

CORPORATE GOVERNANCE

Your Directors are pleased to present the Corporate Governance Report:

Corporate governance is a set of systems, principles and processes by which a company is governed. Governance process has to ensure that the Company operates in a manner that meets with the stakeholders' aspirations and societal expectations. Corporate Governance consists of laws, policies, procedures, and, most importantly, practices, that ensure the wellbeing 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 (PVPs)*. Our commitment to operate responsibly is reflected in the steps we have in place to ensure rigorous financial discipline and Corporate Governance.

Your Company has a highly experienced Board of Directors, which helps 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, which is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct.

Further, your Company reinforces responsibilities on all its employees, including key employees, of observing high standards of Corporate Governance through the Company's *"Worldwide Business Conduct Manual"* (*"WBCM"*) which sets forth management's commitment to conduct its business affairs with high ethical standards. This Manual flows from our PVPs which is the umbrella for our critical policy areas, which in turn create specific guidelines and standards. This Manual enables the Company's employees to make easier connection to relevant policies and the tools that support them. This Manual describes the Company's

"Worldwide Business Conduct Standards". These standards flow from the following core values of the Company:

- Treat the Company's assets as you would treat your own;
- Behave with the Company's long term success in mind;
- Always do the right thing; and
- Operate within the letter and spirit of law.

The *WBCM* also details the policy statements, operating policies / procedures / practices and Internal Controls being followed by the Company with specific emphasis on ethical behaviour of employees, compliance with all applicable laws in letter and spirit, ensuring accuracy of books and records, maintaining confidentiality of corporate data, avoidance of conflict of interest, fair dealings, fair competition, following best practices for safety and health of Company personnel, environmental protection, trading in securities and a host of special legal issues.

Our 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, this is the only way to do business.

BOARD OF DIRECTORS

(a) Composition of the Board

The Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors. As on date, the Board is headed by a Non-Executive Independent Chairman, a Managing Director (Executive) and eight other Non-Executive Directors. All other Directors, except the Managing Director and the Non-Executive Independent Director, are Directors liable to retire by rotation.

The Non-Executive Independent Directors bring external perspective and independence to decision making. The terms & conditions of appointment of Independent Directors are available on the website of the Company. All Independent Directors have provided declaration of independence to the Company stating that they meet the criteria of independence as mentioned under Section 149 (6) of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*"SEBI Listing Regulations, 2015"*).

On an annual basis, the Company obtains from each Director, details of the Board and Board Committee positions he/she occupies in other Companies, and changes, if any, regarding their Directorships.

All Directors have confirmed that they are not debarred from holding the office of Director pursuant to any SEBI order or any other such

authority. The Company has obtained a certificate from Mr. B. V. Dholakia, Practicing Company Secretary, dated August 20, 2019 (annexed to this Report), confirming that none of the Directors on the Board of the Company have been debarred or disqualified from holding the office of Director by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority.

The composition of the Board of Directors and other Directorships held as on date are given below:

Name of the Director	Category	Designation	Directorships in other companies*	Membership of Board Committees of other companies**	
				Member	Chairman
Mr. Rajendra A. Shah	ID	Chairman	7	4	2
Mr. Madhusudan Gopalan#	ED	Managing Director	2	2	Nil
Mr. Bansidhar S. Mehta	ID	Director	4	4	1
Mr. Anil Kumar Gupta	ID	Director	1	2	1
Ms. Meena Ganesh@	ID	Director	15	Nil	Nil
Mr. Pramod Agarwal	NED	Director	2	0	Nil
Ms. Sonali Dhawan	NED	Director	1	1	Nil
Mr. Karthik Natarajan	NED	Director	1	Nil	Nil
Mr. Gagan Sawhney^	NED	Director	1	Nil	Nil
Mr. Ghanashyam Hegde\$	NED	Director	1	Nil	Nil

NED – Non-Executive Director

ED – Executive Director

ID – Independent Director

* Includes directorships in private companies and companies registered under Section 8 of the Companies Act, 2013 and excludes directorships in foreign companies.

** Includes memberships of only Audit Committee and Stakeholders' Relationship Committee of Public Companies.

Mr. Madhusudan Gopalan was appointed as Director and Managing Director effective July 1, 2018.

@ Ms. Meena Ganesh was appointed as Non-Executive Independent Director effective March 19, 2019.

^ Mr. Gagan Sawhney was appointed as Non-Executive Director effective January 24, 2019.

\$ Mr. Ghanashyam Hegde was appointed as Non-Executive Director effective May 9, 2019.

The other listed companies in which Directors on the Board of your Company are also Directors are listed below:

Name of Director	Directorships in other listed companies
Mr. Rajendra A. Shah	Non-Executive Independent Director of: 1. Godfrey Phillips India Limited 2. Lupin Limited 3. Colgate-Palmolive (India) Limited 4. Pfizer Limited 5. BASF India Limited 6. Atul Limited
Mr. Bansidhar S. Mehta	Non-Executive Independent Director: 1. Gillette India Limited 2. Pidilite Industries Limited 3. Century Enka Limited 4. Atul Limited

Name of Director	Directorships in other listed companies
Mr. Anil Kumar Gupta	Non-Executive Independent Director: 1. Gillette India Limited
Ms. Meena Ganesh	Non-Executive Independent Director: 1. Pfizer Limited
Mr. Pramod Agarwal	Non-Executive Director: 1. Gillette India Limited
Mr. Madhusudan Gopalan	Managing Director: 1. Gillette India Limited
Mr. Karthik Natarajan	Executive Director: 1. Gillette India Limited
Ms. Sonali Dhawan	Non-Executive Director: 1. Gillette India Limited
Mr. Gagan Sawhney	Executive Director: 1. Gillette India Limited
Mr. Ghanashyam Hegde	NIL

(b) Number of meetings of the Board

Four (4) meetings of the Board were held during the Financial Year July 1, 2018 to June 30, 2019. These meetings were held on August 22, 2018, November 2, 2018, February 7, 2019 and May 8, 2019.

(c) Directors' attendance record

The attendance of the Directors at the Board Meetings and at the last Annual General Meeting is as under:

Name of Director	No. of Board meetings held during the tenure	No. of Board meetings attended	Last Annual General Meeting (Whether Attended)
Mr. Rajendra A. Shah	4	4	Yes
Mr. Madhusudan Gopalan [#]	4	4	Yes
Mr. Bansidhar S. Mehta	4	4	Yes
Mr. Anil Kumar Gupta	4	4	Yes
Mr. Pramod Agarwal	4	4	Yes
Mr. Shailymanyu Singh Rathore [*]	4	1	No
Ms. Sonali Dhawan	4	4	Yes
Mr. Karthik Natarajan	4	2	No
Ms. Meena Ganesh [@]	1	1	N.A.
Mr. Gagan Sawhney [§]	2	2	N.A.
Mr. Ghanashyam Hegde [^]	NIL	N.A.	N.A.

