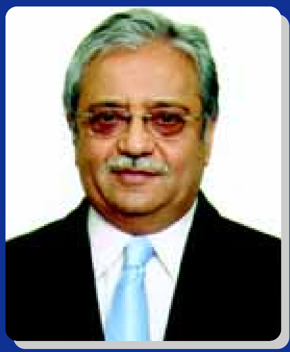
Procter & Gamble Hygiene and Health Care Limited

Annual Report 2007-2008



Dear Shareholders,

It gives me great pleasure to share with you the sterling results of your Company for the year 2007/08. Building on the robust performance of last year, both Health Care and Feminine Care business – continued to deliver very healthy growth. The Health Care category posted a growth of 16% in sales, contributing Rs.312.3 crores (Vs. Rs.268.7 crores the previous year) to the Company's sales while the Feminine Care sales of Rs.340 crores reflected a record jump of 21% versus last year's sales of Rs.282 crores. I believe that this sustained growth is firmly linked to your Company's commitment to stay close to the consumer, understand her needs and provide her with propositions that delight her. All our initiatives - product upgrades, marketing innovations, value corrections, improved distribution, insightful communication - are designed around this core belief.

Not only has this focus on delighting the consumer helped your Company grow sales, it has also led to a phenomenal rise in the Profit After Tax (PAT). This year, PAT at Rs.131.41 crores grew by 46% from Rs.89.8 crores last year.

The growth that your Company has witnessed this year has been broad based and driven by fundamentals. Three out of the four brands in the Health Care category recorded a double digit growth. Vicks Vaporub touched a new milestone by garnering a market share of 25% (highest ever for the brand) on the back of a strong concept – *The Blanket of Warmth.* Based on this Vicks connected with consumers and drove both trial and consumption. Vicks Cough Drops made a strong comeback to post its highest ever sales (a growth of 27% over last year). I am confident that Vicks will continue to develop propositions to best meet consumer needs and be the preferred brand for cough & cold care in India.

Similarly, our Feminine Hygiene business continued its strong growth story for the fifth consecutive year. This growth was made possible by consumer initiatives across brands and touch points. Product innovation on Whisper Maxi, value improvement on Whisper Choice, clutter breaking display at retail stores and increased reach at the Point of Market Entry, came together to help Whisper cross the 50% value share mark in Urban India for the first time ever.

Your Company has always been true to its philosophy of *Touching Lives, Improving Life* and every year we try and go a little further in our effort to change more and more lives for the better. This year, for the first time ever, your Company entered into a Public Private Partnership with the National Rural Health Mission, Rajasthan, to provide women in Rajasthan with a better option of sanitary protection and by consequence, a healthier, more productive life.

Your Company's signature cause marketing program *Shiksha* continued to reach out to underprivileged children in India and provide them with access to education. In its fifth year, *Shiksha* will touch the lives of 87,000 children through a contribution of over Rs. 3 crores.

Moving ahead, we remain committed to exceeding your expectations by delivering sustained growth and touching new highs. We will do this by focusing on the consumer, providing superior performing products that your Company is known for, engaging in best in class consumer programs and making meaningful contributions to the society and environment.

Thank you and look forward to your continued trust, support and steadfast belief in P&G.

Mumbai
August 29, 2008

Bharat V. Patel
Chairman

REPORT OF THE DIRECTORS

Your Directors have the pleasure of presenting the 44th Annual Report and the Audited Accounts of the Company for the year ended June 30, 2008.

FINANCIAL RESULTS

(Figures in Rs. Crores)

	2007/8	2006/7
Sales (less excise duty)	**643.0**	538.3
Profit before tax	**180.6**	145.5
Profit after tax	**131.4**	89.8
Proposed Dividend plus tax thereon	**76.0**	76.0
Transfer to General Reserve	**13.15**	9.0
Balance carried forward	**126.0**	83.7

BUSINESS PERFORMANCE

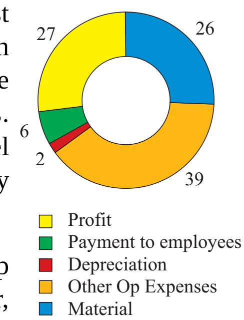
The Company posted excellent business results for the year ended June 30, 2008. The Health Care and Feminine Hygiene business sales at Rs.643 crores (Rs.538.3 crores last year) grew by a healthy 19%. This strong double-digit growth was driven by focusing on the fundamentals, namely, strong consumer meaningful innovation backed by distribution growth and strong advertising support.

The VICKS range of products has shown a robust growth with VICKS Vaporub and VICKS Cough Drops growing by over 25%. Feminine Hygiene business too recorded a 21% growth in sales. WHISPER continued to build trials through novel direct marketing and Point of Market Entry programs.

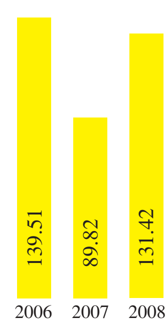
Profit Before Tax (PBT) at Rs. 180.6 crores is up by 24% (vs. last year's Rs. 145.5 crores). However, the PBT of the last year included one-time pre-operational expenses on setting up of the Plant. Hence, PBT, when compared with last year's PBT excluding these exceptional expenses, grew by 17%.

During the year under review, your Company delivered a Profit after Tax (PAT) of Rs.131.4 crores. However, PAT at Rs. 131.4 crores is not comparable to PAT of Rs.89.8 crores last year. The PAT of last year includes adjustment for the impact of provisions of taxes for prior years and for pre-operational expenses on setting up of plants at Baddi. Even after including the expenses on the aforesaid exceptional items, PAT is up by 23% primarily reflecting savings from Baddi tax-free zone, where your Company has set up its health care plant.

Your Company continued with the expansion of capacities for manufacture of Feminine Hygiene products at its Goa Plant with a capital outlay of Rs.10 crores during the year. Similarly, the Company made a further capital investment of Rs.26.7 crores in its two manufacturing sites at Baddi.



Profit After Tax
(Rs. Crores)



Health Care Business

Health Care sales at Rs. 312.3 crores (vs. last year's Rs. 268.7 crores) posted a high growth of 16% this year. This growth was broadbased and came on the back of strong performances by VICKS Vaporub, VICKS Cough Drops and VICKS Inhaler.

VICKS Vaporub's impressive growth of 25% was driven by strong equity advertising to help better connect with consumers. In the case of Vaporub, a new consumer insight based campaign '*The Blanket of Warmth*' was introduced to drive trial and consumption. Consumers responded favorably and we reached a milestone market share for the first time.

Profit Before Tax
(Rs. Crores)

The VICKS Cough Drops business made a strong comeback after last year's decline, to post a record growth of 27%. The brand also saw its highest ever sales this year. The cold tablets category witnessed intense competitive activity this year, due to which sales of VICKS Action 500+ suffered slightly. With the right blend of product innovation and strong marketing plans, VICKS will continue to develop propositions to best meet consumer needs and be the preferred brand for cough and cold care in India.

Feminine Hygiene Business

Feminine Hygiene business recorded another year of high growth with sales at Rs. 340 crores (vs. Rs. 282 crores last year) translating to a record 21% growth and value share leadership. This is the fifth year in succession where WHISPER has grown at such a fast pace.

A number of initiatives were designed to win with the WHISPER Consumer. All of these initiatives viz. consumer need-based product upgrade on WHISPER Maxi, value correction on WHISPER Choice, clutter breaking window display at the retail level, engaging advertising, came together to take Whisper to a 50% value market share in urban India for the first time.

WHISPER continued to build future business with an increased focus on consumers at the Point of Market Entry (POME) stage i.e. when girls start menstruation. Whisper has quadrupled the number of school girls contacted and sampled versus two years ago. During the year, your Company significantly stepped up POME marketing by increasing its reach by a whopping 40% versus a year ago. Not only did the number of adolescent girls contacted through this program increase significantly, but the program reached out to the lower class towns by training the teachers, to conduct this program at schools. Further the proposition being offered at these programs has been tailored to suit the consumers' need. For example, your Company is offering a mid-tier brand WHISPER Choice as a sample in Government Schools so that they experience great performance at a great value.

Being true to your Company's philosophy of '*Touching lives, improving life*', Directors are happy to report that, WHISPER on a pilot basis has entered into a Public Private Partnership (PPP) with the

National Rural Health Mission (NRHM), Rajasthan, to provide education and sanitary protection to rural women of Rajasthan to help them lead healthier, hygienic and more productive lives.

DIVIDEND

Directors are pleased to recommend a dividend of Rs. 20 for each equity share for the financial year ended June 30, 2008.

Shantanu Khosla MD, along with film actresses Kajol & Sharmila Tagore at the launch of Shiksha 2008.

CORPORATE SOCIAL RESPONSIBILITY

Shiksha: Padhega India, Badhega India

According to our partner CRY, over 200 million children in India lack the access to education. Close to 47% of India's habitation does not have a primary school. When it comes to children's education – there is no dearth of rather disappointing statistics. Program *Shiksha* is P&G's attempt to help address these issues and work towards its vision of seeing every child in school. Singing the motto 'Padhega India. Badhega India', *Shiksha* truly believes that the secret to a brighter future of this country lies in quality education for our children.

Over the last four years *Shiksha* has been able to lead 87,000 children on the path of education with all P&G India group Companies donating over Rs. 8 crores reaching out to over 300 communities. This year's contribution of approx. Rs. 3 crores has been the single largest contribution from P&G India in any year. This year was also memorable for unique executions like the Shiksha Time Capsule. A school bag full of items from present day education system was buried deep inside the earth to be opened 100 years later as a reminder of our times. Actress Esha Deol attended the ceremony and the program got wide media coverage.

Each year *Shiksha* wins the hearts of not just the lives it touches – but also of everyone that chooses to participate in it. Over the years we have had over 20 top celebrities from across the country volunteering their time to help generate awareness of the cause. Our biggest victory however remains the millions of consumers that believe in *Shiksha* and step forward to buy our brands in order to help lead children towards education in their own little way. It may be just another drop in the ocean but it is one step closer to a brighter India.

RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibilities Statement, it is hereby confirmed:

(i) that in the preparation of the annual accounts for the financial year ended June 30, 2008, the applicable accounting standards had been followed along with proper explanation relating to material departures;

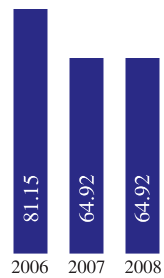
(ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;

(iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(iv) that the Directors had prepared the accounts for the financial year ended June 30, 2008, on a "going concern" basis.

Net Worth
(Rs. Crores)

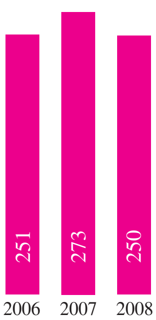
Outflow of Dividend
(Rs. Crores)



Film Actress Celina Jaitley along with children at the Shiksha 2008 Programme

E.P.S.
(Rs.)

Employees



CORPORATE GOVERNANCE

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

MANAGEMENT & PERSONNEL

Directors reiterate their confidence in the valuable contributions of employees which makes it possible for the Company to maintain the strong growth despite challenges of competition and for which the Directors wish to record their sincere appreciation.

The information as per Section 217(2A) of the Companies Act, 1956 ('Act'), read with the Companies (Particulars of Employees) Rules 1975 forms part of this Report. As per the provisions of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent to the shareholders of the Company excluding the statement of particulars of employees under Section 217(2A) of the Act. Any shareholder interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

DIRECTORS

Mr. B. V. Patel, Chairman and Ms. Deborah Henretta, Director, retire by rotation and, being eligible, offer themselves for re-appointment.

Directors recommend their appointment.

A store displaying P&G brands : WHISPER & VICKS.

AUDITORS

The Auditors, M/s. Deloitte Haskins & Sells, Mumbai, retire and offer themselves for re-appointment.

COST AUDITORS

Company has received the approval of the Central Government for appointment of M/s. P.M. Nanabhoy & Company, Cost Accountants, to conduct the cost audit of drug formulations for the year ended June 30, 2008. Company has re-appointed M/s. P.M. Nanabhoy & Company as Cost Auditors for the year ending June 30, 2009, subject to the approval of the Central Government.

CONSERVATION OF ENERGY ETC. INFORMATION

The information, in accordance with the provisions of Section 217(i)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, regarding conservation of energy, technology absorption and foreign exchange earnings and outgoings, forms part of this Report.

TRADE RELATIONS

Directors wish to thank our 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

Once again our thanks are due to The Procter & Gamble Company USA and Procter & Gamble International Operation Pte. Limited for the invaluable support provided by them 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. These have vastly benefitted the Company.

On behalf of the Board of Directors

Mumbai
August 29, 2008

Bharat V. Patel
Chairman

TEN YEAR FINANCIAL HIGHLIGHTS

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
YEAR END FINANCIAL POSITION (Rs. Crores)										
Gross Fixed Assets	241.2	240.6	224.2	221.5	177.9	170.9	178.8	127.0	163.6	**203.1**
Net Fixed Assets	166.3	148.2	124.4	106.7	74.3	80.2	79.1	65.4	94.0	**123.1**
Net Worth	140.1	197.1	273.2	217.9	230.4	249.1	225.7	272.7	291.2	**346.6**
SUMMARY OF OPERATIONS (Rs. Crores)										
Gross Sales	468.3	475.1	448.0	449.8	474.3	616.0	738.1	596.8	553.0	**652.6**
Profit before Tax	66.5	87.6	102.3	102.0	92.6	127.2	177.8	193.3	145.5	**180.6**
Profit after Tax	56.9	75	82.7	77	68	92	125	139.5	89.8	**131.4**
Dividend	86.5	16.2	86.5	43.3	43.3	64.9	129.8	81.2	64.9	**64.9**
PER SHARE DATA										
EPS (Rs.)	26.28	34.70	38.21	35.59	31.44	28.39	38.39	42.98	27.67	**40.48**
Dividend (%)	400+	75	400	200	200	200	400++	250	200	**200**
NUMBER OF SHARES										
Shares (Lakhs)	216.40	216.40	216.40	216.40	216.40	324.61	324.61	324.61	324.61	**324.61**
NUMBER OF EMPLOYEES										
Employees	663	555	472	431	350	345	368	251	273	**250**

* EPS after bonus issue

\+ Includes a special interim dividend of 350 % amounting to Rs. 75.74 crores

++ Includes a special dividend of 200 % amounting to Rs. 64.92 crores

ANNEXURE TO THE REPORT OF DIRECTORS

A. Power & Fuel Consumption

	2007-2008	2006-2007
1. Electricity		
a) Purchased :		
Units (KWH)	72 38 783	58 25 988
Total Amount (Rs.)	6 40 46 690	4 91 51 607
Rate/Unit (Rs.)	8.85	8.44
b) Own Generation :		
i) Through Diesel Generator		
Units (KWH)	64 442	1 64 386
Units per lts. of Diesel Oil	2.33	2.89
Cost / Unit (Rs.)	14.96	11.98
ii) Through Steam Turbine / Generator	N.A.	N.A.
2. Coal (Specify Quality and where used)	N.A.	N.A.
3. Furnace Oil	N.A.	N.A.
4. Others / Internal Generation	N.A.	N.A.

