

## NOTICE

NOTICE is hereby given that the Forty-third Annual General Meeting of the members of the Company will be held at Patkar Hall, S.N.D.T. University, 1, Nathibai Thackersey Road, Mumbai 400 020 on Friday, October 12, 2007, at 3:30 p.m. to transact the following business:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended June 30, 2007, the Balance Sheet as at that date, the Directors' and Auditors' Reports thereon.
2. To declare dividend for the year ended June 30, 2007.
3. To appoint a Director in place of Mr. R. A. Shah, who retires by rotation and being eligible, offers himself for re-election.
4. To appoint a Director in place of Mr. B. S. Mehta, who retires by rotation and being eligible, offers himself for re-election.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration and reimbursement of out-of-pocket expenses as the Board may decide.
6. To consider and, if thought fit, to pass with or without modification/s, if any, the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** subject to the provisions of Sections 198, 269, 309, 310, 311, 316 and 317 and other applicable provisions, if any, of the Companies Act, 1956, the approval of the Company be and is hereby accorded to the re-appointment of Mr. Shantanu Khosla as Managing Director of the Company with effect from June 1, 2007 for a period of five years on such terms and conditions as the Board may consider appropriate, provided, however, that the terms of remuneration of Mr. Khosla shall not exceed the ceilings as set out in Schedule XIII to the Companies Act, 1956, as amended from time to time and such other guidelines as may be issued hereafter in this behalf.”

**“RESOLVED FURTHER THAT** where in any financial year during the tenure of office of Mr. Khosla, the company has no profits or its profits are inadequate, the company shall pay remuneration, benefits and amenities to Mr. Khosla as specified in the explanatory statement hereto, subject to the approval of the Central Government, if and to the extent necessary.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**“RESOLVED FURTHER THAT** Mr. Khosla shall not be liable to retire by rotation.”

7. To consider and, if thought fit, to pass with or without modification/s, if any, the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mr. Deepak Acharya who was appointed as an Additional Director in terms of Section 260 of the Companies Act, 1956, and holds such office until this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956, signifying his intention to propose Mr. Acharya's candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**On behalf of the Board of Directors**

**Deepak Acharya**  
*Director*

**Mumbai**  
**August 24, 2007**

**Registered Office:**  
P&G Plaza,  
Cardinal Gracias Road,  
Chakala, Andheri (E),  
Mumbai 400 099.

### NOTES

1. *A member entitled to attend and vote at the meeting is entitled to appoint a Proxy or Proxies to attend and vote instead of himself and the Proxy need not be a member of the Company.*

Proxies, to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

2. The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the Special Business as Item Nos. 6 and 7 proposed to be transacted at the meeting is annexed hereto.

3. The Register of Members and the Share Transfer Books of the Company will remain closed **from September 29, 2007 to October 12, 2007** (both days inclusive).
4. If payment of Dividend is approved by the members at the Annual General Meeting, the same will be paid to the members on or around October 18, 2007.
5. To avoid the incident of fraudulent encashment of the warrants, members are requested to intimate the Registrar and Share Transfer Agents of the Company under the signature of the Sole/First joint holder the following information so that the Bank Account Number and Name and Address of the Bank can be printed on the Dividend Warrant, if and when issued :
  - a) Name of Sole/First joint holder and Folio Number
  - b) Particulars of Bank Account viz.
    - (i) Name of Bank
    - (ii) Name of Branch
    - (iii) Complete Address of the Bank with Pin Code number
    - (iv) Account type, whether Savings or Current Account
    - (v) Bank Account number allotted by the Bank.
6. Members holding shares in Demat form may please note that the bank account details given by them to their Depository Participants (DPs) and passed on to the Company by such DPs would be printed on the dividend warrants of the concerned members. However, if any member wants to receive dividend in any other bank account, they should change/correct the bank account details with their concerned DPs. The Company would not entertain any request from such shareholders directly for deletion/change in the bank account details printed on the dividend warrants on the basis of information furnished by the DPs to the Company.
7. Pursuant to Section 205-A of the Companies Act, 1956, unclaimed dividends declared on or before September 29, 1995, have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed dividend warrants for the period prior to September 29, 1995, are requested to claim the amount by submitting an application in Form No. II to the office of the Registrar of Companies, CGO Building, 2nd Floor, A Wing, Belapur, Navi Mumbai.

Interim dividend for the financial year ended June 30, 2001, which remains unpaid or unclaimed, will be due for transfer to the Investor Education and Protection Fund of the Central Government on January 5, 2008, pursuant to the provisions of Section 205-A of the Companies Act, 1956. Members who have not encashed their dividend warrants for the financial year ended June 30, 2001, or any subsequent year(s), are requested to seek issue of duplicate warrants by writing to the Company's Transfer Agents, M/s. Intime Spectrum Registry Limited.