[#] Mr. Madhusudan Gopalan was appointed as Director and Managing Director effective July 1, 2018.

^{*} Mr. Shailymanyu Singh Rathore resigned as Director effective May 8, 2019.

[@] Ms. Meena Ganesh was appointed as Non-Executive Independent Director effective March 19, 2019.

[§] Mr. Gagan Sawhney was appointed as Non-Executive Director effective January 24, 2019.

[^] Mr. Ghanashyam Hegde was appointed as Non-Executive Director effective May 9, 2019.

(d) Separate meeting of independent Directors

The Independent Directors of the Company met separately without the presence of Non-Independent Directors or management representatives on May 8, 2019 to review the performance of non-independent directors; the Board & the Chairperson of the Company, and to assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(e) Related Party Transactions

The Company has adopted Related Party Transaction Policy ('RPT Policy') to ensure that all Related Party Transactions entered into by the Company shall be in the best interest of the Company and in accordance with the provisions of the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations, 2015. The RPT Policy is available on the Company's website at www.pg.com/en_IN/invest/pghh/corporate_governance/policies.shtml.

Prior omnibus approval of the Audit Committee is obtained for related party transactions which are of repetitive nature. All related party transactions are reviewed by chartered accountant firms to ensure transactions are in ordinary course of business, at arm's length and are in compliance with the RPT

Policy of the Company. All related party transactions are placed before the Audit Committee for quarterly review.

There are no material pecuniary relationships / significant transactions made by the Company with its Promoters, Directors or management, their subsidiaries or relatives etc. which have potential conflict with the interests of the Company at large. Transactions with related parties are disclosed in Note 32 forming part of the Financial Statements.

(f) Remuneration of Directors

Members of the Company at their 54th Annual General Meeting held on November 29, 2018 had approved payment of commission to the Non-Executive Directors of the Company upto a maximum of 1% of the net profits of the Company per annum in the aggregate,

for a period of 5 years w.e.f. July 1, 2018 and had also empowered the Board of Directors to fix the quantum of commission payable to the Non-Executive Directors and to also determine the period for which said commission is payable. The Board of Directors at their meeting held on August 21, 2019 approved payment of annual commission of ₹ 12 lakhs, on a pro-rata basis, to Non-P&G Non-Executive Directors. The Non-Executive Directors are paid commission to compensate for their valuable contribution to the Company owing to their wealth of experience and knowledge.

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

Details of the remuneration paid / provided to the Directors of the Company for the Financial Year ended June 30, 2019 are given below:

Amount in ₹

Name of Director	Relationship with other Directors	Salary including Bonus + PF contribution	Commission	Sitting Fees	Shares held (Equity Shares of ₹ 10/- each)*
Mr. Rajendra A. Shah	None	—	12,00,000	3,80,000	12,906
Mr. Madhusudan Gopalan	None	5,58,21,211 [§]	—	—	—
Mr. Bansidhar S. Mehta	None	—	12,00,000	3,20,000	3,799
Mr. Anil Kumar Gupta	None	—	12,00,000	5,00,000	—
Mr. Pramod Agarwal	None	—	12,00,000	2,30,000	25
Ms. Meena Ganesh	None	—	3,42,740	50,000	—
Mr. Shailyamanyu Singh Rathore	None	—	—	—	—
Ms. Sonali Dhawan	None	— [#]	—	—	—
Mr. Karthik Natarajan	None	— [@]	—	—	—
Mr. Ghanashyam Hegde	None	— [^]	—	—	—
Mr. Gagan Sawhney	None	— [!]	—	—	—

* Excludes shares held by relatives.

§ Mr. Madhusudan Gopalan is paid by the Company and portion of the remuneration is cross charged to Gillette India Limited and Procter & Gamble Home Products Private Limited in proportion to their respective Net Outside Sales. Mr. Madhusudan Gopalan has exercised Stock Options of the ultimate Holding Company amounting to ₹ 1,19,30,799 under its Employee Stock Option Plan, which is included in the above mentioned remuneration.

₹ 141.73 Lakhs being Company's contribution to remuneration of Ms. Dhawan has been cross charged from Procter & Gamble Home Products Private Limited in terms of the common service agreement.

@ ₹ 5.52 Lakhs being Company's contribution to remuneration of Mr. Natarajan has been cross charged from Gillette India Limited in terms of the common service agreement.

^ ₹ 7.65 Lakhs being Company's contribution to remuneration of Mr. Hegde has been cross charged from Gillette India Limited in terms of the common service agreement.

! ₹ 30.12 Lakhs being Company's contribution to remuneration of Mr. Sawhney has been cross charged from Procter & Gamble Home Products Private Limited in terms of the common service agreement.

Stock Options

The Company does not have any Stock Option Plan for its employees. However, all employees of the Company are given the right to purchase shares of the Ultimate Holding Company – The Procter & Gamble Company, USA under its 'International Stock Ownership Plan'. Certain employees of the Company are also entitled to Stock Option of the Ultimate Holding Company under its Employee Stock Option Plan. Details as regards the same are disclosed vide Note 31 forming part of the Financial Statements.

(g) Committees of the Board

Audit Committee

The Audit Committee presently comprises of Mr. Rajendra A. Shah (Chairman), Mr. Bansidhar S. Mehta (Member), Mr. Anil Kumar Gupta (Member) and Mr. Madhusudan Gopalan (Member). During the Financial Year, the Audit Committee met on August 22, 2018, November 2, 2018, February 7, 2019 and May 8, 2019.

Attendance of the Members of the Audit Committee during the Financial Year:

Members of the Committee	Designation	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. Rajendra A. Shah	Chairman	ID	4	4
Mr. Bansidhar S. Mehta	Member	ID	4	4
Mr. Anil Kumar Gupta	Member	ID	4	4
Mr. Madhusudan Gopalan	Member	ED	4	4

ID – Independent Director

ED – Executive Director

The Audit Committee plays the role as is contemplated under Section 177 of the Companies Act, 2013 read with the SEBI Listing Regulations, 2015.

The Audit Committee powers include the following:

- to investigate any activity within its terms of reference;
- to seek information from any employee;
- to obtain outside legal or other professional advice; and
- to secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee role includes the following:

- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;

- Oversight 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;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Examination and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Modified opinion(s) in the draft audit report

- x. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- xi. Monitoring the end use of funds raised through public offers and related matters and reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of qualifications, experience and background, etc. of the candidate; and
- xiii. Reviewing the adequacy of internal audit function, if any, 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;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. 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;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. 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;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- xx. Reviewing any other areas which may be specified as role of the Audit Committee under the SEBI Listing Regulations, 2015, Companies Act and other statutes, as amended from time to time.