B. Consumption Per Unit Of Production

	KWH/Tonne 2007-2008	KWH/Tonne 2006-2007
Other Products	1 701	8 983

Note:

Since Company's operations involve low energy consumption, the Company has no comments to offer under para Assignment (a) to (c) of Rule 2 of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

I. RESEARCH & DEVELOPMENT:

1. Specific areas in which R&D carried out by the Company:

   During the year Company continued its Research and Development thrust for improvement of its existing products, processes and import substitution. Research work is also being done for development of new products.

2. Benefits derived as a result of the above R&D :

   R&D efforts have helped bringing about an improvement in processes and have resulted in cost reduction and import substitution.

3. Future Plan of Action:

   Emphasis will continue to be laid on the existing products and new products.

4. Expenditure on R&D.

Rs. Lakhs

	2007-2008	2006-2007
a. Capital	—	—
b. Recurring	23.39	57.13
c. Total	23.39	57.13
d. Total R&D expenditure as a percentage of total turnover.	0.04	0.11

II. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation; Continued implementation of *QC/QA* procedures for natural products; New 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.

2. Benefits derived as a result of above efforts e.g. product improvement, cost reduction, product development, import substitution, etc. 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.

3. Imported Technology: 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.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans:

The Company exported products and services of Rs. 2.10 crores during the year. The particulars of foreign exchange earned/utilized during the year are given in Schedule 17 (B)(5)(j) to the Accounts.

By Order of the Board of Directors

Bharat V. Patel

Bharat V. Patel
Chairman

CORPORATE GOVERNANCE

Corporate Governance Philosophy

Your Directors are pleased to give below the Corporate Governance report:

We believe that Corporate Governance is the interaction of the management, shareholders and Board of Directors to help ensure that all investors—both shareholders and creditors—are protected against managers acting solely in their own best interest. Corporate Governance consists of laws, policies, procedures, and, most importantly, practices, that ensure the well being of the assets of the company. Corporate Governance is at its highest levels when management is acting as if they are long-term investors in the company.

Your Company has a strong history of operating with integrity—at all levels, both internally and externally. Our actions and the actions of all our employees are governed by our Purpose, Values, and Principles. Our commitment to operate responsibly is reflected in the steps we have in place to ensure rigorous financial discipline and Corporate Governance.

We have highly experienced Board of Directors, which help us maintain the highest standards of Corporate Governance. Our Audit Committee is comprised of independent directors, with appropriate financial skills to provide good oversight. We have in place strong internal controls, to ensure compliance with all relevant regulations and standards. Our rigorous business process controls include ongoing programs of self-assessment, controls, as well as internal and external audits. Your Company has adopted a Code of Conduct for its Directors. It is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct.

Further, your Company reinforces responsibilities of all our employees, including key employees, of observing high standards of Corporate Governance through the Company's "Worldwide Business Conduct Manual," which sets forth management's commitment to conduct its business affairs with high ethical standards.

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

BOARD OF DIRECTORS

(a) Composition of the Board

As on date, the Board has one Managing Director (MD), and five non-Executive Directors. MD is involved in the day-to-day management of the Company while the non-Executive directors bring external perspective and independence to decision making. Mr. B. V. Patel, Mr. R. A. Shah and Mr. B. S. Mehta are 'independent directors' as per explanation to clause 49 I (A) of the listing agreement. Except the MD, all the Non-Executive Directors are liable to retire by rotation. As per Article 131 of the Articles of Association of the Company, The Procter & Gamble Company, USA has the right to designate one or more of the members of the Board as Managing Directors of the Company.

(b) Number of Board meetings

Five Board meetings were held during the period July 1, 2007 to June 30, 2008. They were held on July 17, August 24, October 31, 2007, January 30 and April 30, 2008.

(c) Directors' attendance record and directorships held

The attendance record of all directors is as under:

Directors	No. of Board meetings attended	Last AGM Attendance
Mr. B. V Patel	4	Present
Mr. S Khosla	5	Present
Mr. R. A. Shah	5	Present
Mr. B. S. Mehta	5	Present
Mr. D. Acharya	5	Present
Ms. D. Henretta	None	Not Present
Mr. A. Chhabra *	1	N. A.
Mr. P. Agarwal #	None	Not Present

* Mr. A. Chhabra ceased to be a Director of the Company w.e.f. July 17, 2007.

\# Alternate Director to Ms. D. Henretta.

The Composition and other required details of the Board of Directors as on June 30, 2008 are given below:

Name of the Director	Category	Designation	Other Directorships *		Membership of other Board Committees **	
			Member	Chairman	Member	Chairman
Mr. B. V. Patel	NED/ID	Chairman	4	None	2	None
Mr. S. Khosla	ED	Managing Director	2	1	2	1
Mr. R. A. Shah	ID		14	3	8	5
Mr. B. S. Mehta	ID		14	None	9	5
Mr. D. Acharya	NED		1	None	1	None
Ms. D. A. Henretta	NED		1	None	None	None
Mr. A. Chhabra #	ED	Executive Director & Company Secretary	N.A.	N.A.	N.A.	N.A.
Mr. P. Agarwal	NED	Alternate to Ms. D. Henretta	1	None	None	None

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

\# Mr. A. Chhabra ceased to be an Executive Director & Company Secretary of the Company w.e.f. July 17, 2007.

* excludes directorships in private limited companies, bodies corporate, foreign companies, memberships of managing committees of various chambers/bodies and alternate directorships.

** Includes memberships of only Audit Committees and Share Transfer and Investor Grievance Committee of public companies.

(d) Material significant related party transaction

There are no materially 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 No. B.12 of Schedule 17 to the Accounts in the Annual Report.

(e) Remuneration of Directors

The independent Directors are paid annual commission of Rs.10 lakhs each w.e.f. July 1, 2006 for a period of 5 years, subject to deduction of tax at source. The Non-Executive Chairman is paid a commission of Rs.25 lakhs per annum beginning July 1, 2007 to December 31, 2008, subject to deduction of tax at source.

The above commission is restricted to one percent of the net profits of the Company per annum in the aggregate as calculated as per the provisions of Sections 198, 309, 310 and such other applicable provisions of the Companies Act, 1956.

The Company also pays fees for the professional services to the firm of Chartered Accountants and the firm of Solicitors and Advocates of which two of the Independent Directors are partners. Considering the amounts involved, the Company is of the opinion that there is no material pecuniary relationship / association with these firms. The Non-Executive Independent Directors are paid remuneration based on their responsibility and performance and in terms of the resolution as passed by the members at the General Meeting.

The remuneration of Executive Directors comprises salary, house rent allowance, perquisites, contribution to provident and other funds, gratuity and leave travel allowance and other perquisites and benefits as per the policy of the Company.

Details of the remuneration paid to Directors of the Company during the year ended June 30, 2008 are given below:

Name of Director	Relationship with other Directors	Salary including Bonus+PF contribution (Rs.)	Perquisites (Rs.)	Commission (Rs.)	Shares held
Mr. B. V. Patel	None	-	-	25,00,000	-
Mr. S. Khosla	None	2,08,74,576	23,75,750	-	67
Mr. R. A. Shah	None	-	-	10,00,000	5550
Mr. B. S. Mehta	None	-	-	10,00,000	3799
Mr. D. Acharya	None	-	-	-	-
Ms. D. A. Henretta	None	-	-	-	-
Mr. A. Chhabra *	None	5,33,697	44,332	-	-
Mr. P. Agarwal **	None	-	-	-	-
TOTAL		**2,14,08,273**	**24,20,082**	**45,00,000**	**-**

* Mr. A. Chhabra ceased to be a Director of the Company w.e.f. July 17, 2007.

** Alternate Director to Ms. D. Henretta. Details as regards to the remuneration are disclosed vide Note No. B.15 of Schedule 17 to the Accounts in the Annual Report.

NOTE - No sitting fees are payable to any Director.

The term of the Managing Director (MD) is for a period of five years from the date of their respective appointment/ re-appointment. No fee/compensation is payable to the Directors on severance of directorship of the Company.

The Company has not set up a Remuneration Committee. However, the Company, for paying its employees, is guided by the principles of paying competitively to match industry levels, for individual performances and their contribution to the business.

STOCK OPTIONS

The Company does not have any stock option plan for its employees. However, all employees of the Company including its whole-time Directors are given the right to purchase shares of the parent 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 parent company under its Employee Stock Option Plan. Details as regards the same are disclosed vide Note No. B.14(a) and (b) of Schedule 17 to the Accounts in the Annual Report.

(f) Committees of the Board

Audit Committee

The Audit Committee comprises of non-Executive Directors namely Mr. B. V. Patel (Chairman), Mr. B. S. Mehta (Member) and Mr. R. A. Shah (Member). The Audit Committee met on August 24, October 31, 2007, January 30 and April 30, 2008 during the year ended June 30, 2008.

Directors	No. of meetings held during tenure	No. of meetings attended
Mr. B. V Patel	4	3
Mr. B. S. Mehta	4	4
Mr. R. A. Shah	4	4
Mr. S. Harlalka *	2	2
Mr. A. Vyas **	2	2

* Mr. S. Harlalka ceased to be the Company Secretary w.e.f. January 1, 2008.

** Mr. A. Vyas was appointed as the Company Secretary w.e.f. January 1, 2008.

The Audit Committee enjoys the powers and plays the role as is contemplated under Section 292A of the Companies Act, 1956 read with the listing agreement with the Stock Exchange as amended from time to time.

The Audit Committee powers include the following:

a) to investigate any activity within its terms of reference.

b) to seek information from any employee.

c) to obtain outside legal or other professional advice.

d) to secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee role includes the following:

a) Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

b) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.

c) Reviewing with management the annual financial statement before submission to the Board, focusing primarily on :

- Matters required to be included in the Directors' Responsibility Statement in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956
- Any changes in accounting policies and practices.
- Major accounting entries based on exercise of judgment by management.
- Qualifications in draft audit report.
- Significant adjustments arising out of audit.
- The going concern assumption.
- Compliance with accounting standards.
- Compliance with stock exchange and legal requirements concerning financial statements.
- Any related party transactions i.e. transactions of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.

d) Reviewing with the management, the quarterly financial statements before submission to the Board for approval

e) Reviewing with the management, external and internal auditors, the adequacy of internal control systems.

f) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

g) Discussion with internal auditors of any significant findings and follow up thereon.

h) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

i) Discussion with external auditors before the audit commences about nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.

j) Reviewing the company's financial and management policies.

k) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

l) Reviewing the functioning of the Whistle Blower mechanism.

m) Carrying out any other function as required in the terms of reference of the Audit Committee in the Listing Agreement as may be amended from time to time.

The minutes of the committee are placed before the Board. The Company Secretary is the Secretary of the Committee.

Shareholder/Investor Grievance Committee

The Shareholders Grievance Committee comprises of Mr. B. V. Patel (Chairman), Mr. S. Khosla (Member) and Mr. D. Acharya (Member). Mr. A. Vyas, Company Secretary acts as the Compliance Officer. During the year four meetings were held on August 24, October 31, 2007, January 30 and April 30, 2008.

Directors	No. of meetings held during tenure	No. of meetings attended
Mr. B. V Patel	4	3
Mr. S. Khosla	4	4
Mr. D. Acharya	4	4
Mr. S. Harlalka *	2	2
Mr. A. Vyas **	2	2

* Mr. S. Harlalka ceased to be the Company Secretary w.e.f. January 1, 2008.

** Mr. A. Vyas was appointed as the Company Secretary w.e.f. January 1, 2008.

The Committee redresses shareholder complaints like delays in transfer of shares, non-receipt of dividend warrants, non-receipt of annual report etc. The Committee considers and approves transfer/transmission of shares, issue of duplicate share certificates, dematerialization of shares.

During the year, the Company received 50 shareholder complaints. The complaints have generally been resolved to the satisfaction of the shareholders except for dispute cases and sub-judice matters, which would be resolved on final disposal by courts. There were no pending transfers as on June 30, 2008.

MANAGEMENT

Management Discussion and Analysis

The Company has good internal control systems, the adequacy of which has been reported by its Auditors in their report as required under the Companies (Auditor's Report) Order 2003. The discussion on financial performance of the Company is covered in the Directors' Report. The Company operates in a single reportable business and geographical segment. Employee and Trade Relations related developments are covered in the Directors' Report. The number of employees as on June 30, 2008 was 250.

The Company's core business is manufacturing, marketing and distribution of Healthcare and Feminine Hygiene Products. Under these businesses it has in its portfolio : VICKS – India's No-1 Healthcare brand and WHISPER – India's leading Feminine Hygiene brand *(in value terms)*.

The Health Care Colds market grew by 7% during the year backed by increasing advertising spends and launch of lower outlay products. The market also witnessed several new launches by regional players. However, lower per capita income consumption as compared to developing economies in the region and under–dosage of medication continue to pin down the growth potential of this business. Further, the government policy of not liberalizing certain commonly used drugs (OTC drugs) from the provisions of the sale license is also hampering the easy availability of certain commonly used drugs. In many countries, the concept of selling household remedies and commonly used drugs from the non pharmacy outlets is prevalent.

Feminine Hygiene market grew by 13% during the year , but the per capita consumption continues to be abysmally low. Only two out of ten urban women use branded pads. As a result the market size of about Rs 716 crores remains very low when compared to the population of menstruating women in India. We believe that with the increase in working women due to economic development, the market size should increase at a steady pace for a number of years. A positive development in this market is that feminine hygiene pads are available at greater number of stores. Their current numbers may be low as compared to the availability of products like shampoos, but stores carrying the branded pads are growing at a faster pace than in the recent past.

