

**38<sup>TH</sup> ANNUAL GENERAL MEETING OF GILLETTE INDIA LIMITED**  
**November 18,2022**

**Ms. Flavia Machado - Company Secretary, Gillette India Limited:**

Dear shareholders, a very good morning to all of you. I request the Chairman, Mr. Gurcharan Das, to commence with the proceedings of the 38<sup>th</sup> Annual General Meeting of Gillette India Limited. Over to you, sir.

**Mr. Gurcharan Das - Chairman and Independent Director, Gillette India Limited:**

Good morning, one and all. I welcome you all to our 38th Annual General Meeting of the Gillette India Limited. This AGM is being conducted through audio visual as a means as permitted by the Ministry of Corporate Affairs. We sincerely hope that you and your families have been well and are presently safe and sound. While we miss the opportunity to interact with you in person, we are happy that we can come together virtually. Since the requisite quorum is present. I call now the meeting to order. I would now like to introduce the board members and members of the management.

Mr. L. V. Vaidyanathan, Managing Director;  
Mr. Chittranjan Dua, Independent Director;  
Ms. Anjuly Chib Duggal, Independent Director;  
Mr. Anil Kumar Gupta, Independent Director;  
Mr. Pramod Agarwal, Non-Executive Director;  
Mr. Karthik Natarajan, Non-Executive Director;  
Mr. Gagan Swahney, Non-Executive Director;  
Mr. P M Srinivas, Executive Director;  
Mr. Gautam Kamath, Executive Director and Chief Financial Officer.  
Ms. Flavia Machado, Company Secretary;  
Ms. Enakshee Deva, Head Communications and CSR;

Ms. Sonali Dhawan could not attend today's meeting due to other commitments.

Mr. Madhusudan Gopalan cease to be a managing director of a company, effective June 30,2022. We express our deep gratitude to him for his remarkable leadership as during his tenure as managing director.

I'm happy to say that we have Mr. L. V. Vaidyanathan who has been appointed Managing Director of the company from July 1. I welcome him to his first AGM as Managing Director of the company.

The representatives of the statutory auditors and the secretarial auditors are also present at this meeting. I'm informed that two representatives under Section 113 of the Companies Act 2013 representing 2,44,37,803 shares have been received within the prescribed time limit. Since the auditor's report and the secretarial audit do not contain any qualifications or observations. They are not required to be read. I request Ms. Ms. Flavia Machado, Company Secretary to take the shareholders through the general instructions regarding virtual participation in this AGM.

**Ms. Flavia Machado - Company Secretary, Gillette India Limited:**

Thank you, sir. Dear shareholders, all the members are placed on mute by the host so as to avoid any disturbances and to ensure smooth conduct of the meeting. Since this meeting is being held through

audio video means, physical attendance of members has been dispensed with. The facility to appoint proxies to attend and cast votes on behalf of the members is not available for this Annual General Meeting. Requisite statutory registers are available electronically for viewing by the members. Those who wish to view the same may write to the company at the investor relations email id, which is mentioned in the notice of this AGM. Live streaming of this meeting is available on the NSDL website. If any shareholder faces any technical issues, he or she may call the NSDL Helpline at 1-800-222-2990. This contact number is also mentioned in the notice of this AGM. I now hand over to Mr. Das to take the proceedings ahead.

**Mr. Gurcharan Das - Chairman and Independent Director, Gillette India Limited:**

And I now request our Managing Director, Mr. L. V. Vaidyanathan to address the shareholders.

**Mr. L. V. Vaidyanathan - Managing Director, Gillette India Limited:**

Thank you very much, Mr. Das. And very good morning to all of you. I want to spend a little bit of time just to give you an overview of the results, and also the work that we've been doing in our force for good initiatives. Let me first start with our results and our strategies which have served us so well. Fiscal Year 2022 was another strong year, the P&G teams execution of our integrated strategies delivered strong top line growth in the face of severe operational and cost headwinds. This was a year where we double down on integrated strategies. And in a minute, I'll take you through what those strategies are. These strategies served us well and by delivering very strong results before COVID. They delivered strong results even during COVID and helped us emerge much stronger as we came out of COVID as we were faced with severe cost and operational headwinds.