The minutes of the Audit Committee are placed before the Board.

Stakeholder Relationship Committee

The Committee presently comprises of Mr. Ghanashyam Hegde (Chairman), Mr. Madhusudan Gopalan (Member) and Mr. Anil Kumar Gupta (Member). Ms. Flavia Machado is the Company Secretary & Compliance Officer to the Committee. During the Financial Year, four meetings were held on August 22, 2018, November 2, 2018, February 7, 2019 and May 8, 2019.

Attendance of the Members of the Committee during the Financial Year:

Members of the Committee	No. of meetings held during tenure	No. of meetings attended
Mr. Shaillyamanyu Singh Rathore*	4	1
Mr. Anil Kumar Gupta	4	4
Mr. Madhusudan Gopalan	4	4
Mr. Ghanashyam Hegde**	Not Applicable	Not Applicable

* Mr. Shaillyamanyu Singh Rathore resigned as Director of the Company effective May 8, 2019 and consequently ceased to be Member and Chairman of the Stakeholder Relationship Committee effective May 8, 2019.

** Mr. Ghanashyam Hegde was inducted as a Member and Chairman of the Stakeholder Relationship Committee effective May 9, 2019.

The role of the Committee is as follows:

- Resolving the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

During the Financial Year, the Company received 8 complaints from Shareholders. These complaints have been resolved during the Financial Year.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee presently comprises of Mr. Anil Kumar Gupta (Chairman), Mr. Rajendra A. Shah (Member) Mr. Ghanashyam Hegde (Member), and Mr. Gagan Sawhney (Member). During the Financial Year, four meetings were held on August 22, 2018, November 2, 2018, February 7, 2019 and May 8, 2019.

Attendance of the Members of the Committee during the Financial Year:

Members of the Committee	No. of meetings held during tenure	No. of meetings attended
Mr. Anil Kumar Gupta	4	4
Mr. Rajendra A. Shah	4	4
Mr. Karthik Natarajan*	4	2
Mr. Ghanashyam Hegde**	Not Applicable	Not Applicable
Mr. Gagan Sawhney**	Not Applicable	Not Applicable

* Mr. Karthik Natarajan ceased to be Member of the Nomination & Remuneration Committee effective August 21, 2019.

** Mr. Ghanashyam Hegde and Mr. Gagan Sawhney were inducted as Members of the Nomination & Remuneration Committee effective August 21, 2019.

The role of the Committee is as follows:

- Formulation of criteria for determining qualifications, positive attributes and independence of Directors;
- Formulation of evaluation criteria for performance evaluation of Independent Directors and the Board;
- Recommendation to the Board of a Policy, relating to the remuneration of Directors, key managerial personnel and senior management;
- Identification of persons who are qualified to become directors and who may be appointed in senior management and recommendation to the Board their appointment and removal;
- Carrying out evaluation of every Director's performance;
- Devise a policy on Board diversity;
- Any other role & responsibility, as may be mandated by any statutory legislation, from time to time.

The Company has adopted Nomination and Remuneration Policy. The Nomination and Remuneration Policy is in compliance with all applicable provisions of the Companies Act, 2013, particularly Section 178 read together with the applicable rules thereto and Regulation 19 of the SEBI Listing Regulations, 2015. The Policy is designed to attract, motivate and retain leadership members in a competitive and international market. The Policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders. The Policy is available on the website of the Company at http://www.pg.com/en_IN/invest/pghh/corporate_governance/policies.shtml. This Policy is also annexed to the Directors' Report as **Annexure V**.

The Company has also adopted a Board Diversity Policy which is based on the principle that the Company's Board of Directors should have a balance of skills, experience and diversity of perspectives appropriate to the Company's business. The Company recognizes that a Board composed of appropriately qualified people with a broad spectrum of experience relevant to the business is important for effective corporate governance and sustained commercial success of the Company. The Company aims to achieve a sustainable and balanced development by building a diverse and inclusive culture.

The Committee carries out an evaluation of the performance of individual Directors. Feedback was sought by way of structured questionnaires covering various aspects in line with the Guidance Note on Board evaluation issued by the Securities and Exchange Board of India vide its circular dated January 5, 2017 and performance evaluation was carried out based on the responses received from the Directors.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee presently comprises of Mr. Anil Kumar Gupta (Chairman), Mr. Madhusudan Gopalan (Member), Ms. Sonali Dhawan (Member) and Mr. Karthik Natarajan (Member). During the Financial Year, two meetings were held on August 22, 2018 and February 7, 2019.

Attendance of the Members of the Committee during the Financial Year:

Members of the Committee	No. of meetings held during tenure	No. of meetings attended
Mr. Anil Kumar Gupta	2	2
Ms. Sonali Dhawan	2	2
Mr. Madhusudan Gopalan	2	2
Mr. Karthik Natarajan	2	2

The role of the Committee is as follows:

- Formulation and recommendation to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company;
- Recommendation of the amount of expenditure to be incurred on the CSR activities;
- Monitoring the CSR Policy of the Company from time to time;
- Formulation and monitoring of implementation of business responsibility policies; and
- Annual assessment of the business responsibility performance and reporting.

The Company has adopted a Corporate Social Responsibility Policy ('CSR Policy'). In line with the global principles followed by the Procter & Gamble group and terms of the Companies Act, 2013, the CSR policy is broadly framed taking into account the following:

- We believe it's essential to run our business responsibly, and our operating practices reflect this commitment.
- We are focused on making every day better for people and the planet through our innovations and our actions:
 - i. Environment by – Conservation of Resources, Using Renewable Resources, Generating Worth from Waste;
 - ii. Social by – providing the comforts of home, improving health and hygiene of people, social and cultural development, imparting education, training and social awareness.

Risk Management Committee

The Company has constituted a Risk Management Committee to monitor and the review the Risk Management Policy and plans of the Company. The Committee presently comprises of Mr. Madhusudan Gopalan (Chairman), Mr. Karthik Natarajan (Member), Mr. Anil Kumar Gupta (Member), Mr. Pramod Agarwal (Member), Mr. Ghanashyam Hegde (Member), Mr. Prashant Bhatnagar (Member) Mr. Gagan Sawhney (Member), and Ms. Meena Ganesh (Member). During the Financial Year, two meetings were held on August 22, 2018 and May 8, 2019.

