



**Procter & Gamble Hygiene
and Health Care Limited**
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September 20, 2024

To,
The Corporate Relations Department
The BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001
Scrip Code: PGHH/500459

To,
The Listing Department
The National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400051

Dear Sir / Madam,

Sub: Analysts/Institutional Investors - Outcome - Transcript of the meeting

This has reference to the intimation dated September 03, 2024 and outcome uploaded on September 18, 2024, with respect to the virtual connect with analysts/ institutional investors.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith is the transcript of the above meeting with analysts/ institutional investors, copy of the same is also made available on the website of the Company.

This is for your record and appropriate dissemination.

Thanking you.

Yours faithfully,

For Procter & Gamble Hygiene and Health Care Limited

Flavia Machado
Authorized Signatory

Procter & Gamble Hygiene and Health Care Limited

Investors & Analysts' Call

September 18, 2024

Start Time: 4:00 P.M.

Speakers:

Mr. V. Kumar, Managing Director
Ms. Mrinalini Srinivasan, Chief Financial Officer
Ms. Flavia Machado, Moderator, Investor Relations

Flavia Machado:

Good afternoon, everyone, and welcome to the Company's Investors and Analysts Call.

Thank you for joining us today. Today we will begin with presentation by the management of the company on the company's performance, results, strategies, and business outlook.

We have received questions submitted by the participants at the time of registration of the call. The management will address the questions received after the presentation.

Let me introduce our presenters for today. We have on the call, Mr. V. Kumar, Managing Director of the Company and Ms. Mrinalini Srinivasan, Chief Financial Officer.

All participants are played placed on mute and can participate in the Listen only mode.

Please note that during the course of the call, the presentation and information shared by the management may include forward looking statements. This may include words, phrases, numbers that set forth anticipated results based on management's current plans and assumptions. Forward-looking statements are based on current expectations and assumptions, which are subject to risks and uncertainties that may cause results to differ materially from those expressed or implied in those statements. The Company cautions investors that any such forward-looking statements are not guarantees of future performance and that actual events or results may differ materially from those statements. Actual events or results may differ materially because of factors that affect international businesses and global economic conditions, as well as matters specific to the Company and the markets it serves. The Company undertakes no obligation to update these statements whether as a result of new information, future events or otherwise, except to the extent required by law.

With that, I now handover to V. Kumar, for the management presentation.

V. Kumar:

Good afternoon, everyone. Thank you for joining us on the call today. It is our pleasure to interact with all of you. Today, I shall take you through the work that we have been leading at Procter and Gamble Hygiene and Health Care Ltd., and what we have accomplished in the last fiscal year.

Let me start by taking you through our fiscal results for the year.

Even in a challenging operating environment, we delivered a balanced growth this year, while continuing to drive category growth through innovations that delight our consumers. We reported sales of ₹4192 crore, up 7% versus year ago owing to innovation, trade-ups and driving category growth in the feminine hygiene category. Operational profit, excluding one-time impacts, was ₹809 crore, up 19% versus year ago.

These results are a testament to our teams' execution of the integrated growth strategy, which we remain committed to. This includes:

- A portfolio of daily-use products, where performance drives brand choice,
- Superiority across product, package, brand communication, retail execution, and value
- Productivity to fund this superiority.
- Constructive disruption of the entire value chain to future proof our business,
- all enabled by an empowered, agile, and accountable organization.

These strategic choices reinforce and build on each other. When executed well, they grow markets and create new business which, in turn, grows our share, sales, household penetration and profit.

Importantly, this strategy is inherently dynamic. It adapts to the changing needs of consumers, customers, and society. It demands that we not sit still.

P&G people are focused on executing each element of our integrated growth strategy with excellence, to delight consumers and win in the marketplace, to deliver the level of balanced growth and value-creation results you and we expect.

Let me take this opportunity to talk more on the focused portfolio of daily-use products for Feminine Care and Personal Healthcare categories, - both segments where performance plays a significant role in brand choice.

We concentrate our efforts and focus on delivering and increasing the superiority of our offerings at every price tier in which we operate.

For our Feminine Care business, we serve our consumers with products that not only meet their needs in a way they expect, but also offer them superior benefits which improve their lives. In turn, the consumers reinforce their trust in the brand, which truly makes Whisper - a market leader.

We have been on a journey of consistently improving and upgrading our propositions to raise the bar on consumer delight - across the range and the sizes. We have strengthened our portfolio with latest additions like Whisper Period Panties, and Whisper FlexFoam with our patented FlexFoam technology, that Feels like Nothing and Protects like Nothing Else!