Let me first start with the with the strategies. Our strategy consisting of five things; Number one is the portfolio; our portfolio is that of 10 categories where our brands serve daily needs were performance drives brand choice. We are extending our margin of competitive superiority, which is our second leg of our strategy in product, packaging, brand communication, and retail execution and value. We are driving productivity improvements in cost and cash to fund these investments and improve profitability. We are leading constructive disruption across the value chain in our industry in order to meet the challenges specifically in lean innovation, in reinventing brand building into using data to propel our business forward to transform our talent, our supply chain and our go-to-market. This is done through the fifth leg of our strategy which is through a more focused, agile and accountable organization, which moves at the speed of the market.

Next slide, please. We take a lot of pride in the fact that despite headwinds, and despite a lot of challenges, we remain committed to being a force for good. Next slide please. We have in this portfolio; we have two sets of categories. One is male grooming where Gillette continues to have a number one position in the market. And we also operate in the oral care specifically in the manual toothbrush in the toothbrush segment, where we are number two behind Colgate. Next slide please. We remain committed to our citizenship for our priorities. The four big pillars of our citizenship include first is community impact. The second is to use our brands and the voice of our brands and our workplaces to drive a culture of equality and inclusion. Third, is to make the world in which we live a better place to live. So our commitment towards environmental sustainability remains as strong as ever. And all of this operates on a foundation of very strong ethics and corporate responsibility.

Next slide please. I want to spend a little bit of time to talk about a community impact first. In this 20 years ago, P&G started a program called Shiksha with which we were able to help about 2,500 schools

over a period of time. We help them either in the form of building classrooms, or improving infrastructure, improving the learning outcomes of students. And overall I'm very proud to say that we have been able to impact more than 25 lakh children.

Let's see a video which shares the progress of this program. *(Audio Visual Playing)*

Moving on to the year that we delivered. Overall, we were able to grow our business with share leadership. The business delivered a 12% top growth in top line. We were able to offset almost 30% of commodity inflation, which we have never seen in the past. Overall, the business continues to be structurally an attractive business with 13% net margin, we are creating long term sustained value through the years. And as you can see over a period of time, we have been able to grow this business at a healthy clip both on top and bottom line. Fiscal year 2021-22 specifically was challenging for our after-tax profits. Our after-tax profits declined by 7%. And with a commodity inflation of more than 30%. So, with this, what I will do is hand it over to Gautam to share more specifics about the business. Over to you, Gautam.

**Mr. Gautam Kamath - Executive Director & Chief Financial Officer, Gillette India Limited:**

Thank you, LV. Before I start with the results, I want to talk a little bit about the kind of headwinds that we faced this year. I'll start with the key material prices. On some of our key materials, we've seen commodity inflation, up to 70%. On crude oil, we've seen average price being again 70% higher in fiscal year '22 versus fiscal year '21. And this is of course, impacted a lot of those material costs, which are derivatives of crude that we depend on, as well as a lot of other commodity prices.

Third, the retail cost of diesel and petrol have been up 25% in the last one year as well. This needless to say impacts our logistics costs, especially the cost of our last mile delivery. Finally, container costs have gone up almost four times, in some cases more than four times versus 2021. And this has obviously impacted the freight costs that we pay on our inbound materials. Together, the combined effect of all of these have resulted as LV mentioned earlier, in a 30% erosion of our base profits. This is unprecedented and we have not seen this kind of commodity inflation coming together in a lot - in a long, long time. Especially not since I've started my career.

Next slide. In view of this, the kind of growth that has been delivered in the business in your company has been I would say very, very resilient, we've still managed to deliver 12% growth and the profit decline has been restricted to 7%. If I compare versus the pre COVID period and take a four year look at the results, our sales growth is up 35% versus fiscal year '18. And a profit is up 26% versus fiscal year '18, which translates into 8% and 6% annual growth rate. Go to the next slide. More critically, we continue to win externally. On our shave care business, we have consolidated and grown our market leadership and extended our gap versus our nearest competition. On Oral B toothbrushes, we continue to keep closing the gap versus the market leader. There used to be a time just over a decade ago, when our gap in market share versus the market leader was almost 40%. Today, that gap is less than 10%.