The role of the Committee is as follows:

- To monitor and review the Risk Management policy and plans of the Company
- To monitor and review cyber security risk.

Attendance of the Members of the Committee during the Financial Year:

Members of the Committee	No. of meetings held during tenure	No. of meetings attended
Mr. Madhusudan Gopalan	2	2
Mr. Karthik Natarajan	2	1
Mr. Anil Kumar Gupta	2	2
Mr. Pramod Agarwal	2	2
Mr. Shailymanyu Singh Rathore*	2	1
Mr. Prashant Bhatnagar	2	2
Mr. Gagan Sawhney	2	2
Mr. Ghanashyam Hegde**	Not Applicable	Not Applicable
Ms. Meena Ganesh**	Not Applicable	Not Applicable

* Mr. Shailymanyu Singh Rathore resigned as Director of the Company effective May 8, 2019 and consequently ceased to be Member of the Risk Management Committee.

** Mr. Ghanashyam Hegde and Ms. Meena Ganesh were inducted as Members of the Risk Management Committee effective May 9, 2019 and August 21, 2019 respectively.

The Company has adopted a Risk Management Policy, which aims to create a standard, structured and efficient approach to identify, assess and mitigate risks. Our Company meetings are structured to plan, assess and mitigate risks. These include annual & monthly business planning meetings as well as specific category and go-to-market assessments.

Cash & Investment Committee

The Company has constituted a Cash & Investment Committee, presently comprising of Mr. Pramod Agarwal (Chairman), Mr. Anil Kumar Gupta (Member), Mr. Karthik Natarajan (Member), Mr. Gagan Sawhney (Member) and Mr. Ghanashyam Hegde (Member). During the Financial Year, two meetings were held on November 2, 2018 and February 7, 2019.

Attendance of the Members of the Committee during the Financial Year:

Members of the Committee	No. of meetings held during tenure	No. of meetings attended
Mr. Pramod Agarwal	2	2
Mr. Anil Kumar Gupta	2	2
Mr. Shailymanyu Singh Rathore*	2	0
Mr. Karthik Natarajan	2	1
Mr. Gagan Sawhney**	Not Applicable	Not Applicable
Mr. Ghanashyam Hegde**	Not Applicable	Not Applicable

* Mr. Shailymanyu Singh Rathore resigned as Director of the Company effective May 8, 2019 and consequently ceased to be Member of the Cash & Investment Committee.

** Mr. Gagan Sawhney and Mr. Ghanashyam Hegde were inducted as Members of the Cash & Investment Committee effective August 21, 2019.

The role of the Committee is as follows:

Assessment and recommendation to the Board the best possible utilization of cash generated by the Company, on basis of following primary considerations–

- i) protecting long term growth of the Company;
- ii) maximizing return to the Shareholders; and
- iii) ensuring risk free investments choices.

(h) Familiarization programme for Independent Directors

The familiarization programme aims at familiarizing the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates and business model of the Company.

Your Company conducts presentations at meetings of the Board and meeting of various Committees of the Board periodically to familiarize the Independent

Directors with the business performance, business strategy, operations and functions of the Company. Such presentations help the Independent Directors to understand the Company's strategy, business model, operations, market, competition, organization structure, risk analysis and such other areas.

The Company updates the Independent Directors on changes in relevant laws / regulations from time to time. Each member of the Board, including the Independent Directors, are given any information relating to the Company, whenever they so request. Independent Directors have the freedom to interact with the Company's management.

In case of appointment of new Independent Director on the Board of the Company, the Company would:

- Issue a formal letter of appointment at the time of appointment; and
- Provide introductory documents including Annual Report, Board committee framework, codes of conducts, as may be applicable to the Director, various Policies and procedures adopted by the Company.

During the Financial Year, a familiarization programme was conducted at the registered office of the Company for induction of newly appointed Independent Director, Ms. Meena Ganesh on May 9, 2019 from 8.30 am to 1.00 pm covering various topics including introduction to P&G group and the Company, historical background, organization structure & review, Company growth strategy, feminine care and healthcare business on boarding, and digital road map review. Ms. Meena Ganesh, Mr. Anil Kumar Gupta, Mr. Madhusudan Gopalan, Ms. Sonali Dhawan, Mr. Gagan Sawhney and Mr. Ghanashyam Hegde attended the said programme.

The familiarization programme is available on the Company's website at http://www.pg.com/en_IN/invest/pghh/corporate_governance/index.shtml.

(i) Key Board qualifications, expertise and attributes

The Company's core business includes manufacturing and selling of branded packaged fast moving consumer goods in the feminine care and healthcare businesses.

The list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's aforesaid business for efficient functioning of the Board are as follows:

Finance & Accounting Expertise	Experience of financial management with appropriate professional qualifications (e.g. MBA in Finance, Chartered Accountants, Cost Accountants, Chartered Financial Analyst etc.)
Legal Expertise	Experience in the field of law, litigations or advisory with appropriate professional qualifications (e.g. Lawyers, Solicitors, Company Secretaries)
Strategy / Business Operation Expertise	Experience of leading the companies as CEO or part of Senior management or as Functional leader with strategic or business operations expertise Experience in digital, technology driven businesses
FMCG Domain Expertise	Experience of FMCG industry
Regulatory / Policy	Experience of regulatory advisory, policy formulation & implementation, public administrative experience

(j) Annual Evaluation of the Directors

The Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually. Feedback was sought by way of structured questionnaires covering various aspects in line with the Guidance Note on Board evaluation issued by the Securities and Exchange Board of India vide its circular dated January 5, 2017 and performance evaluation was carried out based on the responses received from the Directors.

(k) Disclosures regarding appointment and re-appointment of Directors

1. Mr. Karthik Natarajan

Mr. Natarajan is a Chartered Accountant and has completed his Bachelor of Commerce from R. A. Podar College, Mumbai. Mr. Natarajan has been with P&G for over 19 years and is currently the Vice President, Finance & Accounting, Asia Pacific, Middle East & Africa. He has, over his experience at P&G, worked across multiple locations including India, US, China, Philippines, Singapore and Dubai.

Mr. Natarajan, Director retires by rotation and being eligible, offers himself for re-appointment at the ensuing 55th Annual General Meeting.

2. Mr. Pramod Agarwal

Mr. Agarwal is an MBA from Indian Institute of Management, Ahmedabad. After over 28 years of experience with P&G, he retired in 2016. He has worked in seven geographies – India, Thailand, Japan, Philippines, USA, Singapore and Switzerland. Mr. Agarwal has led several major changes which have had a lasting impact on the business and organization.

Mr. Agarwal, Director retires by rotation and being eligible, offers himself for re-appointment at the ensuing 55th Annual General Meeting.