The Company's risk management policy is in line with the parent company's global guidelines on risk management and as such adequate measures have been adopted by the Company to combat the various risks including business risks (competition, consumer preferences, technology changes), finance risks (cost, credit, liquidity, foreign exchange) and so on.

The Company has adopted a focused approach towards risk management in the form of a Corporate Insurance Program which has the goal of optimizing the financing of insurable risks by using a combination of risk retention and risk transfer techniques. This Program duly covers any risks relating to business interruption resulting from property damage and legal liability resulting from property damage or personal injury.

The Company has in place a very stringent and responsive system under which all its distributors and vendors are assessed before being selected. Further, there exists a system by which all distributors' and vendors' site and operations are periodically reviewed by the Company for managing risks, if any.

The Company operates in a highly competitive environment vis-à-vis attracting the best talent for its operations. With the increasing attractiveness of India as a manufacturing hub, services and trade in emerging and diverse sectors such as aviation, hospitality, banking, telecom, retail, energy, IT, ITES, BPOs etc. employment opportunities have increased manifold for today's graduates, engineers, accountants etc. Therefore, human resources management has assumed vital importance in your Company.

Your Company focuses on attracting, motivating and retaining the best talent. Its people systems like recruiting, training, performance management and talent development are robust and competitive.

Attracting Talent: Recruiting is a key focus – your Company has a well established campus recruitment process that currently visits some of the top business schools and engineering campuses for both the summer internship and final hiring cycles. The Company runs function-wise pre-placement talks and activities to help students gain an understanding of the roles, responsibilities and the organisation to enable them to make informed choices. Compensation and benefits is another key part to attracting the best talent. The Company benchmarks its compensation with industry leaders in FMCG, Retail Banking and emerging sectors like Telecom, retail trade etc. to ensure that it is competitive in the market for talent. The Company's benefit programs are best in class giving it a competitive advantage.

Motivating and Retaining Talent: Strong induction and training systems for new hires is a key part of retention program. The Company allows new hires to handle responsible and large roles consistent with their capability, thus allowing exposure to decision making and strategy. Clearly defined functional career paths helps employees to plan their career goals and understand the skills needed to be built. The Company's annual performance management system is very robust and clearly assesses and differentiates amongst employees on the basis of performance and potential. Your Company leverages its size as a global organisation in giving employees the opportunity to work across regions and business units, as well as moving them to international assignments on a regular, planned basis. Your Company is committed to providing meaningful, fast growing, international careers to employees and this is a key part of our retention efforts.

The Statements in the Management Discussion and Analysis Report may be seen as forward looking statements. The actual results may differ materially for those expressed or implied in the statement depending on circumstances.

SHAREHOLDERS

(a) Disclosures regarding appointment / re-appointment of Directors

- **Mr. Bharat Patel** is a graduate of M. S. University, Baroda, with Masters degree in Economics from the University of Notre Dame and M.B.A. in Marketing from the University of Michigan, USA. Mr. Patel started his career with the Company, in its management cadre in 1970, and has held senior management positions and made valuable contributions to the growth of the Company's business. Mr. Patel has since retired from the Company in the year 1999 and is now acting as a non-Executive Chairman.

  Presently Mr. Patel is a Director of Force Motors Limited, Wockhardt Limited, Yes Bank Limited and NESCO Limited. Mr. Patel is also a Member of the Audit Committee of Wockhardt Limited and Yes Bank Limited.

- **Ms. Deborah Ann Henretta** holds a Masters degree in Advertising Research and has held senior positions in Procter & Gamble since her joining Procter & Gamble in 1985. Currently Ms. Henretta is the Group-President of P&G Asia. Ms. Henretta has been listed among "Most Powerful Women in Business" by Fortune Magazine in the years 2002, 2003 and 2004.

  Presently Ms. Henretta is also a Director of Gillette India Limited.

(b) Communication to shareholders

(i) The Company does not send its quarterly or half-yearly report to its shareholders.

(ii) The quarterly results of the Company are generally published in The Economic Times (English) and Mumbai Lakshadeep (Marathi).

(iii) The Company's results and official news release are generally published on the Company's website: www.pg-india.com/hhcl. It contains data on various topics related to transfers, transmission of shares, dematerialisation, nomination, change of address, loss of physical share certificates, dividend etc. Also, a special facility has also been provided for shareholders to send in their suggestion/ grievances, which are immediately responded to.

(iv) No presentations were made to analysts and institutional investors.

(v) Annual Report, quarterly results, shareholding pattern etc of the Company are also posted on the SEBI EDIFAR website: www.sebiedifar.nic.in

(c) Statutory Compliance

The Company has complied with all applicable requirements prescribed by the regulatory and statutory authorities including Stock Exchanges and SEBI on all matters related to capital markets and no strictures or penalty was imposed on the Company in past three years.

(d) Annual General Meetings:

Year	Type	Location	Date	Time
2007	AGM	Patkar Hall	Oct 12, 2007	3:30pm
2006	AGM	Y. B. Chavan Hall	Oct 6, 2006	3:30pm
2005	AGM	Patkar Hall	Nov 25, 2005	3:30pm

No special resolution was passed at the last Annual General Meeting.

(e) Whistle Blower Policy

The Company follows a Whistle Blower Policy as laid down in its "Worldwide Business Conduct Manual". Any employee or other interested person can call on an Alertline, twenty-four hours a day, seven days a week, to report any concerns about violations of the Company's Worldwide Business Conduct Standards.

The Alertline is not staffed or monitored by Company personnel. All calls can be completed anonymous if the caller desires.

The Alertline can take calls in most languages spoken by employees around the world.

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

The Audit Committee was accessible to all employees.

(f) CEO / CFO Certification

In terms of requirement of Clause 49(V) of the listing agreement, the Managing Director (CEO) and the Chief Financial Officer (CFO) have made a certification to the Board of Directors in the prescribed format for the year under review, which has been reviewed by the Audit Committee and taken on record by the Board.

(g) Adoption of non-mandatory requirements

(i) Adoption of non-mandatory requirements under clause 49 of the listing agreement is being reviewed by the Board from time to time.

(ii) Of the non-mandatory requirements, currently the Company has the Whistle Blower Policy as described above and the Company has provided the Chairman with an office at Mumbai.

(iii) There is no fixed tenure for independent directors. The Board of Directors ensures that the person being appointed as an independent director has the requisite qualifications and experience which would be of use to the company.

(iv) There are no audit qualifications in the Company's financial statements for the year under reference.

(v) No specific training program was arranged for Board members. However, at the Board meetings, detailed presentations are made by senior managerial personnel on the business related matters.

(vi) The Company has not adopted any mechanism for evaluating individual performance of non-executive directors.

(h) Code of Conduct

(i) Code of Conduct for Directors

The Company has in place a Code of Conduct for its Directors. This Code is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct. The Code of Conduct has been posted on the Company's website at www.pg-india.com/hhcl.

(ii) Code of Conduct for Prevention of Insider Trading

The Company vide the Worldwide Business Conduct Manual has a Code of Conduct for Prevention of Insider Trading in the shares and securities of the Company, its suppliers or associate companies. This Code, among others, prohibits the purchase/sale of shares of the Company by employees while in possession of unpublished price sensitive information in relation to the Company. The Worldwide Business Conduct Manual has been posted on the Company's website at www.pg.com. The Company has also adopted a code of conduct for Prevention of Insider Trading as prescribed by SEBI (Prohibition of Insider Trading) Regulations, 1992.

GENERAL SHAREHOLDER INFORMATION

I Annual General Meeting

The Annual General Meeting will be held on Friday, October 10, 2008, at 3.30 pm at Yashwantrao Chavan Pratishthan (YB Chavan Centre), General Jagannath Bhosale Marg, Mumbai 400 021.

II Financial Calendar:

The Company follows July-June Financial year. The unaudited results for every quarter beginning from July are declared in the month following the quarter except for the last quarter, for which the audited results are declared by September, as permitted under the listing agreement.

III Book Closure Date September 27 to October 10, 2008 (both days inclusive).

IV Dividend Payment Date On or around October 16, 2008.

V Listing of Equity Shares on Stock Exchange

The Company's shares are listed on the Bombay Stock Exchange Limited, Mumbai and the National Stock Exchange of India Limited. Listing fees as prescribed have been paid to the respective Stock Exchanges.

VI Stock code

Bombay Stock Exchange Ltd.,
Mumbai - Code : 500459
(physical & demat)

National Stock Exchange of India Ltd. - Code : PGHH

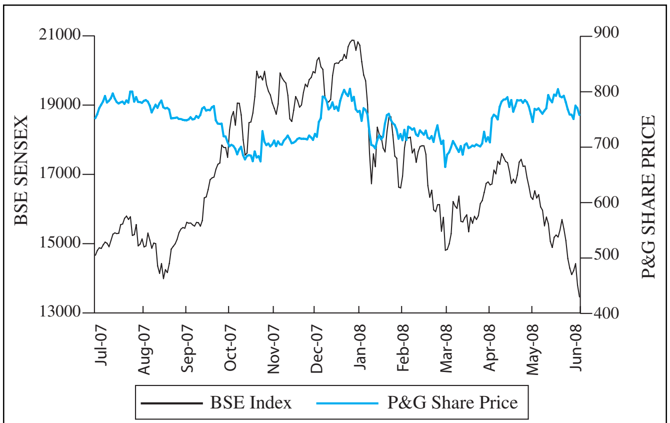
The dematerialization ISIN Code is **INE 179A01014**

VII Stock Price Data

MONTH	Bombay Stock Exchange Ltd, Mumbai		National Stock Exchange of India Ltd.	
	High	Low	High	Low
July – 2007	816	725	866	740
August – 2007	794	748	799	749
September – 2007	785	732	888	703
October – 2007	760	670	760	670
November – 2007	748	690	809	665
December – 2007	845	706	836	706
January – 2008	820	645	824	650
February – 2008	800	690	830	695
March – 2008	768	650	775	651
April – 2008	778	683	790	670
May – 2008	800	725	800	740
June – 2008	817	730	818	728

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

VIII Stock Performance



(Source: www.bseindia.com)

IX Registrar & Share Transfer Agents

INTIME SPECTRUM REGISTRY LIMITED. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078

Tel : (022) 2594 6980 / (022) 2596 3838

Fax : (022) 2594 6969

e-mail - pginvestors@intimespectrum.com/ isrl@intimespectrum.com

X Share Transfer System

All shares sent for transfer in physical form are registered by the Registrar and Share Transfer Agent within 30 days of receipt of the documents, if found in order. Shares under objection are returned within two weeks. 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 (India) Limited (CDSL) within 15 days.

XI Distribution of shareholding by size class as on June 30, 2008

	Shareholders		Shares	
Share holding	**Number**	**% to Total**	**Number**	**% to Total**
Upto 500	20993	90.66	2160905	6.66
501 – 1000	1235	5.33	865340	2.67
1001 – 2000	560	2.42	777229	2.39
2001 – 3000	139	0.60	344703	1.06
3001 – 4000	66	0.28	232378	0.72
4001 – 5000	39	0.17	174320	0.54
5001 – 10000	64	0.28	452663	1.39
10001 and above	59	0.26	27453198	84.57
TOTAL	**23155**	**100.00**	**32460736**	**100.00**

Distribution of shareholding by ownership as on June 30, 2008

Category	**Number of Shares held**	**% of Shares held**
Foreign Promoters	22310090	68.73
Resident Individuals	5490232	16.91
Mutual Funds & UTI	505513	1.56
Financial Institutions	1723017	5.31
Foreign Institutional Investors	243953	0.75
Private Corporate Bodies	2024912	6.24
NRIs / OCBs	143635	0.44
Directors and their Relatives	19384	0.06
TOTAL	**32460736**	**100.00**

XII Dematerialization of shares and liquidity

As on June 30, 2008 about 91.76% of total Equity Capital was held in dematerialisation form with NSDL and CDSL and the remaining in physical form.

Trading in Equity Shares of the Company is permitted only in dematerialisation form w.e.f. April 05, 1999 as per notification issued by the Securities and Exchange Board of India (SEBI).

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

XIV Plant Locations

Goa Plant : 173, 314, 315, Kundaim Industrial Estate, Kundaim, Goa-403 115

Baddi Plants :

(1) Khasara.No.1808-09, Village-Doria, Export Park, Thana, Near Ino Pharma, PO. Baddi, Tehsil-Nalagarh, Dist.:Solan Himachal Pradesh -173205

(2) Village Katha, Near Charak Pharma, PO. Baddi, Tehsil-Nalagarh, Dist.:Solan Himachal Pradesh - 173205

XV Address for Correspondence:

The Company's registered address for correspondence is Procter & Gamble Hygiene and Health Care Limited, P&G Plaza, Cardinal Gracias Road, Chakala, Andheri (East), Mumbai 400 099. Tel (91-22) 2826 6000, Fax (91-22) 6693 9696.

email - pginvestors@intimespectrum.com

XVI Compliance Officer:

Mr. Amit K. Vyas
Company Secretary
Ph : (91-22) 2826 6000,
Fax (91-22) 6693 9696
email : vyas.a@pg.com

Declaration

As provided under Clause 49 of the listing agreement with stock exchanges, the Board members have confirmed compliance with the Directors' Code of Conduct for the year ended June 30, 2008 and the Senior Management has confirmed compliance with the Business Conduct Manual for the year ended June 30, 2008.

For, **PROCTER & GAMBLE HYGIENE AND HEALTH CARE LIMITED**

S. Khosla
Managing Director

Mumbai, August 29, 2008

Auditors' Certificate on Compliance of conditions of Corporate Governance under Clause 49 of the Listing Agreement

To

The Members of
Procter & Gamble Hygiene and Health Care Limited

We have examined the compliance of conditions of Corporate Governance by Procter & Gamble Hygiene and Health Care Limited, for the year ended on June 30, 2008, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of 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 above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For DELOITTE HASKINS & SELLS
Chartered Accountants

K. A. Katki
Partner
Membership No. 038568

Mumbai,
August 30, 2008.

AUDITORS' REPORT TO THE MEMBERS OF PROCTER & GAMBLE HYGIENE AND HEALTH CARE LIMITED

1. We have audited the attached Balance Sheet of Procter & Gamble Hygiene and Health Care Limited ("the Company") as at June 30, 2008, and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to above, we report that:

   (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

   (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

   (v) On the basis of written representations received from directors as on June 30, 2008 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on June 30, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

   (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

      (a) in the case of the Balance Sheet, of the state of affairs of the Company as at June 30, 2008;

      (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and

      (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Deloitte Haskins & Sells
Chartered Accountants

K. A. Katki
Partner
Membership No. 038568

Mumbai,
August 30, 2008.