Moving to the next slide. We have also shown a very healthy growth in dividends over the years. Our dividend for fiscal year 2021 which is last year was actually or the year before was actually seven times of what we delivered as dividend in 2017. Given the profit delivery in the fiscal year into consideration, the management and the board had decided to issue a dividend of INR 69 per share, which is interim dividend of INR 33 per share, and a final dividend of INR 36 per share. In view of

the financial results this year, we thought that it would be prudent to not continue to keep growing the dividend and take a pause. Also, from a cash management point of view, this is a prudent view to take. But we believe that the company continues to have good future prospects as we continue to focus on innovation and productivity.

What I'll do next is talk about how some of the integrated growth strategies that LV talked about comes to life in our key businesses of grooming and oral care, and I'll start with the grooming or shave care. Next slide. Our grooming portfolio spans a wide range of both consumer price tiers, as well as benefits spaces. And you can see out there we have an extremely wide range that covers almost every, the entire spectrum of the Indian consumer. I'll talk about a couple of innovations that we're looking at in some of these spaces. Next slide. And maybe I'll start with what we're doing on our Guard portfolio. Next slide. The Guard portfolio is the value tier portfolio that we have. And this is winning here is critical for us to converting people who are today double edge users into systems users. And this we're trying to do with both innovations, as well as our first ever key influencer plan. And you can see a lot of these key influencers and celebrities out there that we've activated to try and generate trial of the Gillette Guard. And this program for us is working quite well. At the same time, we have also enhanced the product itself and our communication on the product. As we will show you with the next slide in the next video. You can play the video. *(Audio Visual Playing)*

That was, of course the value tier. But important for us, is also the premium systems. And given the increasing trend in the country for the youth to grow beards, and to have some amount of facial hair, we have succeeded in positioning Fusion as a shaving and shaping tool. And we're highlighting, specifically the precision trimmer that is at the back of the blade that men can use to trim some of their facial hair. And this is an initiative that is doing well for us. At the same time we continue next slide, we continue to drive premium systems across our multiple marketing pillars, that we continue to position Fusion as a trimming tool and drive placement among our emerging users and new users. At the same time, we're affiliating with high affinity properties like gaming, to derive concentration among those youth that are into gaming.

And finally, we've activated our new gifting packs, and we are trying to go big with gifting. With this, I'll move on now to Oral B next slide. And similarly, I want to start by talking about the Oral B portfolio that we have; we can go to the next slide. Across Oral B as well, we play across the entire spectrum of value tiers - of price tiers. We have everything from the sub-20-rupee brush, which is the value tier all the way to the 1,000 rupee plus electric toothbrushes as well. Similar to what I did on shave, I'm going to talk about how on the oral care business we are looking at different parts of our portfolio and what is the innovation we bring in for business growth. And if you go to the next slide, I'll start first by talking about what we're doing on the kids segment. Next slide please. We realize that the kids segment is an entry level for our young consumers. And that's why again, it's important to win with these young consumers across all value tiers. So on this we have the value to 15-rupee superhero range of toothbrushes as well as the premium Tom and Jerry range of brushes for the mid-tier. And this Tom and Jerry affiliation has been possible because of our global affiliation with Warner Brothers who own the franchise, and we are now the segment leaders on kids.

Moving to the next slide. On the other end of the spectrum, we want to continue to win on the premium electric toothbrush portfolio as well, because this we believe is truly the future of brushing. We have launched here, the IO8 eight, which is an AI enabled toothbrush, which is at the highest spectrum of price ranges. And then, and this has had a very good start in the country. We've also introduced schemes like 100% money back guarantees to develop the trust and the right to believe. Finally, similar to manual toothbrushes, we are also bringing innovation for kids to brushes into

electric portfolio. With that overview of or that brief overview of our innovation plans, I want to now hand over to our communications leader Ms. Enakshee Deva, to talk about our CSR initiatives for the year. Over to you, Enakshee.