3. Mr. Rajendra A. Shah

Mr. Shah is a leading solicitor and a senior partner of Crawford Bayley & Co., a firm of solicitors and advocates. He specializes in broad spectrum of corporate laws. He has been a Director on the Boards of several prominent companies in India.

Owing to personal reasons, Mr. Shah has offered himself for re-appointment for a period of one year only. Accordingly, it is proposed to re-appoint Mr. Shah as Independent Director of the Company for a period of one year effective September 24, 2019, at the ensuing 55th Annual General Meeting.

4. Mr. Bansidhar S. Mehta

Mr. Mehta is a graduate in commerce and a Fellow Member of The Institute of Chartered Accountants of India. He is a Chartered Accountant in practice dealing with taxation, accountancy and valuation of mergers and acquisitions. He has been a Director on the Boards of several prominent companies in India.

Owing to personal reasons, Mr. Mehta has offered himself for re-appointment for a period of one year only. Accordingly, it is proposed to re-appoint Mr. Mehta as Independent Director of the Company for a period of one year effective September 24, 2019, at the ensuing 55th Annual General Meeting.

5. Mr. Anil Kumar Gupta

Mr. Gupta is an engineer from IIT New Delhi. He also holds a PG Diploma in Industrial Management from Jamnalal Bajaj Institute of Management Studies, Mumbai. He has a vast experience of over 40 years in India and abroad in the field of Manufacturing, Projects and Supply Chain Management.

It is proposed to re-appoint Mr. Gupta, as Independent Director of the Company for a period of five years effective September 24, 2019, at the ensuing 55th Annual General Meeting.

6. Mr. Ghanashyam Hegde

Mr. Hegde is a legal professional with over 18 years of experience across pharma, media & entertainment, financial services and chemical industries. He is an alumnus of Bangalore University and National Law School of India University and holds a degree in law and Post Graduate Diploma in Intellectual Property Rights. He is also a qualified Company Secretary. He joined P&G in September 2018 as General Counsel for Indian Sub-continent. He is Company Secretary of P&G Group Company, Gillette India Limited.

It is proposed to appoint Mr. Hegde, as Non-Executive Director of the Company at the ensuing 55th Annual General Meeting.

7. Ms. Meena Ganesh

Ms. Meena Ganesh is one of India's foremost business leaders with nearly three decades of experience in industries including healthcare, consulting, technology, outsourcing, education and e-commerce. Ms. Meena Ganesh is the Managing Director & CEO of Portea Medical, which she co-founded in July 2013. Ms. Meena Ganesh is a PGDM holder from Indian Institute of Management – Calcutta and has a graduate degree in Physics from the Madras University. She has been named by Fortune India as one of the 50 'Most Powerful Women in Business' for five consecutive years (2015 - 2019). She won the ET Startup Award in the 'Women Ahead' category in 2016.

It is proposed to appoint Ms. Meena Ganesh, as an Independent Director of the Company for a period of five years effective March 19, 2019, at the ensuing 55th Annual General Meeting.

COMMUNICATION TO SHAREHOLDERS

- (i) The quarterly results of the Company are announced within 45 days of completion of the quarter or within the time as prescribed by the Securities & Exchange Board of India. Audited Annual Results are announced within 60 days of the end of Financial Year or within the time as prescribed by the Securities & Exchange Board of India which are published in the The Economic Times, Mumbai Lakshadeep and The Asian Age.
- (ii) The Company's results and official news releases are published on Company's website: www.pg.com/en_IN.
- (iii) During the course of the Financial Year, two Investor meetings were held on March 13, 2019. Details of the meetings and presentation are uploaded on the website of the Company- https://www.pg.com/en_IN/invest/pghh/investor_information/investor_analyst/index.shtml.
- (iv) This Annual Report along with Notice calling the Annual General Meeting for the Financial Year 2018-19, in electronic form, is being sent to the Members at the email address provided / updated by the Members with the Depository Participants / Registrar & Transfer Agent, as applicable. Physical copy of the Annual Report is being sent to the members whose e-mail address is not registered with the Company and members who have lodged their request with the Company for a physical copy of Annual Report.

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.

GENERAL MEETINGS

Annual General Meeting	Date	Time	Venue	No. of special resolutions passed
54 th	November 29, 2018	11:00 a.m.	All the three Annual General Meetings were held at Y. B. Chavan Pratisthan, Gen. Jagannathrao Bhonsle Marg, Mumbai-400 021	—
53 rd	November 16, 2017	11:00 a.m.		—
52 nd	December 2, 2016	11:00 a.m.		—

POSTAL BALLOT

During the Financial Year, following resolutions were approved by Postal Ballot mechanism:

- Resolution for approval of appointment of Mr. Madhusudan Gopalan as Director and Managing Director of the Company was passed by the Shareholders of the Company through Postal Ballot on August 8, 2018. The Board had appointed Mr. B. V. Dholakia, Practicing Company Secretary, as the scrutinizer to conduct the Postal Ballot process in a fair and transparent manner. The results of the postal ballot were declared on August 9, 2018. Details of the voting pattern were as under:

Description of Resolution: Approval of appointment of Mr. Madhusudan Gopalan as Director and Managing Director of the Company for a period of five years with effect from July 1, 2018 (*Ordinary Resolution*).

Particulars	No. of Votes (Physical ballots and e-voting)	Votes Cast (No. of Shares)	% of Votes
No. of total valid Postal Ballot Forms / e-votes received	550	2,62,57,987	100.00
Assented to the resolution	527	2,62,34,680	99.91
Dissented to the resolution	23	23,307	0.09

Accordingly, the said Resolution was approved by the Shareholders of the Company, with requisite majority.

- Resolution for continuation of present tenure of directorship of Mr. R. A. Shah and B. S. Mehta who are above 75 years of age, as Non-Executive Independent Directors and Appointment of Mr. Gagan Sawhney, as Non-Executive Director, were passed by the Shareholders of the Company through Postal Ballot on January 24, 2019. The Board had appointed Mr. B. V. Dholakia, Practicing Company Secretary, as the scrutinizer to conduct the Postal Ballot process in a fair and transparent manner. The results of the postal ballot were declared on January 25, 2019. Details of the voting pattern were as under:

- Description of Resolution:** Continuation of present tenure of directorship of Mr. Rajendra A. Shah, who is above 75 years of age, as a Non-Executive Independent Director (*Special Resolution*).

Particulars	No. of Votes (Physical ballots and e-voting)	Votes Cast (No. of Shares)	% of Votes
No. of total valid Postal Ballot Forms/ e-votes received	322	2,55,23,707	100.00
Assented to the resolution	197	2,40,77,998	94.34
Dissented to the resolution	125	14,45,709	5.66

Accordingly, the said Resolution was approved by the Shareholders of the Company, with requisite majority.

