

Procter & Gamble
Hygiene and Health Care Limited

ANNUAL REPORT
2014-15

P&G

BOARD OF DIRECTORS

Mr. R. A. Shah
Chairman

Mr. Al Rajwani
Managing Director

Mr. B. S. Mehta
Mr. A. K. Gupta
Ms. S. Dhawan
Mr. S. Singh
Mr. P. Agarwal
Mr. K. Natarajan

.....

Ms. P. Bishnoi
(Company Secretary)

Mr. P. Bhatnagar
(Chief Financial Officer)

Mr. P. Bhatnagar
(Chief Financial Officer)

Chairman's Letter	i
Report of the Directors.....	2
Secretarial Audit Report	21
Management Discussion & Analysis.....	23
Corporate Governance	26
Auditors' Report	40
Balance Sheet	44
Statement of Profit & Loss.....	45
Cash Flow Statement.....	46
Notes forming part of the Financial Statements....	48





Dear Shareholders,

I am pleased to share with you that this Financial Year 2014-15, despite economic slowdown, your Company delivered another year of sustained growth and strong results. We all are aware that the FMCG industry is facing consumption blues due to the impact of slow economic growth. However, your Company delivered consistent growth by providing consumer-preferred brands and products that are leading value creators in their categories.

Your Company's strong performance results for the Financial Year 2014-15, against a backdrop of economic uncertainty, are testament to our focus on winning with the consumer.

- The Company delivered total net sales of ₹ 2332 crores, up 14% versus year ago behind strong volume growth and focus on improving mix
- Profit After Tax (PAT) for the Financial Year stood at ₹ 346 crores, up 15% versus year ago behind continued focus on productivity and cost efficiency

Both the Feminine Care and Health Care businesses continued to deliver strong sales growth in a competitive market environment behind superior value propositions and strength of product portfolio.

Feminine Hygiene business recorded the 12th consecutive year of double-digit growth. This growth was led by all the variants of *Whisper* which continues to be the market leader despite stiff competition from other category players. As the business grows, we continue to improve more lives with P&G's *National Parivartan Programme (Whisper School Girl Programme)* in schools. The program reaches 4 million girls annually, providing them with timely menstrual education and product samples. Over the past 2 decades, this program has protected millions of adolescent girls in India from getting trapped in traditional practices of using unhygienic cloth for sanitary protection.

The Company's Health Care sales posted a double digit growth again this Financial Year behind the strength of its strong portfolio, which includes *Vicks VapoRub*, *Vicks Cough Drops*, *Vicks Action 500* and *Vicks Inhaler*. *Vicks VapoRub* had a record year posting the highest ever market share.

Old Spice is delivering in line with expectations. It continues to grow value sales behind investments on core business drivers and new premium fragrance launches, scaling up distribution and presence in stores.

As a company, we are keenly working to innovate so that we grow sales, profit and cash more consistently and more sustainably to create value more reliably for you, the Shareholders. Innovation is integral to every aspect of your Company's business, and this is also reflected in the way we take our products to our consumers. Engaging communication has resulted in best-in-class output and rewarding results right through the value chain. For example, on *Whisper*, 'Touch the Pickle' movement was conceived when we realized that majority of Indian women were following irrelevant period taboos that restricted them from achieving their dreams. Women across India overwhelmingly responded to our campaign with their own stories of breaking taboos, their personal tales of achievement and an overall movement to be unstoppable. The result was not only our consumers rewarding us by choosing *Whisper*, but the movement was recognised at the *Cannes Festival of Creativity*. It won two awards; a *Grand Prix in the Glass Lions Category for creativity of communication that encourages gender equality* and a *Bronze Lion for Use of Integrated Media*.

We are rededicating ourselves to the power of execution and raising our standards to be the best at execution with renewed focus on gaining trial among consumers at the point of market entry. The Company is recommitting to superior advertising to create awareness and sampling for superior-performing products to attract consumers to our brands.