We have continued to grow the category with this robust portfolio. To illustrate, Feminine care category in India has grown 100 times in the last 30 years.

Similarly, our personal healthcare portfolio serves consumers with an assortment of products that cater to diverse needs be it - single symptom, multiple symptoms and even evolved needs that require customized solutions. We now have the trusted care of Vicks available to consumers in various innovative forms - Vicks VapoRub Steam Pods or the Vicks Roll On. We continue to serve our consumers and solve for their needs.

Superiority continues to be the formula to delight consumers and earn and maintain their chosen loyalty.

Our commitment to and investment in irresistible superiority through innovation, across the 5 vectors of product, package, brand communication, retail execution and value, continues to be strong. We are leveraging the superiority to delight consumers, grow markets and our share in them.

To serve evolving consumer needs, prioritizing leakage & stain prevention, and comfort during heavy flow period days, Whisper has recently launched the new Whisper Ultra XL for Heavy Flow. The product has first of its kind cushion core technology and cotton like soft top layer that offers up to 100% leak protection along with comfort. With this product we continue to create value and enhance our portfolio in the feminine hygiene care area.

Vicks has helped relieve cough, cold, and flu symptoms for generations of Indians. We stay committed to build on this legacy by always listening to what our consumers need and incorporating these insights across our product formulations. The new Vicks Roll-On is a fast and on-the-go solution for headaches that often accompany cough and cold symptoms. It leverages a superior product formula containing high-strength Ayurvedic ingredients like Pudina (Menthol) and Kapoor (Camphor), formulated to meet the needs of our consumers. It is especially designed

to provide a swift & effective solution for those unexpected moments when a headache threatens to derail your day, equipped with a roller ball technology and non-greasy formula that allows for on-the-go headache relief.

Superior packing is a critical vector for us, enabling us to create the perfect First Moment of Truth with consumers to reinforce the delighters as they look at our product. Taking the example of the recently introduced Vicks Cough Drop Double Power – a significant upgrade that delivers a more effective and longer lasting relief from sore throat*. We have ensured that the packaging is designed to communicate the ingredients as well as the benefits, very clearly and help our consumers make the right choice regarding the product that best serves their need.

Gen-Z consumers today want snackable, relatable content which entertains them while sharing our intended message. Delivering on this genre of 'edutainment', Whisper has been working with India's leading Gen-Z content creators to drive awareness and education for the nuanced jobs to be done, as well as highlighting how our premium & super premium propositions can deliver on these needs. This has resulted in Whisper influencer content being top performing in the category.

Can I have the video please?

<Audio Visual playing>

We spoke about the new Whisper ultra product for heavy flow. On Communication, the challenge was to open consumers' mind to a new standard of period protection with Whisper Ultra & Bindazzz Night pads, where she doesn't worry about leaks, even during heavy flow. The communication conveys in a bold & distinctive, yet very relatable and authentic way delivering on our campaign message of Real Periods, Real Solutions. The result? A campaign that not only celebrated real periods but also provided real solutions, earning consumer love, and driving relevance.

<Audio Visual playing>

A big opportunity for us to continue driving category growth, is to create consumer awareness about the evolving needs and therefore, the potential to evolve the product usage. Whisper found a unique way to do this, by appealing to Moms via their most loved TV serial character and fellow Mom. We spotlighted to mothers their daughter's changing lifestyle which requires more than a cloth on her period days, while establishing the superiority of Whisper Choice.

<Audio Visual playing>

Inspired by the countless nights parents spend comforting their children with coughs and colds, we created a video to showcase how Vicks Vaporub can provide relief from six common symptoms. By alleviating these disturbances, Vicks helps ensure a restful sleep for both parents and children.

Let's play the video to understand better.

<Audio Visual playing>

**Compared to Vicks Cough Drops 1.8g.*

To better serve consumers in the digital age, we've accelerated our engagement on all channels, including e-commerce that continues to grow in salience as consumer habits evolve. Maintaining availability, consistent messages regarding our offerings, and the faith instilled by fellow-users reinforces brand choice with consumers growth on these platforms to ensure consistent and personalized availability of products to our consumers basis their preferences and needs.

Success in our highly competitive industry also requires agility that comes with a mindset of constructive disruption – a willingness to change, adapt and create new trends and technologies that will shape P&G and our industry for the future. We are focused on leading disruption in a constructive way that delivers better outcomes and creates value for consumers, customers, employees, society, and shareowners.