Annexure referred to in paragraph 3 of the Auditors' Report on the Accounts of Procter & Gamble Hygiene and Health Care Limited

In our opinion and according to the information and explanations given to us, the nature of the Company's business / activities during the year are such that clauses vi, xii, xiii, xiv, xvi, xviii, xix and xx of para 4 of the said Order are not applicable to the Company.

1. In respect of its fixed assets:

   a. The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

   b. Some of the fixed assets were physically verified during the year by the management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of accounts.

   c. The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company, and such disposal has, in our opinion, not affected the going concern status of the Company.

2. In respect of its inventories:

   a. As explained to us, inventories were physically verified by the management at reasonable intervals during the year.

   b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on verification between physical stocks and book records.

3. In our opinion and according to the information and explanations given to us, the Company has not granted or taken any loan secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business with regard to purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control systems.

5. In respect of contracts or arrangements entered in the register maintained in pursuance of section 301 of the Companies Act 1956, to the best of our knowledge and belief and according to the information and explanations given to us:

   a. The particulars of contracts or arrangements referred to in Section 301 that needed to be entered into the register, maintained under the said section have been so entered.

   b. Where each of such transactions (excluding loans reported under paragraph 3 above) is in excess of Rs. 5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time, except that reasonableness could not be ascertained where comparable quotations are not available having regard to the specialized nature of some of the transactions of the Company.

6. In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

7. We have broadly reviewed the books of account and records maintained by the Company in respect of manufacture of formulations, pursuant to the order made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any other product of the Company.

8. In respect of statutory dues:

   a. According to the information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and any other material statutory dues with the appropriate authorities during the year.

   b. According to the information and explanations given to us, details of disputed income tax, excise duty, sales tax and custom duty dues which have not been deposited as on June 30, 2008 on account of dispute are given below:

Sr. No.	Name of the Statute	Amount under dispute not yet deposited. (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
1	Income Tax	2149.86	F.Y. 2002-03 and F.Y. 2003-04	CIT Appeal
	Sub-total	2149.86		
2	Sales Tax	850.47	1997-98 to 2004-05	Appellate Authorities
		523.68	1990-96, 1996-97, 2000-01and 2005-06	Tribunal
		13.89	1990-91 to 1997-98	High Court
	Sub-total	1617.01		
3	Custom Duty	158.01	1992-93	Joint Director General of Foreign Trade
	Sub-total	158.01		
	Grand total	**3924.88**		

This excludes disputed unpaid excise demands of Rs. 482.45 lakhs raised by the authorities on third parties with whom the Company has business transactions/ contractual obligations.

There were no disputed dues remaining unpaid in respect of service tax, wealth tax and cess during the year.

9. The Company does not have any accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

10. During the year, the Company has not taken any loans from financial institutions or banks or debenture holders and hence the question of default in repayment of dues does not arise.

11. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.

12. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the funds raised on short term basis have, *prima facie*, not been used during the year for long term investment.

13. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For Deloitte Haskins & Sells
Chartered Accountants

K. A. Katki
Partner
Membership No. 038568

Mumbai,
August 30, 2008.

Balance Sheet as at June 30, 2008

	Schedule No.	As at June 30, 2008 Rs.	Rs.	As at June 30, 2007 Rs.	Rs.
Sources of Funds					
Shareholders' funds					
Capital	1	32 46 07 360		32 46 07 360	
Reserves and Surplus	2	3 14 18 20 173		2 58 72 15 032	
			3 46 64 27 533		2 91 18 22 392
Deferred Tax Liability - Net	3		4 33 82 025		—
TOTAL			3 50 98 09 558		2 91 18 22 392
Application of Funds					
Fixed Assets	4				
Gross Block		2 03 09 39 857		1 63 61 99 244	
Less : Depreciation/Amortization		80 00 95 936		69 61 05 037	
Net Block		1 23 08 43 921		94 00 94 207	
Capital work-in-progress (including advances on capital account)		12 87 81 323		33 47 42 410	
			1 35 96 25 244		1 27 48 36 617
Deferred Tax Asset - Net	3		—		5 66 17 975
Current Assets, Loans and Advances					
Inventories	5	46 51 75 345		31 35 78 918	
Sundry Debtors	6	13 33 81 621		14 64 18 202	
Cash and Bank Balances	7	1 66 47 95 808		29 23 77 879	
Other Current Assets	8	88 66 736		3 68 67 791	
Loans and Advances	9	2 00 67 22 180		2 43 04 44 743	
		4 27 89 41 690		3 21 96 87 533	
Less : Current Liabilities and Provisions					
Current Liabilities	10	1 30 84 39 464		84 80 56 379	
Provisions	11	82 03 17 912		79 12 63 354	
		2 12 87 57 376		1 63 93 19 733	
Net Current Assets			2 15 01 84 314		1 58 03 67 800
TOTAL			3 50 98 09 558		2 91 18 22 392
Significant Accounting Policies and Notes to Accounts	17				

As per our report of even date attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

K. A. Katki
Partner

Mumbai, August 30, 2008

For and on behalf of Board of Directors

B. V. Patel
Chairman

S. Khosla
Managing Director

Directors :

B. S. Mehta
R. A. Shah
D. Acharya

A.Vyas
Company Secretary

D. Doss
Finance Manager

Mumbai, August 29, 2008

Profit and Loss Account for the year ended June 30, 2008

	Schedule No.	2007 - 2008 Rs.	2007 - 2008 Rs.	2006 - 2007 Rs.	2006 - 2007 Rs.
Income					
Sales - Gross			6 52 64 54 791		5 52 95 01 217
Less : Excise duty (Refer Note B.6 of Schedule 17)			9 68 31 221		14 62 73 126
Net Sales			6 42 96 23 570		5 38 32 28 091
Licence fee			2 06 25 644		2 06 13 493
Other Income	12		15 10 58 421		14 37 00 316
			6 60 13 07 635		5 54 75 41 900
Expenditure					
Raw and packaging materials consumed			1 86 60 36 908		1 44 54 97 341
Purchase of Finished Goods			37 69 320		6 11 12 147
Decrease/(Increase) in finished goods and work-in-process	13		(13 18 45 346)		(1 79 66 747)
Payments to and provisions for employees	14		39 72 86 125		29 23 55 349
Operating and other expenses	15		2 53 89 59 636		2 22 16 67 774
Interest	16		2 42 662		89 144
Depreciation/Amortization			12 12 04 427		8 98 35 110
			4 79 56 53 732		4 09 25 90 118
Profit Before Taxation			1 80 56 53 903		1 45 49 51 782
Provision for taxation :					
Income Tax					
Current Tax			37 00 00 000		50 88 82 000
Deferred Tax expenses/(credit)			10 00 00 000		(7 23 08 000)
Prior Year Tax Adjustment			—		10 71 60 662
Fringe Benefit tax			2 15 00 000		1 30 00 000
Profit After Taxation			1 31 41 53 903		89 82 17 120
Balance brought forward from previous year			83 66 53 873		78 79 85 515
Amount available for appropriation			2 15 08 07 776		1 68 62 02 635
Appropriations:					
Proposed dividend		64 92 14 720		64 92 14 720	
Corporate tax on dividend		11 03 34 042		11 03 34 042	
Transfer to General Reserve		13 15 00 000		9 00 00 000	
			89 10 48 762		84 95 48 762
Balance carried forward			1 25 97 59 014		83 66 53 873
Number of equity shares outstanding during the year of Rs. 10/- each			3 24 60 736		3 24 60 736
Basic and diluted earnings per share (Rs.)			40.48		27.67
Significant Accounting Policies and Notes to Accounts	17				

As per our report of even date attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

K. A. Katki
Partner

Mumbai, August 30, 2008

For and on behalf of Board of Directors

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Finance Manager

Mumbai, August 29, 2008

Cash Flow Statement for the year ended June 30, 2008

	2007 - 2008		2006 - 2007	
	Rs.	Rs.	Rs.	Rs.
A. Cash Flow from Operating Activities				
Profit Before Taxation	1 80 56 53 903		1 45 49 51 782	
Adjustments for:				
Depreciation/Amortization	12 12 04 427		8 98 35 110	
Write- back of liabilities no longer required	(48 28 150)		—	
Interest income	(13 10 64 217)		(11 46 08 253)	
Interest expense	2 42 662		89 144	
Provision for employee benefits	2 90 54 558		33 59 308	
Unrealised Foreign Exchange (Gain)/Loss	(90 97 014)		4 72 04 334	
Loss on sale of Fixed Assets (net)	90 77 944		9 20 430	
		1 45 90 210		2 68 00 074
Operating profit before working capital changes		1 82 02 44 113		1 48 17 51 856
Adjustments for :				
Trade and other receivables	(20 07 64 433)		(23 63 68 972)	
Inventories	(15 15 96 427)		(3 04 56 181)	
Trade and other payables	44 30 85 910		17 03 98 016	
		9 07 25 050		(9 64 27 137)
Cash generated from operations		1 91 09 69 163		1 38 53 24 720
Direct taxes paid (net)		(58 93 20 620)		(67 24 67 772)
Net Cash generated from Operating Activities		1 32 16 48 543		71 28 56 947
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets	(21 52 23 352)		(42 03 03 355)	
Sale of fixed assets	1 52 355		3 21 700	
Interest received	15 90 65 272		9 83 55 260	
Loan to fellow subsidiary received/(given)	1 58 20 00 000		(1 58 20 00 000)	
Inter Corporate Deposits placed (net)	(74 00 00 000)		—	
Net Cash generated from/(used in) Investing Activities		78 59 94 275		(1 90 36 26 395)
C. Cash Flow from Financing Activities				
Dividend paid	(64 92 14 720)		(81 15 18 400)	
Corporate Tax on Dividend paid	(11 03 34 042)		(11 38 15 456)	
Interest paid	(2 42 662)		(89 144)	
Net Cash used in Financing Activities		(75 97 91 424)		(92 54 23 000)
Net Increase/(Decrease) in Cash and Cash Equivalents		1 34 78 51 394		(2 11 61 92 447)
Cash and Cash Equivalents (Refer Note below) :				
Opening Balance	31 17 57 044		2 42 79 49 492	
Closing Balance	1 65 96 08 438		31 17 57 044	
Net Increase/(Decrease) in Cash and Cash Equivalents		1 34 78 51 394		(2 11 61 92 448)

Notes :

Cash and Cash Equivalents as on	June 30, 2008	June 30, 2007
Cash and Bank Balances (Refer Schedule 7)	1 66 47 95 808	29 23 77 879
Effect of exchange rate changes- (gain)/loss	(51 87 370)	1 93 79 165
Cash and Cash equivalents as restated	1 65 96 08 438	31 17 57 044

As per our report of even date attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

K. A. Katki
Partner

Mumbai, August 30, 2008

For and on behalf of Board of Directors

B. V. Patel
Chairman

S. Khosla
Managing Director

Directors :
B. S. Mehta
R. A. Shah
D. Acharya

A.Vyas
Company Secretary

D. Doss
Finance Manager

Mumbai, August 29, 2008

Schedules forming part of the accounts

	As at June 30, 2008 Rs.	As at June 30, 2008 Rs.	As at June 30, 2007 Rs.	As at June 30, 2007 Rs.
(1) Capital				
Authorised				
3 50 00 000 (Previous year: 3 50 00 000) equity shares of Rs. 10 each		35 00 00 000		35 00 00 000
Issued and subscribed				
3 24 60 736 (Previous year: 3 24 60 736) equity shares of Rs. 10 each fully paid-up		32 46 07 360		32 46 07 360

Of the above shares

a) 2 35 41 242 (Previous year: 2 35 41 242) equity shares were allotted as fully paid-up bonus shares by capitalisation of General Reserve and Share Premium

b) 2 23 10 090 (Previous year: 2 23 10 090) shares are held by the ultimate holding company, The Procter and Gamble Company, USA, and its subsidiaries of which 2 12 21 953 share (Previous year: NIL) are held by Procter and Gamble Asia Holding, BV, The Netherlands and NIL shares (Previous year: 2 12 21 953 shares) held by the The Procter and Gamble Company, USA

	As at June 30, 2008 Rs.	As at June 30, 2008 Rs.	As at June 30, 2007 Rs.	As at June 30, 2007 Rs.
(2) Reserves and Surplus				
Share Premium				
As per last balance sheet		75 19 37 790		75 19 37 790
General Reserve				
As per last balance sheet	99 86 23 369		86 20 55 683	
Add: Adjustment on account of transitional provision on Employee Benefits	—		4 65 67 686	
Transfer from Profit and Loss Account	13 15 00 000		9 00 00 000	
		1 13 01 23 369		99 86 23 369
Profit and Loss Account				
Surplus as per Profit and Loss Account		1 25 97 59 014		83 66 53 873
		3 14 18 20 173		2 58 72 15 032
(3) Deferred Tax Asset/(Liability)				
Deferred tax asset				
Excise and Sales Tax Provisions	6 27 88 533		5 08 92 690	
Payments made under Voluntary Retirement Scheme	5 05 656		33 03 335	
Other timing differences	1 06 53 605		8 58 08 468	
Total		7 39 47 794		14 00 04 493
Less: Deferred tax liability				
Depreciation	11 73 29 819		8 33 86 518	
Total		11 73 29 819		8 33 86 518
Deferred Tax Asset/(Liability) - Net		(4 33 82 025)		5 66 17 975

