priority now, and in the future.	We continue to give back to the communities we serve through our flagship Corporate Social Responsibility program – SEHAT (meaning Health). With SEHAT, the Company aspires to make a meaningful impact to Public Health in India.	The Company is committed to making a positive impact in the communities we serve creating positive equity for P&G and its brands.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements

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

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a. Whether your entity’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	The Company has adopted P&G’s WBCM, as its Business Responsibility policy, which sets forth global standards, covering all NGRBC Principles.								
	b. Has the policy been approved by the Board?	The Board of the Company at its meeting held on August 8, 2019, had approved P&G’s WBCM, as Company’s Business Responsibility policy.								
	c. Web Link of the Policies, if available	https://in.pg.com/policies-and-practices/worldwide-business-conduct-manual/								
2.	Whether the entity has translated the policy into procedures	While the WBCM policy sets forth core global standards explaining legal & ethical responsibilities, there are detailed policies and procedures in place in respect of various expectations laid down in the WBCM.								
3.	Do the enlisted policies extend to your value chain partners	P&G expects its value chain partners to follow relevant aspects of the WBCM. Further information is available at pgsupplier.com.								
4.	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Our Human Rights Policy Statement communicates our support for the UN Guiding Principles on Business and Human Rights and the principles concerning fundamental rights as set out in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work (P5). The Company’s Health & Safety Environment management systems follow stringent and robust internal standards (P3, P6).								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Continuous efforts of reducing environmental footprint: We have made significant progress across our focus areas of climate, water, and waste. We continue to be committed to leveraging renewable sources of energy in our operations.								

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership and oversight										
6.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Mr. Milind Thatte, Managing Director								
7.	Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Managing Director is responsible for decision making.								
8.	<p>Details of Review of NGRBCs by the Company:</p> <p>Performance against above policies and follow up action; and Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances</p> <p>a. Whether review was undertaken by Director / Committee of the Board/ Any other Committee</p> <p>b. Frequency of review</p>	<p>The Audit Committee reviews the Vigil Mechanism report, viz., complaints filed as per process laid down in the WBCM, on a quarterly basis.</p> <p>Compliance with statutory requirements is reviewed by the Board of Directors, quarterly, including statutory requirements relevant to NGBRC Principles.</p> <p>The Corporate Social Responsibility Committee reviews the business responsibility and sustainability report annually.</p> <p>Further, the Board is updated on various actions or updates relevant to the NGBRC Principles from time to time, eg. compliance with Plastic Waste management regulations.</p>								
9.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The Company has a robust internal audit process led by P&G's Global Internal Audit (GIA) function which consists of a team of independent fulltime Internal Controls experts. GIA function carries out audits on various matters, including various policies and processes under the WBCM, on a regular basis.								
10.	If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:									
	The entity does not consider the Principles material to its business (Yes/No)									
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
	The entity does not have the financial or/ human and technical resources available for the task (Yes/No)	Not Applicable								
	It is planned to be done in the next financial year (Yes/No)									
	Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 - Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Taken together, P&G's Purpose, Values and Principles are the foundation for P&G's unique culture. Throughout our history, our business has grown and changed while these elements have endured and will continue to be passed down to generations of P&G people to come. More information about our Purpose, Values and Principles are contained in the WBCM.

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training / awareness programmes held	Topics / principles covered under the training	% of persons in respective category covered by the awareness programmes
Board of Directors	5*	<ul style="list-style-type: none"> Ethics & Stewardship principles- Whistle blower mechanism and PoSH compliance. Vigil mechanism (Ethics) Community impact- CSR initiatives Plastic Waste Regulations compliance Customer value & engagement 	100%
Employees (including Key Managerial Personnel)	4**	<ul style="list-style-type: none"> Doing the Right Thing training - WBCM fundamentals (e.g. speaking up, reporting resources), Safeguarding & Managing Information, Protecting Privacy, Stewardship with Vendors & Physical Security Effective sourcing and third-party governance training Data Privacy training We See Equal- Equality & inclusion summit 	100%

* * Various topics discussed at Board & Committee meetings, and other connects held from time to time.

** Above cover the system-monitored mandatory web-based trainings deployed to employees. Apart from the above, there are various other virtual and in-person trainings conducted from time-to-time to relevant employees, based on functions, new-joiners etc. on various topics such as Worldwide Business Conduct Manual, Prevention of Sexual Harassment, Data Privacy, Anti-bribery etc.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

During the Financial Year, there were no material fines/penalties/punishment/award/compounding fees/ settlement amount paid (either monetarily or non-monetarily) as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed- Not applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy

Yes, the Company has adopted the P&G anti-bribery Policy. The Company's anti-bribery policy prohibits bribes to government officials and employees everywhere we do business, including by Company employees

or by external parties operating on the Company's behalf. The Company conducts regular trainings for employees in order to create awareness of the anti-bribery policy. The anti-bribery policy is hosted on the Company intranet. Details of the anti-bribery policy forms part of the WBCM, which is available at <https://in.pg.com/policies-and-practices/worldwide-business-conduct-manual/>.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY. 2023-24	FY. 2022-23
Directors	Nil	Nil
KMP	Nil	Nil
Employee	Nil	Nil
Worker	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY. 2023-24		FY. 2022-23	
	Number	Remark	Number	Remark
In relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
In relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest- Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured):

	FY. 2023-24	FY. 2022-23
Number of days of accounts payable	184	239

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties:

Parameter	Metrics	FY. 2023-24	FY. 2022-23
Concentration of Purchases	a. Purchase from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	68.7%	99.7%
	b. Number of dealers / distributors to whom sales are made	13	13
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	89.3%	89.7%

Parameter	Metrics	F.Y. 2023-24	F.Y. 2022-23
Share of RPTs	a. Purchase (Purchase with related parties / total purchases)	2.01%	3.64%
	b. Sales (Sales to related parties / total sales)	2.90%	4.29%
	c. Loans & advances (Loans & advances given to related parties / total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total investments made)	Nil	Nil

PRINCIPLE 2 - Businesses should provide goods and services in a manner that is sustainable and safe

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively**

	2023-24	2022-23	Details of improvements in environmental and social impacts
R&D	Nil	Nil	As the Company avails benefits of research and development of the Procter & Gamble group across the globe, the Company has not incurred any expenditure on research and development during the Financial Year. The Company from time to time spends on energy efficient equipment, such as energy efficient pumps, energy efficient lighting etc. During the Financial Year, spend towards such equipment has not been substantial vs. total capital expenditure of the Company.
Capex	Nil	Nil	

- a. Does the entity have procedures in place for sustainable sourcing?**

The Company has a 'Responsible Sourcing Expectations for External Business Partners' which shares expectations with our external business partners on various areas, including, *inter alia*, legal compliance, respecting human rights, no child labour, no discrimination, environmental sustainability, prevention of bribery & corruption. Further, based on risk relevance of the nature of business or operations of the Supplier, certain assessments are undertaken, such as EcoVadis sustainability assessment or Sedex Members Ethical Trade Audit (SMETA).

- b. If yes, what percentage of inputs were sourced sustainably?**

100% of the Company's suppliers are covered under Company's 'Responsible Sourcing Expectations for External Business Partners'. Based on risk relevance of the nature of business or operations of the Supplier, certain suppliers are required to undertake assessments, such as EcoVadis sustainability assessment or Sedex Members Ethical Trade Audit (SMETA).

- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life:**

In accordance with the Plastic Waste Management Rules, 2016 (as amended from time to time), the Company has been collecting plastic packaging waste and fulfilling its Extended Producer Obligations (EPR).

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities. If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, Extended Producer Responsibility (EPR) is applicable to the Company, and the Company has submitted the waste collection plan in line with the Extended Producer Responsibility (EPR) plan to Pollution Control Board.

PRINCIPLE 3 - Businesses should respect and promote the well-being of all employees, including those in their value chains

1. a. Details of measures for the well-being of employees

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees (other than workers)											
Male	160	160	100%	160	100%	N.A.	N.A.	160	100%	160	100%
Female	56	56	100%	56	100%	56	100%	N.A.	N.A.	56	100%
Total	216	216	100%	216	100%	56	100%	160	100%	216	100%
Other than Permanent employees											
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

b. Details of measures for the well-being of workers

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	1010	1010	100%	1010	100%	-	-	1010	100%	1010	100%
Female	110	110	100%	110	100%	110	100%	-	-	110	100%
Total	1120	1120	100%	1120	100%	110	100%	1010	100%	1120	100%
Other than Permanent workers*											
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

*Other than permanent workers are workers engaged through third-party contractors, and their well-being is managed through contractual terms & conditions with the third-party contractors.

c. Spending on well-being measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY. 2023-24	FY. 2022-23
Cost incurred on well-being measures as a % of total revenue of the Company	0.25%	0.25%

2. Details of retirement benefits

Benefits	FY. 2023-24			FY. 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	N.A.	100%	100%	N.A.
ESI	Nil	Nil	N.A.	Nil	7%	Yes

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

We recognize the importance of meeting the requirements of the Rights of Persons with Disabilities Act, 2016 and are taking steps to support the needs of individuals with disabilities. The Company has implemented various measures to provide accessible infrastructure, including ramps, wheelchair access, braille signages at meeting rooms and elevators, fire hooter and flasher with integrated fire alarm system, automated sliding doors, height adjustable workstations, reserved accessible parking for persons with disabilities etc.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy

The P&G Worldwide Business Conduct Manual (the WBCM) sets forth the Company's commitment to providing equal opportunities in employment. The WBCM prohibits employees from engaging in any form of unlawful discrimination. The WBCM requires employees to follow all anti-discrimination laws, and to ensure that employment decisions (such as recruiting, hiring, training, salary and promotion), do not discriminate against individuals on the basis of disability, race, colour, gender, age, national origin, religion, sexual orientation, gender identity, gender expression, marital status, citizenship, veteran status, HIV / AIDS status or any other legally protected factor.

5. Return to work and Retention rates of permanent employees and workers that took parental leave

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Yes/No (If Yes, then give details of the mechanism in brief)	Yes
Permanent Workers	The WBCM sets out several ways employees and others may report concerns, including via The Worldwide Business Conduct Helpline which is available via telephone, email, or web reporting around the world 24 hours a day, seven days a week. It is staffed by an independent company and can take calls in most languages. Reports of actual or suspected violations may also be made anonymously, where allowed by applicable law.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity

Category	FY. 2023-24			FY. 2022-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)
Total Permanent Employees	216	Nil	Nil	222	Nil	Nil
- Male	160	Nil	Nil	163	Nil	Nil
- Female	56	Nil	Nil	59	Nil	Nil
Total Permanent Workers	1120	41	3.66%	1185	76	6.41%
- Male	1010	40	3.96%	1075	71	6.60%
- Female	110	1	0.9%	110	5	4.55%

8. Details of training given to employees and workers

Category	FY 2023-24					FY 2022-23				
	Total	On Health and safety measures		On Skill upgradation		Total	On Health and safety measures		On Skill upgradation	
	(A)	No. (B)	% (B/A)	No. (C)	% (C/A)	(D)	No. (E)	% (F/D)	No. (F)	% (F/D)
Employees (other than workers)										
- Male	160	160	100%	160	100%	163	163	100%	163	100%
- Female	56	56	100%	56	100%	59	59	100%	59	100%
Total	216	216	100%	216	100%	222	222	100%	222	100%
Workers										
- Male	1010	1010	100%	1010	100%	1075	1075	100%	1075	100%
- Female	110	110	100%	110	100%	110	110	100%	110	100%
Total	1120	1120	100%	1120	100%	1185	1185	100%	1185	100%

9. Details of performance and career development reviews of employees and worker

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees (other than workers)						
- Male	160	160	100%	163	163	100%
- Female	56	56	100%	59	59	100%
Workers						
- Male	1010	1010	100%	1075	1075	100%
- Female	110	110	100%	110	110	100%

10. Health and safety management system

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, we have a robust occupational health and safety management system which covers all employees and workers of the Company, including external parties, who work at or visit the Company's sites.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We are committed to having safe and healthy operations around the world to protect the life and health of its employees and the community surrounding its operations, to protect its assets, to ensure business continuity and to engender public trust.

On a routine basis, the Company ensures that health, safety & environmental required tests, inspections and monitoring of devices, equipment, process systems, and facility systems are conducted per the required frequencies and procedures. We also ensure that results are assessed for potential risks and, if necessary, a remedial plan and schedule are developed.

On a non-routine basis, the Company ensures appropriate health, safety & environmental risk assessments, studies, classifications, and clearances are completed by appropriately trained or qualified persons before commissioning. We also ensure appropriate measures, including engineering and administrative controls, have been incorporated in the design and construction of facilities and operating systems to meet legal requirements and protect employees, the community and the environment from physical, health and environmental hazards.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the WBCM requires every employee who becomes aware of, or suspects, any unsafe working conditions or other safety issues, to report the situation to the employee's manager, respective site safety leader or Legal immediately. Adequate measures are taken to mitigate any work-related hazards.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, employees and workers of the Company have access to non-occupational medical and healthcare services.

11. Details of safety related incidents:

Safety Incident/Number	Category	2023-24	2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employee	Nil	Nil
	Worker	Nil	Nil
Total recordable work-related injuries	Employee	Nil	Nil
	Worker	2	Nil
No. of fatalities	Employee	Nil	Nil
	Worker	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employee	Nil	Nil
	Worker	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy workplace

We are committed to promoting respect of our employees in the workplace, ensuring workplace health and safety, and ensuring fair employment practices. Accordingly, we are committed to the highest standards of safety to protect ourselves, our employees and external parties who work at or visit our sites. All P&G employees must follow safety and security procedures, as well as applicable laws and regulations. If employees are aware of, or suspect, any unsafe working conditions or other safety issues, they must report the situation to their manager, site safety leader or Legal immediately. If there are any concerns about health at work, the employee must promptly contact their site Health Services (Medical) unit.

13. Number of complaints on the following made by employees and workers

	2023-24			2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year

	% of your plants and offices that were assessed *(by entity or statutory authorities or third parties)
Health and safety practices	100%
Working conditions	100%

* The Company has in place a compliance monitoring tool for assessing compliances with respect to various laws. Further, the company sites also go through extensive H&SE internal audits, periodically.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions- Not applicable

PRINCIPLE 4 - Businesses should respect the interests of and be responsive to all its stakeholders

1. Describe the processes for identifying key stakeholder groups of the entity

Groups which are impacted or are likely to be impacted by the business operations of the Company or which impact or are likely to impact the business operations of the Company, are identified as key stakeholders of the Company. Key stakeholders identified by the Company are its employees, shareholders, consumers, customers, health care professionals, suppliers & value chain partners, government & regulatory bodies and community, at large.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> Regular organizational engagements (in-person & virtual) Email 	Ongoing Event based	<ul style="list-style-type: none"> Employee engagement activities Learning and development Employee recognition Employee performance review and career development Employee safety and well-being
Shareholders / Investors	No	<ul style="list-style-type: none"> Annual general meeting Postal ballots/e-voting Website updates Newspaper notices Email 	Annual Event based Event based Ongoing Event based	<ul style="list-style-type: none"> Engagement with management on business performance & strategy Seeking approval on resolutions Disclosure of information Resolution of share related grievances
Consumer	No	<ul style="list-style-type: none"> Advertisements on various media (TV, Social media, newspaper etc.) Website Email Phone 	Ongoing	<ul style="list-style-type: none"> Awareness of Company's products Seeking consumer feedback Resolution of consumer queries / complaints
Customers	No	<ul style="list-style-type: none"> Email Phone Market visits and In-person meetings 	Ongoing	<ul style="list-style-type: none"> Distribution of goods
Healthcare professionals & pharmacies	No	<ul style="list-style-type: none"> Visits by sales executives, Round table discussions, pharmacist meetings, etc. 	Regular	<ul style="list-style-type: none"> Detailing of Company' products
Suppliers & value chain partners	No	<ul style="list-style-type: none"> Email Phone Supplier portal- website Meetings 	Ongoing	<ul style="list-style-type: none"> Sourcing related discussions Conducting third-party risk assessment for engaging suppliers
Government & Regulatory bodies	No	<ul style="list-style-type: none"> In-person meetings Advocacy through Trade Associations Email Statutory filings (electronic physical filing) 	Ongoing	<ul style="list-style-type: none"> Advocacy on proposed laws and policies impacting business & operations Various applications, incl. licenses etc. Statutory compliances
Community	Yes	<ul style="list-style-type: none"> Connects via NGO partners On-ground field visits 	Ongoing	<ul style="list-style-type: none"> CSR activities Equality & Inclusion objectives

PRINCIPLE 5 - Businesses should respect and promote human rights

Respect for Human Rights is fundamental to the way we manage our business. This includes respecting and promoting the human rights of our employees, our external business partners, and the communities in which we live, serve, and operate. We support the U.N. Guiding Principles for Business and Human Rights, which respects and honors the principles of internationally recognized human rights, including those rights expressed in the International Bill of Human Rights (i.e., Universal Declaration of Human Rights, the International Covenants on Economic, Social and Cultural Rights, and the International Covenants on Civil & Political Rights); the principles concerning fundamental rights as set out in the International Labor Organization Declaration on Fundamental Principles and Rights at Work; and the United Nations Declaration of the Rights of Indigenous Peoples.

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity

Category	2023-24			2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (D)	No. of employees / workers covered (E)	% (E / D)
Employees (other than workers)						
Permanent	216	216	100%	222	222	100%
Other than permanent	-	-	-	-	-	-
Total Employees	216	216	100%	222	222	100%
Workers						
Permanent	1120	1120	100%	1185	1185	100%
Other than permanent	-	-	-	-	-	-
Total Employees	1120	1120	100%	1185	1185	100%

Note: All employees of the Company are trained on the expectations under the Worldwide Business Conduct Manual. Additionally, the WBCM compliance certifications are obtained from all Managers of the Company annually.

2. Details of minimum wages paid to employees and workers

Category	2023-24					2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (c)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees (other than workers)										
Permanent	216	Nil	Nil	216	100%	222	Nil	Nil	222	100%
Male	160	Nil	Nil	160	100%	163	Nil	Nil	163	100%
Female	56	Nil	Nil	56	100%	59	Nil	Nil	59	100%
Other than Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	1120	Nil	Nil	1120	100%	1185	Nil	Nil	1185	100%
Male	1010	Nil	Nil	1010	100%	1075	Nil	Nil	1075	100%
Female	110	Nil	Nil	110	100%	110	Nil	Nil	110	100%
Other than Permanent*	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

*Other than permanent workers' are workers engaged through third-party contractors, and their wages are managed by the third-party contractors, who are contractually obligated to comply with legal requirements, including compliance in respect of wages.

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration / salary / wages of respective category (₹ In Lakhs)	Number	Median remuneration / salary / wages of respective category (₹ In Lakhs)
Board of Directors (BoD)	7	23.25	2	21.75
Key Managerial Personnel [^]	2	295.98	1	15.18
Employees	160	14	56	15
Workers	1010	4	110	7

[^] Includes Managing Director, Company Secretary and Chief Financial Officer

b. Gross wages paid to females as % of total wages paid by the entity

	2023-24
Gross wages paid to females as % of total wages	14.85%

4. Do you have a focal point responsible for addressing human rights impacts or issues caused or contributed to by the business?

Respect for Human Rights is fundamental to the way we manage our business. This includes respecting and promoting the human rights of our employees, our external business partners, and the communities in which we live, serve, and operate. We support the U.N. Guiding Principles for Business and Human Rights, which respects and honors the principles of internationally recognized human rights, including those rights expressed in the International Bill of Human Rights (i.e., Universal Declaration of Human Rights, the International Covenants on Economic, Social and Cultural Rights, and the International Covenants on Civil & Political Rights); the principles concerning fundamental rights as set out in the International Labor Organization Declaration on Fundamental Principles and Rights at Work; and the United Nations Declaration of the Rights of Indigenous Peoples.

We recognize that there will be times when national law and international human rights principles do not align, or where there are insufficient legal and regulatory frameworks or enforcement mechanisms. Wherever this is the case, we are committed to respecting human rights across our value chain, which encompasses our employees, our consumers, the communities where we do business, and our business partners.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

We strive to promote a work environment of confidence and trust. Our employees hold themselves and one another accountable for operating with trust and integrity, for stepping up as leaders and owners of the Company, and for balancing stewardship with a passion to win.

The Company is committed to creating a work environment internally and with our business partners that fosters open communication and supports individuals in reporting potential violations. Employees and individuals in our operations or extended value chain can report violations at the Worldwide Business Conduct Helpline, which is staffed by an independent third party - 24 hours a day, seven days a week - and includes, where permitted by local law, an anonymous way to report concerns. The Company is committed to reviewing all allegations of wrongdoing with trained teams who ensure thorough, impartial and fact-based investigations. Retaliation for raising concerns in good faith will not be tolerated.

The Company will not knowingly condone or contribute to adverse human rights impacts caused by the actions of our business partners. When the Company becomes aware of an adverse impact, it engages to be part of the solution to address the issue or dilemma, including seeking to prevent or mitigate the adverse impact and working to enable effective remedy.

6. Number of Complaints on the following made by employees and workers

	FY 2023-24			FY 2022-23		
	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Sexual harassment	1	Nil	-	3	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child labour	Nil	Nil	-	Nil	Nil	-
Forced labour / Involuntary labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Parameter	FY 2023-24	FY 2022-23
Total complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	3
Complaints on POSH as a % of female employees/workers	0.6	1.77
Complaints on POSH upheld	1	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

P&G does not tolerate any form of retaliation against any person who reports a suspected violation in good faith. In addition, no one who participates or cooperates honestly and completely in the investigation of a report will be subject to retaliation for doing so. Anyone who retaliates against a person for making a good faith report or for participating in the investigation of a report would be subject to disciplinary action, which may include termination. Further information is contained in the WBCM and our global Anti-Retaliation Policy available to all employees.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, Human Rights requirements, such as prohibition of use of Child labour or bonded labour, form part of various business agreements.

10. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	The Company has in place a compliance monitoring tool for assessing compliances with respect to various laws. Further, the company sites also go through extensive Health, Safety, and Environment (HS&E) internal audits, periodically.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments: Not Applicable

PRINCIPLE 6 - Businesses should respect and make efforts to protect and restore the environment

1. Details of total energy consumption (in Joules or multiples) and energy intensity

Parameter	2023-24	2022-23
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	28895 GJ	49712 GJ
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	28895 GJ	49712 GJ
From non-renewable sources		
Total electricity consumption (D)	34432 GJ	46140 GJ
Total fuel consumption (E)	3242 GJ	4531 GJ
Energy consumption through other sources (F)	-	-
Total energy consumption from non-renewable sources (D+E+F)	37674 GJ	50671 GJ
Total energy consumed (A+B+C+ D+E+F)	66569 GJ	100383 GJ
Energy intensity per rupee of turnover (GJ / ₹ Lakhs) (Total energy consumption / turnover)	0.59	0.83
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.16	0.23

The Company has a diverse product mix with varying units of measure, and is unable to measure intensity vs. physical output.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency- No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any-

Not applicable, as the Company does not fall in the category of industries mandated under PAT scheme.