During the Financial year 2006-2007, unclaimed amounts of –

- (i) Interim Dividend (Rs. 20,19,255/-) for the year 1998-99;
- (ii) Final Dividend (Rs. 5,00,605/-) for the year 1998-99 and
- (iii) Final Dividend (Rs. 7,27,499/-) for the year 1999-2000

have been transferred to the Investor Education and Protection Fund on October 13, 2006, February 6, 2007 and August 1, 2007 respectively.

8. Share transfer documents and all correspondence relating thereto, should be addressed to the Company's Transfer Agents,

M/s. Intime Spectrum Registry Limited,  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai - 400 078.  
Tel : (022) 2594 6980 / 2596 3838,  
Fax : (022) 2594 6969,  
e-mail : [pginvestors@intimespectrum.com](mailto:pginvestors@intimespectrum.com)  
[isrl@intimespectrum.com](mailto:isrl@intimespectrum.com).

The Company has designated an exclusive e-mail ID called **[pginvestors@intimespectrum.com](mailto:pginvestors@intimespectrum.com)** for redressal of shareholder's complaints / grievances.

For providing better services to our Shareholders, Intime Spectrum has deputed a full time resource, who will provide all help to our Shareholders. Ms. Karishma Bhatkar can be contacted directly on a dedicated telephone number **2594 6980**.

9. Members who hold shares in physical form are requested to notify immediately any change in their addresses, to the Registrar and Share Transfer Agents of the Company and, to the respective Depository Participants, in case the shares are held in dematerialized mode.

## EXPLANATORY STATEMENT

(Pursuant to Section 173 of the Companies Act, 1956)

### ITEM NO. 6

Mr. Shantanu Khosla was appointed as a Managing Director of your Company for a period of five years with effect from June 1, 2002. Thus, the said term of Mr. Khosla expired on May 31, 2007.

Mr. Khosla is a B.Tech (Mechanical Engg) with a post graduation in Business Management. He has been with P&G since 1983. He has over the period gained valuable experience by leading and managing P&G's international businesses in UK, Malaysia, Japan and Singapore. In view of his vast experience, your Directors consider that his re-appointment as Managing Director, will be beneficial to the Company.

The Board of Directors, subject to the approval of the shareholders, has re-appointed Mr. Khosla, as Managing Director of your Company for a period of five years with effect from June 1, 2007, on the following terms and conditions.

- (i) Salary : Upto Rs. 3,00,00,000 (Rupees Three crores) per annum [please see note at (iv) below].
- (ii) Perquisites : Mr. Khosla shall be entitled to a furnished and/or unfurnished accommodation, medical reimbursement, club fees, personal accident insurance, car loan and such other perquisites in accordance with the Company's Rules. The monetary value of such perquisites will be determined in accordance with the Income-tax Rules, 1962.
- (iii) Board of Directors shall be entitled to revise upwards the remuneration of Mr. Khosla, within the ceiling as set out in Schedule XIII to the Companies Act, 1956, as amended from time to time.
- (iv) Board of Directors has provided their unanimous consent to the appointment of Mr. Khosla as the Managing Director of Gillette India Limited and Procter & Gamble Home Products Limited (subject to the approval of the Central Government as may be required under the provisions of the Companies Act, 1956) at a remuneration as mentioned in clause (i) above, and which remuneration shall be shared by the respective companies in proportion of their Net Outside Sales (NOS).

In terms of Article 134 of the Article of Association of the Company, so long as Mr. Khosla holds office as Managing Director of the Company, he shall not be liable to retire by rotation.

The Board recommends passing an Ordinary Resolution.

None of the Directors except Mr. Khosla is concerned or interested in this resolution.

### ITEM NO. 7

Mr. Deepak Acharya was appointed as an Additional Director in terms of Section 260 of the Companies Act, 1956, and holds the office upto the date of this Annual General Meeting. The Company has received a notice and deposit pursuant to Section 257 of the Companies Act, 1956, from a member of the Company proposing Mr. Acharya's candidature for the office of Director.

Mr. Acharya is a Law Graduate from the Bombay University, a Fellow Member of the Institute of Company Secretaries of India (FCS) and an Associate Member of the All India Management Association (AIMA). Since 1992, he has worked at various levels in the Legal function in India and the P&G's regional headquarters at Singapore.

In view of his business experience in the FMCG industry your Directors, are of the view that his appointment will be beneficial to the Company and therefore, recommend his appointment to the Board.

None of the Directors except Mr. Acharya is concerned or interested in this resolution.