(4) Fixed Assets

Particulars	Gross Block at Cost				Depreciation/Amortization/Impairment				Net Block	
	As at July 1 2007 Rs.	Additions/ Transfers during the year Rs.	Deletions/ Transfers during the year Rs.	As at June 30 2008 Rs.	As at July 1 2007 (Refer Note 1 below) Rs.	On For the Year Rs.	As at Deletions/ Transfers Rs.	As at June 30 2008 Rs.	As at June 30 2008 Rs.	June 30 2007 Rs.
Land - Freehold -(Refer Note 2 below)	6 78 62 589	—	10 32 766	6 68 29 823	—	—	—	—	6 68 29 823	6 78 62 589
Land - Leasehold	1 72 00 709	—	—	1 72 00 709	1 37 24 386	1 76 035	—	1 39 00 421	33 00 288	34 76 323
Buildings	42 08 22 692	10 30 70 840	—	52 38 93 532	15 05 12 208	1 47 21 212	—	16 52 33 420	35 86 60 112	27 03 10 484
Plant and Machinery	96 91 73 849	27 72 56 083	1 61 48 213	1 23 02 81 719	40 70 83 754	9 48 45 847	82 41 628	49 36 87 973	73 65 93 746	56 20 90 095
Furniture and fixtures	3 10 04 183	84 63 469	29 59 657	3 65 07 995	2 15 13 563	35 73 869	26 69 108	2 24 18 324	1 40 89 671	94 90 620
Office equipment	12 14 55 476	3 23 94 048	55 69 140	14 82 80 384	9 65 77 198	70 72 655	55 68 741	9 80 81 112	5 01 99 272	2 48 78 278
Moulds and Dies	16 09 133	—	—	16 09 133	13 75 828	2 33 305	—	16 09 133	—	2 33 305
Vehicles	70 70 613	—	7 34 051	63 36 562	53 18 100	5 81 504	7 34 051	51 65 553	11 71 009	17 52 513
	1 63 61 99 244	**42 11 84 440**	**2 64 43 827**	**2 03 09 39 857**	**69 61 05 037**	**12 12 04 427**	**1 72 13 528**	**80 00 95 936**	**1 23 08 43 921**	**94 00 94 207**
Previous Year	1 26 28 46 973	37 73 76 926	40 24 655	1 63 61 99 244	60 90 52 452	8 98 35 110	27 82 525	69 61 05 037		
Capital work in progress (including advances on capital account)									12 87 81 323	33 47 42 410
									1 35 96 25 244	1 27 48 36 617

Notes:

1. Opening accumulated depreciation includes impairment on Land-Leasehold Rs. 91 07 650 in 2002-03; on Buildings Rs. 7 49 86 109 in 2002-03; on Plant and Machinery Rs. 2 05 34 937 in 2002-03 and on Office Equipment Rs. 30 621 in 2002-03.
2. Land - Freehold includes Rs. 6 67 10 299 (Previous year Rs. 6 77 43 065) being the company's share (90%) of assets jointly owned with other parties.

Schedules forming part of the accounts

	As at June 30, 2008 Rs.	As at June 30, 2008 Rs.	As at June 30, 2007 Rs.	As at June 30, 2007 Rs.
(5) Inventories (At lower of cost and net realisable value)				
Raw materials		9 46 02 171		7 19 63 940
Packaging materials		2 82 54 476		4 06 86 721
Stores and spare parts		5 02 40 188		4 06 95 093
Work-in-process		1 93 01 898		82 94 898
Finished goods		27 27 76 612		15 19 38 266
		46 51 75 345		31 35 78 918
(6) Sundry Debtors - Unsecured, considered good				
Debts outstanding for a period exceeding six months		4 16 643		25 81 050
Other debts		13 29 64 978		14 38 37 152
		13 33 81 621		14 64 18 202
(Refer Note B.10 of Schedule 17- Dues from Companies under the same management)				
(7) Cash and Bank Balances				
Cash on hand		14 027		71 886
Bank balances with scheduled banks in :				
Current accounts		6 67 11 781		4 34 35 993
Deposit accounts*		1 59 80 70 000		24 88 70 000
		1 66 47 95 808		29 23 77 879
* includes Rs. 73 70 000 (Previous year Rs. 73 70 000) placed as security against guarantees provided by banks.				
(8) Other Current Assets				
Interest accrued on Loan to fellow subsidiary		—		3 49 44 863
Interest accrued on inter-corporate deposits		52 57 891		11 83 560
Interest accrued on bank deposits		36 08 845		7 39 368
		88 66 736		3 68 67 791
(9) Loans and Advances - Unsecured, considered good unless otherwise stated				
Loans and Advances recoverable in cash or in kind or for value to be received (Refer Note B. 11 of Schedule 17)				
Considered Good		53 65 87 296		33 07 41 348
Considered Doubtful	6 50 54 303		3 16 34 216	
Less: Provisions for doubtful loans and advances	6 50 54 303	—	3 16 34 216	—
Loan to fellow subsidiary (Refer Note B.11 of Schedule 17)		—		1 58 20 00 000
Inter-corporate deposits		94 00 00 000		20 00 00 000
Other deposits		13 38 27 610		12 09 55 770
Balance with customs and excise		50 63 480		33 24 451
Advance Tax paid (Net of provisions Rs. 1 58 03 99 620, Previous Year Rs. 1 21 03 99 620)		37 36 38 529		18 23 17 909
Advance Fringe Benefit Tax (Net of provisions Rs. 6 40 00 000, Previous Year Rs. 4 25 00 000)		1 76 05 265		1 11 05 265
		2 00 67 22 180		2 43 04 44 743

Schedules forming part of the accounts

	As at June 30, 2008 Rs.	Rs.	As at June 30, 2007 Rs.	Rs.
(10) Current Liabilities				
Sundry creditors *				
- Due to Micro & Small Enterprises (Refer Note B.9 of Schedule 17)		—		—
- Others		1 16 40 28 868		75 44 94 281
Investor Education Protection Fund				
- Unclaimed dividends #		1 48 60 761		1 39 69 547
- Unclaimed matured debentures		—		8 00 146
- Unclaimed debenture interest		—		7 97 482
Other current liabilities		12 95 49 835		7 79 94 923
		1 30 84 39 464		84 80 56 379

* Previous year includes an amount of Rs. 2 08 814 due to Small Scale Industrial undertakings

\# There are no amounts due and outstanding to the Investor Education Protection Fund

	Rs.	Rs.	Rs.	Rs.
(11) Provisions				
Employee benefits		6 07 69 150		3 17 14 592
Proposed dividend		64 92 14 720		64 92 14 720
Corporate tax on dividend		11 03 34 042		11 03 34 042
		82 03 17 912		79 12 63 354

	2007 - 2008 Rs.	Rs.	2006 - 2007 Rs.	Rs.
(12) Other Income				
Interest on loans and deposits (gross) (tax deducted at source Rs. 5 91 17 067; Previous year : Rs. 1 97 72 271)		13 10 64 217		11 46 08 253
Write- back of liabilities no longer required		48 28 150		—
Research and Development and other charges		20 08 660		89 90 086
Business process outsourcing income		66 29 618		1 00 58 278
Miscellaneous Income		65 27 776		1 00 43 699
		15 10 58 421		14 37 00 316
(13) Decrease/(Increase) in finished goods and work-in-process				
Opening Balance				
Work-in-process	82 94 898		45 95 993	
Finished goods (including excise duty Rs. 99 37 830 Previous year Rs. 25 17 681)	15 19 38 266		13 76 70 424	
		16 02 33 164		14 22 66 417
Closing Balance				
Work-in-process	1 93 01 898		82 94 898	
Finished goods (including excise duty Rs. 73 457; Previous year Rs. 99 37 830)	27 27 76 612		15 19 38 266	
		29 20 78 510		16 02 33 164
		(13 18 45 346)		(1 79 66 747)

Schedules forming part of the accounts

	2007 - 2008 Rs.	Rs.	2006 - 2007 Rs.	Rs.
(14) Payments to and provisions for employees				
Salaries, wages and bonus		34 81 49 885		24 42 05 596
Contribution to provident and other funds		15 54 83 502		10 05 69 291
Staff welfare expenses		3 83 33 372		2 82 95 673
Less: Reimbursement of Salary and Benefits shared by group companies (Refer Note B.17 of Schedule 17)		(14 46 80 634)		(8 07 15 211)
`		39 72 86 125		29 23 55 349
(15) Operating and other expenses				
Consumption of Stores and spare parts		3 79 82 943		1 87 84 570
Rent (Refer Note B. 8 of Schedule 17)		2 17 13 631		1 74 53 121
Rates and Taxes				
Excise Duty (Refer Note B. 6 of Schedule 17)		(98 64 373)		74 20 149
Others		5 32 732		14 23 175
Insurance		36 12 804		26 96 649
Power and fuel		8 26 08 304		5 65 59 183
Repairs and maintenance:				
Plant and machinery		2 64 24 521		1 09 47 164
Buildings		31 43 955		13 27 618
Others		2 25 547		1 40 276
Processing charges		20 57 11 276		23 35 54 038
Auditor's remuneration:				
As Auditor	36 75 000		31 95 000	
Tax Audit and Certification	21 50 000		18 00 000	
Reimbursement of Out-of-pocket expenses	1 50 000		1 50 000	
Service Tax	7 38 510		6 35 922	
Total Auditor's remuneration:		67 13 510		57 80 922
Trade Incentives		17 41 98 893		22 12 49 788
Advertising expenses		68 83 95 340		57 95 33 013
Freight, transport, warehousing and distribution charges		31 07 38 756		37 23 86 190
Directors' sitting fees		—		1 70 000
Commission to directors		45 00 000		41 00 000
Royalty		34 18 01 769		27 03 39 340
Turnover and Resale Tax		14 50 39 166		10 32 88 428
Travelling, Conveyance and Vehicle expenses		7 90 65 971		7 74 89 343
Communications		2 50 03 499		3 80 77 468
Business process outsourcing expenses		6 67 93 602		7 34 92 759
Computer expenses		1 11 73 245		59 38 237
Loss on sale/scrapping of fixed assets (Net)		90 77 944		9 20 430
Exchange Loss (Net)		2 25 44 584		34 88 106
Professional services		12 59 99 313		11 61 44 999
Distributor Coverage Expenses		11 39 20 356		18 73 43 007
Others		14 36 92 981		7 76 05 531
		2 64 07 50 269		2 48 76 53 504
Less: Reimbursement of Expenses shared by group companies (Refer Note B.17 of Schedule 17)		(10 17 90 633)		(26 59 85 730)
		2 53 89 59 636		2 22 16 67 774
(16) Interest				
Bank Interest		2 27 148		80 083
Others		15 514		9 061
		2 42 662		89 144

Schedules forming part of the accounts

(17) Significant Accounting Policies and Notes to Accounts

A. SIGNIFICANT ACCOUNTING POLICIES

Accounting Convention

The financial statements are prepared under the historical cost convention, on an accrual basis, in accordance with the Generally Accepted Accounting Principles and applicable accounting standards as notified under the Companies (Accounting Standards) Rules 2006.

Use of estimates

The preparation and presentation of financial statements in conformity with Generally Accepted Accounting Principles requires making of estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Differences between the actual result and estimates are recognised in the year in which the results are known/materialised.

Revenue Recognition

Sale of products are recognised when risk and rewards of ownership of the products are passed on to the customers, which is generally on the despatch of goods. Sales are exclusive of sales tax. Licence fee is accounted based on terms of the contract.

Fixed Assets and Depreciation / Amortization

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment, if any. Cost is inclusive of freight, duties, taxes and other directly attributable costs incurred to bring the assets to their working condition for intended use. Depreciation is charged using straight-line method based on the useful lives of the fixed assets as estimated by the management as specified below, or the rates specified in accordance with the provisions of Schedule XIV of the Companies Act, 1956, whichever is higher.

	Years
Buildings	20 - 30
Plant and machinery	5 - 18
Furniture and Fixtures	10 - 15
Office equipment	1 - 5
Moulds and Dies	1 - 3
Vehicles	4 - 8

Depreciation is charged on a pro-rata basis for assets purchased/sold during the year. Individual fixed assets costing less than Rs. 5000 are depreciated in full, in the year of purchase. Cost of leasehold land is amortised over the period of the lease or management estimate whichever is lower.

Impairment of Assets

The Company assess at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction in the carrying amount is treated as an impairment loss and is recognised in the Profit and Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

Inventories

Inventories consist of raw and packing materials, stores and spares, work in progress and finished goods. Inventories are valued at lower of cost and net realisable value. Cost of Inventories is determined on weighted average basis.

Schedules forming part of the accounts

Employee benefits

i) Post-employment Benefits

a) Defined Contribution Plans:

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

— Provident Fund administered by the Regional Provident Fund Commissioner (upto December 31, 2007);

— Superannuation Fund as per Company policy administered by Company managed trust and

— State Defined Contribution Plans: Employer's Contribution to Employees' State Insurance.

b) Defined Benefit Plans:

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

— Gratuity for all employees administered through trust.

— Provident fund administered by Company's own trust (w.e.f. January 1, 2008).

Unfunded Plan: The Company has unfunded Defined Benefit Plans in the form of

— Post Retirement Medical Benefits (PRMB) as per its policy.

Liability for the above defined benefit plans is provided on the basis of valuation, as at the Balance Sheet date, carried out by independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

ii) Liability for Compensated Absences and Leave Travel Allowance which are in the nature of short term benefits is provided for as per company rules on an accrual basis

iii) Termination benefits are recognized as an expense as and when incurred.

iv) The Actuarial gains and losses arising during the year are recognized in the Profit and Loss Account for the year.

Research and Development

Capital expenditure on Research and Development is capitalized as Fixed Assets. All revenue expenditure on Research and Development is charged off to the respective heads in the Profit and Loss account in the year in which it is incurred.

Foreign Exchange Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary items denominated in foreign currencies are stated at the closing exchange rate. In the case of Monetary items covered by forward exchange contracts, the premium or discount arising at the inception of such a forward exchange contract is amortised as expense or income over the life of the contract and the difference between the year end rate and rate on the date of the contract is recognised as exchange difference in the Profit and Loss Account. Gains/Losses on conversion/translation have been recognised in the Profit and Loss Account.

Taxation

Income-tax expense comprises current tax, fringe benefit tax (i.e. amount of tax for the year determined in accordance with the income - tax laws) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities and / or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and are written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

The Fringe Benefit Tax has been calculated and accounted for in accordance with the provisions of the Income tax Act, 1961 and the guidance note on Accounting for Fringe Benefits Tax issued by the Institute of Chartered Accountants of India.