3. Provide details of the following disclosures related to water

Parameter	2023-24	2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	123718	216398
(iii) Third party water (Municipal water)	3642	3279
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	127360	219677
Total volume of water consumption (in kilolitres)	72605	128018
Water intensity per rupee of turnover Water withdrawn (Kl) / turnover (₹ lakhs)	1.13	1.82
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.31	0.52

The Company has a diverse product mix with varying units of measure, and is unable to measure intensity vs. physical output.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency- No.

4. Provide the following details related to water discharged:

Parameter	2023-24	2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment	-	-
(v) Others (applied on-site)		
- No treatment	-	-
- With treatment – Treated and applied on-site	54755	91659
Total water discharged (in kilolitres)	54755	91659

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company continuously strives to achieve water efficiency.

6. Please provide details of air emissions (other than GHG emissions) by the entity

Parameter	Please specify unit	2023-24	2022-23
NOx	NA	NA	NA
SOx	SO2 kg/hour	0.58	0.41
Particulate matter (PM)	Particulate matter mg/Nm ³	195.83	169.86
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity

Parameter	Unit	2023-24	2022-23
Total Scope 1 emissions	Metric tonnes of CO2 equivalent	263	375
Total Scope 2 emissions	Metric tonnes of CO2 equivalent	Gross: 4708	Gross: 6944
Total Scope 1 and Scope 2* emissions per rupee of turnover (Total Scope 1 and Scope 2* GHG emissions / Revenue from operations)	MT per ₹ lakhs	0.04	0.06
Total Scope 1 and Scope 2* emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2* GHG emissions / Revenue from operations adjusted for PPP)	MT per ₹ lakhs	0.01	0.01

The Company has a diverse product mix with varying units of measure, and is unable to measure intensity vs. physical output.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency- N

The Company's market-based Scope 2 Net GHG emissions is NIL, including application of Renewable Energy Certificates.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The Company contributes to the P&G's ambition to reduce Green House Gas (GHG) emissions across its operations. The Company will continue to strive in its efforts towards this ambition.

9. Provide details related to waste management by the entity.

(in metric tonnes)

Parameter	2023-24	2022-23
Total Waste generated		
Plastic waste (A)	32.59	48.05
E-waste (B)	1.71	Nil
Bio-medical waste (C)	0.50	0.98
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any (G)		
Used MS Drums	42.71	45.00
HDPE Drums /cnt	10.10	10.17
Gelatin waste	Nil	50.53
Residue/ Forerun	Nil	Nil
Resin	Nil	1.52
Other Non-hazardous waste generated. Please specify, if any (H)		
Paper carton	47.68	98.39
Wood/Garbage	25.51	45.89
Glass waste	15.91	38.47
Total (A+B + C + D + E + F + G + H)	176.00	339.00
Waste intensity per rupee of turnover (<i>Total waste generated / Revenue from operations</i>)	0.00	0.00
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (<i>Total waste generated / Revenue from operations adjusted for PPP</i>)	0.00	0.00
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations		
Category of waste		
(i) Recycled	134.81	237.92
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	50.36	49.03
Total	185.17	286.95
For each category of waste generated, total waste disposed by nature of disposal method		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations (Coproprocessing)	84.45	52.05
Total	84.45	52.05

The Company has a diverse product mix with varying units of measure, and is unable to measure intensity vs. physical output.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Within our operations, we strive to grow responsibly and continuously improve our efficiency while reducing our carbon footprint.

The Company's plant at Goa is a zero-manufacturing-waste-to-landfill site, which means that no manufacturing waste is sent to landfill. The Company continues to be compliant with the government's Extended Producer Responsibility (EPR) guidelines on plastic packaging waste collection.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details.

Sr no	Location of operations/offices	Types of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances.

Yes, the Company is compliant with applicable environmental law, regulations and guidelines in India.

PRINCIPLE 7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

1. a. Number of affiliations with trade and industry chambers/ associations - 1
- b. List the top trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers / associations (State/National)
1	Indian Society Clinical Research (ISCR)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities- Not applicable

PRINCIPLE 8 - Businesses should promote inclusive growth and equitable development

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community

The WBCM sets out several ways employees and others may report concerns, including via The Worldwide Business Conduct Helpline which is available via telephone, email, or web reporting around the world 24 hours a day, seven days a week. It is staffed by an independent company and can take calls in most languages. Reports of actual or suspected violations may also be made anonymously, where allowed by applicable law.

The link to the Worldwide Business Conduct Manual is <https://in.pg.com/policies-and-practices/worldwide-business-conduct-manual/>

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

	2023-24
Directly sourced from MSMEs / small producers	18.27%
Directly from within India	88.75%

5. Job creation in smaller towns – Disclose wages paid to persons employed in the following locations, as % of total wage cost

	2023-24
Rural	16.18%
Semi-Urban	0.77%
Urban	23.49%
Metropolitan	59.56%

PRINCIPLE 9 - Businesses should engage with and provide value to their consumers in a responsible manner

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback

Our Purpose is to provide branded products of superior quality and value that improve the lives of the consumers, now and for generations to come.

The Company has well-established consumer relations mechanism to address consumer complaints and feedback. Consumers can contact the Company through various mediums such as-

- Phone – 1800-202-1364 or +91 22-24942113
- Email- Consumer Contact Email
- WhatsApp chat
- Link- Consumer Contact WhatsApp
- or
- QR code-



2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about Environmental and social parameters relevant to the product, Safe and responsible usage, Recycling and/or safe disposal – 100%

The Company ensures compliance with legally mandated disclosure of information on product, across all products, including information on environmental and social parameters relevant to the product, safe and responsible usage, recycling or safe disposal, wherever relevant.

3. Number of consumer complaints in respect of the following

	2023-24		2022-23	
	Received during the year	Pending resolution at end of year	Received during the year	Pending resolution at end of year
Data privacy	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil
Other – Product quality / performance, offers & promotions etc.	130	Nil	142	Nil

4. Details of instances of product recalls on account of safety issues.

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, P&G has a detailed framework and policies on information security which cover risks related to cyber security. The Company also has a detailed framework and policies on risks related to data privacy. Various policies, standards, guidelines, and control requirements for cyber security and data privacy are communicated to employees on the Company's intranet site. The Company also undertakes trainings and awareness programs for employees on cyber security and data privacy. Details of P&G's consumer privacy policy can be viewed at <https://privacypolicy.pg.com/en-IN/>.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

Not applicable, as there were no incidents or penalties/regulatory action levied in respect of issues pertaining to delivery of essential services; advertising; cyber security and data privacy of customers; re-occurrence of instances of product recalls; or product safety during the financial year 2023-24.

7. Provide the following information relating to data breaches:

a.	Number of instances of data breaches	Nil
b.	Percentage of data breaches involving personally identifiable information of customers	Nil
c.	Impact, if any, of the data breaches	Not applicable

ANNEXURE II

CORPORATE SOCIAL RESPONSIBILITY REPORT (CSR) FOR THE FINANCIAL YEAR 2023-24

Brief outline of the Company's CSR policy

With a goal to foster a sustainable improvement in public health across India, Company's flagship CSR initiative 'SEHAT' was launched in 2019. During the Financial Year 2023-24, the Company continued to channelize its CSR efforts towards building a healthier India. Projects under SEHAT include, but are not limited to preventive health, community health and public health interventions; health awareness, screening, and education; financial support for healthcare needs of marginalized & underprivileged communities; capability-building of healthcare professionals, healthcare infrastructure and healthcare assistance.

These projects are co-created and implemented with reputable NGO partners and public health organization. Details of our CSR programs are available on our website – <https://www.pghealthindia.com/CSR>.

Summary of the CSR activities undertaken by the Company during this fiscal are as follows:**(1) Public Health Scholarship Program – In partnership with Public Health Foundation of India (PHFI)**

With the twin-fold objective of:

- (1) helping build a public health cadre to address India's complex set of existing and emerging public health challenges; and
- (2) supporting deserving candidates who choose public health as a career opportunity to improve health conditions and thus, quality of life (QoL) of Indians –

the Company instituted the 'P&G Public Health' Scholarship for deserving and talented students from socio-economically disadvantaged backgrounds seeking to pursue 'Masters in Public Health' across 5 Indian Institute of Public Health Centers, aiming to cultivate future change-makers. During Financial Year 2023-24, the scholarship program has supported 83 talented and motivated young scholars across these Institutes of Public Health.

(2) Swasthya Sakhi Program – In partnership with Public Health Foundation of India (PHFI)

The Company's Maternal & Child Health Community Project 'Swasthya Sakhi' (Health companions) –contributes towards access to

affordable screening, diagnosis and digital health. This programme continued to offer point-of-care diagnostics in remote and underserved locations in the states of Goa and Madhya Pradesh. Under this project, Swasthya Sakhis, selected by PHFI from village communities are empowered with PGHI's technological innovation 'Swasthya Sahayak'-a portable/backpack-sized point-of-care information gathering and diagnostic tool that marks a transformative approach for our most vulnerable population.

It is an affordable system that integrates patient registration, on the spot digitization, multiple point-of-care diagnostics and decision support system in a single device. The tests which can be conducted using Swasthya Sahayak include blood pressure, body temperature, pulse oximeter, urine protein and sugar, blood hemoglobin, blood sugar and pregnancy test. Swasthya Sahayak also contains decision support tools to enable users to deliver quality recommendations for achieving better health. During the Financial Year 2023-24, 39 Swasthya Sakhis reached out to more than 1,50,000 households across Madhya Pradesh & South Goa and identified 502 pregnant women and monitored 218 high-risk pregnancies.

(3) 'Gift of Health' Program (Children) – In partnership with Catalysts for Social Action

To enhance the health and well-being of children in institutional care, the Company persisted in its collaboration with 'Catalysts for Social Action' as its 'Healthcare Partner' for 'Gift of Health' program, extending crucial health and hygiene services to 2264 children across 48 Child Care Institutions spanning Maharashtra, Madhya Pradesh, Odisha and Goa. Throughout this fiscal year, we organized a series of initiatives, including routine health assessments, distribution of hygiene kits and sanitary napkins, and educational sessions promoting good hygiene and dental care practices. The children benefitted from comprehensive training on preventive healthcare, personal hygiene and overall health practices.

(4) 'Gift of Health' Program (elderly) - In partnership with HelpAge India

The Company along with HelpAge India's Mobile Healthcare Unit (MHU) upheld its commitment of valuable impact, offering free treatments to the elderly community lacking easy access

to primary care. During this fiscal, Company launched a new MHU for the tribal population in Palghar district of Maharashtra. Aimed at providing comprehensive medical care directly at doorstep, the MHU is staffed with a doctor, pharmacist and social worker to ensure holistic care. Apart from treatments, the unit also focused on raising awareness about various diseases & their preventive care along with the available government schemes and assisting the beneficiaries in enrolling for availing its benefits. This fiscal we extended over 84,923 free treatments through 5 MHUs across 5 states in India.

(5) Daan Utsav- In partnership with HelpAge India

In its fifth consecutive year, the Company's employees joined the Country in celebrating 'Daan Utsav' - The Joy Of Giving Week (a national celebration of festival of Giving celebrated every year from 2nd to 8th October, marking the birth anniversary of Mahatma Gandhi) to engage in different acts of 'giving'.

This year, each day of the Daan Utsav week was dedicated for donating items viz., stationery, sanitation, nutrition and clothing. The festival received a great response and was culminated by the Company's employee volunteering group by conducting a health camp and donating these items at an old age home near Mumbai.

(6) Upgradation of village school infrastructure at Goa – In partnership with Round Table India a

Continuing our initiative to upgrade schools in the villages around Company's manufacturing site in Goa, the Company supported in upgrading 6 new classrooms, library, science laboratory and sanitation facility at St. Joseph's High School in Usgao Village.

(7) Women in Healthcare Scholarship' in partnership with Center for Civil Society

One of the initiatives under 'SEHAT' program is promoting women participation in healthcare industry by encouraging more and more women to pursue a career in healthcare through deliberate efforts in the area of recruitment, career planning and development, inclusion and safety. During the year, Company continued to extend scholarship and mentoring opportunity in collaboration with Center for Civil Society by supporting 18 deserving female students in pursuing pharmacy courses across the states of Maharashtra and Telangana.

(8) Maternal and Newborn Health' for the urban poor in partnership with Apnalaya

With an aim to improve access to antenatal care services among the urban poor, Company has partnered with the NGO Apnalaya to promote the Maternal and Newborn Health by early identification of pregnancies, identifying high-risk cases using modern technology and thereby ensuring timely care and support

Active across 8 government health posts in the M-West ward of Mumbai, 24 Arogya Sakhis (on-ground volunteers) collaborated with government healthworkers to identify beneficiaries by conducting door-to-door screenings for high-risk pregnancies; educating on maternal health, nutrition, and newborn care; and encouraging timely utilization of antenatal care and post-natal care services provided government healthcare providers. The project achieved 99.7% institutional deliveries. Through 1,00,000 home-visits, 4,260 pregnant women were registered of which 672 were found to be high-risk and were safely managed during the year.

(9) Yes to Poshan' Program – In partnership with Tata Education and Development Trusts

Malnutrition often stems from inadequate nutrition in a women during her pregnancy. The Company's 'Yes to Poshan' program, in collaboration with Tata Trusts, continues to promote dietary diversity, and confront issues like limited or inappropriate diets among pregnant and lactating women and children under the age of 2 years. After a significant impact in the pilot across 5 villages in Andhra Pradesh, the project has now been expanded to 26 villages. The initiative includes a comprehensive approach: a five-fold behaviour change campaign, growth monitoring, and collaborating with the Anganwadi workers. In FY 2023-24, 25 Poshan Sakhis (on-ground volunteers) monitored 2,503 children and recovered 211 children from Severe/Moderate acute malnutrition to normal condition. As part of the program, more than 160 women adopted nutri-garden (kitchen garden). Through various activities, 2700 women were trained on diet diversity & 1000 days concept - period from pregnancy to the second birthday of the child, which is crucial for physical growth and mental development of a child.

(10) Xotej Jeeban Program (meaning Healthy Living) – In Partnership with World Vision India

Inspired by the staggering rates of anemia in Assam as per Government's Health Survey report, with over 68% of children aged 6-59 months, 54% of pregnant women aged 15-49 years, and 67% of adolescent girls aged 15-19 years being anemic, Company's 'Xotej Jeeban' program aims to combat the widespread prevalence of anemia in the Bilasipara district block of Assam. The program aligns with the government's Anemia Mukht Bharat initiatives and undertakes various interventions of screening, preventing along with curative measures for iron deficiency anemia. During the year under review, 10,021 women and adolescent girls were screened of which 2159 were identified as anemic. Regular counselling and monitoring was carried out in collaboration with World Vision India and local health department.

In recognition of our impact on Public Health, in the year 2023-24, the Company bagged an award for 'Best CSR Project of the Year' for 'Yes to Poshan' project at the 10th edition of India CSR Summit & Awards 2024.

Company's Corporate Social Responsibility Policy is also available under Policies in the Investors section of our website - <https://www.pghealthindia.com/investors>.

The composition of the CSR Committee during the year:

Name of the Director	Designation	Number of meetings of CSR Committee held during the tenure	Number of meetings of CSR Committee attended during the tenure
Mr. Suresh N. Talwar	Chairman	3	3
Mr. Milind Thatte	Member	3	3
Mr. Lokesh Chandak	Member	3	3

Details of CSR activities and compliance during the Financial year 2023-24 are provided below:

- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable- **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 2023-24.**
- Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of The Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any- **Not Applicable**
- Average net profit of the Company for last three Financial Years – ₹ **280.96 Crores**
- Prescribed CSR expenditure (2% of amount as in item 3) – ₹ **5.39 Crores**
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years- ₹ **0.05 Crores**
 - Amount required to be set off for the Financial Year- ₹ **0.04 Crores**
 - Total CSR obligation for the financial year (a+b-c) - ₹ **5.35 Crores**
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any –
 - Amount available for set off - ₹ **0.05 Crores**
 - Amount required for set off for Financial Year - ₹ **0.04 Crores**
- Details of CSR spent during Financial Year:
 - Total amount to be spent for the Financial Year – ₹ **5.35 Crores**
 - Amount unspent, if any – **Nil**
 - Total Amount transferred to Unspent CSR Account as per section 135(6)- **Nil**
 - Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)- **Not applicable**

7. a. Manner in which the amount spent during the financial year as detailed below (ongoing projects):

Sr. No.	CSR project or activity identified/ Name of the Project.	Sector in which the Project is covered	Local Area (yes/no)	Projects or programs (1) Local areas or others (2) Specify State & district where projects programs were undertaken	Project Duration	Amount allocated for the project (in ₹ Crores)	Amount spent on the projects or programs Total (₹ Crores)	Amount transferred to Unspent CSR Account of the project as per Section 135(6) for the Companies	Mode of Implementation : Direct (Yes/No)	Mode of Implementation - Through Implementing Agency Name and CSR Registration number
1	Gift of health (Elderly)	Healthcare	No	Puri, Orissa, Patna, Bihar, Palghar Maharashtra, Jaipur Rajasthan, Faridabad Uttar Pradesh	2 years	1.47	1.47	Nil	No	HelpAge India CSR00000901
2	'Maternal and Newborn Health' for urban poor in partnership	Healthcare	Yes	Mumbai,	2 years	0.37	0.37	Nil	No	Apnalaya CSR00003515
3	Yes to Poshan-- a nutrition project in partnership with Vijayvahini	Healthcare	No	NTR district, Andhra Pradesh	2 years	0.35	0.35	Nil	No	Vijayvahini Charitable Foundation CSR00001597
4	Xotej Jeeban - Anemia Reduction Project in partnership	Healthcare	No	Bilaspur Assam	2 years	0.59	0.59	Nil	No	World Vision CSR00004211
	Total					2.78				

b. 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 ₹ Crore.).	(7) Mod of implementation - Direct (Yes/No).	(8) Mode of implementation -	
				State.	District.			Name.	CSR registration number.
1	P&G Public Health Scholarship Program (with Public Health Foundation of India)	Education	No	Gujarat, Telangana, Delhi, Odisha	Delhi, Gandhi Nagar, Hyderabad, Bhubaneshwar	0.30	No	Public Health Foundation of India	CSR00001071
2	Women in Healthcare Scholarship	Education	No	Maharashtra, Telangana	Mumbai, Pune, Hyderabad	0.11	No	Center for Civil Society	CSR0001802
3	Upgradation of village school infrastructure	Education	Yes	Goa	Ponda	0.20	No	Round Table India Trust	CSR00000895
4	Gift of health (Children)	Healthcare	No	Maharashtra, Madhya Pradesh, Odisha, Goa	Pune, Aurangabad, Indore, Bhubaneshwar etc	0.60	No	Catalyst for Social Action	CSR00002803
5	Swasthya Sakhi Project (with Public Health Foundation of India)	Healthcare	No	Goa, Madhya Pradesh	South Goa, Vidisha	1.08	No	Public Health Foundation of India-	CSR00001071
6	Disaster Relief Fund	Healthcare	No	Tamil Nadu	Chennai	0.15	No	Round Table India Trust	CSR00000895
7	Yes To Poshan	Healthcare	No	Andhra Pradesh	NTR	0.10	No	Tata Trust	CSR00003515
TOTAL						2.54			

- c. Amount spent in Administrative Overheads – ₹ **0.03 Crores**
d. Amount spent on Impact Assessment, if applicable – **Not applicable**
e. Total amount spent for the Financial Year (a+b+c+d) – ₹ **5.35 Crores**
f. Excess amount for set-off, if any:

Sr. No.	Particulars	Amount (in ₹ Crores)
(i)	Two percent of average net profit of the Company as per section 135(5)	5.39
(ii)	Total amount spent for the Financial Year	5.35
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.01

8. a) Details of Unspent CSR amount for the preceding three financial years

(amount in ₹ Crores)

Sr. No.	CSR project or activity identified/ Name of the Project.	Sector in which the Project is covered	Local Area (yes/ no)	Projects or programs (1) Local areas or others (2) Specify State & district where projects programs	Project Duration	Amount allocated for the project (in ₹ Crores)	Amount spent for the project during the FY 2022-23 (in ₹ Crores)	Amount transferred to Unspent CSR Account of the project as per Section 135(6) for the Companies Act, 2013 (in ₹ Crores)	Mode of Implementation : Direct (Yes/No)
1	Gift of health (Elderly)	Healthcare	No	Chennai, Tamil Nadu and Guwahati, Assam	2 years	0.56	0.03	0.52	No Through Helpage India
2	Maternal and Newborn Health' for urban poor in partnership	Healthcare	Yes	Mumbai, Maharashtra	2 years	0.59	0.32	0.27	No Through Apnataya
3	Yes to Poshan – a nutrition project in partnership with TATA Trust	Healthcare	Yes	NTR district, Andhra Pradesh,	2 years	0.44	0.33	0.11	No Through TATA Trust

Note: Amount of ₹ 1.59 Crores was disbursed to above mentioned NGOs for ongoing projects during the FY 2022-23, out of the same, amount of ₹ 0.90 Crores was transferred to the unspent CSR Account as same remained unutilized at the end of the Financial Year, as per Section 135(6) of the Companies Act, 2013.

- b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) - **During the Financial Year 2023-24, the unspent amount as detailed in 9 (a) was transferred back to each NGO from the unspent CSR account of the Company, as per applicable laws and the same was duly utilized by the NGO during the Financial Year.**
9. 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 (asset-wise details).
- a) Date of creation or acquisition of the capital asset(s)- **Not Applicable**
- b) Amount of CSR spent for creation or acquisition of capital asset - **Not Applicable**
- c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - **Not Applicable**
- d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - **Not Applicable**
10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)- **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.

Milind Thatte
Managing Director

Suresh Talwar
Chairman of the CSR Committee

ANNEXURE III

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
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. Suresh N. Talwar	Independent Director	23.05	Nil	8.47
Mrs. Rani Jadhav	Independent Director	21.75	Nil	8.00
Mr. S. Madhavan	Independent Director	22.00	Nil	8.08
Mr. Aalok Agrawal	Non-Executive Director	-	-	-
Ms. Seema Sambasivan	Non-Executive Director	-	-	-
Mr. Milind Thatte	Managing Director	322.34	8%	118.50
Mr. Lokesh Chandak	Executive Director & Chief Financial Officer	249.35	2.6%	91.67
Ms. Zeal Rupani	Company Secretary	15.18	15%	5.58

ii. The percentage increase in the median remuneration of employees in the financial year: 11%
iii. The number of permanent employees on the rolls of Company: 1336 as on June 30, 2024
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 made in the salaries of employees other than the managerial personnel in the Financial Year was 10% whereas the average increase in managerial remuneration was 5.3%. The guiding principles of the compensation policy is to pay for performance, pay competitively and focus on long term success.

v. Key Parameters for any variable component of remuneration availed by directors:

Executive Directors are entitled for payment of variable components in the compensation, which are dependent upon certain critical measures including - sales growth, profit growth, value share and internal controls.

Additionally, Non-Executive Independent Directors are entitled for payment of commission which is determined based on the time spent by the Directors at the Board Meetings and Committee Meetings and contribution made by them while fulfilling their responsibilities as Board members.