- Description of Resolution:** Continuation of present tenure of directorship of Mr. Bansidhar S. Mehta, who is above 75 years of age, as a Non-Executive Independent Director (*Special Resolution*).

Particulars	No. of Votes (Physical ballots and e-voting)	Votes Cast (No. of Shares)	% of Votes
No. of total valid Postal Ballot Forms/ e-votes received	325	2,65,28,280	100.00
Assented to the resolution	228	2,54,16,600	95.81
Dissented to the resolution	97	11,11,680	4.19

Accordingly, the said Resolution was approved by the Shareholders of the Company, with requisite majority.

- c. **Description of Resolution:** Appointment of Mr. Gagan Sawhney as Non-Executive Director of the Company (*Ordinary Resolution*).

Particulars	No. of Votes (Physical ballots and e-voting)	Votes Cast (No. of Shares)	% of Valid Votes
No. of total valid Postal Ballot Forms/ e-votes received	323	2,65,28,203	100.00
Assented to the resolution	301	2,64,29,361	99.63
Dissented to the resolution	22	98,842	0.37

Accordingly, the said Resolution was approved by the Shareholders of the Company, with requisite majority.

Procedure for Postal Ballot:

In compliance with Sections 108, 110 and other applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, the Company provided electronic voting (e-voting) facility to all its Shareholders. The Company engaged the services of National Securities Depository Limited ("NSDL") for the purpose of providing e-voting facility to all its members. The Shareholders had an option to vote either by postal ballot or through e-voting. The Company dispatched the postal ballot notices and forms along with postage prepaid business reply envelopes to its Shareholders whose names appeared on the Register of Members/list of beneficiaries as on cut-off date. The postal ballot notice was sent to Shareholders in electronic form to the email addresses registered with the depository participants/Company's Registrar & Share Transfer Agents. The Company also published a notice in the newspapers declaring the details of completion of dispatch and other requirements under the Secretarial Standards issued by the Institute of Company Secretaries of India, the Companies Act, 2013 and the Rules issued thereunder. Voting rights were reckoned on the paid up value of shares of the Company registered in the names of the Shareholders as on the cut-off date. Shareholders desiring to vote through postal ballot were requested to return the forms, duly completed and signed so as to reach the Scrutinizer before the close of the voting period. Members desiring to exercise their votes by electronic mode were requested to vote before the close of business hours on the last date of e-voting. The Scrutinizer submitted his report to the Chairman, after the completion of scrutiny and the consolidated results of the voting by postal ballot were then announced by the Company. The results are displayed on the website of the Company at https://www.pg.com/en_IN/invest/pghh/invester_information/postal_ballot.shtml, besides being communicated to the Stock Exchanges.

No special resolution is proposed to be conducted through Postal Ballot as on the date of this Report.

MD / CFO Certification

A compliance certificate in accordance with Regulation 17(8) of the SEBI Listing Regulations, 2015 was provided to the Board of Directors in the prescribed format for the Financial Year 2018-19, which was reviewed by the Audit Committee and taken on record by the Board.

ADOPTION OF DISCRETIONARY REQUIREMENTS

The Company has adopted following discretionary requirements of Regulation 27(1) of the SEBI Listing Regulations, 2015:

- There are no audit qualifications in the Company's financial statements for the Financial Year 2018-19.
- The Company has appointed separate persons as Chairman and Managing Director of the Company.

WHISTLE BLOWER POLICY

The Company being a part of the Procter & Gamble group is guided by a Whistle Blower Policy as laid down in its "*Worldwide Business Conduct Manual*". Any employee or other interested person can call on '*The Worldwide Business Conduct Helpline (previously called the 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 Worldwide Business Conduct Helpline is not staffed or monitored by the Company personnel. All calls can be completed anonymous if the caller desires. The *Helpline* can take calls in most languages spoken by employees around the world.

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

The '*Worldwide Business Conduct Helpline*' is accessible to all employees.

In compliance with the requirement under the SEBI Listing Regulations, 2015 and Section 177 of the Companies Act, 2013 and the Rules made thereunder, the Company has adopted the whistle blowing policy as the vigilance mechanism for Directors and employees to report genuine concerns or grievances such as unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

The Audit Committee oversees the vigil mechanism and number of cases reported alongwith the status report and action taken (if any) are reported to the Committee. No personnel has been denied access to the Audit Committee.

The Vigil Mechanism is available on the Company's website at http://www.pg.com/en_IN/invest/pghh/corporate_governance/policies.shtml.

CODE OF CONDUCT

(i) Code of Conduct for Directors

The Company has in place a Code of Conduct for its Directors and senior management. This Code is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct. The Board Members and Senior Management Personnel have affirmed their compliance with the Code of Conduct and a Managing Director certificate to that effect is annexed to this Corporate Governance Report. The Code of Conduct has been posted on the Company's website at http://www.pg.com/en_IN/invest/pghh/corporate_governance/code_of_conduct.shtml.

(ii) Code of Conduct for Prohibition of insider Trading

The Board of the Company has adopted the Code of Conduct for prevention of Insider Trading SEBI (Prohibition of Insider Trading) Regulations, 2015. The code has been posted on the Company's website at http://www.pg.com/en_IN/invest/pghh/corporate_governance/code_of_conduct.shtml.

GENERAL SHAREHOLDER INFORMATION

i. Annual General Meeting

The 55th Annual General Meeting will be held on Wednesday, November 27, 2019 at 11.00 a.m. at Y. B. Chavan Pratisthan, Gen. Jagannathrao Bhonsle Marg, Mumbai - 400 021.

ii. Financial Calendar

Presently, the Company follows July-June Financial Year. The Financial Results are declared within timelines as prescribed by the Securities & Exchange Board of India.

iii. **Book Closure Dates:** Thursday, November 21, 2019, to Wednesday, November 27, 2019 (both days inclusive).