**Ms. Enakshee Deva – Head, Communication & CSR, Gillette India Limited:**

Hi. Can you hear me now?

**Mr. Gautam Kamath - Executive Director & Chief Financial Officer, Gillette India Limited:**

Yes, actually, we can hear you. request you to start from the beginning again.

**Ms. Enakshee Deva – Head, Communication & CSRL, Gillette India Limited:**

Hello, everyone. My name is Enakshee. And I'm here to talk about a CSR program - P&G Shiksha sorry about the technical glitch. At P&G, we believe in being a force for good along with being a force for growth. And this means not only serving our consumers with are leading brands, but going beyond business and creating meaningful impact in the lives of the communities around us. Citizenship is not a separate thing that we do but it is how we do business every day. In P&G, we strongly believe for the future generation of the country which is the kids' education is a big enabler. Education will make them ready for tomorrow and they will get tool to fulfill their dream. Therefore, to drive progress for the citizens of tomorrow, our CSR efforts are focused on providing holistic education via P&G Shiksha initiative. If you move to the next slide, I'll talk you through about the journey we've had on P&G Shiksha. P&G Shiksha started in 2005 and since then our focus is on under privileged children's education. For the last 17-18 years we have made this program big. And now it is working on three focus areas. The first one being education infrastructure where we provide classrooms, washrooms, drinking water facilities to improve their learning environment, so that they get support in education.

The second is remedial learning, where we try and bridge the gap between the current learning level that the children have and where they need to be in line with their class. And the third one is focusing on underprivileged girls. As we know, because of lot of conditioning in our society, girls are not given equal opportunity and education can be a great enabler for them to break through that conditioning and stereotypes and actually aspire to achieve their dreams. Going to the next slide, I want to talk about the year that went by. Can we go to the next slide please? Thank you. As you all know, because of pandemic different ways of our lives got impacted. We saw longest school closure in the world second after Uganda. In last year, we don't know when our school will start again. That time only technology was available to reach community. When everything became online, banking healthcare everything became online. Some communities were struggling who didn't have those technologies. When by the end of year schools started to open again, that time big focus was admission and education of children. Throughout all of these changes the singular focus of P&G Shiksha has been to ensure learning continuity. And what I want to do now is talk you through some of our initiatives that we've undertaken through the year. Going to the next slide, please. Starting with infrastructure again, our focus was to provide school and sufficient infrastructure so that their learning gets started. For example, imagine a girl child is going to school and there is no separate washroom for girls. There is no privacy. It gets worse when she hits puberty and starts getting her periods and then has to miss school because this infrastructure is not supportive. When this happens on a repeated basis, she starts falling behind and eventually drops out. Similarly, if there is no classroom environment, teachers are trying to teach in unstructured then learning will not be efficient. Hence, over the 17-18 years, our focus

has been to build classrooms to provide sanitation facilities to the children, to provide drinking water facilities, to create separate washrooms for girls and boys, to create sports facilities, libraries, etc. Anything that can help us get better enrollments, and better attendance. And by doing all of that really impact the motivation level of the students and the teachers.

Coming to the second program that we have on the next slide which is the learning program in partnership with our NGO, Pratham, here our focus is on basic education skills of children like language, mathematics, so that they are not left behind for higher education. Once they are left behind, there is no other way in which they can actually come to terms with the syllabus and because of that either they drop out of school, or they have degree but they don't have learning so that can achieve anything in life based on that degree. With the help of these foundation skills, what we are trying to do is to create on ground support centers and learning camps where children can go and remediate these learning gaps. During pandemic time when we were not able to move around communities, we reached out at the Mohalla level, we reached out to young adults and through them we tried to supply material to children and engage them, so they continue learning.

There is one other program under this which is early childhood education, where we focus on preschool children. Before reaching school, we want to ensure basic skill set like cognitive skill, social skill, pre numeric skills, so that when he enters first class, he must have understood level and child is set up to succeed from day one. During pandemic when these aaganwadi, balwadis were not available, then we used material which are available in house and with help of that we tried to teach them the concept. When end of the year when school started open, our volunteers went back to aaganwadi and started learning camps so that they kids get confidence before they join back school and whatever learning they might have lost during the pandemic. We give them one more chance to bridge that gap and come to a place where they can start driving back into school.