Let me illustrate this using some recent examples:

1. We are leveraging seamless data, analytics, and automation to optimize our supply chain, resulting in 60% fewer touchpoints than a few years ago. We have also moved to an artificial intelligence, machine learning ordering system for our distributors, which is helping us better predict distributor shipments and replenishment. This is advancing us in our journey of Supply 3.0.
2. We are leveraging AI-powered image recognition to automated quality checks, streamlining production, and improving product quality. This innovative approach has enabled speed and effectiveness in our manufacturing processes, optimizing our operations and helping us ensure our products are manufactured and available for our consumers swiftly.
3. We have continued to explore relevant touchpoints where we can engage with our consumers when they are entering our categories, to educate them and make them aware of our propositions. Whisper has had one of the longest legacies with India's biggest single-source menstrual education school program that has reached over 10 crore girls till date. Armed with the insight about the early onset of periods in girls as young as 8 years, we are now ensuring that the programs reach these younger age groups with relevant education material.

The strategic need to keep investing in superiority, coupled with the ongoing need to drive balanced top- and bottom-line growth, including margin expansion, underscore the importance of ongoing productivity.

We have developed a strong productivity muscle over the years. Productivity is now fully embedded in our operating model and is embraced in every part of our operation.

Specifically last year, through our productivity interventions, PGHH achieved savings of over Rs. 113 crores. That is the fuel that allows us to reinvest in superiority across the five vectors and stay ahead of what consumers want.

Organization is an integral part of our Integrated Growth Strategy. After all, it is our people who deliver and execute these strategies. We have designed, and continue to refine and strengthen, P&G's organization structure so that it enables P&G people to focus on our biggest opportunities for growth – fully empowered, agile, and accountable.

With the power of our P&G organization, we have also continued our efforts to balance the need of all our stakeholders.

Equality and Inclusion is good for our business – broadening our ability to serve more consumers and driving market growth. Simply put, it helps us win in the marketplace.

It's how we understand and serve billions of increasingly diverse consumers around the world. It's how we develop market leading brands. It's how we recruit top-notch talent and develop the best organization in the world. It's how we lead our industries and strengthen our communities.

Whisper launched the fifth edition of its long running #KeepGirlsInSchool (KGIS) movement, to create awareness around the early onset of periods in girls as young as 8. With this, the Brand aims to educate little girls on menstruation, and equip their ecosystem including classmates, parents, educators with the right knowledge on menstruation in an engaging way, which helps grow the category and drive a positive impact in the communities. We have also ensured that the conversation is done in formats and ways that are more encouraging and engaging.

<Audio Visual playing>

Vicks Cough Drops unveiled a campaign ahead of ICC World Cup 2023 with Yuvraj Singh, titled #VicksKholIndiaBol. This cheer anthem urged Indian fans to cheer loudest during the cricket season. Vicks Cough Drop emerged as a natural fit for 'cheering loud' as while cheering fans could face some throat irritation. So, through the anthem, Vicks not only attempted to make 'cheering' synonymous with a clear throat, but also drove high awareness on its Cough Drops in a far-reaching messaging.

Vicks also created a version of this in sign language, to ensure no fans feel left behind. Let me show you this version.

<Audio Visual playing>

We continue to positively impact communities we serve and operate in, with our flagship CSR - P&G Shiksha. Over last 19 years, Shiksha has continued to support thousands of schools and communities, impacting more than 45 lakh children with access to education and enablers to improve learning outcomes.

Many of our efforts have been recognized externally which only motivates us to raise the bar and double down on our efforts to better all our stakeholders.

While we should expect the volatile macro dynamics we have been experiencing to continue, our job every day is to continue to put in the hard work that can delight consumers, customers, employees, society and shareowners in that context. Our best path forward remains to double down on our dynamic, market-constructive strategy to deliver balanced top- and bottom-line growth and value creation.

On that note, I'd like to hand over to Milani Srinivasan, our CFO.

Mrinalini Srinivasan:

Thank You, Kumar! Good afternoon, Ladies and Gentlemen. My name is Mrinalini Srinivasan, and I am the CFO for the company.

Kumar spoke about our Integrated Growth Strategy and how it is making a difference to our business results. You also saw our 7% sales and 19% structural profit growth delivered for the past year. At this point, I would like to reflect the results over a longer period. I will also share with you our view on the recent trends and outlook for the industry. Of course, many of you sent over questions, which I will address during my section.