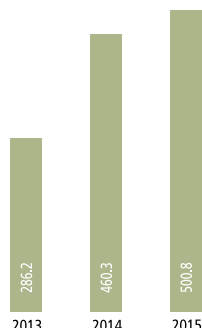
At P&G, sustainability means making every day better for people through how we innovate and how we act. This strategy has inspired an enduring CSR strategy supported by two pillars – *P&G Shiksha* and Timely Disaster Relief. P&G's signature corporate sustainability program *P&G Shiksha* has till date built and supported over 450 (+120 since last year) schools across the country that will impact the lives of over 800,000 (+200,000 since last year) children. In this last year, *P&G Shiksha* initiated new frontiers in early childhood education to set up children for success as they enter the 1st standard. In line with *P&G Shiksha*'s commitment towards improving the quality of education, this year we also forayed into improving learning effectiveness across their primary and secondary education. P&G, over the past year, continued its efforts to provide timely aid and relief to families affected by natural disasters. P&G sent out relief aid to over 5,000 families affected by the J&K floods comprising of P&G products.

Lastly, I would also like to express my gratitude to all our consumers, customers, employees, business partners and YOU, our valued Shareholders for your unwavering trust in the Company. I look forward to your sustained support and participation in the growth of your Company as we continue to touch and improve lives.

R. A. Shah
Chairman

REPORT OF THE DIRECTORS

Profit Before Tax (₹ crores)



Your Directors have the pleasure of presenting the 51st Annual Report and the Audited Accounts of the Company for the Financial Year ended June 30, 2015.

FINANCIAL RESULTS

(Figures in ₹ crores)

	2014-15	2013-14
Sales including Excise	2358	2064
Net Sales (less excise duty)	2332	2047
Profit before tax	501	460
Profit after tax	346	302
Proposed Dividend plus tax thereon	118	104
Transfer to General Reserve	35	30
Balance carried forward	854	663

DIVIDEND

The Directors are pleased to recommend a dividend of ₹ 30.25 per Equity Share of ₹ 10 each for the Financial Year ended June 30, 2015.

BUSINESS PERFORMANCE

Your Company delivered another year of strong performance in the Financial Year 2014-15, with double digit growth on both top and bottom line in a competitive market environment. This was achieved behind superior value propositions and strength of product portfolio.

Sales for the Financial Year increased by 14% to ₹ 2,332 crores as against ₹ 2,047 crores during the previous Financial Year. Earnings after tax increased by 15% to ₹ 346 crores as against ₹ 302 crores during the previous Financial Year behind continued focus on productivity and cost efficiency.

Feminine Hygiene Business

Feminine Hygiene business recorded the 12th consecutive year of double-digit growth. This business has been a growth engine for your Company, with all the variants of *Whisper* sanitary napkins posting strong growth. *Whisper* continues to be the market leader despite stiff competition from other category players.

During the Financial Year under review, a number of strategic initiatives were designed to meet the consumers' needs across segments. The top-tier consumers were delighted by our *Whisper Ultra*

Clean product, with the promise of superior benefits like dual protection (wetness and odour) and long-lasting protection. Continuing our strong focus on offering products serving the needs of our consumers, your Company also drove the *Whisper Ultra Nights* line-up providing protection that lasts all night. On *Whisper Choice*, your Company continues to drive increased usage of sanitary napkins particularly among non-users and increased availability. Your Company also drove the innovative "thin" product form within the existing mid-tier consumers and non-users in the form of *Whisper Choice Ultra*.

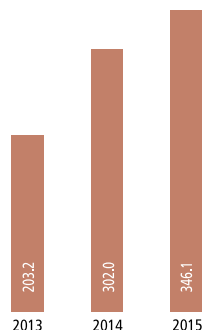


Your Company also continued its disproportionate focus on the 'Point of Market' Entry consumer. The *Whisper* school program reached nearly 4 million menstruating girls across private and government schools, educating them about sanitary hygiene and its importance. Not only did the program reach out to more potential consumers, but it also increased its depth by reaching out to smaller towns.

Health Care Business

The Company's Health Care sales posted double digit growth again this Financial Year behind the strength of its strong portfolio, which includes *Vicks VapoRub*, *Vicks Cough Drops*, *Vicks Action 500* and *Vicks Inhaler*. The growth was driven by combination of product initiatives and increased

Profit After Tax (₹ crores)



investment behind proven equity advertising. *Vicks VapoRub* had a record year posting the highest ever market share. *Vicks Action 500* business was the fastest growing in the Vicks franchise. *Vicks* will continue to innovate to ensure it stays the *most trusted cough and cold care solution* in India.