The said book closure is for payment of dividend.

iv. **Dividend Payment Date:** On or before December 20, 2019.

v. **Total fees paid to Statutory Auditors of the Company:** Total fees of ₹ 111.90 lakhs for Financial Year 2018-19, was paid by the Company to Kalyaniwalla & Mistry LLP, Statutory Auditors of the Company.

vi. **Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the Financial Year 2018-19 are as under:

- a. Number of complaints filed during the Financial Year: 1
- b. Number of complaints disposed of during the Financial Year: 1
- c. Number of complaints pending as on end of the Financial year: NIL

vii. **Recommendations of Committees of the Board**

There were no instances during the Financial Year 2018-19, wherein the Board had not accepted recommendations made by any Committee of the Board.

viii. **Listing of Equity Shares on Stock Exchanges**

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

ix. **Stock Code**

BSE Limited : **500459**

National Stock Exchange of India Ltd. : **PGHH**

Dematerialization ISIN Code : **INE179A01014**

x. Stock Price Data

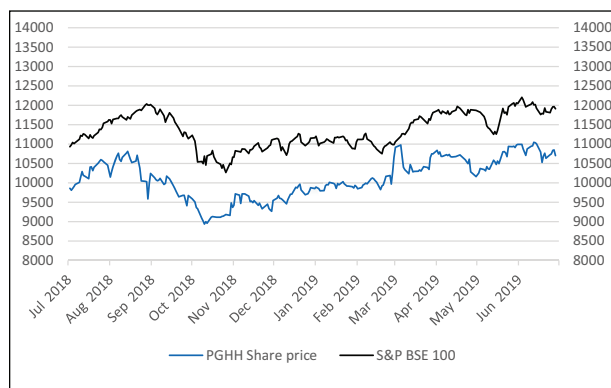
Month	BSE		NSE	
	High	Low	High	Low
July – 2018	11,000.00	9,795.25	11,337.00	9,800.00
August – 2018	10,959.85	9,450.00	10,979.60	9,576.15
September – 2018	10,400.00	9,216.80	10,395.00	9,300.00
October – 2018	9,856.00	8,714.00	9,792.95	8,801.75
November – 2018	9,935.70	9,231.95	9,974.55	9,221.00
December – 2018	9,975.00	9,409.40	10,000.00	9,390.00
January – 2019	10,170.95	9,746.45	10,250.00	9,711.35
February – 2019	10,850.00	9,600.00	10,998.70	9,750.00
March – 2019	11,190.00	10,136.50	11,245.00	10,150.00
April – 2019	10,952.90	10,000.00	10,980.00	9,950.00
May – 2019	11,065.45	10,150.00	11,190.00	10,136.00
June – 2019	11,150.00	10,350.05	11,198.00	10,421.00

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

Note: High and low are in Rupees (₹) per traded share

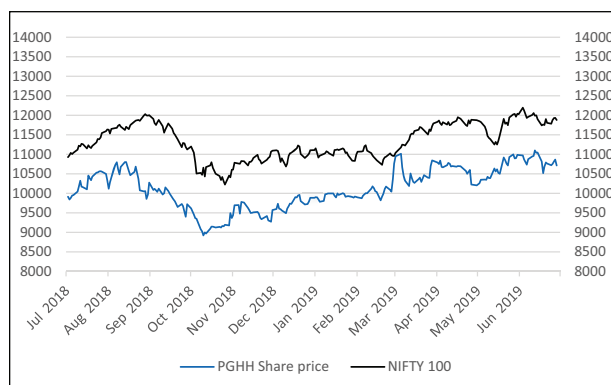
xi. Stock Performance in comparison to the BSE Sensex and NSE Nifty

The following chart shows the performance of the Company's shares as compared to the BSE Sensex during the Financial Year 2018-19:



(Source: www.bseindia.com)

The following chart shows the performance of the Company's shares as compared to the NSE Nifty during the Financial Year 2018-19:



(Source: www.nseindia.com)

xii. Distribution of shareholding by ownership as on June 30, 2019

Category	Number of shares held	% of shares held
Foreign & Indian promoters	2,29,29,773	70.64
Resident Individuals and others	38,04,348	11.72
Mutual Funds	15,66,126	4.82
Financial Institutions / Banks	12,06,771	3.72
Insurance Companies	8,23,083	2.54
Alternate Investment Fund	16,751	0.05
Foreign Portfolio Investors	10,97,894	3.38
Private Corporate Bodies	8,34,131	2.57
NRIs & Foreign Nationals	1,64,764	0.51
Directors and their relatives	17,095	0.05
TOTAL	3,24,60,736	100.00

xiii. Registrar & Transfer Agents

Link Intime India Private Limited
C-101, 247 Park, LBS Marg,
Vikhroli (West), Mumbai - 400 083
Tel: (022) 4918 6279, Fax: (022) 4918 6060
E-mail: rnt.helpdesk@linkintime.co.in

xiv. Share Transfer and Demat system

As per SEBI directions, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form effective April 01, 2019. The transfer deed(s) lodged prior to deadline, i.e., April 1, 2019, and returned due to deficiency in the document may be re-lodged for transfer with Link Intime India Private Limited (Registrar & Transfer Agents), even after the deadline of April 01, 2019.

Transfer of shares is effected by the Registrar & Transfer Agents and share certificates are dispatched within a period of 15 days from the date of receipt of relevant documents, provided they are complete in all respects.

All requests for dematerialization of shares are processed and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within 15 days.

xv. Distribution of shareholding by size class as on June 30, 2019

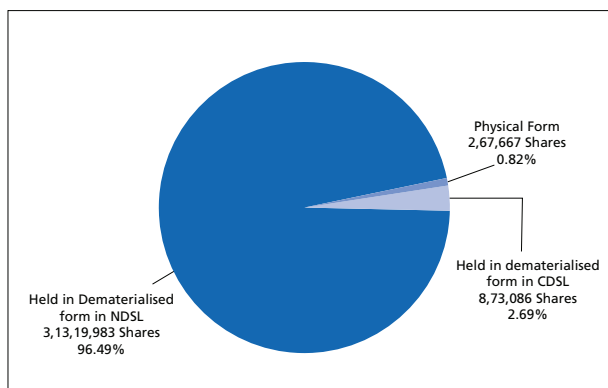
Share holding	Shareholders		Shares	
	Number	% to Total	Number	% to Total
Upto 500	31,761	95.07	17,08,623	5.26
501 – 1000	889	2.66	6,23,967	1.92
1001 – 2000	422	1.26	5,89,508	1.81
2001 – 3000	104	0.31	2,53,226	0.78
3001 – 4000	60	0.18	2,11,906	0.65
4001 – 5000	26	0.08	1,17,026	0.38
5001 – 10000	57	0.17	3,83,529	1.18
10001 and above	88	0.27	2,85,72,951	88.02
TOTAL	33,407	100.00	3,24,60,736	100.00

xvi. Dematerialization of shares and liquidity

The Company's shares are required to be compulsorily traded in the stock exchanges in dematerialized form. As on June 30, 2019, the number of shares in dematerialized and physical mode are as under:

Particulars	No. of shares	% to total capital issued
Held in dematerialized form in NSDL	3,13,19,983	96.49
Held in dematerialized form in CDSL	8,73,086	2.69
Held in Physical form	2,67,667	0.82
Total	3,24,60,736	100.00

Shares held in demat / physical form as on June 30, 2019



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

xviii. Unclaimed / Unpaid Dividends

In accordance with the provisions of Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) dividends not encashed / claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate companies to transfer shares of Members whose dividends remain unpaid / unclaimed for a continuous period of seven years to the demat account of IEPF Authority. The Members whose dividend / shares are transferred to the IEPF Authority can claim their shares / dividend from the Authority.