Affirmation that the remuneration is as per the remuneration policy of the Company:

It is hereby confirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

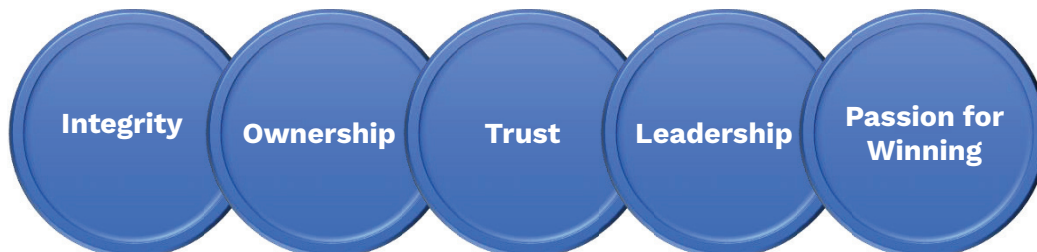
CORPORATE GOVERNANCE REPORT

The Board of Directors are pleased to present the Corporate Governance Report.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The foundation of everything we do is good governance, and we are committed to doing what is right and to being a good corporate citizen. Our corporate governance practices are designed to promote management accountability, transparency and protection of shareholder interests.

Taken together, P&G's Purpose, Values and Principles are the foundation for P&G's unique culture. Throughout our history, our business has grown and changed while these elements have endured and will continue to be passed down to generations of P&G people to come.



The Company has adopted P&G's Worldwide Business Conduct Manual (WBCM) which sets forth core global standards explaining legal & ethical responsibilities. The responsibility of upholding the principles of WBCM does not solely lie with the Board or senior management. It is expected that every member of the P&G organization embraces and embodies the values of governance, regardless of their position.

The Company has a highly experienced Board of Directors, which helps to maintain the highest standards of Corporate Governance. The 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.

BOARD OF DIRECTORS AND ITS GOVERNANCE

(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, a Managing Director, four Non-Executive Directors (including one women Independent Director) and one Executive Director. All Directors, except the Managing Director and the Non-Executive Independent Directors, are liable to retire by rotation.

Non-Executive Independent Directors are independent of the management. They play a key role in balancing the functioning of the Board by bringing in independent judgement and

external perspective. The terms & conditions of appointment of Independent Directors are available on the website of the Company at <https://www.pghealthindia.com/investors/#letters-of-appointment>. The Board is of the opinion that all the Independent Directors of the Company possess integrity, have relevant expertise and experience and fulfil the conditions specified under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["the SEBI (LODR) Regulations, 2015"].

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 (LODR) Regulations, 2015. All Independent Directors of the Company have completed the registration with the Independent Directors Databank maintained by the Indian Institute of Corporate Affairs.

There is no inter-se relationship between the Directors of the Company. Further, all Directors have confirmed that they have not been disqualified from being appointed as a Director pursuant to section 164(2) of the Companies Act, 2013; and that they are not debarred from holding the office of Director pursuant to any order of the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other such authority. The Company has obtained a certificate from M/s. Saraf & Associates, Practicing Company Secretary (annexed to this Report), confirming the same.

The composition of the Board and summary of other Directorship(s) and Committee Membership(s) of Directors as on June 30, 2024 are given below:

Name of the Director	Category	Designation	No. of Directorships in other companies*	Membership of Board Committees of other companies **		Directorships in other listed companies
				Member	Chairman	
Mr. Suresh N. Talwar	ID	Chairman	4	0	0	-
Mrs. Rani Jadhav	ID	Director	3	1	Nil	Non-Executive Independent Director 1) Forbes & Company Limited 2) Forbes Precision Tools & Machine Parts Limited
Mr. S. Madhavan	ID	Director	8	7	4	Non-Executive Independent Director 1) Sterlite Technologies Limited 2) ICICI Bank Limited 3) HCL Technologies Limited 4) Welspun Enterprises Limited 5) Eicher Motors Limited
Mr. Milind Thatte	ED	Managing Director	Nil	Nil	Nil	-
Mr. Lokesh Chandak	ED	Director & Chief Financial Officer	Nil	Nil	Nil	-
Mr. Aalok Agrawal	NED	Director	Nil	Nil	Nil	-
Ms. Seema Sambasivan [§]	NED	Director	Nil	Nil	Nil	-

ID – Independent Director, ED – Executive Director, NED – Non-Executive Director

Notes:

*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.

(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 and have effective participation in the meetings.

During the Financial year July 1, 2023 to June 30, 2024, five meetings of the Board of Directors were held. These meetings were held on August 23, 2023, November 3, 2023, February 6, 2024, March 15, 2024 and May 2, 2024.

(c) Flow of information to the Board

To provide a background of Company's policies, standard of practices and other information, every Director is provided a set of Company's constitutional and policy documents, on their appointment on the Board of the Company.

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

Sufficient time is allocated for discussions and deliberations at the meeting. The Committees of the Board make necessary recommendations to the Board which are relevant from time to time.

The Company Secretary of the Company attends all the meetings and is responsible for noting actionable items discussed during the meeting. The Management reports back to the Board on the status of such items in the subsequent meeting or as needed post the meeting. Senior Managerial Personnel of the Company are invited to Board meetings, at regular intervals or as recommended by Board, to familiarize the Board/ Committees on Company’s business, strategy, or processes.

The Company Secretary of the Company notes the minutes of the meeting. The draft Minutes

are circulated to the Board and its Committees in compliance with the Companies Act, 2013. On receipt of comments, the Minutes are entered in the books within 30 days of the Meeting.

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 30, 2023, is as under:

Name of the Director	Meetings held during the year	Meetings attended	Whether previous AGM attended
Mr. Suresh N. Talwar	5	5	Yes
Mrs. Rani Jadhav	5	5	Yes
Mr. S. Madhavan	5	5	Yes
Mr. Milind Thatte	5	5	Yes
Mr. Lokesh Chandak	5	5	Yes
Mr. Aalok Agrawal	5	5	Yes
Ms. Seema Sambasivan	5	4	Yes

(e) Familiarization programme for Independent Directors

The Company’s familiarization programme aims at familiarizing the Independent Directors with the Company, by briefing them on:

- a. Their roles rights, responsibilities in the Company,
- b. Nature of the industry in which the Company operates and business model of the Company;
- c. Other matters like Company policies, procedures, Code of Conduct, Internal standards, etc.

For the same, the Company has an elaborate process for familiarization and onboarding of any new Independent Director, which includes:

- a. Issue a formal letter of appointment at the time of appointment; and
- b. Provide introductory documents including previous Annual Reports, Board committee

framework, codes of conducts as may be applicable to the Director, various Policies and procedures adopted by the Company.

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.

The Company conducts presentations at meetings of the Board and the Committees of the Board periodically to familiarize the Independent Directors with the business performance, business strategy and operations. The Company also annually conducts a strategy meeting for the Board of Directors to discuss plans and updates on Company’s business, organization and strategy. Such presentations are made 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 conducts various sessions on knowledge sharing & familiarization for the Non-Executive Directors of the Company on

topics which are relevant to the functioning of the Company from time to time.






The details of the familiarization programmes held during the year are available on the Company's website at <https://www.pghealthindia.com/investors/#familiarisationProgramme>

(f) Key Board qualifications, expertise and attributes

The Company is engaged in manufacturing and selling of healthcare products. It is ensured that the Board Members have background that when combined provide a portfolio of experience, expertise and knowledge that serve Company's purpose, at its best. The following skills / expertise / competencies have been identified for the effective functioning of the Company:

<p>Experience in the field of law, litigations or advisory with appropriate professional qualifications (e.g. Lawyers, Solicitors, Company Secretaries)</p> <p>Legal Expertise</p> 	<p>Experience of regulatory advisory, policy formulation & implementation, public administrative experience</p> <p>Regulatory policy Expertise</p> 	<p>Experience of healthcare industry</p> <p>Healthcare Domain Expertise</p> 
<p>Experience of financial management with appropriate professional qualifications (e.g. MBA in Finance, Chartered Accountants, Cost Accountants, Chartered Financial Analyst etc.)</p> <p>Accounting Expertise</p> 	<p>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</p> <p>Strategy/Business operation Expertise</p> 	

While all the Board members possess the skills identified, 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. Suresh N. Talwar	-	✓	-	-	✓
Mrs. Rani Jadhav	✓	-	✓	-	✓
Mr. S. Madhavan	✓	-	✓	-	✓
Mr. Milind Thatte	✓	-	✓	✓	-
Mr. Lokesh Chandak	✓	-	✓	✓	-
Mr. Aalok Agrawal	✓	-	✓	✓	-
Ms. Seema Sambasivan	-	-	✓	✓	-

(g) Annual evaluation of the Directors and separate meeting of Independent 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.

The Company has an evaluation process in place where feedback is 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, independence, structure & composition, Board oversight and effectiveness, cohesion in meetings, meeting process, flow of information etc. Performance evaluation process is led by the Lead Independent Director based on the responses received from the Directors.

Mr. S. Madhavan was appointed as Lead Independent Director for the performance evaluation process for the Financial Year 2023-24.

The Independent Directors of the Company met separately without the presence of Non-Independent Directors or management representatives on August 16, 2024 (via video-conferencing) to review the performance of Directors individually; the Chairperson of the Company; the Board and its Committees, 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. All Independent Directors attended the meeting.

The overall performance evaluation exercise was completed to the satisfaction of the Board of

Directors. The key outcome of the evaluation and actionable areas were discussed at the meetings of the Nomination and Remuneration Committee and the Board and the same were noted to be acted upon.

(h) Stock Options

The Company does not have any stock option plan for its employees. However, all employees of the Company 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 with regard to the same are disclosed vide Note 35 forming part of the Financial Statements.

(i) Remuneration of Directors

The Independent Directors are paid sitting fees and commission to compensate for their valuable contribution to the Company owing to their wealth of experience and knowledge.

Members of the Company at their 55th Annual General Meeting held on November 23, 2022 had approved payment of commission to the Independent Directors of the Company upto a maximum of 1% of the net profits of the Company per annum in the aggregate, for a period of 5 years w.e.f. January 1, 2023 and had also empowered the Board of Directors to fix the quantum of commission payable to the Independent Directors and to also determine the period for which said commission is payable. The Board of Directors at their meeting held on August 21, 2024 approved payment of annual commission of ₹ 13 lacs to Independent Directors.

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

Details of the remuneration paid or provided to the Directors of the Company for the Financial Year ended June 30, 2024 are given below:

(₹ in Lakhs)

Name of the Director	Relationship with other Directors	Salary %	Commission	Sitting Fees	Shares held (Equity Shares of ₹ 10/- each)*
Mr. Suresh N. Talwar	None	-	13.00	10.25	5914
Mrs. Rani Jadhav	None	-	13.00	8.75	-
Mr. S. Madhavan	None	-	13.00	9.00	-
Mr. Milind Thatte	None	322.34	-	-	-
Mr. Aalok Agrawal	None	-	-	-	-
Mr. Lokesh Chandak	None	249.35	-	-	-
Ms. Seema Sambasivan	None	-	-	-	-

* Excludes shares held by relatives.

* Salary includes bonus and Provident fund contribution

(j) 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. The RPT Policy is available on the Company's website at <https://www.pghealthindia.com/investors/#policies>.

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 independent chartered

accountant firm to ensure transactions are in ordinary course of business, at arm's length and are in compliance with the Related Party Transactions Policy of the Company. All related party transactions are placed before the Audit Committee for quarterly review.

There are no material pecuniary relationships / significant transactions made by the Company with its Promoters, Directors or management, their subsidiaries or relatives etc. which have potential conflict with the interests of the Company at large. Transactions with related parties are disclosed in Note 37 forming part of the Financial Statements.

(k) Succession planning

The Company believes that by integrating workforce planning with strategic business planning, the Company can put necessary financial and human resources in place so that its objectives can be met.

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. Our Board members bring to the table their broad and diverse skills and viewpoints to aid the Company in advancing its strategy. To effect the same, the Nomination and Remuneration Committee works with the Board on the Board succession plan to ensure orderly succession in appointments to the Board.

COMMITTEES OF THE BOARD



Audit Committee

The Audit Committee comprises of Mr. Suresh N. Talwar (Chairman), Mrs. Rani Jadhav (Member), Mr. S. Madhavan (Member) and Mr. Milind Thatte (Member). During the Financial Year, 6 meetings of the Audit Committee were held on July 4, 2023, August 23, 2023, November 3, 2023, February 6, 2024, March 15, 2024 and May 2, 2024.

Attendance of the Members of the Audit Committee during the Financial Year is detailed in table below:

Members of the Committee	Category	No. of meetings held during tenure	No. of meetings attended
Mr. Suresh N. Talwar	ID	6	6
Mrs. Rani Jadhav	ID	6	6
Mr. S. Madhavan	ID	6	6
Mr. Milind Thatte	ED	6	6

ID= Independent Director, ED = Executive Director

The Audit Committee is comprised of Directors, with appropriate financial skills to provide good oversight. The Company Secretary acts as the Secretary to the Audit Committee. 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 terms of reference of the Audit Committee are as follows:

- i. Oversight of the Company financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- iii. Reviewing the quarterly and annual financial statements before submission to the Board for approval, focusing *inter-alia* on;
 - Any changes in accounting policies and practices and reasons for the change;
 - Major accounting entries involving estimates based on exercise of judgment by Management;
 - Significant adjustments arising out of audit findings;
 - The going concern assumption;
 - Compliance with Accounting Standards; and

- Analysis of the effects of alternative generally accepted accounting principles on the financial statements.
- iv. Compliance with listing and other legal requirements concerning financial statements;
- v. Approval of the related party transactions;
- vi. Review of annual Management Discussion and Analysis of financial condition and results of operations and the Directors' Responsibility Statement;
- vii. Disclosures made under the CEO and CFO certification to the Board;
- viii. Reviewing with the Management, Statutory Auditors and Internal Auditors, adequacy of internal control systems and recommending improvements to the Management;
- ix. Recommending the appointment/removal of the Statutory Auditors, fixing audit fees, non-audit fees, evaluating Auditors performance, qualifications and independence;
- x. Reviewing the adequacy of internal audit function, coverage and frequency of internal audit, appointment, removal, performance and terms of remuneration of Internal Auditors;
- xi. Discussing with the Internal Auditors and senior Management, significant internal audit findings and follow-up thereon;
- xii. Reviewing the findings of any internal investigation by the Internal Auditors into matters involving suspected fraud or irregularity or a failure of internal control system of a material nature and report the matter to the Board;
- xiii. Discussing with the Statutory Auditors before the audit commences, the nature and scope of audit as well as conduct post-audit discussions to ascertain any area of concern;
- xiv. Reviewing the Company's financial and risk management policies;
- xv. Reviewing the effectiveness of the system for monitoring compliance with laws and regulations; and
- xvi. Reviewing any other areas which may be specified as role of the Audit Committee under the SEBI (LODR) Regulations, 2015, Companies Act, 2013 and other statutes, as amended from time to time.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of Mr. Suresh N. Talwar (Chairman), Mr. Milind Thatte (Member), Mr. S. Madhavan (Member) & Mr. Lokesh Chandak (Member). During the Financial Year, three meetings were held on August 23, 2023, November 3, 2023 and May 2, 2024.

Attendance of the Members of the Stakeholders' Relationship Committee during the Financial Year is detailed in table below:

Members of the Committee	Category	No. of meetings held during tenure	No. of meetings attended
Mr. Suresh N. Talwar	ID	3	3
Mr. S. Madhavan	ID	3	3
Mr. Milind Thatte	ED	3	3
Mr. Lokesh Chandak	ED	3	3

ID= Independent Director, ED = Executive Director

The terms of reference of the Stakeholders' Relationship Committee are as follows:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and
4. Review of the various measures and initiatives taken by the listed entity 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 under review, the Company received 5 complaints from Shareholders, which were resolved by the Company during the year. There were no pending complaints as on June 30, 2024.

Mrs. Zeal Rupani, Company Secretary is the Compliance Officer of the Company.

Nomination and Remuneration Committee

The Nomination & Remuneration Committee comprises of Mrs. Rani Jadhav (Chairperson), Mr. Suresh N. Talwar (Member) and Mr. Aalok Agrawal (Member). During the Financial Year, two meetings were held on August 23, 2023 and May 2, 2024.

Attendance of the Members of the Nomination & Remuneration Committee during the Financial Year is detailed in table below:

Members of the Committee	Category	No. of meetings held during tenure	No. of meetings attended
Mrs. Rani Jadhav	ID	2	2
Mr. Suresh N. Talwar	ID	2	2
Mr. Aalok Agrawal	NED	2	2

ID= Independent Director, NED = Non-Executive Director

The terms of reference of the Nomination & Remuneration Committee are as follows:

- Ensure that the Board is comprised of directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance;
- Review the composition of the Board and devise a policy on Board diversity;
- To formulate criteria for determining qualifications, positive attributes and independence of a director and to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend the Board of their appointment and removal;
- Formulate the criteria for evaluation of independent directors on the Board;
- Review and recommend to the Board the overall strategies in relation to executive and non – executive remuneration policies; and
- Evaluation of every director's performance.

The Company has adopted 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://www.pghealthindia.com/investors/>.

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 (CSR) Committee comprises of Mr. Suresh N. Talwar (Chairman), Mr. Milind Thatte (Member) and Mr. Lokesh Chandak (Member). During the Financial Year, three meetings were held on August 23, 2023, November 3, 2023 and May 2, 2024.

Attendance of the Members of the Corporate Social Responsibility Committee during the Financial Year is detailed in table below:

Members of the Committee	Category	No. of meetings held during tenure	No. of meetings attended
Mr. Suresh N. Talwar	ID	3	3
Mr. Milind Thatte	ED	3	3
Mr. Lokesh Chandak	ED	3	3

ID= Independent Director, ED= Executive Director

The terms of reference of the CSR Committee are as follows:

- Formulation and recommendation to the Board, a CSR 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;
- Monitoring of implementation of business responsibility policies; and
- Annual assessment of the business responsibility performance and reporting.

The CSR initiatives of the Company forms part of the Directors’ Report.

The Company has adopted a Corporate Social Responsibility Policy in lines with terms of the Companies Act, 2013, which is available on the website of the Company at <https://www.pghealthindia.com/investors/#policies>.

Risk Management Committee

The Risk Management Committee comprises of Mr. Milind Thatte (Chairman), Mr. Suresh N. Talwar (Member), Mrs. Rani Jadhav (Member), Mr. S. Madhavan (Member) and Mr. Lokesh Chandak (Member). During the Financial Year under review, four meetings of the Committee were held on August 23, 2023, November 3, 2023, February 6, 2024, and May 2, 2024.

Attendance of the members of the Risk Management Committee during the Financial Year is detailed in table below:

Members of the Committee	Category	No. of meetings held during tenure	No. of meetings attended
Mr. Milind Thatte	ED	4	4
Mr. Suresh N. Talwar	ID	4	4
Mrs. Rani Jadhav	ID	4	4
Mr. S. Madhavan	ID	4	4
Mr. Lokesh Chandak	ED	4	4

ID= Independent Director, ED= Executive Director

The terms of reference of the Risk Management Committee are 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;
- The appointment, removal and terms of remuneration of the Chief Risk Officer, (if any)

shall be subject to review by the Risk Management Committee.

The Company has adopted a Risk Management Policy, which aims to create a standard, structured and efficient approach to identify, access and mitigate risks. The Governance Board is led by the Managing Director and comprises of Chief Financial Officer, Chief Human Resource Officer, Supply Chain Leader, General Counsel and Sales leader. 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.

OTHER INFORMATION:

i. Particulars of senior management of the Company as on June 30, 2024

Name of SMP	Designation
Mr. Lokesh Chandak	CFO & Finance Head
Mr. Siddhartha Vachaspati	Sales Leader
Mr. Abhijit Roy	Marketing Strategy & Planning Leader
Mr. M. Padmakar Rao	Commercial Excellence Leader
Mr. Nilesh Barbade	Distributor Operations Leader
Mr. Vijaykumar Pampana	Brand Leader
Ms. Geetha Vijaydas	Product Supply, Supply Network Organization & Planning Leader
Mr. Anit Singh	Human Resources Leader
Mr. Sachin Pawar	Medical Leader
Mr. Ketan Kotadiya	Regulatory Affairs leader
Ms. Zeal Rupani	Company Secretary

ii. Disclosures regarding re-appointment of Directors

Mr. Lokesh Chandak - Executive Director retires by rotation and being eligible offers himself for re appointment at the ensuing 57th Annual General Meeting. Brief profile for Mr. Chandak is provided below:

Mr. Chandak is a Chartered Accountant and a Company Secretary. He comes with an experience of over 15 years in finance and accounting. He has spent the last 13 years with

Procter & Gamble across 3 geographics, multiple businesses and leading project having significant impact on business and controls. In his last role, Mr. Chandak was Director – Commercial Finance & Stewardship, Consumer Health, India and Director- Commercial Finance & PHC Stewardship, Personal Health Care (Asia, Middle East and Africa) of the Company.

iii. Annual Report and Notice calling the Meeting

This Annual Report along with Notice calling the 57th Annual General Meeting for the Financial Year 2023-24 is being sent to the Members in electric form 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 investorgrievance.im@pg.com. A copy of the report will be delivered to your registered address.

iv. Declaration of Financial Result

The quarterly results of the Company are announced within 45 days of completion of the quarter as prescribed by the Securities & Exchange Board of India. Audited Annual Results are announced within 60 days from the end of the Financial Year as prescribed by the Securities & Exchange Board of India. Financial Statements and 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://www.pghealthindia.com/investors/#financial-results>.

v. 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 the Company to determine the appropriate TDS rate, shareholders are requested to submit the requisite documents for claiming exemption in tax, if applicable and as and when communicated by the Company. These notices are also put up on the Company's website at <https://www.pghealthindia.com/investors/>.

vi. Green Initiative

The Company requests its shareholders to join in its endeavor to conserve resources by updating their email ID, Bank account details and other KYC information for receiving online communication and electronic dividend payout.

vii. 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 and relevant circulars thereafter, latest being Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, all the listed companies are required to record the PAN, and other KYC details of all the shareholders holding shares 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 shareholder will be eligible to lodge grievance or avail any service request with the Company/or its RTA only after furnishing PAN and other KYC details. Further that, for any payment including dividend, in respect of such folios, Company can remit the same only through electronic mode.

The Company, with the help of the RTA and the depositories has dispatched several reminder letters during the year to all shareholders who have not registered their KYC and other details, requesting them to update the same. Said circulars, formats and reminder letters are also uploaded on Company's website at <https://pghealthindia.com/>.

Further, all new members and Members holding shares in dematerialized form, are requested to submit their 'choice of Nomination' for their demat accounts. All existing investors are encouraged, in their own interest, to provide 'choice of nomination' for ensuring smooth transmission of securities held by them as well as to prevent accumulation of unclaimed assets in securities market.

Further, Shareholders have been requested to register their email address and mobile number for receiving intimation and regular updates from the Company.

Your Company greatly appreciates your response and assistance in this regard, to ensure security of shares of its shareholders.

viii. Share Transfer System and Dematerialization

As per directions from the Securities and Exchange Board of India, 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.

Further, SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors, has mandated the listed entities to issue securities for the following service requests only in dematerialized 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.