Overall, the Company continued to focus on driving consumer meaningful innovations backed by distribution expansion and strong advertising support thereby delivering consistent growth. Earnings have also benefited from focus on mix, pricing and productivity.

Cash generation continued to be strong, arising from significant improvements in the business performance, efficiencies cost savings across the organization and an efficient collection system. Your Company managed investments prudently by deployment of the surplus funds after ensuring that such investments satisfy the Company's criteria of safety and security.

Financial Year 2014-15 on *Old Spice* was a year of consolidating the gains made in Financial Year 2013-14. *Old Spice* continues to grow value sales behind investments on core business drivers, namely, product upgrades and new premium fragrance launches, advertising to build consumer awareness, scaling up distribution and presence in stores.

CORPORATE SOCIAL RESPONSIBILITY ('CSR')

The only way to build a sustainable business is to improve lives

At P&G, sustainability means, making every day better for people through how we innovate and how we act. As one of the world's largest consumer products company, we have both a responsibility and an opportunity to do the right thing and lead change. P&G's sustainability objective is to create long-term value for our

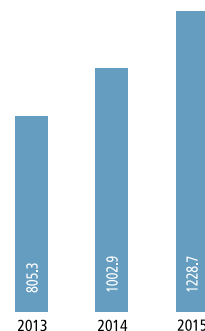
consumers and shareholders by growing our brands and operations responsibly to conserve resources and improve life in the communities we impact across the world. This strategy has inspired an enduring CSR strategy supported by two pillars – *P&G Shiksha* and *Timely Disaster Relief*. While *P&G Shiksha* provides children from underprivileged backgrounds with an access to a holistic education, P&G's disaster relief activities aim to rehabilitate and empower the victims of natural disasters by providing them with daily essential commodities and safe drinking water.

P&G's signature corporate sustainability program *P&G Shiksha* has till date built and supported over 450 (+120 since last year) schools across the country that will impact the lives of over 800,000 (+200,000 since last year) children over a period of time, in partnership with a number of NGOs like - Round Table India, Save the Children, Pratham, Army Wives Welfare Association, Navy Wives Welfare Association, Air Force Wives Welfare Association amongst others. These partners serve as specialists, lending their expertise to particular aspects of the education system. The NGO Round Table India is dedicated towards constructing educational infrastructure and supporting schools across India. The NGO Save the Children focuses on girl child's education by aiding government funded programs like the Kasturba Gandhi Balika Vidhyalayas. Pratham has special expertise in remedial learning to help bring children up to speed with the learning levels in their curriculum. Similarly, the NGOs Army Wives Welfare Association and Navy Wives Welfare Association are experts in serving the educational needs of disabled children.

Since its commencement in 2005, P&G Shiksha has also empowered consumers to contribute towards the education of underprivileged children by making conscious brand choices, which has enabled P&G to share a part of the sales towards this movement. P&G Shiksha has till date made a cumulative donation of over ₹ 40 crores towards building new schools, providing critical infrastructural amenities at existing schools or reviving non-operational government schools.

During the Financial Year, Save the Children in partnership with P&G Shiksha has continued to empower girls through improving learning effectiveness and has also expanded its impact. Thirteen Kasturba Gandhi Balika Vidyalayas (KGBV) and eighteen primary and middle schools were supported through the provision of sports

Networth
(₹ crores)

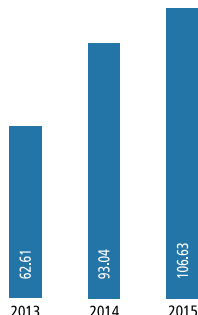


Outflow of Dividend
(₹ crores)



Procter & Gamble Hygiene and Health Care Limited

E.P.S. (₹)



kits and laboratory equipment. Initiatives to bring a positive change in overall teaching environment have led to teachers practicing pedagogical methods (such as promoting an effective use of the library facility, project work, story building as well as an overall better planning and execution of multi-level teaching).