Our Integrated Growth Strategy is working for us. We have delivered consistent high single digit sales and profit growth over the past 10 years. Our return on equity has doubled during this

period. Our operating profit margin in the past 5-year period has increased by 200 basis points, behind our strong productivity program across all spend buckets.

Another way to look at these numbers is in absolute. Our absolute sales and absolute profit have both more than doubled in the last 10 years, demonstrating our ability to consistently deliver superior execution of our strategy.

This has resulted in us creating significant shareholder value over this period through a record 30 years of consistent dividend payout. Our share price has tripled, reflecting the consistency of business result delivery.

Before I address some of your questions, I want to talk about the external landscape and how we see it evolving.

The Indian economy is thriving – GDP growth is back to its peak at 8.2% for the year we just closed. With stable revenues from tax and increasing foreign exchange reserves, the financial outlook will continue to attract investments to the country. These are definite green shoots.

Closer home, for the FMCG industry, positive trends are finally emerging on consumption – both rural and urban. Inflation has been consistently softening with July closing below RBI's medium-term target of 4%. With monsoons across 75% of the countries districts normal or above normal, rural demand is expected to keep up with the positive trends. The watchouts are declining rural wages and rising unemployment, which should stabilize in near term with government's recently announced intervention. Collectively, this should augur well for consumption trends.

Looking at the near term, we anticipate some challenges to continue. However, we remain confident in the dynamic and integrated nature of our strategy to help us navigate the difficulties and continue to serve and delight consumers to drive sustained, balanced results.

I'm now going to move to the Q&A session. Thank you to everyone who took out the time to share the questions with us in advance.

We will take questions in groups, as there many common themes in the questions you have shared with us. Please note, we will refrain from sharing anything that is unpublished, price sensitive or confidential to protect the competitive advantage.

Starting off on a positive note –

Mr. Ranjeet Hingorani sent us a very sweet note – he said: Congrats Kumar sir! for being appointed the CEO of P&G India our greetings and good wishes to you and the team to execute P&G integrated growth plan.

Thank you for your compliments and good wishes to the organization.

The first set of questions I want to start with, are on the Feminine Care category.

Mr. Ronak Soni from Equirus Securities Ltd. has asked - From a competitive standpoint in the feminine hygiene category, how have unorganized, D2C and other smaller players evolved in the last 4 to 5 years. Similar question from Mr. Krishnan Sambamoorthy of Nirmal Bang Institutional Equities.

Mr. Vishal Punmiya from YES Securities, Mr. Ajay Thakur - Anand Rathi Institutional Equities, Mr. Mayur Matani - Maheshkumar and Company, and others asked about the competitive

landscape on fem care. We also have questions on the category trends, penetration, share and other similar aspects from Mr. Mitesh Kamdar- Aditya Equity Investments, Ms. Kinjal Desai- Nippon India Mutual Fund, Mr. Vicky Punjabi- UTI Mutual Fund, Mr. Ronak Soni- Equirus Securities Ltd, Mr. Ranjeet Hingorani and others.

- We are market leaders in the feminine care category with nearly half the market. ~30 years ago, the category was at Rs 34 crores and today it stands at around Rs 3400 crores+ - grown over 100 times! We expect double digit growth to continue over the next 3 years for the category.
- Not surprisingly, penetration levels in rural India lag those in urban India. Roughly the numbers are in the ballpark range of about 60% in urban India and below 40% in rural India. Having said that, there is significant opportunity to increase penetration even in urban areas. For example - in terms of value spent per consumer, we are less than one sixth of the average China consumption. The penetration and consumption gap only widened with the pandemic induced challenges.
- To address the questions on D2C, the unorganized and small sector has witnessed growth in niche channels. At a national scale, they still represent less than ~10% of the market. Having said that, the competitive landscape has evolved, and more competition has entered the category. And healthy competition can also help grow the category.
- Our aim has been to address the common and diverse challenges faced by menstruators across markets and make superior propositions from our diverse portfolio available to them. Kumar shared in the presentation, our extensive efforts on busting taboos and myths regarding periods and our extensive period education program across schools.
- Through this, we remained focused on executing our integrated growth strategy, delighting consumers with propositions that are superior across the vectors, and driving category growth to create value.
- Taking an example of our continued commitment to raising the bar on how our consumers experience our products: Our Whisper Ultra XL is a testament to catering to evolving consumer needs, prioritizing leakage & stain prevention, and comfort during heavy flow period days, recently Whisper launched the new Whisper Ultra XL for Heavy Flow. The product has first of its kind cushion core technology and cotton like soft top layer that offers up to 100% leak protection along with comfort. With this product we continue to delight consumers with our superior offerings, create value and enhance our portfolio in the feminine hygiene care area.