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.

ix. Alternate Dispute Redressal Mechanism

SEBI vide its Circular No. SEBI/HO/MIRSD_RTAMB/P/CIR/2022/76 dated 30th May, 2022 has prescribed SOPs in accordance with Regulation 40 of the SEBI (LODR) Regulations, 2015, for dispute resolution under the Stock Exchange arbitration mechanism for disputes between a Listed Company and/or Registrars to an Issue and Share Transfer Agents and its Shareholder(s)/ Investor(s) which are emanating from investor services.

The Company along with its RTA has made the investors aware on the availability of dispute resolution mechanism with Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited against the Company and/or its RTA. Communication in this regard was sent through email and/or SMSes to all holders who held the shares of the Company in physical form. The said SEBI Circular is also made available on the Company's website.

STATUTORY COMPLIANCE

The Company has complied with all applicable requirements prescribed by the regulatory and statutory authorities including Stock Exchanges and the Securities & Exchange Board of India on all matters related to capital markets and no strictures or penalty was imposed on the Company in preceding three financial years. 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 the SEBI (LODR) Regulations, 2015.

GENERAL MEETINGS

For the Year ended	Venue	Day and Date	Time	No. of Special resolutions passed
2020-21	Annual General Meetings were held through Video Conference / Other Audio Visual Means. Deemed venue for the meeting was the registered office of the Company.	Thursday, 11.11.2021		
2021-22		Wednesday, 23.11.2022	3:30 p.m.	None
2022-23		Thursday, 30.11.2023		

POSTAL BALLOT

During the Financial Year, no resolution was passed through postal ballot. Further, no special resolution is proposed to be conducted through Postal Ballot as on the date of this Report.

MD / CFO CERTIFICATION

A compliance certificate in accordance with Regulation 17(8) of the SEBI (LODR) Regulations, 2015 was provided to the Board of Directors in the prescribed format for the Financial Year 2023-24, 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:

- There are no audit qualifications in the Company's financial statements for the Financial Year 2023-24, the Company continues to adopt best practices to ensure regime of unmodified audit opinion; and
- The Internal Auditor of the Company directly reports to the Audit Committee.
- Separation of role between Chairman and Managing Director of the Company.

WHISTLE BLOWER POLICY

The Company is a subsidiary of The Procter & Gamble Company, USA, ("P&G US") and has adopted P&G's global standards and whistle blower mechanism set forth in P&G's Worldwide Business Conduct Manual (WBCM), as Company's Vigil Mechanism. The WBCM sets out several ways employees and others may report concerns, including via the Worldwide Business Conduct Helpline which is available via telephone, email, or web reporting around the world 24 hours a day, seven days a week. It is staffed by an independent company and can take calls in most languages. Reports of actual or suspected violations may also be made anonymously, where allowed by applicable law. The Worldwide Business Conduct Helpline is accessible to all employees. The Audit Committee oversees the vigil mechanism and cases reported along with status report and action taken (if any) are reported to the Committee. No personnel has been denied access to the Committee.

CODE OF CONDUCT

(i) Code of Conduct for Directors and Senior Management

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 for Directors and Senior Management has been hosted on the Company’s website. A declaration signed by the Managing Director to this effect is appended at the end of this Report.

(ii) Code of Conduct for Prohibition of Insider Trading

The Board of the Company has adopted Code of Conduct for Prevention of Insider Trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 to regulate, monitor and report trading by the Designated Person(s) / and other connected person(s). The structured digital database of unpublished price sensitive information is maintained with adequate internal controls. The code has been hosted on the Company’s website at <https://www.pghealthindia.com/investors/#policies>.

GENERAL SHAREHOLDER INFORMATION

I. Annual General Meeting

Pursuant to the circulars issued by the Ministry of Corporate Affairs and the Securities Exchange Board of India, the 57th Annual General Meeting (AGM) will be held on **Thursday, December 5, 2024** at **3:30 p.m.** via Audio/Video Conference. Deemed Venue for Meeting shall be the Registered Office of the Company: P&G Plaza, Cardinal Gracias Road, Chakala, Andheri East, Mumbai - 400 099. Weblink of the link for joining and participating in the meeting is provided in the notice convening

VII. Recommendations of Committees of the Board

There were no instances during the Financial Year 2023-24, wherein the Board had not accepted recommendations made by any Committee of the Board.

VIII. Listing of Equity Shares on Stock Exchanges

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

Name of Stock Exchange	Company Script Code	Address of stock exchange
BSE Limited	500126	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001
National Stock Exchange of India Limited	PGHL	Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051

the 57th Annual General Meeting. A copy of the transcript of the AGM will be made available on the Company’s website at [https:// www.pghealthindia.com/investors/#annual-general-meeting](https://www.pghealthindia.com/investors/#annual-general-meeting).

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

The Company’s Register of Members and Share Transfer Books will remain closed from Friday, November 29, 2024 to Thursday, December 5, 2024 (both days inclusive) for the purposes of payment of dividend for the Financial Year ended June 30, 2024, if approved by members at the above mentioned AGM.

IV. Dividend Payment Date

On or before December 20, 2024.

V. Total fees paid to Statutory Auditors of the Company

Total fees of ₹ 43 lakhs for Financial Year 2023-24, was paid by the Company to M/s. Haribhakti & Co. 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 2023-24 are as under:

- Number of complaints filed during the Financial Year: 1
- Number of complaints disposed of during the Financial Year: 1
- Number of complaints pending as at end of the Financial Year: Nil

IX. ISIN Code

Dematerialisation ISIN Code: **INE199A01012**

X. Stock Price Data

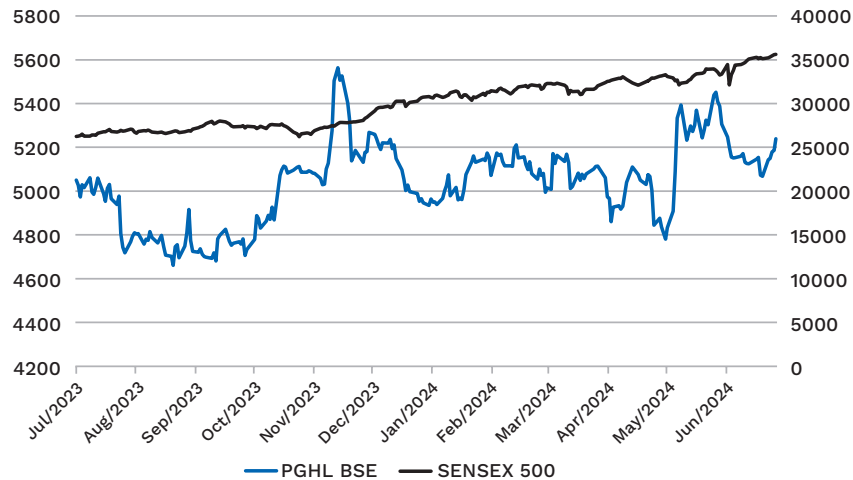
(In ₹)

Month	BSE		NSE	
	High	Low	High	Low
July -2023	5,395.00	5,008.05	5,399.90	5,010.30
August – 2023	5,496.50	4,771.50	5,500.00	4,753.00
September -2023	5,185.00	4,817.00	5,187.00	4,816.00
October – 2023	5,198.95	4,903.00	5,199.00	4,900.00
November -2023	5,400.00	4,925.05	5,282.00	5,012.30
December – 2023	5,199.95	4,870.05	5,196.70	4,925.00
January – 2024	5,340.00	4,927.00	5,340.05	4,905.75
February – 2024	5,640.00	4,999.50	5,642.85	5,010.00
March – 2024	5,197.95	4,652.40	5,186.05	4,655.40
April – 2024	4,970.20	4,643.65	4,988.75	4,636.55
May – 2024	4,966.05	4,640.30	4,909.80	4,639.25
June – 2024	5,099.25	4,649.50	5,150.00	4,641.15

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

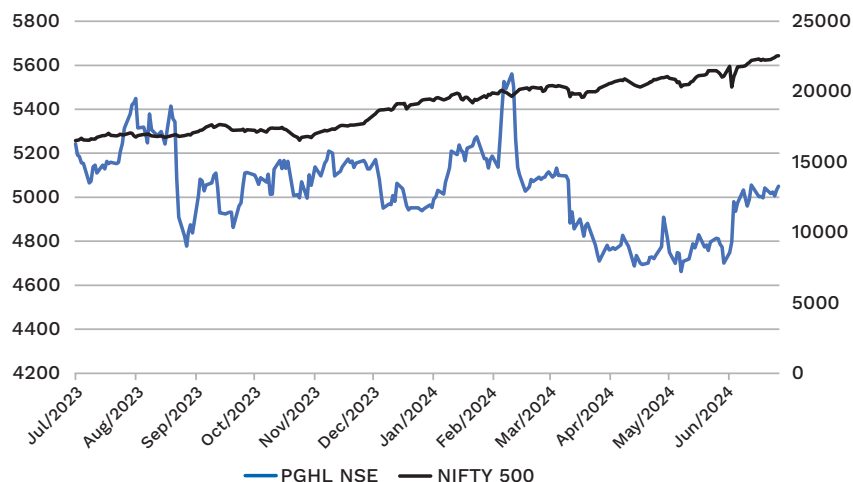
XI. Stock Performance in comparison to the BSE Sensex and NSE Nifty

The following chart shows the performance of the Company's shares as compared to the BSE Sensex during the Financial Year 2023-24:



(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 2023-24.



(Source: www.nseindia.com)

XII. Distribution of shareholding by ownership as on June 30, 2024

Category	Number of shares held	% of shares Held
Foreign promoters	86,01,071	51.82
Resident Individuals and HUF	37,25,168	22.44
Mutual Funds	16,91,314	10.19
Financial Institutions / Banks	765	0.00
Insurance Companies	6,71,518	4.05
Foreign Portfolio Investors	10,61,612	6.40
Bodies Corporate	3,36,081	2.02
Non-Resident Indians	3,97,473	2.39
Others	1,14,380	0.69
TOTAL	1,65,99,382	100.00

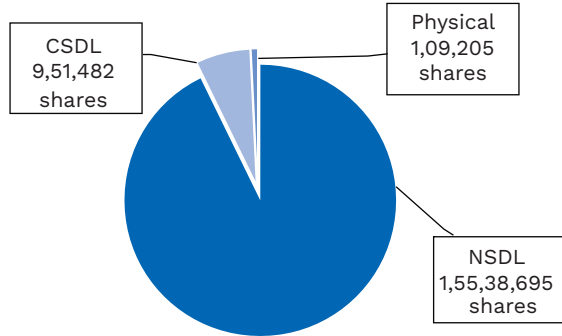
XIII. Distribution of shareholding by size class as on June 30, 2024

Shareholding (₹)	Number of Shareholders	% to Total	Shares Number	% to Total
Upto 5000	56,414	98.07	23,66,585	14.26
5001 – 10000	592	1.03	4,32,138	2.60
10001 – 20000	264	0.46	3,83,451	2.31
20001 – 30000	75	0.13	1,87,326	1.13
30001 – 40000	33	0.06	1,11,883	0.67
40001 – 50000	25	0.04	1,16,694	0.70
50001 – 100000	59	0.10	4,04,926	2.44
100001 & above	62	0.11	1,25,96,379	75.88
TOTAL	57,524	100.00	1,65,99,382	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, 2024, 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 NSDL	1,55,38,695	93.61
Held in dematerialized form in CDSL	9,51,482	5.73
Held in Physical form	1,09,205	0.66
Total	1,65,99,382	100.00



XV. 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.

Final dividend for the Financial Year ended December 31, 2017 and for the subsequent years, which remain unpaid or unclaimed, will be due for transfer to the IEPF 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 approach the Company's RTA, M/s. KFin Technologies Limited for revalidation of their dividend warrants on or before the due dates mentioned herein.

Date of Declaration	For the Financial year	Transfer to IEPF
01.06.2018	2017	07.07.2025
31.05.2019	2018	06.07.2026
26.11.2020	2019-20	01.01.2028
11.11.2021	2020-21	17.12.2028
05.05.2022	Interim 2021-22	11.06.2029
23.11.2022	2021-22	30.12.2029
05.02.2023	Interim 2022-23	14.03.2030
30.11.2023	2022-23	04.01.2031
06.02.2024	Interim 2023-24	13.03.2031

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

Further, the Company, had sent reminders to the shareholders of the Company to claim their outstanding dividend(s). 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 enumerated 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 2023-24, unclaimed dividend and shares for the Financial Year ended December 31, 2015 amounting to ₹ 8,36,228 and 4,650 shares were transferred to the IEPF Authority.

Dividend declared for Financial Year ended December 31, 2016, was due for transfer as on June 9th, 2024, however, due to technical

error on the website of Ministry of Corporate Affairs, Company was unable to file the form for transferring ₹ 12,99,452 and corresponding 3,744 shares to the IEPF authority fund, as on date of this report.

The details of unpaid / unclaimed dividend have been hosted on the website of the Company, viz., <https://www.pghealthindia.com/investors/>.

Ms. Zeal Rupani is the Nodal officer of the Company, under the IEPF rules.

XVI. Disclosure in respect of equity shares transferred to Suspense escrow Demat Account

In accordance with the requirements of Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 on operating guidelines issued by SEBI, the Company has opened a Suspense escrow Demat Account “Procter & Gamble Health Limited – Suspense Escrow Demat Account” with a depository participant for transfer of shares arising out of formalities pertaining to issue of letter of confirmation with respect to duplicate share certificates. During the Financial Year, 319 shares pertaining to 2 shareholders were lying in the Company’s Suspense Escrow Demat Account. Further, 1 request was received from shareholder (holding 75 shares) for release of shares from the said suspense escrow demat account of the Company, which were transferred to shareholder after the completion of Financial year on July 26, 2024.

The voting rights on shares lying in Suspense Escrow Demat Account remains frozen till the rightful owner claims the shares. The dividend for the shares which are lying in Suspense Escrow Demat Account is credited back to the relevant dividend accounts of the Company and benefits of the same are passed to the shareholder, as and when shares are released to the rightful claimant.

XVII. Other Disclosures:

- As on date, the Company has not issued GDR / ADR / warrants or any convertible instruments.
- No presentations were made to Analysts and Institutional Investors during the Financial Year.
- The Company doesn’t have any subsidiaries.
- No credit rating has been obtained by the Company with respect to its securities.
- The disclosure pertaining to details of utilization of funds raised through preferential

allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of the SEBI (LODR) Regulations is not applicable to the Company.

- Commodity price risk or foreign exchange risk and hedging activities-The Company does not have any exposure hedged through commodity derivatives. The details of foreign currency risk management are disclosed in Note 34 forming part of the Financial statements. The Company has not entered into any hedging activities in Financial Year 2023-24.

XVIII. Plant Location

No. 11/1, Marvasodo Usgaon, Ponda, Goa 403 407

XIX. Investor Queries and Grievance Redressal

Shareholders can send their correspondence to the Company with respect to their shares, dividend, request for annual reports and shareholder grievances, at the contact details given below:

Procter & Gamble Health Limited

Ms. Zeal Rupani

**Company Secretary and Compliance Officer
Nodal Officer**

Registered Address:

P&G Plaza, Cardinal Gracias Road,
Chakala, Andheri (East) Mumbai – 400 099
Tel. No. : 022-6866 9000

The registered office of the Company has been shifted from “Godrej One, 8th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli East Mumbai 400 079” to “P&G Plaza, Cardinal Gracias Road, Chakala, Andheri (E), Mumbai – 400099” w.e.f. January 1, 2023.

Investor Helpline No.: +91 8291902520

Email ID: investorgrievance.im@pg.com

Registrar and Share Transfer Agent

KFin Technologies Limited

Selenium Tower B, Plot 31 & 32, Financial District,

Nanakramguda, Serilingampally Mandal,
Hyderabad - 500032, Telangana.

Toll free number: 1-800-309-4001

Email : einward.ris@kfintech.com

Website: <https://www.kfintech.com> or
<https://ris.kfintech.com/>

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

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, 2024 and the Senior Management has complied with the Business Conduct Manual for the Financial Year ended June 30, 2024.

For Procter & Gamble Health Limited

Milind Thatte

Managing Director

Mumbai

August 21, 2024

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with paragraph E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
Procter & Gamble Health Limited
P & G Plaza, Cardinal Gracias Road,
Chakala, Andheri East,
Mumbai - 400099

We have examined the compliance of conditions of Corporate Governance by **Procter & Gamble Health Limited** (CIN - L99999MH1967PLC013726) ("Company") for the year ended June 30, 2023, prescribed in 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

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

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of SEBI LODR for the year ended on June 30, 2024.

We further state that such compliance 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 **DHOLAKIA & ASSOCIATES LLP**
(Company Secretaries)

CS Nrupang B. Dholakia
Managing Partner
FCS – 10032 CP No. 12884

Place : Mumbai
Date : 28 August 2024
UDIN : F010032F001066714

Peer Review Certificate No: 2404/2022
FRN: P2014MH034700

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,
PROCTER & GAMBLE HEALTH LIMITED
CIN: : L99999MH1967PLC013726
P & G Plaza,
Cardinal Gracias Road,
Chakala, Andheri East,
Mumbai City 400099,
Maharashtra, India.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PROCTER & GAMBLE HEALTH LIMITED** having CIN : **L99999MH1967PLC013726** and having registered office at P & G Plaza, Cardinal Gracias Road Chakala, Andheri East Mumbai City 400099 Maharashtra India (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, 2024 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 Director	DIN	Date of appointment in Company*
1.	Suresh Narsappa Talwar	00001456	17/01/1984
2.	Subramanian Madhavan	06451889	15/11/2021
3.	Rani Jadhav Ajit	07070938	05/02/2015
4.	Milind Vasant Thatte	08092990	01/04/2018
5.	Aalok Agrawal	08468145	01/06/2019
6.	Lokesh Chandak	10083315	01/04/2023
7.	Seema Sambasivan	10085866	01/04/2023

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

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. S1988MH004800
PR. 1003/2020

Place : Mumbai
Date : 21.08.2024
UDIN : F001596F001016071

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 30TH JUNE, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with modifications as deemed necessary, without changing the substance of format given in MR-3]

To,
The Members,
Procter & Gamble Health Limited

P & G Plaza, Cardinal Gracias Road,
Chakala, Andheri East,
Mumbai - 400099

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Procter & Gamble Health Limited (CIN L99999MH1967PLC013726)** ("Company") for the financial year ended 30th June, 2024. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

- A.** In expressing our opinion it must be noted that-
- i. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
 - ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances 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. We believe that the processes and practices we followed provide a reasonable basis of our opinion.
 - iii. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
 - iv. Wherever required, we have discussed with the management of the company and obtained the management representation pertaining to compliance of laws, rules and regulations, happening of events, etc.
 - v. The compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility

of the management. Our examination was limited to the verification of procedures on test basis.

- vi. 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.
- B.** Based on our 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 us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 30th June, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-process (duly evolved) and compliance-mechanism in place to the extent and as applicable to the Company in the manner and subject to the reporting made hereinafter:
- C.** We 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, 2024 according to the provisions of:
- I. The Companies Act, 2013 ('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.

- VA. 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.
- VB. The Company has not undertaken any of the activities during the audit period as envisaged in the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and hence are not relevant for the purpose of audit:-
- (a) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - (b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; and
 - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.
- VI The following Acts and Rules made thereunder pertaining to Company's business are applicable to the Company::
- (a) Drugs and Cosmetics Act, 1940;
 - (b) Narcotic Drugs and Psychotropic Substances Act, 1985;
 - (c) Petroleum Act, 1934; and
 - (d) Maharashtra Non-Biodegradable Garbage (Control) Act, 2006 and the rules framed their under.
- D.** We have also examined compliance with the applicable clauses which, are generally adhered to, of the following:
- i. Secretarial Standards in respect of Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI) along with the relevant Advisories issued by the ICSI from time to time;
 - ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR').
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above. The Company had received a penalty notice form the Stock Exchanges for ₹ 5000/- each due to delay in reporting the Related Party Transactions under Regulation 23 of the LODR. The delay was on account of technical reasons. Further the Company has claimed a waiver for the same.
- E.** We further report that
- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the year under review.
 - II. 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.

- III. Majority decision is carried through and there was no instance of any director expressing any dissenting views.
- F.** We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- G.** We further report that during the audit period none of the following events has taken place:
- I. Public/Rights/Preferential Issue of Shares/ Debentures/Sweat equity etc.
 - II. Redemption/buy back of securities.
 - III. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.

- IV. Merger/Amalgamation/Reconstruction, etc.
- V. Foreign Technical Collaborations.

For **DHOLAKIA & ASSOCIATES LLP**
(Company Secretaries)

CS Nrupang B. Dholakia
Managing Partner
FCS 10032 CP No. 12884

Place : Mumbai
Date : 28 August, 2024
UDIN : :F010032F001066661

Peer Review Certificate No: 2404/2022
FRN: : P2014MH034700

INDEPENDENT AUDITOR REPORT

To the Members of Procter & Gamble Health Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Procter & Gamble Health Limited (“the Company”), which comprise the Balance Sheet as at June 30, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of material accounting policy information 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 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 accounting principles generally accepted in India including the Indian Accounting Standards (“Ind AS”) prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at June 30, 2024, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 (“ICAI”) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and 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 on the financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the 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 matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter
1.	<p>Evaluation of uncertain tax and other legal matters positions (Refer Note 40 to the Financial Statements)</p> <p>The Company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities and National Pharmaceutical Pricing Authorities on a range of taxation and pricing matters, respectively, during the normal course of business including but not limiting to direct tax, transfer pricing, indirect tax and product pricing matters. These involve significant management judgment to determine the possible outcome of the uncertain tax and other legal matters positions, consequently having an impact on related accounting and disclosures in the Financial Statements. Hence, this has been considered as a key audit matter</p>	<p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> • Obtained detailed list of matters under dispute and other uncertain tax and other legal matters positions as at June 30, 2024; • Read and evaluated select key correspondences, external legal opinions / consultations, if any, and evaluation of the same by the legal department of Company; • Discussed with appropriate senior management and evaluated management’s underlying key assumptions in estimating the tax provisions; and • Assessed the management’s estimate of the possible outcome of the disputed cases.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Social Responsibility Report, Statement of Disclosure of Remuneration, Corporate Governance Report, Ten year Financial Highlights, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 financial

statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 this financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate

internal financial controls with reference to financial statements 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.

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 financial statements of the current year 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 section 143(11) of the Act, we report in "Annexure 1", 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. During the current year, in a phased manner, the Company has implemented the process of maintaining daily backups of its books of accounts and other relevant books and papers in electronic mode on servers physically located in India. The Company also faced certain technical issues post implementation due to which the daily backup was not possible during certain days of the year. (refer Note 45 to the financial statements);
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e. On the basis of the written representations received from the directors as on June 30, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2024 from being appointed as a director in terms of section 164(2) of the Act;

- f. The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above and para (i)(iii) stated below;
- g. 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 2”;
- h. With respect to the other matter to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

- i. 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, as amended, 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 financial statements – Refer Note 40 on Contingent Liabilities to the financial statements;
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 18 to the financial statements;
 - (iii) The Company’s unpaid dividend pertaining to final dividend declared for the Financial Year 2016 amounting to Rs. 12.99 lakhs became due for its transfer to Investor Education and Protection Fund on June 9, 2024 which was required to be transferred to the fund within 30 days from the due date i.e. July 9, 2024. However, as stated in Note No. 50 to the financial statements the Company

has not been able to transfer the said amount to the fund due to the reasons as mentioned therein.