In partnership with Save The Children, we work on education of girl children in KGBV schools in Rajasthan and Jharkhand

P&G continued to impact the communities around its plants in a holistic manner throughout the Financial Year. At Goa, in association with *Matruchhaya*, a local public charitable trust, P&G is providing educational and infrastructural support to a school for the orphaned, destitute and abandoned children. The P&G Baddi plant continued its association with Himachal Pradesh Voluntary Health Association with Lodhimajra Village School in order to make infrastructure additions to school while organizing health check-ups for the students. In Mandideep, the Company also built on its association with *Arushi*, a local NGO, to provide infrastructure, nutrition and hygiene support to the Satlapur Government School. P&G Shiksha in the last year enabled the school with nutrition supplement by providing fruits along with mid-day meals, health and eye checkup for students, construction of toilets, construction of a boundary wall and refurbishment of the roof.

P&G partnered with *Pratham Education Foundation*, a leading NGO in India in the educational space to foray into remedial learning and early childhood education thereby increasing our focus on learning outcomes via improving learning effectiveness. P&G Shiksha is partnering with Pratham's Read India initiative that aims to bridge the existing gap between current and existing learning levels on scale. The methodology

combines reading, speaking, practical application and writing, in a variety of ways, to enhance learning.

P&G has also identified a need for early childhood education to set children up for success when they begin primary school. For this, P&G is partnering with Pratham's interventions to ensure that children receive support to facilitate holistic social and cognitive development. Through Pratham's partnership with the Government (ICDS), P&G Shiksha will impact early childhood learning in Anganwadi centers and Pratham's Balwadi centers.

P&G continued its efforts to provide timely aid and relief to families affected by natural disasters. P&G sent out relief aid to over 5,000 families affected by the J&K floods comprising of P&G products. During the Nepal Earthquake, P&G also collaborated with the Indian Government and addressed the dire need for sanitary napkins by sending out 20,000 *Whisper* packs to Nepal through National Disaster Relief Authority (NDMA) to the affected families. At P&G, Corporate Social Responsibility has and will remain an important component of our ability to improve consumers' lives and to create value for our Members.

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

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

ENVIRONMENTAL SUSTAINABILITY AND CONSERVATION OF ENERGY

Environmental sustainability is embedded in our *Purpose, Values, Principles*, and our business. In order to improve lives, now and for generations to come, we ensure that our products, packaging and operations are safe for employees, consumers and the environment. Your Company ensures this with a focus on technologies, processes and improvements that matter for the environment.

At P&G, sustainability inspires and guides everything we do. Moreover, we ensure environmental friendly practices at our sites. These include reduction in

Employees (Nos.)



power consumption, optimal water consumption and eliminating excess use of paper.

Your Company's head office at Mumbai reduced its annual energy consumption by over 39.2% over the last 11 years, saving over 2214 gigajoules of energy.

During the Financial Year, your Company's plant in Goa has reduced diesel generation utilization by 5% versus last year for plant operations, resulting in reduction of diesel consumption and reduced carbon footprint by 90% versus year ago.

Goa plant has introduced LED Lights to almost 50% of the operations floor, variable frequency drives to high power consumption blowers and all air handling units in utilities and pumps. Analysis of air leakages across operations and timely corrections, LED Lighting to 60% of street lightings, cool light energy savers to plant lighting help to stable voltage control and reduction of failures and energy consumptions.

We have undertaken capital investment of approx. ₹ 1.5 crores towards installation of LED lights and variable frequency drives at our plants which will help in energy conservation.

TECHNOLOGY ABSORPTION

i. Efforts made towards technology absorption:

Continued implementation of quality control/quality assurance procedures of products and processes were successfully adapted on commercial scale to utilize local raw materials and machinery; technical services for reliability, quality, cost savings and technology transfer from overseas.

ii. Benefits derived like product improvement, cost reduction, product development or import substitution:

All the above efforts resulted in improving process efficiencies, consistent quality of our products, introduction of new products and import substitution and successful absorption of technology.

iii. Imported technology (Imported during the last three years reckoned from the beginning of the Financial Year):-

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.