**On behalf of the Board of Directors**

**Deepak Acharya**  
*Director*

**Mumbai**  
**August 24, 2007**

**Registered Office:**  
P&G Plaza,  
Cardinal Gracias Road,  
Chakala, Andheri (E),  
Mumbai 400 099.

## Procter & Gamble Hygiene and Health Care Limited

### Details of Directors seeking re-appointment at the forthcoming annual general meeting (in pursuance to Clause 49IV(G) of the listing agreement)

Name of Director	Mr. B. S. Mehta	Mr. R. A. Shah	Mr. Shantanu Khosla	Mr. Deepak Acharya
Age	71	76	47	40
Date of appointment on the Board	11th October, 1979	20th July, 1964	27th August, 2001	17th July, 2007
Expertise in specific field	Finance & Accounts	Solicitor	General Management	Corporate Laws/ Corporate Affairs
Names of other companies in which he holds directorships	<ol style="list-style-type: none"> <li>1. Atul Limited</li> <li>2. Bharat Bijlee Limited</li> <li>3. Century Enka Limited</li> <li>4. CEAT Limited</li> <li>5. Clariant Chemicals (India) Limited</li> <li>6. Housing Development Finance Corporation Limited</li> <li>7. IL&amp;FS Investment Managers Limited</li> <li>8. J. B. Chemicals &amp; Pharmaceuticals Limited</li> <li>9. Pidilite Industries Limited</li> <li>10. Gillette India Limited</li> <li>11. Sasken Communication Technologies Limited</li> <li>12. SBI Capital Markets Limited</li> <li>13. Sudarshan Chemical Industries Limited</li> <li>14. Vinyl Chemicals (India) Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Clariant Chemicals (India) Limited, Chairman</li> <li>2. Godfrey Phillips India Limited, Chairman</li> <li>3. Pfizer Limited, Chairman</li> <li>4. Colgate Palmolive India Limited, Vice-Chairman</li> <li>5. Abbott India Limited, Director</li> <li>6. Asian Paints Limited, Director</li> <li>7. ACC Limited, Director</li> <li>8. The Bombay Dyeing &amp; Mfg. Co. Limited, Director</li> <li>9. BASF India Limited, Director</li> <li>10. Deepak Fertilizers &amp; Petrochemicals, Director Corporation Limited, Director</li> <li>11. Lupin Limited, Director</li> <li>12. Nicholas Piramal India Limited, Director</li> <li>13. Wockhardt Limited, Director</li> <li>14. Century Enka Limited, Director</li> </ol>	<ol style="list-style-type: none"> <li>1. Gillette India Limited</li> <li>2. Procter &amp; Gamble Home Products Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Procter &amp; Gamble Home Products Limited</li> </ol>
Chairman/Member of the Committees of the Board of Directors of the Company	Audit Committee Member	Audit Committee Member	Shareholders' Grievance Committee – Member	Shareholders' Grievance Committee – Member
Chairman/Member of the Committee(s) of Board of Directors of other companies in which he is a Director	<ol style="list-style-type: none"> <li>1. Housing Development Finance Corporation Limited – Compensation Committee Member – Audit Committee Member</li> <li>2. Atul Limited – Audit Committee Member</li> <li>3. Century Enka Limited – Audit Committee Member</li> <li>4. Gillette India Limited – Audit Committee Member – Remuneration Committee Member</li> <li>5. IL&amp;FS Investment Managers Limited – Compensation Committee Member – Audit Committee Chairman</li> <li>6. J. B. Chemicals &amp; Pharmaceuticals Limited – Audit Committee Chairman</li> <li>7. Sudarshan Chemical Limited – Audit Committee Chairman</li> <li>8. Sasken Communication Technologies Limited – Audit Committee Chairman</li> <li>9. Pidilite Industries Limited – Audit Committee Chairman</li> </ol>	<ol style="list-style-type: none"> <li>1. Pfizer Limited – Audit Committee Chairman</li> <li>2. Colgate Palmolive India Limited – Audit Committee Chairman</li> <li>3. The Bombay Dyeing &amp; Mfg. Co. Limited – Audit Committee Chairman – Remuneration Committee Member</li> <li>4. Nicholas Piramal India Limited – Audit Committee Chairman</li> <li>5. Clariant Chemicals (India) Limited – Audit Committee Chairman</li> <li>6. BASF India Limited – Audit Committee Member</li> <li>7. Abbott India Limited – Audit Committee Member</li> <li>8. Century Enka Limited – Audit Committee Member</li> <li>9. Lupin Limited – Remuneration Committee Member</li> <li>10. Wockhardt Limited – Audit Committee Alternate Member</li> </ol>	<ol style="list-style-type: none"> <li>1. Gillette India Limited – Shareholders' Grievance Committee Member</li> <li>2. Procter &amp; Gamble Home Products Limited – Audit Committee Member</li> </ol>	
Shareholding in the Company	3799	5550	67	NIL