- (iv) (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 48(d), 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(s) or entity(ies), including foreign entities (“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;
- (iv) (b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 48(d), no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“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;
- (iv) (c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- (v) As stated in Note 44 to the financial statements:
- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in compliance with section 123 of the Act, as applicable.
 - (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act.
 - (c) 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 compliance with section 123 of the Act, as applicable.
- (vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended June 30, 2024, which has a feature of recording audit trail (edit

log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended June 30, 2024.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Deepak G. Morolia

Partner

Membership No.130533

Place: Mumbai

UDIN: 24130533BKFE07917

Date: August 21, 2024

ANNEXURE 1 TO THE INDEPENDENT AUDITOR’S REPORT

[Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section in the Independent Auditor’s Report of even date to the members of Procter & Gamble Health Limited (“the Company”) on the financial statements for the year ended June 30, 2024]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information, explanations and written representation given to us by the management and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets and investment property.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) During the year, the Property, Plant and Equipment of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of lessee), disclosed in the Financial statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and Intangible Assets during the year. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable.
- (e) No proceedings have been initiated or are pending against the Company as at June 30, 2024 for holding any benami property under the Prohibition of Benami Property Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year end, these have substantially been confirmed by them. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on physical verification carried out during the year.
- (b) The Company has not obtained sanctioned working capital limits during the year, from banks and/or financial institutions, on the basis of security of current assets. Therefore, reporting under clause (ii)(b) of paragraph 3 of the Order is not applicable.
- (iii) (a) During the year, the Company has provided loans to its employees as mentioned below;

Sr. No	Particulars	₹ In Lakhs
1	Aggregate amount granted / provided during the year	
	- Subsidiaries/Joint Ventures/ Associates	-
	- Others	556
2	Balance outstanding as at June 30, 2024 in respect of above cases	
	- Subsidiaries/Joint Ventures/ Associates	-
	- Others	1121

- (b) The terms and conditions of the grant of all loans provided by the Company during the year are not prejudicial to the interest of the Company.
- (c) The schedule of repayment of principal and payment of interest in respect of the loans and advances in the nature of loans has been stipulated and the repayments or receipts during the year are regular as per stipulation.

- (d) In respect of the aforesaid loans and advances in the nature of loans, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) There were no loans or advances in the nature of loan granted which has/have fallen due during the year, have been renewed or extended. Further, there were no instances of fresh loans being granted to settle the overdues of existing loans given to the same parties
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) The Company has not granted any loan or made any investment or provided any guarantee or security, covered under the provisions of section 185 and 186 of the Act. Accordingly reporting under clause (iv) of paragraph 3 of order is not applicable.
- (v) In our opinion, the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under subsection (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that, *prima facie*, the prescribed accounts and 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) (a) The Company is generally regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it.
- AND**
- No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues outstanding with respect to provident fund, employees' state insurance, income tax, GST, sales tax, service tax, value added tax, customs duty, excise duty and cess, on account of any dispute, are given in Appendix 1.
- (viii) We have not come across any transaction which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Accordingly, reporting under clause (ix)(a) of paragraph 3 of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not obtain any money by way of term loans during the year/and there were no outstanding term loans at the beginning of the year. Accordingly, reporting under clause (ix)(c) of paragraph 3 of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have, been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, as defined under the Act.
- (x) (a) The Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the year. Therefore, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.

- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.
- (b) No report under section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of audit procedures.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) 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) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause (xvi)(a) and (b) of paragraph 3 of the Order are not applicable.
- (b) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 (“Directions”) by the Reserve Bank of India. Accordingly, reporting under clause (xvi)(c) and (d) of paragraph 3 of the Order are not applicable.
- (c) As informed by the Company, the Group to which the Company belongs has no CIC as part of the Group.
- (xvii) The Company has not incurred cash losses in the current and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS 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 cause us to believe that any material uncertainty exists as on the date of this audit report and that the 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 date of the audit report and we neither give any guarantee nor 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) (a) There are no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso

to section 135(5) of the said Act. Hence, reporting under clause (xx) of paragraph 3 of the Order is not applicable.

- (b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

F For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Deepak G. Morolia

Partner

Membership No.130533

UDIN: 24130533BKFE07917

Place: Mumbai

Date: August 21, 2024

Appendix 1 as referred to in paragraph vii (b) of Annexure 1 to Independent Auditor's Report

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax and Penalty	687.46	2012-13 & 2013-14	Income Tax Appellate Tribunal
		8,758.78	2007-08, 2009-10, 2010-11, 2011-12, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2020-21	CIT (A)
Central Excise Act, 1944	Tax and Penalty	2,369.71	2009-14, 2014-15	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
		772.66	2009-10 to 2014-15	Administrative Tribunal, Panaji Goa
		1,038.23	2011-12 to 2014-15	Joint Commissioner of Sales Tax (Appeal) / Additional commissioner (Commercial Tax)
Local State Sales Tax Act and Central Sales Tax Act 1956	Duty and Penalty	27.73	2014-15	Rajasthan Tax Board (Tribunal)
		18.02	2015-16	Deputy Commissioner of State tax
		27.39	2014-15	Additional Commissioner (Appeal) Commercial Tax
		1,785.31	2017-18	High Court
GST Act, 2017	Tax and Penalty	80.19	2017-18	Deputy Commissioner
		257.30	2018-19, 2019-20	Deputy Commissioner
		967.48	2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23	Assistant Commissioner

In respect of the above, Income tax and Sales tax dues ₹ 1804.50 lakhs and ₹ 622.31 Lakhs have been paid under protest.

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Procter & Gamble Health Limited on the financial statements for the year ended June 30, 2024]

Report on the Internal Financial Controls with reference to Financial Statements 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 Procter & Gamble Health Limited ("the Company") as of June 30, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 Act.

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 specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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 controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, 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, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

F For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Deepak G. Morolia

Partner

Membership No.130533

UDIN: 24130533BKFE07917

Place: Mumbai

Date: August 21, 2024

BALANCE SHEET AS AT JUNE 30, 2024

	Notes	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Assets			
Non-current assets			
Property, plant and equipment	4	11 721	12 964
Capital work-in-progress	4	589	3 249
Investment property	5	190	225
Right – of – use assets	4	843	1 114
Intangible assets	6	96	94
Financial assets			
(i) Loans	7	974	630
(ii) Other financial assets	8	624	509
Deferred tax assets (Net)	9	3 369	2 532
Other non-current assets	10	189	930
Non-current tax assets (Net)	11	8 419	8 262
Total non-current assets		27 014	30 509
Current assets			
Inventories	12	10 911	13 494
Financial assets			
(i) Trade receivables	13	8 533	11 571
(ii) Cash and cash equivalents	14	23 850	43 505
(iii) Bank balances other than (ii) above	14.1	586	517
(iv) Loans	7	172	153
(v) Other financial assets	8	1 337	1 256
Other current assets	10	6 133	9 114
Assets held for sale	4	900	----
Total current assets		52 422	79 610
Total assets		79 436	110 119
Equity and Liabilities			
Equity			
Equity share capital	15	1 660	1 660
Other equity	16	52 164	73 429
Total equity		53 824	75 089
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	17	688	888
Provisions	18	2 964	3 687
Other non-current liabilities	19	69	65
Total non-current liabilities		3 721	4 640
Current liabilities			
Financial liabilities			
(a) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	20	912	991
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	20	15 788	22 713
(b) Lease Liabilities	17	268	312
(c) Other financial liabilities	22	2 301	3 044
Provisions	18	1 024	1 824
Current tax liabilities (Net)	21	345	613
Other current liabilities	19	1 253	893
Total current liabilities		21 891	30 390
Total liabilities		25 612	35 030
Total Equity and Liabilities		79 436	110 119
Significant accounting policies	2		

The accompanying notes form an integral part of these Financial Statements.

As per our attached report of even date.

For and on behalf of Board of Directors

For **HARIBHAKTI & Co. LLP**
Chartered Accountants

ICAI Firm Regn. No.: 103523W/W100048

Deepak G. Morolia
Partner
Membership No. 130533

S.N Talwar
Chairman
DIN No. 00001456

Milind Thatte
Managing Director
DIN No. 08092990

Place: Mumbai
Date: August 21, 2024

Lokesh Chandak
Chief financial officer
DIN No. 10083315

Zeal Rupani
Company Secretary
Membership No. A52286

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED JUNE 30, 2024

	Notes	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Income			
Revenue from operations	23	1 15 126	1 22 962
Other income	24	1 563	1 839
Total income		1 16 689	1 24 801
Expenses			
Cost of raw and packing materials consumed	25	29 023	31 923
Purchases of stock-in-trade (Traded Goods)	26	3 946	3 976
Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	87	285
Employee benefits expense	28	21 516	20 617
Finance cost	29	72	77
Depreciation and amortization expense	4, 5 & 6	2 740	2 810
Impairment (reversal)	4	----	(73)
Other expenses	30	29 954	33 766
Total expense		87 338	93 381
Profit before exceptional items and tax		29 351	31 420
Exceptional items (refer note 48)	44	2 019	----
Profit before tax from operations		27 332	31 420
Tax expense	31		
Current tax		7 910	8 661
Deferred tax		(860)	(506)
Tax for earlier years		184	318
Income tax expense		7 234	8 473
Profit for the year		20 098	22 947
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement gain / (loss) on defined benefit plans	36	90	(246)
Income tax related to items that will not be reclassified to profit or loss	31.2	(23)	62
Total other comprehensive income for the year		67	(184)
Total comprehensive income for the year		20 165	22 763
Earnings per equity share	32		
Earnings per equity share			
'Basic and Diluted (in ₹) (Before exceptional item)		133	138
Basic and Diluted (in ₹) (After exceptional item)		121	138
Face Value of Equity Share (in ₹)		10	10
Significant accounting policies	2		

See accompanying notes form an integral part of these Financial Statements

As per our attached report of even date.

For and on behalf of Board of Directors

For **HARIBHAKTI & Co. LLP**

Chartered Accountants

ICAI Firm Regn. No.: 103523W/W100048

Deepak G. Morolia

Partner

Membership No. 130533

S.N Talwar

Chairman

DIN No. 00001456

Milind Thatte

Managing Director

DIN No. 08092990

Place: Mumbai

Date: August 21, 2024

Lokesh Chandak

Chief financial officer

DIN No. 10083315

Zeal Rupani

Company Secretary

Membership No. A52286

STATEMENT OF CHANGES IN EQUITY FROM JULY 1, 2023 TO JUNE 30, 2024

a. Equity share capital

	Amount ₹ in lakhs
Balance as at 1 July 2022	1 660
Changes in equity share capital during the year	---
Balance as at 30 June 2023	1 660
Changes in equity share capital during the year	---
Balance as at 30 June 2024	1 660

b. Other equity

Particulars	Reserves & surplus						Total ₹ in lakhs
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Share options outstanding account	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	
Balance as at 1 July 2022	26	1 113	26	34 389	23 707	728	59 989
Profit for the year	-----	-----	-----	-----	22 947	-----	22 947
Other comprehensive income for the year	-----	-----	-----	-----	(184)	-----	(184)
Total comprehensive income for the year	-----	-----	-----	-----	22 763	-----	22 763
Payment of dividends (refer note 44)	-----	-----	-----	-----	(9 379)	-----	(9 379)
Recognition of share-based payments	-----	-----	-----	-----	-----	56	56
Balance as at 30 June 2023	26	1 113	26	34 389	37 091	784	73 429
Profit for the year	-----	-----	-----	-----	20 098	-----	20 098
Other comprehensive income for the year	-----	-----	-----	-----	67	-----	67
Recognition of share-based payments	-----	-----	-----	-----	-----	69	69
Total comprehensive income for the year	-----	-----	-----	-----	20 165	69	20 234
Payment of dividends (refer note 44)	-----	-----	-----	-----	(41 499)	-----	(41 499)
Balance as at 30 June 2024	26	1 113	26	34 389	15 757	853	52 164

Note:

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

The accompanying notes form an integral part of these Financial Statements.

As per our attached report of even date.

For and on behalf of Board of Directors

For **HARIBHAKTI & Co. LLP**

Chartered Accountants

ICAI Firm Regn. No.: 103523W/W100048

Deepak G. Morolia

Partner

Membership No. 130533

S.N Talwar

Chairman

DIN No. 00001456

Milind Thatte

Managing Director

DIN No. 08092990

Place: Mumbai

Date: August 21, 2024

Lokesh Chandak

Chief financial officer

DIN No. 10083315

Zeal Rupani

Company Secretary

Membership No. A52286

CASH FLOW STATEMENT

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
A. Cash Flows from Operating Activities		
Profit before tax	27 332	31 420
Adjustments for:		
Net unrealised foreign exchange loss	202	45
Allowance for doubtful receivables/ other assets	74	215
Inventory written off	270	1 266
Provision/ write off of GST and other taxes	1 227	1 431
Depreciation of property, plant and equipment	2 740	2 810
Provision for Impairment	2 019	(73)
Income from letting of office premises	(210)	(205)
Provision for employee benefits	705	(271)
Provision for sales return/ expiries	(819)	302
Loss/(Profit) on sale of property, plant and equipment	51	(71)
Share-based payment to employees	69	56
Finance Cost	72	77
Interest income	(1 173)	(1 433)
Operating profit before working capital changes	32 559	35 569
Working capital adjustments:		
Decrease/(Increase) in inventories	2 313	(3 239)
Decrease/(Increase) in trade receivables	2 917	(3 292)
Decrease/(Increase) in financial and other Assets	1 827	(3 184)
(Increase)/Decrease in trade payables	(7 161)	6 392
(Increase)/Decrease in other liabilities and provisions	(1 108)	321
Cash generated from operations	31 348	32 566
Income taxes paid (net)	(8 519)	(8 966)
Net cash generated from operating activities (A)	22 829	23 600
B. Cash Flows from Investing Activities		
Purchase and construction of property, plant and equipment	(2 173)	(4 248)
Proceeds from sale of asset	14	474
Income from letting of office premises	210	205
Interest received	1 262	1 419
Net cash (used in)/ generated from investing activities (B)	(687)	(2 150)
C. Cash flow from financing activities		
Dividend paid	(41 499)	(9 379)
Payment of lease liability	(312)	(468)
Net cash flow used in financing activities (C)	(41 811)	(9 847)
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(19 669)	11 602
Cash and cash equivalents at the beginning of the year	43 542	31 940
Cash and cash equivalents at the end of the year	23 873	43 542

CASH FLOW STATEMENT

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Components of Cash and Cash equivalents:		
Balance with Banks		
In Current accounts	8 873	9 542
In Term deposits (less than 3 months maturity)	15 000	34 000
	23 873	43 542
Disclosure of changes in liabilities arising from Financing activities		
	Year ended June 30, 2024 ₹ in lakhs Lease Liabilities	Year ended June 30, 2023 ₹ in lakhs Lease Liabilities
Balance at the beginning of the year		
Changes from financing cash flows	1 199	283
Principal payment of lease liabilities	(312)	(468)
Interest paid on lease liabilities	69	77
Total changes from financing cash flows	956	(108)
New leases net off closures/disposals	----	1 308
Total other changes	----	1 308
Balance at the end of the year	956	1 199
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.	Note 2	
Significant accounting policies		
See accompanying notes form an integral part of these Financial Statements.		

As per our attached report of even date.

For and on behalf of Board of Directors

For **HARIBHAKTI & Co. LLP**

Chartered Accountants

ICAI Firm Regn. No.: 103523W/W100048

Deepak G. Morolia

Partner

Membership No. 130533

S.N Talwar

Chairman

DIN No. 00001456

Milind Thatte

Managing Director

DIN No. 08092990

Place: Mumbai

Date: August 21, 2024

Lokesh Chandak

Chief financial officer

DIN No. 10083315

Zeal Rupani

Company Secretary

Membership No. A52286

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

1 Corporate information

Procter & Gamble Health Limited ('the Company') is a public company domiciled and headquartered in India. It is incorporated under the Companies Act, 1956 and its shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company is in the business of manufacturing and marketing of pharmaceuticals.

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 per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act and are subject to approval of members at ensuing Annual General Meeting.

2.2 Basis of preparation and presentation

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 in accordance with Ind AS 113 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, 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.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

The areas involving critical estimates and judgements are:

- (i) Estimation of useful life of property, plant and equipment
- (ii) Estimation of defined benefit obligation
- (iii) Provision for inventories
- (iv) Impairment of trade receivables

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. The Company's revenue contracts represent a single performance obligation to sell its products to trade customers. Revenue is measured at the transaction price 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 variable consideration including 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. Company's contracts with trade customers do not have significant financing components.

However, sales tax / value added tax (VAT) / 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, 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;
- 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.

Revenue from shared service

Revenue from shared services is recognised as and when services are rendered and related costs are incurred, in accordance with the terms of the contractual agreement.

Export Incentives

Export benefits availed as per prevalent schemes are accrued each year in which the goods are exported and when no significant uncertainty exist regarding their ultimate collection.

Commission income is recognised as and when services are rendered, in accordance with the terms of the contractual agreement.

Interest income

Interest income is recognised on time proportion basis after taking into account the amount outstanding and the interest rate applicable.

Interest income is also recorded using the effective interest rate (EIR) wherever applicable. Interest income is included in other income in the Statement of Profit and Loss.

Rental income

The Company's policy for recognition of revenue from operating leases is described in note 2.3(b) below.

Processing income

Revenue from toll manufacturing services offered to group companies on cost plus markup in accordance with the terms of contract.

b. Leasing

Effective July 1, 2020, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on July 1, 2020, except those which are exempted under this standard,

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

using the modified retrospective approach. Accordingly, comparatives for the year ended June 30, 2020 have not been retrospectively adjusted. The standard permits a choice on initial adoption, on a lease-by-lease basis, to measure the right-of-use asset at either its carrying amount as if Ind AS 116 had been applied since the commencement of the lease, or an amount equal to the lease liability adjusted for accruals or prepayments. The Company has elected to measure the right-of-use asset equal to the lease liability, with the result of no net impact on retained earnings and no restatement of prior period comparatives.

The Company as a lessee

The Company's lease assets classes primarily consist of leases for office premises. 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.

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.

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.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

c. Foreign currencies

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

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 that 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 monetary items 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.

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 Company managed trust; and
- State Defined Contribution Plans: Employer's Contribution to Employees' State Insurance.

The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

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 trust.
- 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. Periodic contributions to the Fund are charged to revenue and when services are rendered by the employees. The interest rate payable by the trust to the beneficiaries every year is being notified by the Government. 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 as per its policy.

The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service cost and the fair value of any plan assets are deducted. 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.

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

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
- iii) Liability for Compensated Absences and Leave Travel Allowance 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 in terms of Company policy are recognised as an expense as and when incurred.
- v) Long Service Awards are payable to employees on completion of specified years of service.

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 (refer note 2.3(e)), 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 & 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 benefits expense. The expenses related to ISOP are recognised immediately in the Statement of Profit and Loss 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

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.

Current tax

The current tax is based on taxable profit for the year. 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.

Minimum Alternate Tax ('MAT') under the provisions of Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

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. Cost of acquisition of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use. Subsequent costs are

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

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 directly attributable cost of bringing the item to its working condition for its intended use including 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 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, residual values and depreciation method 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	20-40 years
Plant & equipment	10-15 years
Furniture and fixtures	3-15 years
Office equipment	3-15 years
Vehicles	4-18 years
Moulds & Dies	3-15 years

Leasehold improvements are amortised over the primary period of lease.

Depreciation on fixed assets added/ disposed off/ discarded during the year is provided on pro-rata basis with reference to subsequent month of addition/ disposal/ discarding.

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.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

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 Statement of Profit and Loss.

j. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 25-40 years.

k. Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. Cost of acquisition of separately purchased intangible asset comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

The Company's intangible assets consist of computer software having finite estimated useful life of 3-6 years. Finite-life intangible assets are amortised on a straight-line basis over the period of their estimated useful lives. The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

l. Non-current assets held for sale

Non-current assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continued use.

Such assets are generally measured at lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in Statement of Profit or Loss.

Once classified as held for sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated.

m. 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.

Cost of raw materials and stores and spares includes cost of purchase and other costs

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

incurred in bringing the inventories to their present location and condition. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. It includes the appropriate portion of allocable overheads.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

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.

n. 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.

Cost of return on account of breakage and expiries are estimated on the basis of past experience. Provision is made in respect of cost for breakage and expiries in the year of sale of goods.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, 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. 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.

o. 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 (other than trade receivables) are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transactions costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss. However, trade receivables that do not contain significant financing component are measured at transaction price.

p. 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.

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

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.

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 lifetime 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.

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

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.

q. 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.

Financial liabilities

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

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value

through profit or loss, loans and borrowings, 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" line item.

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.

If the Company neither transfers nor retains substantially all 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

r. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

s. 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.

t. Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Statement of Cash Flows 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.

u. Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as and when incurred.

The development activities undertaken by the Company are subject to technical, regulatory and other uncertainties, such that, in the opinion of management, the criteria for capitalization are not met prior to obtaining marketing approval by the regulatory authorities in markets. Internal development cost that do not meet these criteria are therefore expensed as and when incurred.

v. Discontinued operation

A discontinued operation is a component of the entity that has been disposed and that represents a separate line of business. The results of discontinued operation is presented separately in the statement of profit and loss.

w. Earnings Per Share

Basic earnings per share is computed by dividing the profit / loss for the year after tax 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, diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

x. 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.

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 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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

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 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 the 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 (Registered Valuer in terms of Section 247 of the Companies Act, 2013) to perform the valuation. The management works closely with the qualified external valuers (Registered Valuer in terms of Section 247 of the Companies Act, 2013) 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 are disclosed in note 34.

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 28, '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 30).

e. Measurement and likelihood of occurrence of provisions and contingencies – As disclosed in Note 18 and Note 40, Management has estimated and measured the likelihood of the litigations and accounted the provision and contingencies as appropriate.

f. Expected Credit Loss (ECL)

In accordance with Ind AS 109 - Financial Instruments, the Company applies ECL model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 - Revenue from Contracts with Customers.