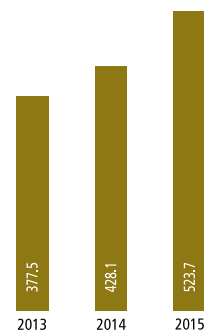
In the Financial Year 2013-14, the Company had imported new converting machine & packing machine. The new converting machine introduction helped to get higher capacity & also a new topsheet introduction for better performance. The introduction of online packing machine has improved the packaging quality & has led to reduction in packing cost.

iv. Expenditure incurred on Research and Development:

₹ Lakhs

		2014-15	2013-14
a	Capital	—	—
b	Recurring	5.43	160.26
c	Total	5.43	160.26

Fixed Assets (₹ crores)



FOREIGN EXCHANGE EARNINGS AND OUTGO

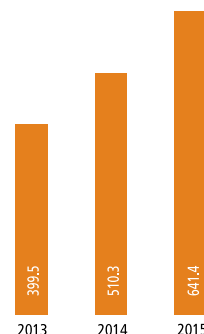
The particulars of foreign exchange earned/ utilized during the Financial Year are given in Note No. 30 & 31 respectively forming part of the Financial Statements.

RELATED PARTY TRANSACTIONS

Your Company has formulated a policy on related party transactions which is also available on Company's website at http://www.pg.com/en_IN/invest/pghh/corporate_governance/policies.shtml/. This policy deals with the review and approval of related party transactions. All related party transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm's length. All related party transactions are subjected to independent review by external chartered accountancy firm to confirm compliance with the requirements under the Companies Act, 2013 and the Listing Agreement.

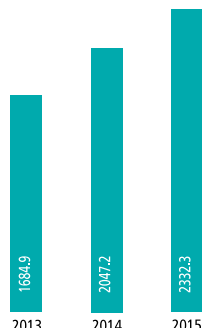
All related party transactions entered during the Financial Year were in ordinary course of the business and on arm's length basis. No material related party transactions were entered during the Financial Year by your Company. Accordingly, the disclosure of

Net Current Assets (₹ crores)



Procter & Gamble Hygiene and Health Care Limited

Net Sales (₹ crores)



related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2 is not applicable to your Company.

PUBLIC DEPOSITS

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

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

In line with P&G's Worldwide Business Conduct Manual, your Company treats all its employees and business partners with dignity and respect. Your Company is committed to provide a harassment-free environment, in which all have an opportunity to contribute at their highest potential. As a part of our commitment to providing a safe work environment, we never engage in or tolerate any form of harassment

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has constituted Internal Complaints Committees (ICC). During the Financial Year, no complaints with allegations of sexual harassment were filed with the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- that in the preparation of the Annual Accounts for the Financial Year ended June 30, 2015, the applicable accounting standards had

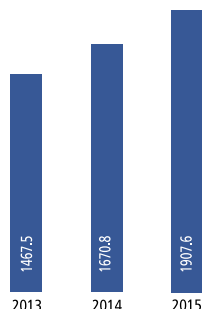
been followed along with proper explanation relating to material departures;

- that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit or loss of the Company for the Financial Year under review;
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors had prepared the accounts for the Financial Year ended June 30, 2015, on a "going concern" basis;
- that the Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- 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.

Total Expenditure (₹ crores)



LOANS GIVEN DURING THE FINANCIAL YEAR 2014-15

Details of loans given by your Company under Section 186 of the Companies Act, 2013 during the Financial Year 2014-15 are as follows:

Name of Borrowing Company	Relation	Amount (₹ In Crores)	Particulars of Loan	Purpose for which the loans are proposed to be utilized
Prior to October 1, 2014				
Wella India Haircosmetics Private Ltd	Fellow Subsidiary	120.49	Interest rate of 12%	General business purpose
Procter & Gamble Home Products Pvt Ltd		438.20	Interest rate of 12%	General business purpose
Post October 1, 2014				
Gillette Diversified Operations Pvt Ltd		13.00	Interest rate of 9.33%	General business purpose
Procter & Gamble Home Products Pvt Ltd		200.00	Interest rate of 9.33%	General business purpose
Wella India Haircosmetics Private Ltd		200.00	Interest rate of 9.33%	General business purpose

MANAGEMENT & PERSONNEL

The strong growth over the past few years demonstrates the core strengths of our employees to stay reality-based and proactively influence the course of business. In a diverse organization & competitive environment, the efforts of our organization, strong capability plans and HR innovation accelerated our growth. Our productivity continues to be best-in-class with major progress in Leadership and Talent Development.