Coming to the next program that we have on the next slide, please. This is where we use-- where we are using technology to remediate learning gaps. This is a tool which is available in computer labs in schools, where they can learn at their own pace. We test their current learning status. And every day in small content capsules they are taught the concepts and their learning gap is brought to a closure so that they can be at the same level at the class that they are at. When during pandemic time school were closed, we upgraded our tool and we made available on the smartphones so that children can keep learning from the safety of their homes. For that we have to onboard parents, teachers, principals so that the entire ecosystem around the child is helping them and encouraging them to keep learning. As school start opening, we initiated the program in schools, we've been working with government officials, school leaders, local communities, municipalities so that the tool can be brought back into schools as the school is open.

On the next slide we'll see a video where one of the schools in Telangana got impacted by the pandemic and we'll hear how -- what the children felt, how their learning levels got impacted and how we are bridging that gap with the Mindspark tool. Can you play the video on the next slide please? *(Audio Visual Playing)*

Thank you everyone. I'll just close on the note that education continues to be a focus area for us at P&G. We continue to drive P&G Shiksha. And we believe that this is going to help us bring the community forward and right the progress for the country. Thank you.

**Mr. Gurcharan Das - Chairman and Independent Director, Gillette India Limited:**

Thank you, Enakshee. I commend you for mixing Hinglish with English to make our CSR programs more accessible to more shareholders. We should do more of this in our company and really. Anyway, dear shareholders, you've just heard from our Managing Director, our Head of Finance and our Head of CSR, the overall performance of your company during 2021-2022. And as they have pointed out that during the last year, the pandemic continued to pose unprecedented challenges and impacted most segments of our business. Despite the volatility, and the headwinds from external landscape, such as the Ukraine war, your company, I'm happy to say continued in these tough times, to deliver double digit sales growth as a result of our commitment to serve consumers and communities. Your company, as you heard has embedded citizenship in the way it does business, in line with its philosophy of being both a force for growth and a force for the good in the communities itself. We continue to support the P&G Shiksha India initiative that was India's our company's response to the COVID pandemic. And as a part of it, we distributed lakh of masks and hand sanitizers to protect frontline workers and underprivileged communities. As Enakshee just told you our flagship CSR program of which we are very proud Shiksha continues to focus its efforts on three areas, improving learning outcomes, empowering marginalized girls through education, and improving the educational infrastructure of the country.

The program has so far supported 1000s of schools and impacted the lives of millions of children. Together with our proud partner Pratham, we are working towards bridging existing learning outcomes. The learning gaps that children have through on ground existing - on ground remedial interventions. We're also partnering with the fine organization mindSpark education initiatives, mindSpark which is a computer based adaptive learning tool to again remediate the learning gap that has been created, especially during COVID. And with our third partner Round Table India, we have focused on constructing new classrooms, building playgrounds, and improving health and hygiene, infrastructure and facilities for children in government schools. Thus, we believe we have made a reasonable impact on the communities especially around our factories in a holistic manner. We continue to make headway towards P&G's ambition 2030 goals. Your company has achieved significant milestones in environmental sustainability by achieving plastic waste neutrality, and is continuing to ensure zero waste to landfill status for its factories. As the world moves now, after COVID to a more normal state, we will continue to focus on driving our key strength, which is superiority in productivity and keep prioritizing the health and wellbeing of our people in achieving balanced growth. I want to express my gratitude to all our employees, our customers, our business partners, our suppliers and above all to you, our shareholders. You have supported us through difficult times and going into the following year. While the near-term outlook is still uncertain, we will continue to innovate and bring superior products to consumers. I look forward to your sustained support and participation in the growth of this company. And now I request Ms. Flavia Machado, to read out the resolutions being put to a vote at this AGM. Over to you Flavia.

**Ms. Flavia Machado - Company Secretary, Gillette India Limited:**

Thank you, sir. The notice dated August 22, 2022 and its addendum dated October 31, 2022 had been circulated by email to those members who have registered their email ids. And the same is also available on the website of the company and the stock exchanges. There are five items being proposed under ordinary business as ordinary resolutions which are as follows:

Item number 1: To adopt the financial statements for the financial year ended June 30, 2022 together with the report of the auditors and directors they're on.