Borrowing cost

Borrowing costs directly attributable to acquisition or construction of qualifying assets (i.e. those fixed assets which necessarily take a substantial period of time to get ready for their intended use) are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Schedules forming part of the accounts

Provisions and Contingent Liabilities

Provisions are recognised when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent Liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

B. NOTES TO ACCOUNTS

1. (a) Contingent Liabilities :

(i) In respect of Income Tax demands for which the company has preferred appeals with appropriate authorities - Rs. 35 70 68 262 (Previous Year : Rs. 35 70 68 262)

(ii) In respect of Sales tax matters for which the company has preferred appeals with appropriate authorities - Rs. 11 66 36 607 (Previous Year : Rs. 12 49 95 434)

(iii) In respect of Excise and Customs matters for which the company has preferred appeals with appropriate authorities - Rs. 21 79 53 916 (Previous Year : Rs. 38 84 58 021). These include Rs. NIL (Previous Year : Rs. 25 53 91 961) recoverable from a third party.

(iv) In respect of counter guarantees given to bank against guarantees given by bank : Rs. 7 98 45 327 (Previous Year : Rs. 6 01 12 579) At the request of the Company, its banks have issued guarantees in the event of the Company failing to fulfil its performance obligation under various commercial agreements. The Company has issued counter guarantees to the banks in respect of these guarantees.

(v) In respect of other claims - Rs. 21 02 588 (Previous Year : Rs. 21 02 588) The Company is a party to various legal proceedings in the normal course of business. The Company does not expect the outcome of these proceedings to have a material adverse effect on the Company's financial conditions, results of operations or cash flows.

(vi) In respect of Corporate performance guarantee given to a third party Rs. NIL (Previous Year : Rs. 65 00 000)

(b) Estimated amount of contracts remaining to be executed on capital account (net of advances) - Rs. 3 54 18 082 (Previous year: Rs. 10 64 93 153)

2. The Company has classified the various benefits provided to employees as under:

I Defined Contribution Plans

a. Provident Fund (upto December 31, 2007)

b. Superannuation Fund

c. State Defined Contribution Plans: Employer's Contribution to Employees' State Insurance

The Company has recognized the following amounts in the Profit and Loss Account:

	2007-2008 Rs.	2006-2007 Rs.
- Employer's Contribution to Provident Fund (upto December 31, 2007)	1 61 90 424	2 95 61 493
- Employer's Contribution to Superannuation Fund	4 26 37 399	3 80 30 631
- Employer's Contribution to Employees' State Insurance	3 27 004	2 10 298

The above amounts are included in Contribution to Provident and other Funds (Refer Schedule 14)

II Defined Benefit Plans

a. Gratuity Fund (Funded Scheme): Gratuity is payable to all eligible employees of the Company on Superannuation, death, permanent disablement and resignation in terms of the provisions of the Payment of Gratuity Act, 1972 or Company's scheme whichever is more beneficial. Benefits would be paid at the time of separation based on the last drawn base salary.

b. Provident Fund (Funded Scheme). With effect from January 1, 2008 the Company manages Provident Fund plan through Company's own Provident Fund trust alongwith one other group Company for its employees. The plan envisages contribution by employer and employees and guarantees interest at the rate notified by the Provident Fund authority. 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.

Schedules forming part of the accounts

c. Post Retirement Medical Benefit (PRMB) (Non-funded Scheme): Under this 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 disclosures as required under AS-15 are as under.

		Funded Scheme (Rs.)			Non-Funded Scheme (Rs.)	
		Gratuity		Provident Fund	PRMB	
		2007-2008	2006-2007	2007-2008	2007-2008	2006-2007
A)	**Changes in the Present Value of Obligation**					
	Present Value of Obligation as at July 1	20 49 51 000	18 46 01 000	—	1 42 52 000	1 33 08 000
	Interest Cost	1 66 74 000	1 56 41 000	17 77 000	11 99 000	11 56 000
	Current Service Cost	1 10 17 000	1 33 21 000	1 78 43 000	3 82 000	3 12 000
	Service Contribution - Employee	—	—	1 87 52 000	—	—
	Settlement Cost/(Credit)	—	—	—	—	—
	Benefits Paid	(1 75 70 000)	(1 77 11 000)	—	(2 92 000)	(6 37 000)
	Actuarial (gain)/loss on Obligations	1 86 34 000	90 99 000	—	(15 45 000)	1 13 000
	Present Value of Obligation as at June 30	23 37 06 000	20 49 51 000	3 83 72 000	1 39 96 000	1 42 52 000
B)	**Changes in the Fair Value of Plan Assets**					
	(For Funded Scheme)					
	Fair Value of Plan Assets as at July 1	23 32 03 000	24 62 49 000	—		
	Expected Actual Return on Plan Assets	1 74 22 000	1 78 05 000	17 77 000		
	Actuarial Gains and (Losses)	(3 21 57 000)	(1 31 40 000)	—		
	Contributions	1 57 41 000	—	3 65 95 000		
	Benefits Paid	(1 75 70 000)	(1 77 11 000)	—		
	Assets Distributed on Settlement	—	—	—		
	Fair Value of Plan Assets as at June 30	21 66 39 000	23 32 03 000	3 83 72 000		
C)	**Amount recognized in the Balance Sheet**					
	Present Value of Obligation as at June 30	23 37 06 000	20 49 51 000	3 83 72 000	1 39 96 000	1 42 52 000
	Fair Value of Plan Assets as at June 30	21 66 39 000	23 32 03 000	3 83 72 000	—	—
	Liability/(Asset) recognized in the Balance Sheet	1 70 67 000	(2 82 52 000)	—	1 39 96 000	1 42 52 000
	Included in Loans and Advances (Refer Schedule 9) & Provisions (Refer Schedule 11)					
D)	**Expenses recognized in the Profit and Loss Account**					
	Current Service Cost	1 10 17 000	1 33 21 000	1 78 43 000	3 82 000	3 12 000
	Past Service Cost	—	—	—	—	—
	Interest Cost	1 66 74 000	1 56 41 000	17 77 000	11 99 000	11 56 000
	Expected Return on Plan Assets	(1 74 22 000)	(1 78 05 000)	(17 77 000)	—	—
	Curtailment cost/(credit)	—	—	—	—	—
	Settlement cost/(credit)	—	—	—	—	—
	Net actuarial (gain)/loss recognized in the period	5 07 91 000	2 22 39 000	—	(15 45 000)	1 13 000
	Total Expenses recognized in the Profit and Loss Account	6 10 60 000	3 33 96 000	1 78 43 000	36 000	15 81 000
	Included in Contribution to Provident and Other Funds (Refer Schedule 14)					
E)	**Category of Plan Assets**					
	Plan assets as a percentage of Total plan assets in respect of Provident Fund and Gratuity are as follows:					
	Public Sector Unit	50%	49%	56%		
	Government Of India Securities	19%	19%	24%		
	State Government Securities	18%	18%	9%		
	Special Deposit scheme	13%	14%	11%		

Schedules forming part of the accounts

F) Sensitivity of Results to Medical Inflation Rate

Medical Inflation Rate	Current Service + Interest Cost (Rs.)		Present Value of Defined Benefit Obligation (Rs.)	
	2007-2008	2006-2007	2007-2008	2006-2007
Effect of 1% increase (5%)	18 26 000	16 83 000	1 54 44 000	1 56 96 000
Effect of 1% decrease (3%)	14 00 000	13 08 000	1 28 87 000	1 31 52 000

G) Actuarial Assumptions

In respect of the aforesaid defined benefit plans, the management has estimated the liability based on actuarial valuation and is based on following assumptions:

	Funded Scheme - Gratuity		Funded Scheme - Provident Fund	Non-Funded Scheme - Post Retirement Medical Benefit	
	2007-2008	2006-2007	2007-2008	2007-2008	2006-2007
Discount rate (per annum)	8.70%	8.5%	8.70%	8.70%	8.5%
Average Salary increase rate	8.00%	8.0%	8.00%	8.00%	8.0%
Rate of Return on Plan Assets (For Funded Scheme)	8.00%	7.5%	8.50%	8.00%	7.5%
Medical Inflation Rate	N/A	N/A	N/A	4.00%	4.0%
Expected Retirement age of employees (years)	60	60	60	60	60

Withdrawal : Plan Members are assumed to withdraw in accordance with the following table:

Age	Withdrawal Rate (%)				
	2007-2008	2006-2007	2007-2008	2007-2008	2006-2007
Upto 45 years	5%	5%	N/A	5%	5%
Above 45 years	3%	3%	N/A	3%	3%

Mortality rates considered are as per the published rates in the Life Insurance Corporation (1994-96) Mortality table.

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.

The Company's Provident Fund is administered by Company's own Trust Fund, with effect from January 1, 2008. The Company has an obligation to service the shortfall on account of interest generated by the Fund and on maturity of Fund investments and hence the same has been classified as Defined Benefit Obligation. Having regard to the assets of the Fund and the return on investments, the Company does not expect any deficiency in the forseeable future. Accordingly, the disclosures relating to Provident Fund as required in accordance with AS-15, has been given for the period from January 1, 2008 to June 30, 2008.

3. Computation of Net Profit in accordance with Section 349 of the Companies Act, 1956:

	2007-2008 Rs.	2006-2007 Rs.
Profit before Tax	1 80 56 53 903	1 45 49 51 782
Add: Managerial Remuneration	2 83 28 355	3 04 06 422
Add: Loss on sale of assets	90 77 944	9 20 430
Net profit u/s. 349 for the purpose of Directors' Commission	1 84 30 60 202	1 48 62 78 634
Maximum remuneration permissible to whole-time Directors under the Act at 10%	18 43 06 020	14 86 27 863
Total Managerial Remuneration charged to accounts	2 38 28 355	2 63 06 422
Commission payable to non-whole time Directors at 1%	1 84 30 602	1 48 62 786
Commission restricted as determined by the Board of Directors	45 00 000	41 00 000

Schedules forming part of the accounts

4. (a) Managerial Remuneration under Section 198 of the Companies Act, 1956

	2007-2008 Rs.	2006-2007 Rs.
Salary	2 12 94 810	2 22 48 885
Contribution to Provident Fund and other Funds (excluding gratuity)	1 13 463	16 60 768
Perquisites in cash or in kind	24 20 082	23 96 769
Commission to Non Executive directors	45 00 000	41 00 000
Total Managerial Remuneration	2 83 28 355*	3 04 06 422

The above includes remuneration paid to the Managing Director from July 1, 2007 to October 12, 2007 amounting to Rs. 1 09 25 835 (Previous Year : Rs. 7 98 765) which was subject to approval of the members of the company at the Annual General Meeting held on October 12, 2007. The same has since been approved.

* Refer to note B.15 below

(b) The above Managerial Remuneration includes Rs. 1 75 96 296 (Previous Year : Rs. 1 86 96 379) cross charged to Gillette India Limited and Procter and Gamble Home Products Limited in terms of the common service agreement referred to in Note B.17 below.

(c) The above Managerial Remuneration excludes Rs. 19 99 233 (Previous Year : Rs. NIL) cross charged from Gillette India Limited in terms of the common service agreement referred to in Note B.17 below.

5. (a) Sales :

Class of Goods	Units	2007-2008 Quantity	2007-2008 Value Rs.	2006-2007 Quantity	2006-2007 Value Rs.
Ointments and Creams	Tonnes	1 236	1 35 73 72 647	1 050	1 10 77 41 732
Cough Drops	Tonnes	3 761	1 03 94 15 027	3 002	81 95 00 507
Liquids	Kls.	4	14 62 10 657	49	14 40 28 374
Tablets	Millions	557	58 55 03 515	611	63 88 75 528
Personal Products, Toilet Preparations, etc..	Tonnes	10 021	3 39 79 52 945	7 504	2 81 93 55 076
			6 52 64 54 791		5 52 95 01 217

(b) Consumption of raw & packaging materials :

	Units	2007-2008 Quantity	2007-2008 Value Rs.	2006-2007 Quantity	2006-2007 Value Rs.
Chemicals, waxes and oils	Tonnes	25 330	1 21 27 59 728	17 966	96 72 68 945
Sugar and liquid glucose	Tonnes	4 598	10 31 32 869	3 314	6 40 24 897
Foils	Tonnes	1 374	6 93 36 367	831	5 96 22 872
Containers, cartons, boxes etc.	Millions	477	48 08 07 944	300	35 45 80 627
			1 86 60 36 908		1 44 54 97 341

(c) Consumption of raw & packaging materials, stores & spares :

	2007-2008 Rs.	2007-2008 Percentage	2006-2007 Rs.	2006-2007 Percentage
Raw and packaging materials :				
Indigenously obtained	1 44 49 77 830	77.4	99 06 37 993	68.5
Imported at landed cost	42 10 59 078	22.6	45 48 59 347	31.5
	1 86 60 36 908	100	1 44 54 97 341	100
Stores and spare parts :				
Indigenously obtained	2 60 72 015	68.6	88 62 416	47.2
Imported at landed cost	1 19 10 928	31.4	99 22 154	52.8
	3 79 82 943	100	1 87 84 570	100

Schedules forming part of the accounts

(d) Opening and closing stock of Finished Goods :

	Units		Opening Quantity	Opening Value Rs.	Closing Quantity	Closing Value Rs.
Ointments and Creams	Tonnes	2007-2008	67	2 91 49 105	226	11 80 53 147
		2006-2007	43	2 01 34 864	67	2 91 49 105
Cough Drops	Tonnes	2007-2008	166	1 71 40 863	340	3 80 59 980
		2006-2007	287	3 05 63 790	166	1 71 40 863
Liquids	Kls.	2007-2008	1	26 53 662	1	45 16 699
		2006-2007	46	1 02 93 274	1	26 53 662
Tablets	Millions	2007-2008	73	2 82 71 162	40	1 50 12 945
		2006-2007	36	1 65 21 886	73	2 82 71 162
Personal Products, Toilet Preparations, etc..	Tonnes	2007-2008	453	7 47 23 474	552	9 71 33 841
		2006-2007	321	6 01 56 610	453	7 47 23 474
Total		2007-2008		15 19 38 266		27 27 76 612
		2006-2007		13 76 70 424		15 19 38 266

(e) Purchase of Finished goods :

	Units	2007-2008 Quantity	2007-2008 Value Rs.	2006-2007 Quantity	2006-2007 Value Rs.
Personal Products, Toilet Preparations, etc..	Tonnes	3 345	37 69 320	4 231	6 11 12 147
			37 69 320		6 11 12 147

(f) Production in respect of Goods Manufactured - Licensed and installed capacities and actual production :

	Units of Measurement	Licensed 2007-2008	Licensed 2006-2007	Annual Capacity Installed (three shift basis) 2007-2008	Annual Capacity Installed (three shift basis) 2006-2007	Actual Production 2007-2008	Actual Production 2006-2007
Menthol	Tonnes	147	147	—	—	—	—
Dementholised Peppermint Oil	Tonnes	147	147	—	—	—	—
Formulations:							
Ointments & Creams	Tonnes	3 495	3 495	9 947	11 213	1 396	1 074
Cough Drops	Tonnes	6 833	6 833	5 472	5 472	3 935	2 881
Liquids	Kls.	1 625	1 625	66	66	4	4
Tablets	Millions	960	960	960	960	524	648
Powder	Tonnes	35	35	—	—		
Personal Products, Toilet Preparations, etc.	Tonnes	16 800	16 800	10 035	11 015	6 775	3 406

Notes :

1. The installed capacities as at the year-end are as certified by the management.
2. Actual production includes production under manufacturing arrangement with third parties.