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

The information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report. As per the provisions of first proviso to Section 136(1) of the Act, 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 the Registered Office of the Company.

DIRECTORS

Mr. Karthik Natarajan has been appointed as an Additional Director of the Company with effect from October 1, 2014 and holds office upto the date of the ensuing 51st Annual General Meeting of the Company. Notice under Section 160 of the Companies Act, 2013 has been received from him proposing his candidature as Director of the Company, liable to retire by rotation.

During the Financial Year, Mr. Pramod Agarwal ceased to be a Director effective from March 31, 2015. Subsequently, he was appointed as an Additional Director of the Company with effect from May 8, 2015 and holds office upto the date of the ensuing 51st Annual General Meeting of the Company. Notice under Section 160 of the Companies Act, 2013 has been received from him proposing his candidature as Director of the Company, liable to retire by rotation.

Mr. Shantanu Khosla ceased to be the Managing Director and Director of the Company effective from June 30, 2015. The Board of Directors place on record its appreciation for his long service and contribution to the Company.

Mr. Al Rajwani was appointed as an Additional Director and Managing Director of the Company effective August 28, 2015, subject to the approval of the Members and the Central Government if applicable. Notice under Section 160 of the Companies Act, 2013 has been received from him proposing his candidature as Director of the Company.

Mr. Shailyamanyu Singh, Director, retires by rotation and, being eligible, offers himself for re-appointment.

The Independent Directors of your Company have given certificate of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

The details of training and familiarization programmes and Annual Board Evaluation process for Directors have been provided under the Corporate Governance Report.

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and also remuneration for Key Managerial Personnel and other employees forms part of Corporate Governance Report of this Annual Report.

The brief resumes of Directors proposed to be appointed/reappointed at the ensuing 51st Annual General Meeting and the details of the Directorships held by them in other companies are given in the "Corporate Governance" section of the Annual Report.

Appropriate resolutions for the appointment/re-appointment of the aforesaid Directors are being moved at the ensuing 51st Annual General Meeting, which the Board recommends for your approval.

AUDITORS

M/s. Deloitte Haskins & Sells LLP were appointed as Statutory Auditors of your Company at the previous 50th Annual General Meeting held on September 24, 2014, for a term of three consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting. Resolution for the said ratification is being moved at the ensuing 51st Annual General Meeting.

Procter & Gamble Hygiene and Health Care Limited

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation or adverse remark given by the Auditors in their Report.

COST AUDITORS

M/s. Ashwin Solanki & Associates, Cost Accountants carried out the cost audit for applicable business during the Financial Year. The Board of Directors has appointed M/s. Ashwin Solanki & Associates, Cost Accountants as Cost Auditors for the Financial Year 2015-16.

SECRETARIAL AUDIT

Secretarial Audit was carried out by M/s. Dholakia & Associates LLP, Company Secretaries for the Financial Year 2014-15. There were no qualifications, reservation or adverse remarks given by Secretarial Auditors of the Company. The Secretarial Audit report is annexed to this report.

EXTRACT OF ANNUAL RETURN

The extract of annual return in Form MGT 9 as required under Section 92(3) and Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as an Annexure II to this Report.

POLICIES

During the Financial Year, your Company has adopted the policies on related party transactions, corporate social responsibility and vigil mechanism, which are available on the website of

the Company at http://www.pg.com/en_IN/invest/pghh/corporate_governance/policies.shtml/.

The details of all the policies adopted by the Company are provided in the Corporate Governance Report annexed to this Report.

TRADE RELATIONS

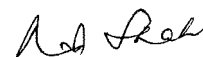
The Directors wish to thank the retailers, wholesalers, distributors, suppliers of goods & services, clearing and forwarding agents and all other business associates and acknowledge their efficiency and continued support in promoting such healthy growth in the Company's business.

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/knowledge in the field of research & development for products, ingredients and technologies; timely inputs to exceptional marketing strategies; and the goodwill of its world-renowned trademarks and superior brands. We are proud to acknowledge this unstinted association that has vastly benefited the Company.

On behalf of the Board of Directors

**Mumbai
August 28, 2015**



**R. A. Shah
Chairman**