Moving on to some questions on our healthcare category.

Mr. Mayur Matani - Maheshkumar and Company has asked how our new products are doing in the Healthcare segment and if the increase in cough drops size and pricing contribute to better growth? Similarly, Ramakrishnan V- Equity Intelligence Pvt Ltd, Anirudh and others have posed questions on how specific segments are doing, especially with innovation.

- We are always listening to what our consumers need & incorporate the insights across our product formulations, packaging, and communication to better serve consumer needs. Consumer insights fuel our innovation efforts, allowing us to introduce products that offer unique solutions to consumer challenges for the upcoming Jobs to be done. In fact, in 1924, the parent company, The Procter & Gamble Company created the Market Research Department to understand the usage of products by consumers. It's been 100 years since, and P&G has continued to reinvent consumer research. In the last 12 months itself, we have launched many innovations in India -

1)New Vicks VapoRub Steam Pods which are the first steam inhalation capsules launched globally.

2) New Vicks Roll-On offering Fast Action in just 2 minutes in a hassle-free and on-the-go Roll-On format (for headache relief).

And, The most recent has been the Vicks Double Power Drops.

- Formulated on the basis of consumer feedback, the launch of Vicks Double Power Cough Drops, our first-ever double powered transformation of India's iconic triangular Vicks Cough drops can help relieve symptoms of throat irritation and cough unlike ever before!
- Initial feedback has been very positive for many of these products. These are not just new launches, but an effort from the company to tap into evolving jobs to be done at our consumer's ends, with new propositions that don't exist today. We are very positive on how they can delight consumers and meet their evolving needs. We have also ensured that we have supported these innovations with the right awareness and availability to ensure positive moments of truth inducing trials.
- Even in a challenging operating environment, we delivered a balanced growth this year, while continuing to drive category growth through innovations that delight our consumers.

The next cluster of questions are on the financial performance of the company.

Pratik Prajapati - Motilal Oswal financial services ltd has asked "what measures are being taken to maintain or improve margins without compromising on product quality, given rising input costs?" Similar questions from Ajay Thakur - Anand Rathi Institutional Equities and Shirish Pardeshi - Centrum Broking. We also have questions on margin decline and June quarter results from Vikash Daga - Yashwi Securities Pvt Ltd, Varun Dubey - ET Now, Vicky Punjabi- UTI Mutual Fund and others.

- We would like the record to reflect the accurate picture of our results. Our structural margins this year have actually improved significantly, to the tune of 400 bps, driven by our deliberate efforts on productivity across cost buckets, as well as innovation in the premium segments to enable consumers to trade up in line with their changing aspirations.
- We have also already shared with you a long-term picture of our trends in the presentation. Specific to the June quarter, it was a deliberate choice to invest part of the margins back into business to create awareness regarding the new lineup of innovation. Long term equity building investments are foundational for superiority and trust that our brands have developed, and payout is seldom within a couple of quarters.
- Overall, for us Productivity is more than cost cutting. It is a more efficient way of operating – in service to consumers and customers – every day. Like Kumar mentioned - We have developed a strong productivity muscle over the years. Productivity is now fully embedded in our operating model and is embraced in every part of our operation. That is the fuel that allows us to reinvest in superiority across the five vectors and stay ahead of what consumers want.

The next cluster of questions are on the A&P spends of the company.

Mehul Savla - Ripplewave Equity Advisors LLP has asked "Advertising cost in last 5 years (from FY2020) has increased by 85% from 307 crs to 568 crs. while sales have increased by approx. 40% during the same period. Is this due to competitive intensity? Is this the new normal or is there a plan to make ad spends more effective so that sales growth is commensurate with rise in ad spends?"

- There are various factors that impact A&P spends.

- This spend is a function of the business need at hand and the right scale of consumer awareness needed to address it. It also considers the innovation pipeline and the awareness support it may require. Therefore, this could vary from year to year.
- When we have a superior product that we have innovated and brought into the market, we intend to make as many right consumers as possible aware of that superior proposition – with the right combination of messages and touchpoints. This year, we had a brilliant lineup of innovation, including the ones we discussed like Whisper Ultra XL, Vicks Double Power Cough Drops. The focus has always been, and remains, growing the category by delighting our consumers with superior propositions, in a way that builds long term trust with consumers.