Item number 2: To confirm payment of interim dividend and to declare final dividend for the financial year ended June 30, 2022.

Item number 3: To appoint a director in place of Mr. Pramod Agarwal who retires by rotation and being eligible offers himself for reappointment.

Item number 4: To appoint a director in place of Ms. Sonali Dhawan, who retires by rotation and being eligible offers herself for re-appointment.

Item number 5: To reappoint M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the Forty-Third Annual General Meeting.

There is one item being proposed under special business which is proposed as an ordinary resolution.

Item number 6: Payment of commission to non-executive directors of the company for a period of five years, effective January 1, 2023.

The company had provided an E-Voting facility for members to cast their vote through remote voting, which had commenced on November 3rd and ended on Thursday, November 17 20 2, at 5 pm. Those members who have not done so shall be eligible to vote through E-Voting system within 30 minutes after conclusion of this AGM.

Mr. Kamalax Saraf of Saraf and Associates, Practicing Company Secretaries, has been appointed as the scrutinizer for conducting the scrutiny of the votes cast through E-Voting at the meeting. The procedure for E-Voting at the AGM is the same as that of the remote E-Voting mentioned in the AGM Notice. Over to Mr. Das.

**Mr. Gurcharan Das - Chairman and Independent Director, Gillette India Limited:**

Thank you, Flavia. Since some members have expressed their desire to speak at the AGM by registering themselves as speakers, we will now invite them one by one. I appeal to the speakers to ask questions related to accounts of the company for which we are meeting today and avoid questions already asked. So please be brief and limit your time to maximum three minutes. The management will respond to questions at the end of each session. I again thank the speakers for extending their cooperation. And now I request the meeting host to assist in conducting this question-and-answer session.

**Moderator:**

Thank you, sir. Dear shareholders, one by one will be unmuted. Shareholders are requested to click the audio and video on to start speaking. If the shareholder is unable to join through video mode for any reason, he or she can join through audio mode. If there are connectivity issues from the speakers and the next speaker will be asked to join. Once the connectivity improves, he or she will be requested to once again speak after all the other speaker shareholders have completed their turn. We urge the shareholders to limit their time to three minutes.



*Ms. Vasudha Vikas Dhakve, Mr. Praveen Kumar, Ms. Prakashni Shenoy, Mr. Rajesh Chainani, Mr. Aspi Bhesania, Mr. Dinesh Kotecha, Mr. Gagan Kumar, Mr. Manoj Kumar Gupta, Mr. Ramesh Shankar Golla, Mr. Dinesh Bhatia, Mr. Yusuf Rangwala, Mr. Santosh Kumar Saraf, Ms. Hodayun Beruz Pouredahi, Mr. Ronald Fernandes, Mr. Sivakumar V, Ms. Celestine Elizabeth Mascarenhas, Mr. Aloysius Mascarenhas, Mr. Santosh Bhutani, Mr. Santhakrishnan Suresh, Ms. Hutokshi Sam Patel, Mr. Paresh Sangani, Mr. Mani Sundaram and Ms. Neelam who had registered themselves as speakers, expressed their views on the Company and sought clarifications on the accounts of the Company, its business operations. The Management addressed the shareholders' queries and thanked the shareholders for their compliments and valuable feedback.*

**Mr. Gurcharan Das - Chairman and Independent Director, Gillette India Limited:**

Having answered now, your questions, dear, speaker shareholders, I once again convey to all of you who have taken this trouble to ask these questions. And I hope the answers have been satisfactory. And therefore, I now declare the meeting closed. This meeting will be deemed to be concluded officially with the declaration of the results. Meanwhile, the results of the voting will be announced within 48 hours of conclusion of the meeting to the stock exchanges and will also be available on our website. The E-Voting facility will be open now for the next 30 minutes to enable members to cast their votes. I request to all of you to stay safe to stay well and take care of you and your families. Thank you

*E-voting*

**END OF TRANSCRIPT**