(g) Value of Direct Imports on C.I.F. basis (including in transit):

	2007-2008 Rs.	2006-2007 Rs.
Raw materials	65 08 19 586	41 43 42 158
Spare parts	1 19 10 928	99 22 154
Capital goods	95 93 965	3 45 24 207
	67 23 24 479	45 87 88 519

Schedules forming part of the accounts

(h) Expenditure in foreign currency :

	2007-2008 Rs.	2006-2007 Rs.
Royalty	34 18 01 769	27 03 39 340
Travel	1 19 93 627	1 27 69 413
Professional Consultancy fees	22 98 575	21 92 715
Computer expenses	1 10 64 731	58 02 659
Business Process outsourcing expenses	6 67 93 602	7 34 92 759
	43 39 52 304	36 45 96 886

(i) Remittance made on account of dividend in foreign currency during the year :

	2007-2008 Rs.	2006-2007 Rs.
Number of non-resident shareholders	2	2
Number of equity shares on which dividend were paid	2 23 10 090	2 23 10 090
Dividend remitted-net of tax-in respect of year ended :		
June 30, 2007 Final (Rs.)	44 62 01 800	—
June 30, 2006 Final (Rs.)	—	55 77 52 250

(j) Earnings in foreign exchange :

	2007-2008 Rs.	2006-2007 Rs.
Business process outsourcing income	66 29 618	1 00 58 278
Research & Development and other cross charges	20 08 660	89 90 086
Exports of goods calculated on f.o.b. basis (excludes Rupee exports to Nepal and Bhutan Rs. 2 18 12 110 - Previous year Rs. 1 83 07 887)	1 23 71 707	55 23 599
Others (freight , insurance etc.)	7 23 218	6 42 021
	2 17 33 203	2 52 13 984

6. Excise duty deducted from turnover represents amount of excise duty collected by the company on sale of goods. Excise duty shown under Schedule 15 - operating and other expenses represents difference in amount of excise duty on closing stock and opening stock of finished goods.

7. There are no outstanding derivative instruments as at June 30, 2008.

Foreign currency exposures as on June 30, 2008 that have not been hedged by the company by a derivative instrument or otherwise are given below:

	Currency	As at June 30, 2008	As at June 30, 2007
a. Amounts receivable in foreign currency			
Export of goods	**Rs.**	—	17 36 334
	USD	—	37 283
Reimbursable expenses receivable	**Rs.**	1 35 09 396	2 35 98 907
	USD	3 16 230	5 87 732
	SGD	681	—
Capital and Spares	**Rs.**	2 30 89 402	17 41 297
	EUR	29 678	29 558
	JPY	56 000	56 000
	USD	4 97 666	—

Schedules forming part of the accounts

	Currency	As at June 30, 2008	As at June 30, 2007
b. Amounts payable in foreign currency			
Import of goods and services	**Rs.**	**5 36 38 235**	4 33 16 852
	USD	**12 93 137**	5 79 492
	EUR	**—**	2 16 856
	SGD	**—**	2 94 000
	JPY	**1 42 284**	1 42 284
Reimbursable expenses payable	**Rs.**	**5 96 78 184**	55 40 382
	USD	**12 30 209**	1 35 743
	JPY	**2 07 09 850**	—
Capital and Spares	**Rs.**	**87 38 835**	29 90 693
	JPY	**79 72 776**	74 66 826
	EUR	**120**	—
	USD	**1 27 881**	12 736
Package Fee payable	**Rs.**	**6 70 24 913**	5 30 64 613
	USD	**15 64 361**	13 05 920

8. The Company has taken on lease, accomodation for employees and godowns for storage of inventories, with an option of renewal at the end of the lease term and escalation clause in some of the cases. Lease payments amounting to Rs. 2 17 13 631 (Previous Year : Rs. 1 74 53 121) have been charged to the Profit and Loss Account for the year.

9. Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

(a) No payments were due and outstanding to suppliers as at the end of the current and previous accounting year on account of Principal and Interest respectively.

(b) No interest was paid in the current and the previous accounting year.

(c) No interest was payable at the end of the current and previous accounting year other than interest under Micro, Small and Medium Enterprises Development Act, 2006.

(d) No amount of interest was accrued and unpaid at the end of the current and previous accounting year.

The above information and that given in Schedule 10 "Current Liabilities" regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

10. Sundry Debtors include amount due from companies under the same management as under :

	As at June 30, 2008 Rs.	As at June 30, 2007 Rs.
Procter & Gamble Bangladesh Pvt Ltd	—	2 974
Procter & Gamble Lanka Pvt. Ltd.	—	15 14 961
Procter & Gamble International Operations Pte. Ltd.	—	20 743
	—	15 38 678

Schedules forming part of the accounts

11. (a) Loans and Advances include amount due from companies under the same management as under :

	As at June 30, 2008 Rs.	**Maximum Balance Rs.**	As at June 30, 2007 Rs.	Maximum Balance Rs.
Procter & Gamble Asia Pte Ltd	**23 43 964**	**2 16 28 529**	2 16 28 529	2 16 28 529
Procter & Gamble Company, USA	**29 01 336**	**40 20 774**	40 20 774	67 28 345
Procter & Gamble International operations (Ceemea Division)	**—**	**1 54 547**	—	
The Procter & Gamble Manufacturing Co.	**30 56 814**	**30 56 814**	18 93 336	18 93 336
Procter & Gamble Distributing Company	**—**	**46 800**	—	43 803
Procter & Gamble US Business Services Company	**6 10 251**	**6 10 251**	3 17 091	3 17 091
Procter & Gamble Eastern Europe LLC	**—**	**—**	—	9 65 650
Procter & Gamble Hair Care LLC	**4 37 486**	**4 37 486**	—	——
Procter & Gamble Australia Pty Ltd.	**2 23 226**	**15 31 505**	—	1 17 008
Procter & Gamble (Guangzhou) Ltd.	**12 29 364**	**2 96 09 871**	7 66 702	13 58 553
Procter & Gamble (Manufacturing) Ireland Ltd	**62 257**	**62 257**	—	1 04 147
Procter & Gamble UK	**87 880**	**87 880**	—	85 768
Procter & Gamble Home Products Ltd	**21 87 05 233**	**1 70 43 45 883**	1 70 43 45 883	1 70 43 45 883
Procter & Gamble Philippines Inc.	**86 110**	**86 110**	—	1 32 485
Procter & Gamble Kabushiki Kaisha	**2 35 077**	**3 39 326**	—	6 04 272
Procter & Gamble Europe N.V.	**—**	**72 980**	—	2 10 268
Procter & Gamble Far East Inc	**—**	**—**	—	1 68 468
Procter & Gamble International Operations Pte Ltd	**32 02 851**	**32 02 851**	—	1 23 57 284
Procter & Gamble International Operations SA	**1 23 914**	**1 23 914**	—	15 80 216
Procter & Gamble Korea S&D Co	**—**	**—**	—	86 409
Procter & Gamble Malaysia Sdn. Bhd	**1 21 064**	**1 21 064**	—	1 13 708
Procter & Gamble Manufacturing (Thailand) Ltd	**1 01 261**	**20 50 000**	20 50 000	20 50 000
Procter & Gamble Singapore Pte Ltd.	**69 248**	**69 248**	—	97 073
Procter & Gamble Sri Lanka Pvt. Ltd.	**83 050**	**83 050**	—	62 139
Procter & Gamble Technical Centers Ltd.	**2 61 652**	**2 61 652**	—	85 540
Procter & Gamble Technology (Beijing) Co.	**8 98 055**	**8 98 055**	5 54 415	5 54 415
Procter & Gamble Vietnam Ltd	**—**	**1 41 300**	—	1 38 002
Procter & Gamble Trading (Thailand) Ltd	**—**	**74 259**	—	67 505
Procter & Gamble (Changdu) Ltd	**—**	**2 18 656**	—	2 40 574
Gillette India Limited	**9 59 34 903**	**9 59 34 903**	7 41 71 701	7 41 71 701
Wella India Hair cosmetics Pvt.Ltd	**7 53 025**	**16 64 975**	16 64 975	16 64 975
Procter & Gamble Tuketim Mallari Sanayl	**2 22 515**	**2 22 515**	—	3 95 323
	33 17 50 536		1 81 14 13 406	

(b) Loans and Advances includes :

i) Housing Loan to a Director amounting to Rs. 94 87 847 (Previous year Rs. 1 06 11 987). The maximum balance outstanding during the year amounted to Rs. 1 06 11 987 (Previous year Rs. 1 10 00 000).

ii) Car Loan to a Director amounting to Rs. 18 80 760 (Previous year Rs. NIL) which was approved by the Ministry of Corporate Affairs vide its letter no. 6/17/2007-CL.VI dated November 1, 2007. The maximum balance outstanding during the year amounted to Rs. 21 00 000 (Previous year Rs. NIL).

Schedules forming part of the accounts

12. Related Party Disclosures:

The Group Companies of The Procter & Gamble Company USA include, among others, Procter & Gamble India Holdings BV; Procter & Gamble Iron Horse Holding BV; Procter & Gamble Eastern Europe LLC; Procter & Gamble Nordic LLC; Procter & Gamble Global Holdings Limited; Procter & Gamble Luxembourg Global SARL; Procter & Gamble International SARL; Procter & Gamble India Holdings Inc.; Procter & Gamble International Operations, SA; Gillette Group (Europe) Holdings, BV; Procter & Gamble Canada Holding BV; Procter & Gamble Overseas Canada, BV.;Procter & Gamble Overseas India BV;Procter & Gamble Asia Holding BV.

a) Parties where control exists :

The Procter and Gamble Company, USA - Ultimate Holding Company

b) Other related parties with whom transactions have taken place during the year

i) Fellow Subsidiaries:

Procter & Gamble Home Products Ltd
Procter & Gamble Malaysia Sdn. Bhd
Procter & Gamble Manufacturing (Thailand) Ltd.
Procter & Gamble Lanka Pvt. Ltd.
Procter & Gamble (Changdu) Ltd
Procter & Gamble Asia Pte.Ltd
Procter & Gamble Australia Pty Ltd.
Procter & Gamble US Business Services Company
Procter & Gamble International Operations Pte Ltd
Procter & Gamble Northeast Asia Pte Ltd
Procter & Gamble International Operations SA
Gillette India Limited
Procter & Gamble Singapore Pte.Ltd
Gillette Diversified Operations Private Limited
Procter & Gamble Panda Detergent Ltd, Beijing
Procter & Gamble Tuketim Mallari Sanayl
Procter & Gamble (Guangzhou) Ltd
Procter & Gamble UK
Procter & Gamble Product Supply (UK) Ltd.
Procter & Gamble Technology (Beijing) Co.
Procter & Gamble Vietnam Ltd
Procter & Gamble Kabushiki Kaisha
Procter & Gamble Far East Inc
Procter & Gamble Korea Inc.
Procter & Gamble S.A. Chile
P&G (East Africa) Ltd.
PT P&G Home Products Indonesia
P&G Ceemea- A Division of P&G International Operations SA
Procter & Gamble Korea S&D Co.
Procter & Gamble Philippines Inc
Procter & Gamble Technical Centers Ltd.
Procter & Gamble Trading (Thailand) Ltd.
Procter & Gamble Bangladesh Pvt. Ltd.
Procter & Gamble Manufacturing Company
Procter & Gamble Europe N.V.
Wella India Hair cosmetics Pvt.Ltd
Procter & Gamble Eastern Europe LLC
Procter & Gamble (Manufacturing) Ireland Ltd
Procter & Gamble distributing Company
Procter & Gamble Taiwan Ltd.
Rosemount Corporation
Procter & Gamble Hair Care LLC

ii) Key Managerial Personnel of the Company		**No. of shares held**
Mr. Shantanu Khosla	Managing Director	67 (Previous year 67)
Mr. Ashok Chhabra	Executive Director (Up to July 17, 2007)	Nil (Previous year Nil)

iii) Relatives of key management personnel

Mrs Promila Chhabra wife of Mr Ashok Chhabra (holding 775 shares; Previous year 775 shares) received dividends as declared by the Company.

c) Transactions during the year

(Amount in Rs.)

Nature of transactions		Holding Company & Ultimate Holding Company	Fellow Subsidiary Companies	Key Management Personnel	Relatives of Key Management Personnel	Total
Sales & Income						
Goods						
- Procter & Gamble Lanka Pvt Ltd	2007-2008	—	90 59 204	—	—	90 59 204
- Procter & Gamble Bangladesh Pvt Ltd	2007-2008	—	31 58 874	—	—	31 58 874
- Procter & Gamble International Operations Pte Ltd	2007-2008	—	16 09 025	—	—	16 09 025
- Procter & Gamble Lanka Pvt Ltd	2006-2007	—	35 91 650	—	—	35 91 650
- Procter & Gamble Bangladesh Pvt Ltd	2006-2007	—	12 62 292	—	—	12 62 292
- Others	2006-2007	—	7 74 903	—	—	7 74 903
Relocation and other reimbursements						
- Procter & Gamble Home Products Ltd	2007-2008	—	24 05 40 218	—	—	24 05 40 218
- Gillette India Ltd	2007-2008	—	18 61 77 294	—	—	18 61 77 294
- Others	2007-2008	85 81 148	1 74 03 708	—	—	2 59 84 856
- Procter & Gamble Home Products Ltd	2006-2007	—	28 20 55 462	—	—	28 20 55 462
- Gillette India Ltd	2006-2007	—	17 04 42 053	—	—	17 04 42 053
- Others	2006-2007	1 14 51 576	1 55 89 491	—	—	2 70 41 067

Schedules forming part of the accounts

(Amount in Rs.)