For this purpose, the Company follows 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances, contract assets and lease receivables. The application of simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables based on lifetime ECLs at each reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

In case of other assets, the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve months ECL is

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

g. Inventories obsolescence

The factors that the Company considers in determining the provision for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product

discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory obsolescence to reflect its actual experience on a periodic basis.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

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

Property, plant and equipment	₹ in lakhs	
	At June 30, 2024	At June 30, 2023
Owned Assets	11 721	12 964
Right – of – use assets	843	1 114
	12 564	14 078

A. Owned Assets

	₹ in lakhs									
	Freehold land	Buildings	Leasehold Improvements	Plant & Equipment	Computer / Hardware	Furniture and Fixtures	Vehicles	Office Equipment	Total	
Gross block										
Balance as at 01 July 2022	50	5 433	68	14 986	1 221	647	25	290	22 720	
Additions	----	934	776	2 093	242	319	----	552	4 916	
Disposals	----	(978)	(58)	(1 366)	(118)	(196)	----	(149)	(2 865)	
Reclassification of assets	----	----	----	11	----	(3)	(14)	6	----	
Balance as at 30 June 2023	50	5 389	786	15 724	1 345	767	11	699	24 771	
Additions	----	568	5	754	295	92	----	910	2 624	
Disposals	----	(44)	----	(194)	(36)	(20)	----	(15)	(309)	
Reclassification of assets	----	----	(1)	(286)	----	(23)	1	320	11	
Reclassification to asset held for sale	(301)	----	----	(5 733)	(11)	(77)	----	(147)	(6 269)	
Balance as at 30 June 2024	50	5 612	790	10 265	1 593	739	12	1 767	20 828	
Accumulated depreciation including impairment										
Balance as at 01 July 2022	----	2 608	8	8 576	644	121	4	55	12 016	
Depreciation for the year	----	323	18	1 511	262	55	1	86	2 256	
Accumulated depreciation on disposals	----	(819)	(9)	(1 260)	(118)	(134)	----	(125)	(2 465)	
Accumulated depreciation on reclassification of assets	----	----	----	(1)	----	2	1	(2)	----	
Balance as at 30 June 2023	----	2 112	17	8 826	788	44	6	14	11 807	
Depreciation for the year	----	238	43	1 488	342	66	1	216	2 394	
Accumulated depreciation on disposals	----	(35)	----	(149)	(36)	(12)	----	(12)	(244)	
Accumulated depreciation on reclassification of assets	----	----	----	(25)	----	(2)	1	28	2	
Reclassification to asset held for sale	(202)	----	----	(4 564)	(4)	(39)	----	(43)	(4 852)	
Balance as at 30 June 2024	----	2 113	60	5 576	1 090	57	8	203	9 107	
Impairment losses recognised in profit or loss										
Balance as at 01 July 2022	----	4	----	59	----	6	----	----	69	
Reversal of impairment on disposal	----	(4)	----	(59)	----	(6)	----	----	(69)	
Balance as at 30 June 2023	----	----	----	----	----	----	----	----	----	
Impairment for the year	----	----	----	----	----	----	----	----	----	
Balance as at 30 June 2024	----	----	----	----	----	----	----	----	----	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

	Freehold land	Buildings	Leasehold Improvements	Plant & Equipment	Computer / Hardware	Furniture and Fixtures	Vehicles	Office Equipment	Total
Net carrying amount									
Net block as at 30 June 2024	50	3 499	730	4 689	503	682	4	1 564	11 721
Net block as at 30 June 2023	50	3 277	769	6 898	557	723	5	685	12 964
Net block as at 30 June 2022	50	2 821	60	6 351	577	520	21	235	10 635

Notes:

None of the above assets are mortgaged / hypothecated as security by the Company.

The amount of contractual commitments for the acquisition of property, plant and equipment is disclosed in note 39.

B. Right - of - use assets

	Office Premises ₹ in lakhs	Total ₹ in lakhs
Gross Block		
Balance as at 01 July 2022	1 227	1 227
Additions	1 354	1 354
Disposals	(1 227)	(1 227)
Balance as at 30 June 2023	1 354	1 354
Additions	----	----
Disposals	----	----
Balance as at 30 June 2024	1 354	1 354
Accumulated depreciation	960	960
Balance as at 01 July 2022	507	507
Depreciation for the year	(1 227)	(1 227)
Accumulated depreciation on disposals	240	240
Balance as at 30 June 2023	271	271
Depreciation for the year	----	----
Accumulated depreciaton on disposals	511	511
Balance as at 30 June 2024	843	843
Net Block as at June 30, 2023	1 114	1 114
Net Block as at June 30, 2024	1 114	1 114

The Company has adopted Ind AS 116 effective July 1, 2020, 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, 2020.

C. Capital work-in-progress

	At June 30, 2024 ₹ in lakhs	At June 30, 2023 ₹ in lakhs
Capital work-in-progress	2 091	3 249
Less : reclassification to asset held for sale	(1 402)	----
Less : Impairment for the year	(100)	----
	589	3 249

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

Capital work-in-progress ageing schedule

₹ in lakhs

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at June 30, 2024					
Projects in progress	468	56	----	----	524
Projects temporarily suspended	----	65	----	----	65
Sub Total	468	121	----	----	589

₹ in lakhs

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at June 30, 2023					
Projects in progress	2 045	403	523	278	3 249
Projects temporarily suspended	----	----	----	----	----
Sub Total	2 045	403	523	278	3 249

Details of capital-work-in progress whose completion is overdue as compared to its original plan

₹ in lakhs

	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at June 30, 2024					
Under Progress (A)	486	----	----	----	486
Temporarily Suspended (B)	----	----	----	----	----
Sub Total	486	----	----	----	486

₹ in lakhs

	To be completed in			Total
	Less than 1 year	1-2 years	2-3 years	
As at June 30, 2023				
Under Progress (A)	2 154	----	----	2 154
Temporarily Suspended (B)	----	----	----	----
Sub Total	2 154	----	----	2 154

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

D. Assets held for sale

₹ in lakhs

Particular	Property Plant and Equipment	CWIP	Total
Gross block as at June 30 2024	6 269	1 402	7 671
Accumulated depreciation as at June 30 2024	(4 852)	----	(4 852)
Net block as at June 30 2024	1 417	1 402	2 819
Impairment for the year	(627)	(1 292)	(1 919)
Balance as at June 30 2024	790	110	900

5 Investment property

The Company has certain office premises given on lease, which has been classified as investment property.

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Gross Carrying Amount		
Opening Gross Carrying Value	521	521
Closing Gross Carrying Value	521	521
Accumulated Depreciation		
Opening accumulated depreciation	296	261
Depreciation during the year	35	35
Closing accumulated depreciation	331	296
Net carrying value	190	225

a) Amounts recognised in the Statement of Profit and Loss for Investment Property

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Rental income	210	205
Direct operating expenses from property that generated rental income	15	20
Direct operating expenses from property that did not generate rental income	----	----
Profit from Investment Property before Depreciation	195	185
Depreciation	35	35
Profit from Investment Property	160	150

b) Contractual Obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

c) Fair Value

Based on Independent valuation report as on 16 July 2024, for one of the property located in the same premises, the management has estimated fair value of ₹ 3 290 lakhs for the investment properties. The aforesaid estimated amount will not be materially different from the fair value of the property as on June 30, 2024.

d) Policy for Estimation of Fair Value

The Average Market Value

The Average Market Value is the value “As is where is Basis” derived by the average of Direct Comparison Method of valuation and the Rent Capitalization Method of the Office Space.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

The Direct Comparison Approach involves a comparison of the subject property to similar properties that have actually sold in arms - length transactions or are offered for sale. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis.

The Rent Capitalisation Approach envisages capitalizing the annual net rent receivable / achievable from a property on market value basis using appropriate applicable yield rate for a respective asset class.

6 Intangible assets

	Computer Software ₹ in lakhs	Total ₹ in lakhs
Gross block		
Balance as at 1 July 2022	164	164
Additions	102	102
Disposal	(84)	(84)
Reclassification of assets	----	----
Balance as at 30 June 2023	182	182
Additions	50	50
Disposals	(71)	(71)
Reclassification of assets	(11)	(11)
Balance as at 30 June 2024	150	150
Amortisation and impairment		
Balance as at 1 July 2022	156	156
Amortisation for the year	13	13
Accumulated amortisation on disposals	(81)	(81)
Accumulated amortisation on reclassification of assets	----	----
Balance as at 30 June 2023	88	88
Amortisation for the year	39	39
Accumulated amortisation on disposals	(71)	(71)
Accumulated amortisation on reclassification of assets	(2)	(2)
Balance as at 30 June 2024	54	54
Reversal of impairment on disposal	(4)	(4)
Balance as at 30 June 2023	----	----
Impairment for the year	----	----
Balance as at 30 June 2024	----	----
Net block as at 30 June 2024	96	96
Net block as at 30 June 2023	94	94
Net block as at 30 June 2022	4	4

7 Loans

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Unsecured, considered good unless otherwise stated		
Non-current		
Loan to employees (refer note below)		
Unsecured, considered good	974	630
Unsecured, doubtful	11	7
Less: Allowance for bad and doubtful loans*	(11)	(7)
	974	630

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Current		
Loan to employees (refer note below)	172	153
Less: Allowance for bad and doubtful loans*	----	----
	172	153

Notes:

- (a) Loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186 (4) of the Act.
- (b) 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

*The loss allowance on loans to employees has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for loans considered good on the basis that credit risk exists even though it may be very low.

8 Other financial assets

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Non-current		
Security Deposits		
Unsecured, considered good	624	509
Unsecured, doubtful	15	12
Less: Allowance for doubtful deposits*	(15)	(12)
	624	509
Current		
Interest accrued but not due on term deposits	23	112
Other receivables		
from related parties (refer note 37)		
Unsecured, considered good	1 314	1 003
Unsecured, doubtful	48	34
Less: Allowance for doubtful deposits*	(48)	(34)
from Others		
Unsecured, considered good	----	141
Unsecured, doubtful	----	1
Less: Allowance for doubtful deposits*	----	(1)
	1 337	1 256

*The loss allowance on security deposits/other receivables has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for loans considered good on the basis that credit risk exists even though it may be very low.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

9 Deferred tax assets (Net)

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Deferred tax assets	3 369	2 532
Deferred tax liabilities	----	----
	3 369	2 532

Deferred tax assets / (liabilities) in relation to:

1 st July 2023 to 30 th June 2024	Opening Balance ₹ in lakhs	Recognised in profit or loss ₹ in lakhs	Recognised in other comprehensive income ₹ in lakhs	Closing Balance ₹ in lakhs
Property, plant and equipment	162	540	----	702
Provision for doubtful trade receivable, deposits and advances	122	19	----	141
Personnel and other related provisions	855	378	(23)	1 210
Provision for sales tax matters	817	150	----	967
Other provisions	576	(226)	----	349
	2 532	860	(23)	3 369

1 st July 2022 to 30 th June 2023	Opening Balance ₹ in lakhs	Recognised in profit or loss ₹ in lakhs	Recognised in other comprehensive income ₹ in lakhs	Closing Balance ₹ in lakhs
Property, plant and equipment	276	(114)	----	162
Provision for doubtful trade receivable, deposits and advances	68	54	----	122
Personnel and other related provisions	541	252	62	855
Provision for sales tax matters	767	50	----	817
Other provisions	312	264	----	576
	1 964	506	62	2 532

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

10 Other assets

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Non-current		
Capital advances	----	20
Balances with government authorities (refer note (a) below)		
Unsecured, considered good	189	910
	189	930
Current		
Advance to employees		
Unsecured, considered good	1	4
Less: Allowance for doubtful advances	----	----
	1	4
Prepaid expenses	180	117
Other advances (includes advances to vendors)	150	602
Balances with government authorities (includes Service Tax and Cenvat credit receivable)	5 802	8 391
	6 133	9 114

(a) Includes amounts deposited with Excise, Sales Tax and other authorities pending resolution of disputes.

(b) Advances given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186 (4) of the Companies Act, 2013.

11 Non current tax assets (net)

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Advance income tax [Net of provision for tax ₹ 83 703 lakhs (30 June 2023: ₹ 78 192 lakhs)]	8 419	8 262
	8 419	8 262

12 Inventories

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Inventories (valued at lower of cost and net realisable value)		
Raw materials	4 093	5 526
Packing materials	547	1 390
Work-in-progress	727	1 356
Finished goods/ Stock in trade [Includes stock-in-transit ₹ Nil (30 June 2023: ₹ Nil)]	5 470	4 928
Consumable stores and spares	74	294
	10 911	13 494

Notes:

Inventory is valued at net of provision, amounting to ₹ 641 lakhs for the current year and ₹ 871 lakhs for the previous year.

The cost of inventories recognised as an expense during the year is disclosed in note 25 and 30.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

13 Trade receivables

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Unsecured, considered good	8 533	11 571
Unsecured, considered doubtful	419	395
	8 952	11 966
Less: Allowance for doubtful debts	(419)	(395)
	8 533	11 571

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, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Balance at the beginning of the year	395	271
Amounts written off during the year (net)	----	----
Change in allowance for credit impairment during the year	24	124
Balance at end of the year	419	395

Ageing for trade receivables as at June 30, 2024

₹ in lakhs

	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	8 109	413	11	----	----	----	8 533
which have significant increase in credit risk credit impaired	149	39	146	15	7	1	357
Disputed trade receivables							
considered good	---	----	----	----	----	----	----
which have significant increase in credit risk	---	----	----	----	----	----	----
credit impaired	---	----	----	----	----	62	62
Sub Total	8 258	452	157	15	7	63	8 952
Less: Allowance for Credit Impairment							(419)
Total							8 533

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

Ageing for trade receivables as at June 30, 2023

₹ in lakhs

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
considered good	10 302	531	307	431	----	----	11 571
which have significant increase in credit risk credit impaired	119	54	42	118	62	----	395
Disputed trade receivables							
considered good	----	----	----	----	----	----	----
which have significant increase in credit risk	----	----	----	----	----	----	----
credit impaired	----	----	----	----	----	----	----
Sub Total	10 421	584	349	549	62	----	11 966
Less: Allowance for Credit Impairment							(395)
Total							11 571

14 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, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Cheque in Hand	----	----
Balances with banks:		
- In current accounts	8 873	9 542
- Deposits with original maturity of less than three months	15 000	34 000
	23 873	43 542
Less: Allowance for doubtful deposits/ balances*	(23)	(37)
	23 850	43 505

*The loss allowance on balances with bank has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for bank balances considered good on the basis that credit risk exists even though it may be very low.

14.1 Bank balances other than cash and cash equivalents

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Earmarked accounts		
- Unclaimed / Unpaid dividend account	586	517
- Balances with banks to the extent held as security deposit against commitments	----	----
	586	517

Unpaid dividend of ₹ 586 lakhs (30 June 2023: ₹ 517 lakhs), included in bank balances, is not available for use by the Company.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

15 Equity share capital

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Authorised share capital:		
1 80 00 000 fully paid equity shares of ₹ 10 each (as at June 30, 2023: 1 80 00 000)	18 00 00 000	18 00 00 000
Issued, subscribed and paid up share capital:		
1 65 99 382 fully paid equity shares of ₹ 10 each (as at June 30, 2023: 1 65 99 382)	16 59 93 820	16 59 93 820
	16 59 93 820	16 59 93 820

15.1 Fully paid equity shares

	Number of shares	Share Capital ₹ in lakhs
Balance at June 30, 2022	1 65 99 382	1 660
Changes in equity share capital during the year	----	----
Balance at June 30, 2023	1 65 99 382	1 660
Changes in equity share capital during the year	----	----
Balance at June 30, 2024	1 65 99 382	1 660

Terms/ rights attached to equity shares

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.

15.2 Details of shares held by ultimate holding company / holding company and / or their subsidiaries / associates

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Ultimate Holding Company		
The Procter & Gamble Company, USA	----	----
Holding Company		
Procter & Gamble Overseas India BV, The Netherlands [(as at June 30 2024 : 86 01 071 Shares and as at June 30 2023 : 86 01 071 shares)]	8 60 10 710	8 60 10 710

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

Note:

Shareholding of Procter and Gamble Overseas India BV includes 1,847 shares acquired from public shareholders through an Open Offer process.

15.3 Details of shareholders holding more than 5% equity shares in the Company

	As at June 30, 2024		As at June 30, 2023	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Equity shares of ₹ 10 each fully paid				
Procter & Gamble Overseas India BV, The Netherlands	86 01 071	51.82%	86 01 071	51.82%

15.4 Details of shareholdings by the Promoters of the Company

	As at June 30, 2024		As at June 30, 2023		% change during the year
	Number of shares held	% of total shares	Number of shares held	% of total shares	
Procter & Gamble Overseas India BV, The Netherlands	86 01 071	51.82	86 01 071	51.82	----
Total Promoters shareholding	86 01 071	51.82	86 01 071	51.82	----
Total shares outstanding	86 01 071	51.82	86 01 071	51.82	----

16 Other equity

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Reserves & surplus		
Capital reserve	26	26
Capital redemption reserve	26	26
Securities premium	1 113	1 113
Share options outstanding account	853	784
General reserve	34 389	34 389
Retained earnings	15 757	37 091
	52 164	73 429

16.1 Capital Reserve

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Balance at the beginning of year	26	26
Movement during the year	----	----
Balance at the end of year	26	26

Capital Reserve balance represents

- ₹ 15 lakh on account of amount received under the Central Investment Subsidy Scheme in respect of Goa project
- ₹ 1 lakh on account of profit on forfeited shares reissued
- ₹ 10 lakh on account of capital subsidy

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

16.2 Capital redemption reserve

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Balance at the beginning of year	26	26
Movement during the year	----	----
Balance at the end of year	26	26

Capital Redemption Reserve represents balance pertaining to face value of shares bought back in 2009.

16.3 Securities premium

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Balance at the beginning of year	1 113	1 113
Movement during the year	----	----
Balance at the end of year	1 113	1 113

Securities premium is used to record the premium on issue of shares which is utilised in accordance with the provisions of The Companies Act, 2013.

16.4 Share options outstanding account

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Balance at the beginning of year	784	728
Arising on share-based compensation	69	56
Balance at the end of year	853	784

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 35

16.5 General reserve

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Balance at the beginning of year	34 389	34 389
Movement During year	----	----
Balance at the end of year	34 389	34 389

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 1 JULY 2023 TO 30 JUNE 2024

16.6 Retained earnings

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Balance at the beginning of year	37 091	23 707
Profit attributable to the owners of the Company	20 098	22 947
Other comprehensive income arising from remeasurement of defined benefit obligation (net of income tax)	67	(184)
Payment of final / interim dividend on equity shares (refer note 44)	(41 499)	(9 379)
Balance at the end of year	15 757	37 091

This reserve represents the cumulative profits / (losses) of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Act.

In November 2023, final dividend of ₹ 50 per share (total dividend ₹ 8 300 lakhs) for the year ended June 30, 2023 was paid to holders of fully paid equity shares. In February 2024, interim dividend of ₹ 200 per share (total dividend ₹ 33 198 lakhs).

In November 2022, final dividend of ₹ 11.5 per share (total dividend ₹ 1 909 lakhs) for the year ended June 30, 2022 was paid to holders of fully paid equity shares. In February 2023, interim dividend of ₹ 45 per share (total dividend ₹ 7 470 lakhs).

17 Lease liabilities

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Non Current		
Lease liabilities payable beyond 12 months	688	888
	688	888
Current		
Lease liabilities payable within 12 months	268	312
	268	312

The movement in Lease liabilities (Non-current and Current) is as follows:

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Balance as at beginning of the year	1 200	283
Add: Addition	----	1 308
Add: Accretion of interest	68	77
Less: Payments (including foreclosure)	(312)	(468)
Less: Others (including foreclosure)	----	----
Balance as at end of the year	956	1 200

The Company's lease asset class primarily consist of leases for office premises.

- The maturity analysis of lease liabilities are disclosed in Note 34.4.2.
- The carrying amounts of right-of-use assets recognised, the movements during the year and the depreciation expense on Right-of-Use assets are given in Note 4
- The interest expense on lease liabilities recognised is given in Note 29
- The Company incurred for the year ended June 30, 2024 ₹ 37 lakhs (June 30, 2023 ₹ 47 lakhs) towards expenses relating to short-term leases and leases of low-value assets

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

- E. The total cash outflow for leases is for the year ended June 30, 2024 ₹ 312 lakhs (June 30, 2023 ₹ 468 lakhs)
- F. The weighted average lessee's incremental borrowing rate applied to the lease liabilities is 6.29%
- G. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

18 Provisions

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Employee benefits (refer note (i) below)	1 499	2 204
Other provisions*	2 489	3 308
TOTAL	3 988	5 511
(i) The provision for employee benefits includes post retirement medical benefits (PRMB), compensated absences, long service awards, provident fund and gratuity. For other disclosures refer note 36		
Current	1 024	1 824
Non - current	2 964	3 687
	3 988	5 511

i) Provisions in respect of indirect tax matters:

The Company has made provisions for various sales tax related matters, which will be settled on completion of the respective assessments.

ii) Other provisions

The Company has made provisions for matters related to National Pharmaceutical Pricing Authority (NPPA), returns and expiries.

Both the above provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution. The Company does not expect any reimbursements in respect of the above provisions.

Other provisions	Opening Balance	Additions during year	Utilisations	Reversals	Closing Balance
Provisions in respect of indirect tax matters	456	18	(49)	----	425
	(464)	(306)	(314)	----	(456)
Other provision*	2 852	894	(1 682)	----	2 064
	(2 542)	(1 682)	(393)	(979)	(2 852)

19 Other liabilities

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Non-current		
Security deposit	69	65
	69	65
Current		
Advances from customers	403	43
Taxes and other liabilities (including statutory remittances, excise and sales tax payable)	842	838
Advance rental income	8	12
	1 253	893

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

20 Trade payables

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Acceptances	----	----
Total outstanding dues of micro and small enterprises (refer note 42)	912	991
Total outstanding dues of Creditors other than micro and small enterprises	15 788	22 713
	16 700	23 704

Ageing for trade payables As at June 30, 2024

	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	----	730	182	----	----	----	912
Undisputed dues - Others	8 752	4 633	2 154	193	56	----	15 788
Disputed dues - MSME	----	----	----	----	----	----	----
Disputed - Others	----	----	----	----	----	----	----
Sub Total	8 752	5 363	2 336	193	56	----	16 700

Ageing for trade payables As at June 30, 2023

	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	----	979	12	----	----	----	991
Undisputed dues - Others	5 372	11 426	4 064	1 368	483	----	22 713
Disputed dues - MSME	----	----	----	----	----	----	----
Disputed - Others	----	----	----	----	----	----	----
Sub Total	5 372	12 405	4 076	1 368	483	----	23 704

21 Current tax liabilities (Net)

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Provision for tax [net of advance tax paid ₹ 40 639 lakhs (30 June 2023: ₹ 37 518 lakhs)]	345	613
	345	613

22 Other financial liabilities

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Payables for property, plant & equipment	145	821
Employee benefits payable	1 570	1 706
Unpaid dividend*	586	517
	2 301	3 044

*There are no amounts, other than as mentioned in the note no. 50 due for payment to the Investor Education and Protection Fund under Section 125 of the Act as at June 30, 2024 (Previous year: Nil)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024**23 Revenue from operations**

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Sale of products	1 12 949	1 20 586
Other operating revenues		
Sale of scrap	24	85
Export incentives	20	53
Income from shared services	2 133	2 238
	1 15 126	1 22 962

Reconciliation of Revenue from Sale of products:

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Contracted Price	1 23 747	1 30 448
Less: Trade Spends, Rebates, Etc.	10 798	9 862
Revenue from Sale of products	1 12 949	1 20 586

24 Other income

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Interest income earned on:		
Bank deposits/Others	1 173	1 433
	1 173	1 433
Other non-operating income (net of expenses directly attributable to such income)		
Net gain on account of foreign exchange fluctuations	27	34
Profit on sale of asset	----	71
Miscellaneous income	363	301
	390	406
Total	1 563	1 839

25 Cost of raw and packing materials consumed

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Cost of raw and packing materials consumed	29 023	31 923

26 Purchase of Stock in trade

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Purchase of Stock-in-trade	3 946	3 976

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

27 Changes in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Inventories at the beginning of year		
Finished Goods/ Stock in trade	4 928	5 477
Work-in-process	1 356	1 092
	6 284	6 569
Inventories at the end of year		
Finished Goods/ Stock in trade	5 470	4 928
Work-in-process	727	1 356
	6 197	6 284
Net Decrease/ (Increase)	87	285

28 Employee benefits expense

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Salaries and wages	18 863	17 344
Contribution to provident and other funds (refer note 36)	1 596	2 028
Share-based payment to employees (refer note 35)	234	224
Staff welfare expense	1 520	1 203
(Recovery)/Expense of employee cost cross charged by related parties (refer note 43)	(697)	(182)
	21 516	20 617

29 Finance costs

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Interest costs:		
Lease finance costs	72	77
	72	77

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

30 Other expenses

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Consumption of store and spares	665	620
Processing charges	4 073	4 217
Power and fuel	850	1 288
Freight, transport, warehousing and distribution charges	1 739	2 553
Rent (refer note 38)	37	47
Rates and taxes	2 269	2 215
Insurance	56	51
Repairs and maintenance		
Plant and machinery	316	350
Buildings	523	411
Others	89	126
Advertising/ Sales promotion expenses	5 265	7 449
Royalty	2 228	2 409
Business process outsourcing expenses	1 314	1 350
Travelling and conveyance	3 102	3 120
Communication costs	147	86
Computer expenses	994	809
Legal and professional fees	3 252	2 285
Directors commission and sitting fees	67	67
Payment to auditors(refer note 30.1)	43	36
Research and development expenses	386	571
Corporate social responsibility (refer note 30.2)	535	562
Provision for Inventory (net of reversals)	270	1 266
Allowance for doubtful debts/ assets	74	215
Loss on sale of property, plant and equipment (net of impairment reversal)	51	----
Miscellaneous expenses	1 609	1 663
	29 954	33 766

30.1 Payments to auditors:

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
(a) To statutory auditors (excluding GST)		
For audit	30	27
For tax audit	9	8
For other services (including out of pocket expenses)	4	1
	43	36

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

30.2 Corporate Social Responsibility

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
(i) Amount required to be spent by the company during the year	539	562
(ii) Amount spent during the year on:		
(a) Construction/ acquisition of asset	----	----
(b) For purposes other than (a) above	535	562
(iii) Set off from previous year	5	----
(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 22 - 23	5	562	562	5
FY 23 - 24	5	539	535	1

(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.