Final dividend for the Financial Year ended June 30, 2012 and for the subsequent years, which remain unpaid or unclaimed, will be due for transfer to the IEPF of the Central Government on the dates mentioned in the table below. Members who have not encashed their dividend warrants for these years are requested to seek issue of duplicate warrants on or before the due dates mentioned therein, by writing to the Company's RTA M/s. Link Intime India Private Limited.

Date of Declaration	For the Financial Year ended	Due for transfer to IEPF
06.12.2012	30.06.2012	11.01.2020
09.12.2013	30.06.2013	14.01.2021
24.09.2014	30.06.2014	30.10.2021
28.10.2015	30.06.2015	03.12.2022
03.12.2016	30.06.2016	08.01.2024
05.05.2017	Interim 2016-17	10.06.2024
16.11.2017	30.06.2017	22.12.2024
29.11.2018	30.06.2018	04.01.2026
07.02.2019	Interim 2018-19	15.03.2026

During the Financial Year 2018-19, unclaimed dividend amount for the Financial Year ended June 30, 2011 amounting to ₹ 36,05,310 and 15,602 shares were transferred to the IEPF.

The details of unpaid / unclaimed dividend as on date of previous Annual General Meeting, i.e., November 29, 2018 have been posted on the website of the Company, viz., www.pg.com/en_IN.

xix. Disclosure in respect of equity shares transferred to the 'Procter & Gamble Hygiene and Health Care Limited – Unclaimed Suspense Account' is as under:

In accordance with the requirements of Regulation 34, 39 read with Schedule V(F) of the SEBI Listing Regulations, 2015 details of equity shares lying in Unclaimed Suspense Account are as follows:

	Particulars	No. of shareholders	No. of Equity Shares
Opening Balance	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on July 1, 2018	298	38,657
Less	Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year	3	587
Closing Balance	Aggregate number of shareholders and outstanding shares lying in the suspense account as on June 30, 2019	295	38,070

The voting rights on shares lying in unclaimed suspense account shall remain frozen till the rightful owner claims the shares.

xx. Plant location

Goa:

- (1) 173, 314, 315, Kundaim Industrial Estate, Kundaim, Goa - 403 115

Baddi:

- (1) Khasara. No. 1808-09, Village-Doria, Export Park, Thana, Near Indo Farm, PO. Baddi, Tehsil: Nalagarh, Dist.: Solan Himachal Pradesh - 173 205
- (2) Village Katha, Near Charak Pharma, PO. Baddi, Tehsil: Nalagarh, Dist.: Solan Himachal Pradesh - 173 205

xxi. Address for Correspondence:

Company Secretary & Compliance Officer
Procter & Gamble Hygiene and Health Care Limited,
P&G Plaza, Cardinal Gracias Road,
Chakala, Andheri (East), Mumbai - 400 099.
Investor helpline nos.: 91 86575 12368 / 86575 00524
Tel: (91-22) 2826 6000
Fax: (91-22) 2826 7337
Email id: investorpghh.im@pg.com

Declaration

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members have confirmed compliance with the Directors' Code of Conduct for the Financial Year ended June 30, 2019 and the Senior Management has complied with the Business Conduct Manual for the Financial Year ended June 30, 2019.

For **Procter & Gamble Hygiene and Health Care Limited**

MUMBAI
August 21, 2019

Madhusudan Gopalan
Managing Director

20th August, 2019

To
The Board of Directors
Procter & Gamble Hygiene and Health Care Limited

**Sub: Certificate under Para 10(i) of Part C under the Heading of
Corporate Governance Report of Schedule V – Annual Report read with Regulations 34(3)
of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')**

1. This certificate has been issued at the request of the Company regarding the compliance status under the above captioned provision of Listing Regulations for the purpose of making a disclosure in the Annual report for the Financial Year ended 30th June, 2019.
 2. ***The scope of the certificate is stated under para 10(i) of the Listing Regulations".....a Company shall obtain a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority"***
 3. **Pursuant to the aforementioned Listing Regulations**, we have examined the following records:
 - a. The declaration given by the individual Directors of the Company with respect to their interest(s) in other entity(ies) as Director or otherwise along with their relatives in Form MBP-1 and same would be taken on record by the Company.
 - b. The particulars of Directors of the Company as displayed on the web portal of the Ministry of Corporate Affairs.
 - c. General search on Google and on the website of the Securities and Exchange Board of India and Reserve Bank of India.
- Based on the aforementioned, we state that to the best of our knowledge and according to the information and explanations given to us by the Company, and verifications as deemed necessary and adequate made by us, we are of the opinion that on the date of this Certificate none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as a Director of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority as on June 30, 2019.
4. It is to be noted that our responsibility is limited to providing a reasonable assurance by way of an opinion as to the qualification/eligibility of each individual Director of the Company with regard to their holding the office as Director of the Company in accordance with the generally accepted procedure(s) and the process of due-diligence followed by us based on the information available, on best efforts basis as on 30th June, 2019 and it is to be noted that this report is neither based on any audit nor an expression of opinion on the personal credentials of the Directors of the Company.
 5. It may be noted that this certificate is issued to the Company solely for the purpose of complying with the aforementioned provision under the Listing Regulations and shall not be used by the Company for purposes other than it is issued for.

**For Dholakia & Associates LLP
(Company Secretaries)**

**(CS Bhumitra V. Dholakia)
Designated Partner
FCS-977; CP No. 507**

Independent Auditors' Certificate on Corporate Governance

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

This Certificate is issued in accordance with the terms of our Engagement Letter dated August 13, 2019.

This certificate is issued with regard to compliance of conditions of Corporate Governance by **Procter & Gamble Hygiene and Health Care Limited** ('the Company') for the year ended on June 30, 2019 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management, including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We conducted our verification in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI which includes the concept of test check and materiality.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations as applicable during the year ended June 30, 2019.

We further 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.

Restriction on use

This certificate has been issued at the request of the Company solely for confirming the compliance of conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges and is not to be used for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
Firm Regn. No.: 104607W / W100166

Roshni R. Marfatia
Partner

M. No.: 106548
UDIN: 19106548AAAACC8290

Mumbai: August 21, 2019