Nature of transactions		Holding Company & Ultimate Holding Company	Fellow Subsidiary Companies	Key Management Personnel	Relatives of Key Management Personnel	Total
Business Process Outsourcing income						
- Procter & Gamble Asia Pte Ltd	2007-2008	—	66 29 618	—	—	66 29 618
- Procter & Gamble Asia Pte Ltd	2006-2007	—	1 00 58 278	—	—	1 00 58 278
Retirals reimbursements						
- Procter & Gamble (Guangzhou) Ltd	2007-2008	—	3 22 69 804	—	—	3 22 69 804
- Others	2007-2008	38 39 617	1 84 40 005	—	—	2 22 79 622
- Procter & Gamble (Guangzhou) Ltd	2006-2007	—	22 91 892	—	—	22 91 892
- The P&G Company, USA	2006-2007	21 96 670	—	—	—	21 96 670
- Procter & Gamble Manufacturing (Thailand) Ltd	2006-2007	—	19 10 335	—	—	19 10 335
- Others	2006-2007	—	73 95 679	—	—	73 95 679
Reimbursement of expenses shared by group cos.						
- Procter & Gamble Home Products Ltd	2007-2008	—	21 34 80 472	—	—	21 34 80 472
- Gillette India Limited	2007-2008	—	11 80 55 188	—	—	11 80 55 188
- Procter & Gamble Home Products Ltd	2006-2007	—	30 78 02 153	—	—	30 78 02 153
- Gillette India Limited	2006-2007	—	4 00 22 670	—	—	4 00 22 670
Interest income						
- Procter & Gamble Home Products Ltd	2007-2008	—	3 65 86 301	—	—	3 65 86 301
- Others	2007-2008	—	—	1 18 629	—	1 18 629
- Procter & Gamble Home Products Ltd	2006-2007	—	3 49 44 863	2 07 311	—	3 51 52 174
Loans Given						
- Procter & Gamble Home Products Ltd	2007-2008	—	—	—	—	—
- Others	2007-2008	—	—	21 00 000	—	21 00 000
Loan given to directors & interest income earned						
- Procter & Gamble Home Products Ltd	2006-2007	—	1 58 20 00 000	—	—	1 58 20 00 000
- Others	2006-2007	—	—	1 10 00 000	—	1 10 00 000
Loans Repaid						
- Procter & Gamble Home Products Ltd	2007-2008	—	1 58 20 00 000	—	—	1 58 20 00 000
- Others	2007-2008	—	—	2 19 240	—	2 19 240
- Others	2006-2007	—	—	65 26 988	—	65 26 988
Purchases & Expenses						
Goods						
- Procter & Gamble International Operations SA	2007-2008	—	45 69 345	—	—	45 69 345
- Procter & Gamble International Operations Pte Ltd	2007-2008	—	90 22 706	—	—	90 22 706
- Procter & Gamble International Operations SA	2006-2007	—	9 11 36 185	—	—	9 11 36 185
- Procter & Gamble International Operations Pte Ltd	2006-2007	—	6 57 66 159	—	—	6 57 66 159
- Others	2006-2007	—	88 10 023	—	—	88 10 023
Royalty	2007-2008	34 18 01 769	—	—	—	34 18 01 769
	2006-2007	27 03 39 340	—	—	—	27 03 39 340
Assets/Spares						
- Procter & Gamble Kabushiki Kaisha	2007-2008	—	49 19 563	—	—	49 19 563
- Procter & Gamble Kabushiki Kaisha	2006-2007	—	55 59 293	—	—	55 59 293
Business Process Outsourcing expenses						
- Procter & Gamble Asia Pte Ltd	2007-2008	—	6 67 93 602	—	—	6 67 93 602
- Procter & Gamble Asia Pte Ltd	2006-2007	—	7 34 92 759	—	—	7 34 92 759

Schedules forming part of the accounts

(Amount in Rs.)

Nature of transactions		Holding Company & Ultimate Holding Company	Fellow Subsidiary Companies	Key Management Personnel	Relatives of Key Management Personnel	Total
Relocation and other reimbursements						
- Procter & Gamble Home Products Ltd	2007-2008	—	31 29 37 052	—	—	31 29 37 052
- Gillette India Limited	2007-2008	—	6 05 74 716	—	—	6 05 74 716
- Others	2007-2008	12 34 064	2 77 46 503	—	—	2 89 80 567
- Procter & Gamble Home Products Ltd	2006-2007	—	11 26 51 860	—	—	11 26 51 860
- Others	2006-2007	32 95 078	76 76 952	—	—	1 09 72 030
Reimbursement of expenses shared by group cos.						
- Procter & Gamble Home Products Ltd	2007-2008	—	1 74 61 936	—	—	1 74 61 936
- Gillette India Limited	2007-2008	—	1 76 21 456	—	—	1 76 21 456
- Gillette India Limited	2006-2007	—	47 14 509	—	—	47 14 509
Remuneration (Refer Note B.4 & B.15)						
- S.Khosla	2007-2008	—	—	2 32 50 326	—	2 32 50 326
- A.Chhabra	2007-2008	—	—	5 78 029	—	5 78 029
- S.Khosla	2006-2007	—	—	1 42 03 215	—	1 42 03 215
- A.Chhabra	2006-2007	—	—	1 21 03 207	—	1 21 03 207
Others	2007-2008	—	—	—	—	—
	2005-2006	—	—	—	—	—
Dividend Remitted/Paid	2007-2008	42 44 39 060	2 17 62 740	1 340	15 500	44 62 18 640
	2006-2007	53 05 48 825	2 72 03 425	1 675	19 375	55 77 73 300

d) **Outstandings**

(Amount in Rs.)

Payable						
- Procter & Gamble Home Products Ltd	as on June 30, 2008	—	15 95 23 064	—	—	15 95 23 064
- Gillette India Limited	as on June 30, 2008	—	5 92 11 535	—	—	5 92 11 535
- The P&G Company, USA	as on June 30, 2008	8 30 20 368	—	—	—	8 30 20 368
- Others	as on June 30, 2008	—	4 64 89 324	—	—	4 64 89 324
- Procter & Gamble Home Products Ltd	as on June 30, 2007	—	5 35 67 038	—	—	5 35 67 038
- The P&G Company, USA	as on June 30, 2007	5 66 75 780	—	—	—	5 66 75 780
- Others	as on June 30, 2007	—	2 87 37 663	—	—	2 87 37 663
Receivables/Loans						
- Procter & Gamble Home Products Ltd	as on June 30, 2008	—	21 87 05 233	—	—	21 87 05 233
- Gillette India Limited	as on June 30, 2008	—	9 59 34 903	—	—	9 59 34 903
- Others	as on June 30, 2008	29 01 336	1 15 96 163	18 80 760	—	1 63 78 259
- Procter & Gamble Home Products Ltd	as on June 30, 2007	—	1 70 43 45 883	—	—	1 70 43 45 883
- Gillette India Limited	as on June 30, 2007	—	7 41 71 701	—	—	7 41 71 701
- Others	as on June 30, 2007	—	2 68 02 069	1 06 11 987	—	3 74 14 056

13. The Company operates in a single reportable business segment i.e. Manufacturing and Marketing of Health and Hygiene Products and one Geographical segment i.e within India.

Schedules forming part of the accounts

14. (a) International Stock Ownership Plan (Stocks of the Parent Company)

The Procter and Gamble Company, USA has a "International Stock Ownership Plan" (employee share purchase plan) whereby all permanent employees of the Company have been given a right to purchase shares of the company. Every employee who opts for the scheme contributes up to a specified percentage (upto 15%) of his 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 to staff cost.

The shares of The Procter & Gamble Company, USA are listed with Securities Exchange Commission of USA and are purchased on behalf of the employees at market price on the date of purchase.During the year ended June 30, 2008, 3829.21 shares (Previous year 3537.01 shares) were purchased by employees at weighted average fair value of Rs. 2719 (Previous Year Rs. 2776) per share.

The Company's contribution during the period on such purchase of shares amounting to Rs. 32 06 498 (Previous year Rs. 25 28 642) has been charged to the Profit and Loss Account.

(b) Employees Stock Options Plan (Stocks of the Parent Company)

The Procter and Gamble Company, USA has a "Employee Stock Option Plan" whereby the employees covered by the plan are granted an option to purchase shares of the Parent Company i.e. The Procter and Gamble Company, USA at a fixed price (grant price) for a fixed period of time. The shares of The Procter & Gamble Company, USA are listed with Securities Exchange Commission of USA. The options Exercise price equal to the market price of the underlying shares on the date of the grant. Accordingly no stock compensation expenses have been incurred by the Company during the year. The Grants issued are vested after 3 years and have a 10 years life cycle.

Fair Value of shares at Grant date	**14-Sep-07**	**$67.81**
	29-Feb-08	**$66.18**
	28-Feb-07	$63.49
Exercise Price	**14-Sep-07**	**$67.81**
	29-Feb-08	**$66.18**
	28-Feb-07	$63.49

The other disclosures in respect of the plans for the year ended June 30, 2008 are:

		Shares arising out of option		**Amount in USD**		**Remaining Contractual life (years)**	
		2007-2008	2006-2007	**2007-2008**	2006-2007	**2007-2008**	2006-2007
Outstanding at the beginning of the period		**48 303**	22 121	**61.19**	60.50	**9.2**	9.0
Granted during the year ended June 30, 2008:							
	14-Sep-07	**5 483**	—	**67.81**	—	**10.0**	—
	29-Feb-08	**13 147**	—	**66.18**	—	**10.0**	—
	28-Feb-07	**—**	26 182	**—**	63.49	**—**	10.0
Forfeited during the year		**—**	—	**—**	—	**—**	—
Transferred during the year		**6 740**	—	**63.49**	—		
Exercised during the year		**—**	—	**—**	—	**—**	—
Expired during the year		**—**	—	**—**	—	**—**	—
Outstanding at the end of the year		**60 193**	48 303	**65.06**	61.19	**9.2**	9.2
Exercisable at the end of the year		**—**	—	**—**	—	**—**	—

15. In terms of rules applicable to the employees whose services have been seconded to Procter & Gamble subsidiaries abroad, Rs. 30 03 717 (Previous year Rs. 26 26 335) has been contributed to Provident Fund/Superannuation trusts in respect of Mr. P. Agarwal (Director as at June 30, 2008) and Mr. A Chhabra (Director till July 17, 2007).

Also in terms of rules applicable to the employees retiring after the age of 50, Rs. 44 412 (Previous year Rs. 14 100) has been paid during the year as reimbursement of medical expenses to Mr. B.V.Patel, who is currently a director of the Company.

As these payments have been made in the capacity of a seconded employee/retired employee and not related to their directorship, provisions of Sections 198, 309, 310 and 314 of the Companies Act, 1956 are not applicable. Legal opinion confirms this position. Thus the same has not been considered as managerial remuneration.

Schedules forming part of the accounts

16. Earnings per share (EPS)	**2007-2008 Rs.**	2006-2007 Rs.
Calculation of Basic and diluted earnings per share (Rs.)		
Profit After Taxation	**1 31 41 53 903**	89 82 17 120
Weighted average number of equity shares outstanding for Basic / Diluted EPS	**3 24 60 736**	3 24 60 736
Nominal value of equity per share	**10**	10
Basic / Diluted Earnings per share	**40.48**	27.67

17. Common service expenses paid/recovered include payments/recoveries on account of finance, personnel, secretarial, administration and planning services rendered under common services agreements with Procter and Gamble Home Products Limited and Gillette India Limited.

18. Previous year's figures have been regrouped / rearranged wherever considered necessary.

Signatures to Schedules 1 to 17

As per our report of even date attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

K. A. Katki
Partner

Mumbai, August 30, 2008

For and on behalf of Board of Directors

B. V. Patel
Chairman

S. Khosla
Managing Director

Directors :

B. S. Mehta
R. A. Shah
D. Acharya

A.Vyas
Company Secretary

D. Doss
Finance Manager

Mumbai, August 29, 2008

Additional Information as required under Part IV of Schedule VI to the Companies Act, 1956 for the year ended June 30, 2008

Balance Sheet Abstract and Company's General Business Profile :

I.	**Registration Details :**	
	Registration No.	11-12971
	State Code	011
	Balance Sheet Date	June 30, 2008
II.	**Capital Raised during the Year (Rs.)**	Nil
III.	**Position of Mobilisation and Deployment of Funds**	**Amount (In Rs. Thousands)**
	Total Liabilities	3 50 98 10
	Total Assets	3 50 98 10
	Sources of Funds :	
	Paid-up Capital	32 46 07
	Reserves & Surplus	3 14 18 20
	Secured Loans	Nil
	Unsecured Loans	Nil
	Application of Funds :	
	Net Fixed Assets	1 35 96 25
	Investments	Nil
	Net Current Assets	2 15 01 84
	Misc. Expenditure	Nil
	Accumulated Losses	Nil
IV.	**Performance of Company**	
	Turnover & other income	6 60 13 08
	Total Expenditure (including Exceptional items)	4 79 56 54
	Profit Before Tax	1 80 56 54
	Profit After Tax	1 31 41 54
	Earning Per Share (Rs)	40.48
	Dividend Rate	200%
V.	**Generic Names of Three Principal Products/Service of Company** (as per monetary terms)	
	Item Code No. (ITC Code)	5601.10
	Product Description	Feminine Hygiene Products
	Item Code No. (ITC Code)	3003.39
	Product Description	Ointment

Sustainability & Innovation

Improving quality of life, now and for generations to come

TM

At P&G, sustainability is embedded into both our business strategy and our holistic view of innovation.

By incorporating sustainability into the rhythm of our work, we delight consumers who want to make sustainable choices but do not want to make trade-offs in performance or value. We believe this is where P&G innovation can make the most meaningful difference.

By viewing innovation systemically through the lens of sustainability:

We define innovation broadly, looking for sustainability opportunities at every touch-point along the path of our products.

We invest in innovation to improve the environmental profile of our operations and products.

We manage innovation with discipline, using science-based, rigorous tools such as life cycle assessment (LCA).

We deliver innovation with a balance of sustainable improvements, seen and unseen.

We lead innovation by inspiring our employees to take more personal responsibility in delivering the Company's sustainability goals.

We invite you to learn more. Please visit www.pg.com/sustainability.

VICKS

whisper

Procter & Gamble Hygiene and Health Care Limited

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INFOMEDIA INDIA LIMITED