(xi) Above includes ₹ Nil (previous year ₹ 90 lakhs) of Corporate Social Responsibility (CSR) expense related to ongoing projects as at 30 June, 2024. The same was transferred to a special account designated as "Unspent Corporate Social Responsibility Account for the Financial Year 22-23" of the Company within 30 days from end of financial year.

(xii) Details of utilization of funds of ongoing projects as at June 30, 2024

	Opening balance		Amount required to be spent during the year	Actual amount spent during the year		Closing Balance	
	With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	With Separate CSR Unspent A/c*
FY 22 - 23*	----	----	456	366	----	----	90
FY 23 - 24	----	90	539	629	----	----	----

*Subsequently transferred to the CSR unspent account in July 2023.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024**31 Income tax expense****31.1 Income tax recognised in Statement of Profit and Loss**

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Current income tax		
In respect of the current year	7 910	8 661
In respect of prior years	184	318
	8 094	8 979
Deferred tax		
In respect of the current year	(860)	(506)
	(860)	(506)
Tax expense	7 234	8 473
Total income tax expense recognised in the current year	7 234	8 473

31.2 Income tax recognised in other comprehensive income

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Deferred tax		
Arising on expense recognised in other comprehensive income		
Remeasurement of defined benefit obligations	(23)	62
Total income tax recognised in other comprehensive income not to be reclassified to Statement of Profit and Loss	(23)	62

31.3 Reconciliation of effective tax rate

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Profit for the year before tax	27 332	31 420
Tax using the Company's domestic tax rate 25.17%	6 879	7 908
Effect of expenses that are not deductible in determining taxable profits	----	----
Tax effect of:		
Effect of expenses that are not deductible in determining taxable profits	186	262
Effect of income that is exempt from taxation	(15)	(15)
	7 050	8 155
Adjustment recognised in current year in relation to Current tax expenses of prior years	184	318
Income tax expense recognised in the Statement of Profit and Loss	7 234	8 473
Effective tax rate (%)	25.79	25.95

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

32 Earnings per share

	Year ended June 30, 2024 ₹ per share	Year Ended June 30, 2023 ₹ per share
Calculation of weighted average number of equity shares		
Number of equity shares outstanding at the beginning of the year	1 65 99 382	1 65 99 382
Number of equity shares outstanding at the end of the year	1 65 99 382	1 65 99 382
Weighted average number of equity shares outstanding during the year for the purposes of basic and diluted earnings per share	1 65 99 382	1 65 99 382

	Year ended June 30, 2024 ₹ in lakhs	Year Ended June 30, 2023 ₹ in lakhs
Profit for the year attributable to owners of the Company	20 098	22 947
Earnings used in calculation of basic and diluted earnings per share	20 098	22 947
Less: Profit for the year from discontinued operations attributable to owners of the Company	----	----
Earnings used in calculation of basic and diluted earnings per share	20 098	22 947

32.1 Basic and Diluted earnings per share

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Basic and diluted earnings per share		
Before exceptional item		
Total basic earnings per share (face value ₹ 10)	133	138
Total diluted earnings per share (face value ₹ 10)	133	138
After exceptional item		
Total basic earnings per share (face value ₹ 10)	121	138
Total diluted earnings per share (face value ₹ 10)	121	138

33 Segment information

33.1 General Information

The Company's chief operating decision maker (CODM) examined the Company's performance based on its business unit 'Pharmaceuticals'. Hence, the company has identified Pharmaceuticals as its single primary reportable segment in accordance with the requirement of Ind AS 108 - Operating Segments.

33.2 Geographical segment information

In respect of secondary segment information, the Company has identified its geographical segment as (i) India and (ii) Outside India.

The Company's revenue from Operations by location of operations and the location of Company's non current assets (other than financial instruments, deferred tax assets and non current tax assets) are detailed below.

	Revenue from operations		Segment assets	
	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
India	1 05 873	1 12 266	13 439	17 646
Outside India	9 253	10 696	----	----
	1 15 126	1 22 962	13 439	17 646

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

One external customers individually constitute more than 10% of the Company's total revenue, amounting to ₹ 13 537 lakhs.

(Previous year: Two external customers individually constitute more than 10% of the Company's total revenue, amounting to ₹ 27 363 lakhs).

34 Financial instruments & related disclosures

34.1 Capital management

The Company manages its capital to ensure that it will be able to continue as going concern 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 Company's capital management.

The Company is not subject to any externally imposed capital requirements.

The Company 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 if any, return on capital to shareholders or issue new shares.

34.2 Categories of financial instruments

₹ in lakhs

June 30, 2024	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Long term Loans	----	----	974	974	----	----	----	----
Security Deposits	----	----	624	624	----	----	----	----
Trade and other receivables	----	----	8 533	8 533	----	----	----	----
Cash and cash equivalents	----	----	23 850	23 850	----	----	----	----
Other bank balances	----	----	586	586	----	----	----	----
Loans	----	----	172	172	----	----	----	----
Other financial assets	----	----	1 337	1 337	----	----	----	----
	----	----	36 076	36 076	----	----	----	----
Financial liabilities								
Lease liabilities			956	956	----	----	----	----
Trade and other payables	----	----	16 700	16 700	----	----	----	----
Other financial liabilities	----	----	2 301	2 301	----	----	----	----
	----	----	19 957	19 957	----	----	----	----
June 30, 2023								
	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Long term Loans	----	----	630	630	----	----	----	----
Security Deposits	----	----	509	509	----	----	----	----
Trade and other receivables	----	----	11 571	11 571	----	----	----	----
Cash and cash equivalents	----	----	43 505	43 505	----	----	----	----
Other bank balances	----	----	517	517	----	----	----	----
Loans	----	----	153	153	----	----	----	----
Other financial assets	----	----	1 256	1 256	----	----	----	----
	----	----	58 141	58 141	----	----	----	----
Financial liabilities								
Lease liabilities	----	----	1 200	1 200	----	----	----	----
Trade and other payables	----	----	23 704	23 704	----	----	----	----
Other financial liabilities	----	----	3 044	3 044	----	----	----	----
	----	----	27 948	27 948	----	----	----	----

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

34.3 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.

34.4 Financial risk management objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment, policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes. The Company has exposure to the following risks arising from financial instruments:

34.4.1 Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Company's exposure to credit risk by age of the outstanding from various customers is as per note 13.

Expected credit loss assessment

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss at 30 June 2024 related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The movement in the allowance for impairment in respect of trade receivables during the year is as per note 13.

Cash and cash equivalents

The Company held cash and cash equivalents and other bank balances with credit worthy banks and financial institutions of ₹ 23 850 lakhs (30 June 2023 ₹ 43 505 lakhs). The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

Other financial assets

Other financial assets include employee loans, security deposits etc. Based on historical experience and credit profiles of counterparties, the Company does not expect any significant risk of default.

The Company's maximum exposure to credit risk for each of the above categories of financial assets is their carrying values as at the reporting dates.

34.4.2 Liquidity risk management

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As of 30 June 2024 the Company has working capital of ₹ 30 531 lakhs (30 June 2023: ₹ 49 220 lakhs) including cash and cash equivalents and other bank balances of ₹ 23 850 lakhs (30 June 2023: ₹ 43 505 lakhs). Working capital is calculated as current assets less current liabilities.

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	Between 1 to 5 Years	Over 5 years	Total	Carrying Value
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
At June 30, 2024					
Lease liabilities	268	688	----	956	956
Trade and other payables	16 700	----	----	16 700	16 700
Other financial liabilities	2 301	----	----	2 301	2 301
At June 30, 2023					
Lease liabilities	312	888	----	1 200	1 200
Trade and other payables	23 704	----	----	23 704	23 704
Other financial liabilities	3 932	----	----	3 932	3 932

34.4.3 Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

(i) Foreign currency risk management

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in EURO and USD against the respective functional currency of the Company.

The Company does not use any derivative financial instruments to hedge foreign exchange and interest rate exposure.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

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.

Particulars	Currency	Amount in rupees		Amount in foreign currency	
		As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Trade receivable	USD	1 377	2 718	17	33
	EUR	381	172	4	2
Trade payable	USD	690	4 240	8	52
	EUR	378	1 659	4	19
	SGD	----	2	----	----
	CNY	----	73	----	6

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.

The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect in Rupees	Profit or loss before tax		Equity, gross of tax	
	Strengthening	Weakening	Strengthening	Weakening
June 30, 2024				
USD	69	(69)	69	(69)
EUR	0.3	(0.3)	0.3	(0.3)
June 30, 2023				
USD	(152)	152	(152)	152
EUR	(149)	149	(149)	149

(ii) 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows.

Fixed Rate instruments	June 30, 2024 ₹ in lakhs	June 30, 2023 ₹ in lakhs
Financial assets	-	-

Interest rate sensitivity - fixed rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit and loss, and the Company does not have any designated derivatives. Therefore, a change in interest rates at the reporting date would not affect profit and loss for any of these fixed interest bearing financial instruments.

(iii) 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.

35 Share-based payments

a) International Stock Ownership Plan (Stocks of the Ultimate Holding Company)

The Procter & Gamble Company, USA has an "International Stock Ownership Plan" (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 & 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). Such contribution is charged under employee benefits expense.

The shares of The Procter & Gamble Company, USA are listed with New York Stock Exchange and are purchased on behalf of the employees at market price on the date of purchase. During the year ended June 30, 2024, 2 784.66 (Previous period ended June 30, 2023: 2 506.10) shares excluding dividend were purchased by employees at weighted average fair value of ₹ 13 177.93 (Previous period ended June 30, 2023: ₹ 11 896.54) per share. The Company's contribution during the year on such purchase of shares amounts to ₹ 97.46 Lakhs (Previous period ended June 30, 2023: ₹ 77.21 lakhs) has been charged under employee benefits expense under Note 28.

b) Employees Stock Options Plan (Stocks of the Ultimate Holding Company)

The Procter & Gamble Company, USA has an "Employee Stock Option Plan" whereby specified employees of its subsidiaries 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 year of time. The shares of The Procter & Gamble Company, USA are listed with New York Stock Exchange. The Options 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 and have a 5/10 years life cycle.

The expense recognised for employee services received during the year is shown in the following table:

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Expense arising from equity-settled share-based payment transactions	234	224
Total expense arising from share-based payment transactions	234	224

There were no cancellations or modifications to the awards in 30 June 2024.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

Movements during the year/ period

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, 2024	Year ended June 30, 2024	Estimated fair value of options granted per unit	Year ended June 30, 2023	Year ended June 30, 2023	Estimated fair value of options granted per unit
	Number	WAEP (in \$)	in ₹	Number Previous period	WAEP (in \$)	in ₹
Outstanding at July 1	24 676	152	----	21 297	144	----
Granted during the year						
15-Sep-23	438	153	2 864	----	----	----
2-Oct-23	3 328	145	2 853	----	----	----
2-Oct-23	879	145	12 109	----	----	----
3-Oct-22	----	----	----	3 656	129	12 978
15-Sep-22	----	----	----	456	137	2 407
Exercised during the year	(1 632)		----	(733)		----
Expired during the year	----	----	----	----	----	----
Outstanding at June 30	27 689	165	----	24 676	152	----
Exercisable at June 30	15 076		----	10 579		----

The weighted average share price at the date of exercise of these options was \$ 147.95 (June 30, 2023: \$ 131.49).

The weighted average remaining contractual life for the share options outstanding as at June 30, 2024 was 6.24 years (June 30, 2023: 6.47 years).

The weighted fair value of options granted during the year was ₹ 4 606 (June 30, 2023: ₹ 3 788).

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, 2024 and June 30, 2023, respectively:

	As at June 30, 2024	As at June 30, 2023
Dividend yield (%)	2.50%	2.60%
Expected volatility (%)	18.00%	21.00%
Risk-free interest rate (%)	4.60%	3.70%

36 Employee benefit plans

36.1 Defined Contribution Plan

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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

36.2 Defined Benefit plans/ long term benefit plans

The Company operates two post employment defined benefit plans that provide Gratuity and Provident fund benefits. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/ exit. The Company also makes specified monthly contributions towards employee provident fund to the Merck Employees Provident Fund Trust. The interest rate payable by the trust to the beneficiaries every year is being notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the interest payable at the notified rate.

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. 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. The gratuity plan is administered by a separate trust that is legally separated from the Company. The board of the trust is composed of representatives from both employer and employees. The board of the trust is required by law and by its articles of association to act in the interest of the trust and of all relevant stakeholders in the scheme, i.e. active employees, inactive employees, retirees, employer. The board of the trust is responsible for the investment policy with regard to the assets of the trust.

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. Periodic contributions to the fund are charged to revenue. The interest rate payable by the trust to the beneficiaries every year is being notified by the Government. 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.

b) 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.

c) Compensated absences (Unfunded)

The Company also provides for compensated absences as per its policies, 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/ period.

d) Long term service award (Unfunded)

Long term service award is given on completion of minimum 10 years of service.

These plans typically expose the Company to actuarial risks such as: Investment risk, interest rate risk, longevity risk and salary risk.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

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 plan, 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, 2024. 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, 2024	June 30, 2023
Discount rate:		
Gratuity plan (funded)	6.90%	7.00%
Compensated absence plan (unfunded)	6.90%	7.00%
Post retirement medical benefit (PRMB) (unfunded)	6.90%	7.00%
Long service award	7.10%	7.10%
Expected rate of salary increase		
Gratuity plan (funded)	10.00%	9.00%- 12.00%
Compensated absence plan (unfunded)	10.00%	9.00%- 12.00%
Medical Inflation Rate		
Post retirement medical benefit (PRMB) (unfunded)	5.50%	5.50%
Gold Inflation Rate		
Long service award (unfunded)	7.00%	7.00%

Demographic Assumptions

Mortality in Service: Indian Assured Lives Mortality (2006-08) Ultimate table

B. Amounts recognised in the statement of profit and loss in respect of these defined benefit plans are as follows:

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Gratuity Plan (Funded)		
Service costs:		
Current service cost	416	376
Past service cost	----	----
Net interest expense	49	78
Components of defined benefit costs recognised in statement of profit and loss (A)	465	454
Remeasurement on the net defined benefit liability:		
Actuarial losses / (gains) arising from changes in financial assumptions	353	54

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Actuarial (gains) / losses arising from changes in experience adjustments	(260)	178
Actuarial losses / (gains) arising from changes in demographic assumptions	----	----
Return on plan asset	(184)	16
Components of defined benefit costs recognised in other comprehensive income (B)	(90)	248
Total (C = (A+B))	376	701
Compensated absence plan (Unfunded)		
Service costs:		
Current service cost	98	20
Past service cost	292	84
Net interest expense	15	12
Immediate recognition of (gains)/losses – other long term employee benefit plans	(70)	38
Remeasurement of other long term benefits	----	----
Components of defined benefit costs recognised in statement of profit and loss (D)	334	153
Post retirement medical benefit (PRMB) (Unfunded)		
Service costs:		
Current service cost	4	4
Net interest expense	----	----
Components of defined benefit costs recognised in statement of profit and loss (E)	4	4
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in financial assumptions	----	----
Actuarial (gains) / losses arising from changes in experience adjustments	----	----
Actuarial (gains) / losses arising from changes in demographic assumptions	----	(2)
Components of defined benefit costs recognised in other comprehensive income (F)	----	(2)
Total (G = (E + F))	4	2
Long Term Service Award (Unfunded)		
Service costs:		
Current service cost	72	----
Past Service cost	----	529
Net interest expense	35	----
Immediate recognition of (gains)/losses – other long term employee benefit plans	9	92
Components of defined benefit costs recognised in statement of profit and loss (H)	116	621
Total defined benefit costs recognised in Statement of Profit and Loss (A+D+E+H)	920	611
Total defined benefit costs recognised in Other Comprehensive Income (B+F)	(90)	246

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

The current service cost for the year are included in the 'Employee benefits expense' line item in the Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

C. The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Gratuity Plan (Funded)		
Present value of funded defined benefit obligation	4 745	5 226
Fair value of plan assets	(4 319)	(3 865)
Net liability arising from defined benefit obligation	426	1 361
Compensated absence plan (Unfunded)		
Present value of funded defined benefit obligation	469	286
Net liability arising from defined benefit obligation	469	286
Post retirement medical benefit (PRMB) (Unfunded)		
Present value of defined benefit obligation	33	29
Net liability arising from defined benefit obligation	33	29
Long term service award (Unfunded)		
Present value of funded defined benefit obligation	572	529
Net liability arising from defined benefit obligation	572	529

D. Movement in the present value of the defined benefit obligation are as follows:

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Gratuity Plan (Funded)		
Opening defined benefit obligation	5 226	5 145
Current service cost	416	376
Interest cost	320	339
Remeasurement on the net defined benefit liability:		
Actuarial losses / (gains) arising from changes in financial assumptions	353	54
Actuarial (gains) / losses arising from changes in experience adjustments	(260)	178
Actuarial losses / (gains) arising from changes in demographic assumptions	----	----
Benefits paid	(1 310)	(866)
Closing defined benefit obligation	4 745	5 226
Compensated absence plan (Unfunded)		
Opening defined benefit obligation	287	200
Current service cost	98	20
Past Service cost	292	84
Interest cost	15	12
Immediate recognition of (gains)/losses – other long term employee benefit plans	(70)	39
Benefits paid	(151)	(68)
Closing defined benefit obligation	471	287

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Post retirement medical benefit (PRMB) (Unfunded)		
Opening defined benefit obligation	29	27
Current service cost	4	2
Closing defined benefit obligation	33	29
Long term service award (Unfunded)		
Opening defined benefit obligation	529	----
Current service cost	72	----
Past service cost	----	529
Interest cost	35	----
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in experience adjustments	9	92
Benefits paid directly by the Company	(73)	(92)
Closing defined benefit obligation	572	529

E. Movement in the fair value of the plan assets are as follows:

	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Gratuity Plan		
Opening fair value of plan assets	3 865	3 620
Interest income	271	261
Employer contributions	----	----
Actuarial gains/(loss)	184	(16)
Remeasurement gain / (loss):		
Return on plan assets (excluding amounts included in net interest expense)	----	----
Benefits paid	----	----
Closing fair value of plan assets	4 320	3 865

F. The fair value of the plan assets for plan at the end of the reporting period for each category, are as follows:

	Gratuity Plan	
	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Insurer managed funds	4 320	3 865
Total	4 320	3 865

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets.

Expected employer contributions for the year ending June 30, 2024 is ₹ Nil (for the year ending June 30, 2023: ₹ Nil)

The actual return on plan assets was ₹ 271 lakhs (for the year ending on June 30, 2023: ₹ 261 lakhs)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

Maturity profile of defined benefit obligation:	Gratuity Plan ₹ in lakhs
Within 1 year	437
1 - 2 year	510
2 - 3 year	618
3 - 4 year	640
4 - 5 year	721
5 - 10 years	3 737

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.

G. Sensitivity analysis

Gratuity Plan (Funded)

If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by ₹157.87 lakhs (increase by ₹ 168.29 lakhs) (as at June 30, 2023: decrease by ₹ 134 lakhs (increase by ₹ 141 lakhs)).

If the expected salary escalation rate increases (decreases) by 0.5%, the defined benefit obligation would increase by ₹ 169.36 lakhs (decrease by ₹ 160.41 lakhs) (as at June 30, 2023: increase by ₹ 145 lakhs (decrease by ₹ 139 lakhs)).

Compensated absence plan (Unfunded)

If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by ₹ 17.38 lakhs (increase by ₹ 18.68 lakhs) (as at June 30, 2023: decrease by ₹ 7.5 lakhs (increase by ₹ 7.9 lakhs)).

If the expected salary growth increases (decreases) by 0.5%, the defined benefit obligation would increase by ₹ 18.64 lakhs (decrease by ₹ 17.53 lakhs) (as at June 30, 2023: increase by ₹ 7.8 lakhs (decrease by ₹ 7.5 lakhs)).

Post retirement medical benefit (PRMB) (Unfunded)

If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by ₹ 1.2 lakhs (increase by ₹ 1.26 lakhs) (as at June 30, 2023: decrease by ₹ 1.0 lakhs (increase by ₹ 1.1 lakhs)).

If the medical inflation rate is 50 basis points higher (lower), the defined benefit obligation would increase by ₹ 1.28 lakhs (decrease by ₹ 1.22 lakhs) (as at June 30, 2023: increase by ₹ 1.10 lakhs (decrease by ₹ 1.05 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.

Long term service award (Unfunded)

If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by ₹ 15.38 lakhs (increase by ₹ 16.32 lakhs) (as at June 30, 2023: decrease by ₹ 11.9 lakhs (increase by ₹ 12.6 lakhs)).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

If the gold inflation rate is 50 basis points higher (lower), the defined benefit obligation would increase by ₹ 16.25 lakhs (decrease by ₹ 15.45 lakhs) (as at June 30, 2023: decrease by ₹ 12.5 lakhs (increase by ₹ 12.0 lakhs)).

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

36.3 Defined Contribution Plan

The Provident Fund assets and liabilities are managed by "Merck Employees Provident Fund Trust" 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, 2024.

The Company's contribution to Provident Fund ₹ 1 937 Lakhs (Previous Year: ₹ 1 887 Lakhs) has been recognised in the statement of profit and loss under the head employee benefits expense (refer note 28)

The details of the "Merck Employees Provident Fund Trust" and plan assets position as at June 30, 2024 is given below:

Particulars	As at June 30, 2024	As at June 30, 2023
Present value of net benefit obligation at period end	13 534	13 844
Fund reserves at period end, restricted to the net benefit obligation	13 534	13 844
Net Deficit	----	----
Defined Benefit Cost recognised in the statement of profit and loss		
Service Cost	780	773
Net interest expense	----	----
Defined Benefit Cost in other comprehensive income	----	----

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, 2024	June 30, 2023
Discounting Rate	6.90%	7.00%
Expected Guaranteed interest rate	8.00%	8.10%
* Rate mandated by EPFO	8.25%	8.15%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

The fair value of the plan assets for plan at the end of the reporting year for each category, are as follows:

	Provident Fund	
	Year ended June 30, 2024 ₹ in lakhs	Year ended June 30, 2023 ₹ in lakhs
Government of India Securities (Central and State)	6 538	6 463
High quality Corporate Bonds (including Public Sector Bonds)	4 816	4 761
Equities & Related Investments	2 025	2 002
Cash (including Special Deposit Scheme)	645	638
Total	14 024	13 864

37 Related party disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(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	Procter & Gamble Hygiene & Health Care Limited	8	The Procter & Gamble Distributing LLC
2	P&G Health Austria GmbH & Co. OG	9	Procter & Gamble Philippines Business Services- Inc.
3	Gillette India Limited	10	Procter & Gamble Manufacturing GmbH
4	Procter & Gamble Home Products Pvt. Ltd	11	Gillette Diversified Operations Pvt Ltd
5	Procter & Gamble International Operations SA Singapore	12	Procter & Gamble International Operations SA-ROHQ
6	Procter & Gamble International Operations SA Geneva		
7	The Procter & Gamble US Business Services Company		

(ii) Post Employment Benefit Plan:

Merck Provident Fund Trust, India

(iii) Key Management Personnel of the Company:

S. No.	Name	Designation
1	Mr. Suresh Talwar	Chairman and Independent Director
2	Mrs. Rani Ajit Jadhav	Independent Director
3	Mr. S. Madhavan	Independent Director (w.e.f November 15, 2021)
4	Mr. Milind Thatte	Managing Director
5	Mr. Amit Gupta	Executive Director & Chief Financial Officer (upto March 31,2023)
6	Mr. Aalok Agarwal	Non-Executive Director
7	Mr. Lokesh Chandak	Executive Director & Chief Financial Officer (w.e.f. April 01,2023)
8	Ms. Seema Sambasivan	Non-Executive Director (w.e.f. April 01, 2023)
9	Dr Elizabeth Desmond	Non-Executive Director (w.e.f. September 24, 2021 and upto March 31,2023)

Note: Related parties have been identified by the management.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

(c) Details of related party transactions between the Company and its related parties are as under:

₹ in lakhs						
S. No.	Nature of Transactions	Year ended June 30	Ultimate Holding & Holding Company	Fellow Subsidiary Companies	Key Managerial Personnel	Post Employment Benefit Plan
1	Purchase of Goods	2024	----	663	----	----
		2023	----	1 316	----	----
2	Purchase of Equipment/ Assets/Spares	2024	----	104	----	----
		2023	----	14	----	----
3	Sale of Products	2024	----	3 270	----	----
		2023	----	5 171	----	----
4	Sale of fixed assets	2024	----	(23)	----	----
		2023	----	43	----	----
5	Expenses cross-charged	2024	69	2 914	----	----
		2023	----	2 344	----	----
6	Services rendered	2024	2 133	----	----	----
		2023	2 238	----	----	----
7	Reimbursement of expenses	2024	29	1 295	----	----
		2023	125	565	----	----
8	Business Process Outsourcing expenses	2024	----	1 314	----	----
		2023	----	1 350	----	----
9	Royalty	2024	2 228	----	----	----
		2023	2 409	----	----	----
10	Dividend Paid	2024	21 503	----	----	----
		2023	4 860	----	----	----
11	Contribution to provident fund	2024	----	----	----	1 937
		2023	----	----	----	1 887
12	Computer expenses	2024	----	994	----	----
		2023	----	809	----	----
13	Rent expenses	2024	----	564	----	----
		2023	----	516	----	----
14	Security Deposit given	2024	----	----	----	----
		2023	----	172	----	----
15	Managerial Remuneration #	2024	----	----	592	----
		2023	----	----	515	----
16	Director's sitting fees and Commission	2024	----	----	69	----
		2023	----	----	67	----
Outstanding as at year						
17	Trade and other receivables	2024	682	1 212	----	----
		2023	782	997	----	----
18	Payables	2024	441	1 305	----	----
		2023	580	5 316	----	----

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

Outstanding balances at the year-end are unsecured 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. (Except general provision coming in accordance with ECL Model). 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.

Remuneration does not include charge for gratuity, compensated absences and share based payments, as employee-wise break-up is not available.

Amounts are inclusive of GST wherever applicable.

(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, 2024	Year Ended June 30, 2023
1	Purchase of Goods		
	Procter & Gamble International Operations SA Geneva	196	806
	Procter & Gamble International Operations SA Singapore	467	510
2	Purchase of Equipment/Assets/Spares		
	The Procter & Gamble Distributing LLC	104	14
3	Sale of Products		
	P&G Health Austria GmbH & Co. OG	3 270	5 171
4	Sale of fixed assets / (net of returns)		
	Procter & Gamble Hygiene and Health Care Limited	(23)	43
5	Expenses cross-charged		
	Procter & Gamble Hygiene and Health Care Limited	1 429	878
	Procter & Gamble Home Products Pvt. Ltd	1 043	776
	Gillette India Limited	289	357
	Gillette Diversified Operations Pvt Ltd	148	328
	The Procter & Gamble US Business Services Company	5	5
	The Procter & Gamble Company USA	69	----
6	Service rendered		
	The Procter & Gamble Company, USA	2 133	2 238
7	Reimbursement of expense		
	Procter & Gamble Home Products Pvt Ltd	74	107
	Procter & Gamble Hygiene and Health Care Limited	416	227
	The Procter & Gamble Company, USA	29	125
	Procter & Gamble International Operations SA Singapore	20	7
	Gillette India Limited	35	90
	Gillette Diversified Operations Pvt Ltd	718	134
	Procter & Gamble International Operations- SA Dubai	29	----
	PT Procter & Gamble Home Products Indonesia	3	----
8	Business Process Outsourcing expenses		
	Procter & Gamble Philippines Business Services- Inc.	1 314	1 350
9	Royalty		
	The Procter & Gamble Company, USA	2 228	2 409

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

		₹ in lakhs	
S. No.	Nature of Transactions	Year Ended June 30, 2024	Year Ended June 30, 2023
10	Dividend Paid		
	Procter & Gamble Overseas India BV, The Netherlands	21 503	4 860
11	Contribution to provident fund		
	Merck Provident Fund Trust, India (on payment basis)	1 937	1 887
12	Computer Expenses		
	The Procter & Gamble US Business Services Company	994	809
13	Rent expenses		
	Procter & Gamble Home Products Pvt Ltd	564	516
14	Security Deposit given		
	Procter & Gamble Home Products Pvt Ltd	----	172
15	Managerial Remuneration		
	Mr. Milind Thatte (Managing Director)	322	252
	Mr. Amit Gupta (Executive Director) (upto March 31, 2023)	----	193
	Mr. Lokesh Chandak (Executive Director) (w.e.f. April 01, 2023)	270	69
16	Director's sitting fees and Commission		
	Mr. S. N. Talwar	23	24
	Mrs. Rani A. Jadhav	23	22
	Mr. S. Madhavan	23	21
17	Balance payables		
	Procter & Gamble International Operations SA Geneva	376	1 657
	Procter & Gamble Hygiene and Health Care Ltd	131	155
	Procter & Gamble Home Products Pvt Ltd	197	183
	The Procter & Gamble US Business Services Company	250	1 555
	Procter & Gamble International Operations SA Singapore	179	822
	The Procter & Gamble Company, USA	441	580
	Procter & Gamble Philippines Business Services- Inc.	75	758
	Others	97	186
18	Balance receivable		
	P&G Health Austria GmbH & Co. OG	532	616
	The Procter & Gamble Company, USA	682	782
	Procter & Gamble Hygiene and Health Care Ltd	97	48
	Procter & Gamble Home Products Pvt Ltd	5	172
	Gillette Diversified Operations Pvt Ltd	535	5
	Others	43	156

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

38 Operating lease arrangements

38.1 Company as a lessee

38.1.1 Right-of-use assets

Following are the changes in the carrying value of right of use assets:

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Gross Carrying Amount		
Opening balance	1 354	1 227
Addition during the year	----	1 354
Disposal during the year	----	(1 227)
Closing Gross Carrying amount	1 354	1 354
Accumulated Depreciation		
Opening balance	240	960
Depreciation for the year	271	507
Disposal during the year	----	(1 227)
Closing accumulated depreciation	511	240
Net carrying amount as at year end	843	1 114

The aggregate depreciation expense on ROU assets is included under depreciation and amortization in the statement of profit and loss.

The weighted average lessee's incremental borrowing rate applied to the lease liabilities is 6.29%

Following are the changes in the carrying value of Lease Liability:

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Balance as at beginning	1 200	283
Additions	----	1 308
Finance cost accrued during the year	68	77
Deletions	----	----
Less: Payment of lease liabilities	(312)	(468)
	956	1 200

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Company has taken on lease certain 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 warehouses are disclosed under rent expense.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

38.2 Company as a lessor

38.2.1 Leasing arrangements

The Company has leased out certain office premises which have been classified as investment property. The lease term is 60 months with non cancellable period of 48 months. There is escalation clause in the lease agreement. The carrying amount of property given on operating lease and depreciation thereon for the year are:

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Gross carrying amount	521	521
Accumulated depreciation	331	296
Net carrying amount	190	225
Depreciation for the year	35	35

38.2.2 Non-cancellable operating lease receivables

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Within one year	236	210
After one year but not more than five years	197	433
More than five years	----	----
Total	433	643

During the year, an amount of ₹ 210 lakhs (2023: ₹ 205 lakhs) has been recognized as rental income and has been included in Other income under the head "Miscellaneous income" in the Statement of Profit and Loss.

39 Commitments

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Estimated amount of contracts remaining to be executed on capital account and not provided for [net of capital advance ₹ Nil (30 June 2023: ₹ Nil)]	631	897
	631	897

40 Contingent liabilities

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
a) Claims against company not acknowledged as debts		
Income tax matters	9 446	9 403
Sales tax matters	1 359	2 067
Excise duty, GST, Service tax and custom duty matters	5 153	4 181
	15 958	15 651

Future cash flow in respect of the above, if any, is determinable only on receipt of judgements/decisions pending with the relevant authorities.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

- b)** In June 2016, National Pharmaceutical Pricing Authority (NPPA) served a demand notice on the Company alleging that during the period from January 2006 to June 2009 the Company sold Polybion 100ml syrup at a price higher than the ceiling price fixed by it on 05 June 2008. Pursuant to orders passed by Kolkata High Court, NPPA gave another opportunity of hearing to the Company. NPPA did not accede to any of the Company's contention and issued a fresh demand notice demanding a sum of ₹ 3 307 lakhs (₹ 1 168 lakhs on account of overcharge during the said period and ₹ 2 138 lakhs for interest thereon) for sales made by the Company during the period May 2006 to June 2009. The Company has challenged the said demand by way of writ petition, which is pending before Hon'ble Delhi High Court. In a separate proceedings filed by the manufacturer of the said drug, Cradel Pharmaceutical Private Limited, Hon'ble Kolkata High Court stayed the demand provided it deposits a sum of ₹ 225 lakhs with the NPPA. The Company has been legally advised that the Company has a defensible case before Delhi High Court. The Company holds provision of ₹ 580 lakhs in its books towards possible liability.
- c)** During the year 2014, the Company had made a provision of ₹ 699 lakhs towards a possible liability which may accrue to the Company due to a judgment passed by the Supreme Court in the year 2014 impacting the Pharmaceutical industry in India including the Company. The provision of ₹108 lakhs was transferred as a part of BPL Business transferred to Merck Life Science Private Limited. The Company holds provision of ₹ 591 lakhs in its books towards possible liability.
- d)** National Pharmaceutical Pricing Authority (NPPA) issued the price fixation orders for about 350 drugs on 21 June 2013 including Metformin, a formulation used by the Company in Company's product Carbophage 500 SR. The orders did not clarify whether the prices so fixed are applicable only for plain tablet or innovative dosages as well. The Company sought clarification from NPPA, however, no clear response has been received. Pending this clarification NPPA had sent a notice dated June 06, 2014, claiming the differential pricing charged by the Company for Carbophage 500 SR over the prices notified. On the basis of a recent judgement passed by the High Court of Bombay, the Company made a provision of ₹ 320 lakhs towards a possible liability which may accrue to the Company. Since Carbophage was part of the BPL business transferred to Merck Life Science Private Limited, the underlying provision was transferred out.

Further, NPPA has also issued a demand order dated May 10, 2017 of ₹ 52 lakhs to the Company under the provisions of Drug Prices (Control) Order, 2013 ("DPCO") for overcharging in respect of Concor 5 mg Tablets (containing the bulk drug Bisoprolol 5 mg) with interest thereon @15% on the said amount.

The Company has challenged both the above matters by writ petition which are pending adjudication in the Bombay High Court. In the view of the management, future course of action in relation to both these matters, including any liabilities thereof will be managed directly by Merck Life Science Private Limited. Managements of the Company and Merck Life Science Private Limited are aligning this understanding basis business transfer agreements and hence, these matters are disclosed as contingent liabilities.

- e)** During the year 2015, Central Excise issued a show cause cum demand notice on the Company covering a period of five years for alleged wrong classification of the products, Vitamin E Acetate min. 92% for Poultry/ Cattle/Pig-feed, Vitamin E Liquid for Animal Nutrition (for Pig/Cattle/Poultry) and Vitamin E Dry Powder 50% for Animal Nutrition. The value of total demand was ₹ 2 369 lakhs.

Further, for same classification matter, the Company has received VAT/CST assessment orders and notices covering a period of five years disallowing VAT exemption claimed for Vitamin E Acetate, Vitamin E dry powder, Vitamin E liquid for Animal nutrition classified as Animal feed. For the orders received, the Company had contested before the respective state appellate authorities. The Company during the financial year 2023-24 has applied for Amnesty pertaining to the cases which are pending at the State Appellate Authority level.

The Central Excise had issued show cause cum demand on similar matter in the past as well. This was contested by the Company before the lower authorities. On the representation made by the Company the demand was dropped after considering various decisions pronounced by judicial and quasi-judicial authorities at the relevant time.

The Company based on legal opinion believes that it has a good case on merits as well as on limitations. The aforesaid amounts have already been included under contingent liability at note 40 (a) to the financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

41 Accounting Ratios

No.	Name of the Ratio	Numerator	Denominator	2023-24	2022-23	Change	Explanation for changes over 25% in the ratios, if any
1	Current Ratio	Current assets	Current liabilities	2.39	2.62	-9%	
2	Debt equity ratio	Total debt	Equity	-	-	-	
3	Debt Service Coverage Ratio	Earnings available for debt service	Total debt service	-	-	-	
4	Return on Equity	Net profit	Average shareholder equity	31%	34%	-7%	
5	Inventory turnover	Total Sales	Average inventory	9.43	9.83	-4%	
6	Trade Receivables turnover	Net Credit Sales	Average trade receivable	11.45	12.35	-7%	
7	Trade payables turnover	Net Credit Purchases	Average trade payable	1.63	1.86	-12%	
8	Net capital turnover	Net Sales	Working Capital	3.77	2.50	51%	Efficiency in working capital management
9	Net Profit	Net profit	Net Sales	17%	19%	-6%	
10	Return on Capital employed	Earning before interest and taxes	Capital employed	0.51	0.42	21%	
11	Return on investment	Income generated from Investments	Time Weighted Average Investments	0.05	0.05	0%	

42 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
(a) Principal amount remaining unpaid to any supplier as at the end of the accounting year	912	991
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	2	1
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day		
Principal paid beyond the appointed date	14 141	14 360
Interest paid in terms of Section 16 of the Act	----	----
(d) The amount of interest due and payable for the year	84	107
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	438	354
(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	----	----

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.

- 43** (a) Reimbursement / (recovery) of expenses cross charged to related parties include payments / recoveries on account of finance, personnel, secretarial, administration and planning services rendered under common services agreements with Procter & Gamble Hygiene & Health Care Limited, Procter & Gamble Home Products Private Limited, Gillette Diversified Operations Pvt Ltd and Gillette India Limited.
- 43** (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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

44 Dividend

	As at June 30, 2024 ₹ in lakhs	As at June 30, 2023 ₹ in lakhs
Dividend on equity shares paid during the year		
Final dividend for the FY 2022-23: ₹ 50 (PY: FY 2021-22: ₹ 45) per equity share of ₹ 10 each	8 300	1 909
Interim dividend for the FY 2023-24: ₹ 200 (PY: FY 2022-23: ₹ 11.5) per equity share of ₹ 10 each	33 199	7 470
	41 499	9 379

The Board of Directors at its meeting held on August 21, 2024 have recommended a payment of final dividend of ₹ 60 per equity share of face value of ₹ 10 each for the financial year ended June 30, 2024 resulting in a dividend payout of ₹ 9 959 lakhs.

- 45** As per the MCA notification dated August 5, 2022, and the Companies (Accounts) Fourth Amendment Rules, 2022, the Company is required to maintain backups of books of account on servers physically located in India on a daily basis. During the current year, in a phased manner, the Company has implemented the process of maintaining periodic backups of its books of accounts and other relevant books and papers in electronic mode on servers physically located in India. The Company also faced certain technical issues post implementation due to which the backup was not possible during certain days of the year.

46 Transfer pricing

Transactions with related parties are governed by transfer pricing regulations of the Indian Income-tax Act, 1961. The Company's transactions with related parties are at arm's length as per the independent accountants report for the year ended 31 March 2023. Management believes that the Company's transactions with related parties post March 2023 continue to be at arm's length and that the transfer pricing legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

- 47** There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

- 48 (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) Borrowings obtained on the basis of security of current assets
 - c) Discrepancy in utilisation of borrowings
 - d) Current maturity of long term borrowings

- 48 (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).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 1 JULY 2023 TO 30 JUNE 2024

48 (c) Relationship with Struck off companies - There has been no transaction with struckoff companies during the year.

Name of struck off company	Nature of transactions with struck off company	As at June 30, 2024	Relationship with struck off company if any to be disclosed	As at June 30, 2023	Relationship with struck off company if any to be disclosed
		----	----	----	----

48 (d) Utilization of borrowed funds and share premium:

The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- 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 to or on behalf of the ultimate beneficiaries.

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- 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.

49 During the financial year, the Company discontinued production of injections at its manufacturing plant in Goa effective September 30, 2023, as the Company started to source injections portfolio of its products from a contract manufacturer. Post evaluation of various alternatives, during the quarter the Company has entered into an agreement for sale of the assets of its injection plant for a consideration of ₹ 790 Lakhs and impaired the balance amount of ₹ 627 Lakhs. Based on above, the company has re-evaluated the usability of assets in their capital work in progress and thereby impaired other related assets by an amount of ₹ 1 392 Lakhs. The above total amount of ₹ 2 019 Lakhs have been disclosed as an exceptional item for the quarter and the year ended June 30, 2024.

50 The Company's unpaid dividend pertaining to final dividend declared for the Financial Year 2016 amounting to ₹ 13 Lakhs became due for its transfer to Investor Education and Protection Fund (IEPF) on June 9, 2024 which was required to be transferred to the fund within 30 days from the due date i.e. July 9, 2024 as per applicable IEPF rules. However, due to restructuring of forms on Ministry of Corporate Affairs' (MCA) portal, forms were not available for filing effective July 3, 2024 and accordingly, an extension was provided by MCA till August 16, 2024 for filing form without any delay charges. Company has in this period, uploaded form IEPF-1, however, due to technical glitches on the portal, Company has not been able to successfully transfer the said unpaid dividend amount to the IEPF as on date.

51 Figures for the previous year have been re-grouped/re-arranged wherever necessary to conform current period's classification.

52 Approval of financial statements

The financial statements were approved for issue by the board of directors on August 21, 2024.

Signatures to Notes 1 to 52

As per our attached report of even date.

For and on behalf of Board of Directors

For **HARIBHAKTI & Co. LLP**

Chartered Accountants

ICAI Firm Regn. No.: 103523W/W100048

Deepak G. Morolia

Partner

Membership No. 130533

S.N Talwar

Chairman

DIN No.00001456

Milind Thatte

Managing Director

DIN No. 08092990

Place: Mumbai

Date: August 21, 2024

Lokesh Chandak

Chief financial officer

DIN No.10083315

Zeal Rupani

Company Secretary

Membership No. A52286

TEN YEAR FINANCIAL HIGHLIGHTS

	IGAAP		IND AS							
	2014	2015	2016 [^]	2017 [^]	2018 [^]	2020 ^{^**}	2021 [^]	2022 [^]	2023 [^]	2024 [^]
YEAR END FINANCIAL POSITION (Rs. Crores)										
Net Fixed Assets	137.34	138.73	140.64	123.97	117.11	122.67	143.06	152.26	176.46	134.39
Net Worth	554.30	591.55	663.82	733.26	1,540.11	906.34	703.71	616.49	750.89	538.24
SUMMARY OF OPERATIONS (Rs. Crores)										
Revenue from operations	832.45	908.32	1,001.77	711.47	848.99	1,355.86	1,008.73	1,114.41	1,229.62	1,151.26
Profit Before Taxation and exceptional items	66.56	83.33	115.17	81.92	151.41	354.85	233.28	253.37	314.20	293.51
Profit after taxation	43.22	53.56	79.13	93.91	838.72	254.08	176.80	192.52	229.47	200.98
Dividend paid in Financial Year	14.22	9.93	12.45	18.26	24.97	733.25	381.78	283.85	93.79	414.99
PER SHARE DATA										
Earning per share (Rs.)	26.00	32.30	47.70	56.57	505.27	153.00	106.51	116.00	138.00	133.00
Dividend paid for the Financial Year	6.00	7.50	11.00	15.00	440*	230*	130.00	41.00	50.00	260* [#]
NUMBER OF SHARES										
Shares (Lakhs)	165.99	165.99	165.99	165.99	165.99	165.99	165.99	165.99	165.99	165.99

Notes :

[^]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.

Profit and Loss account summary figures for the year 2017, 2018 and 2020 pertain to continued operations, viz, Consumer health business.

*Includes One-time special dividend

**The figures for year 2020 are for 18 months

[#]The dividend for year 2024 is subject to approval by the shareholders at Annual General meeting

Notes

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Procter & Gamble Health Limited

P&G Plaza, Cardinal Gracious Road,
Chakala, Andheri East, Mumbai-400 099
Tel: (91-22) 6866 9000