We now move to the next cluster of questions on the growth outlook of the company.

Mr. Pratik Prajapati - Motilal Oswal financial services ltd and Ms. Suneera Tandon - HT Media have asked about the long-term prospect of the Indian market and the management's plan to capitalize on the key growth opportunities for the company in the next 3-5 years.

- The fast-moving consumer goods (FMCG) market has witnessed 4% volume growth and is expected to be in mid-single digits for this financial year. There are however several categories where consumption is underdeveloped - whether we look at the potential to further improve and impact consumer lives, or if we compare to other countries with similar per capita income. Overall, our aim is to drive category growth by uncovering and serving new jobs to be done with evolving consumer needs and aspirations.
- Our best path forward remains to double down on our dynamic integrated growth strategy of a focused product portfolio of daily use categories where performance drives brand choice, superiority (of product performance, packaging, brand communication, retail execution and consumer and customer value), productivity, constructive disruption, and an agile and accountable organization – all towards value creation.

The next cluster of questions are on category level trends.

Mr. Binay Shukla - PhillipCapital India has asked to share the revenue mix in detail. Other questions about product level market share and quarterly growth trends have been asked by Mr. Shirish Pardeshi - Centrum Broking, Ms. Shilpa Ranipeta - CNBC-TV18 and others.

- We are market leaders in both Feminine care category (nearly half the market) and in the Cough and Cold category (more than half the market). In the fiscal gone by, growth has been balanced across the segments, along with one of the strongest innovation pipelines we have seen in recent years. This has been possible because our focus has actually been to grow and build the category, and that's what we will continue to focus on.
- For PGHH, Feminine care contributes to 70% and Healthcare 30% of the revenue. Feminine care is leading the growth for the company.

Moving on to a set of questions on distribution coverage.

Mr. Binay Shukla - PhillipCapital India, Mr. Shirish Pardeshi - Centrum Broking, Mr. Krishnan Sambamoorthy - Nirmal Bang Institutional Equities and others have asked to share distribution reach for Whisper and Vicks, specifically in chemists and trends over the past 3-5 years.

- We have been consistently and effectively growing our coverage. Over the span of last 3 years, our reach and coverage has grown over 1.5 times! Even in the feminine hygiene category, we

have grown our distribution footprint over 1.2X in the last few years. With our strategy in place, Whisper continues to be present in most of the contributing chemists.

- However, what makes this even more impactful is how we are engaging the stores with the power of data and digital transformation. We developed an in-house Artificial intelligence & machine learning algorithm that analyses consumer behaviour patterns to customize a range of P&G products at a store level. With this, we have transitioned from a cluster-based planning to store/neighbourhood-based planning. This model is helpful for the consumer in making their desired products available, and helpful for the storeowners helping them maximize sales, optimize inventory and significantly reducing non-moving stock. So, a win-win for all our stakeholders!

Let me now take some questions on New product launches. Ms. Vidhi Shah - Yes Securities has asked "What are the new product launches on the cards? And how should we look at the health care portfolio growth?". Mr. Varun Dubey - ET Now, Ms. Kinjal Desai - Nippon India Mutual Fund and others have asked similar questions about the Fem care portfolio.

- Actually, this past year has been great in terms of our brands upgrading and introducing innovations across the portfolio. This includes Vicks Cough Drops Double Power that deliver a more effective and longer lasting relief from sore throat*, the new Whisper Ultra XL for Heavy Flow that provides leakage & stain prevention, and comfort during heavy flow period days with a first of its kind cushion core technology and cotton like soft top layer.
- We also introduced Vicks VapoRub Steam Pods, an easy-to-use and on-the-go solution for relieving headache - Vicks Roll On, Whisper Period Panties, and much more.
- This approach is integral to the success of our integrated growth strategy because it is inherently dynamic. It adapts to the changing needs of consumers, customers, and society. It demands that we not sit still. Superiority that delights our consumers is ever evolving. So, we remain focused on learning and executing what can drive irresistible superiority across each of our categories to attract users and help them more effectively tackle their jobs to be done.

Next set of questions are on the macro-economic landscape.

Mr. Sagar Malviya, BCCL has asked "Are you seeing green shoots in the demand situation and is inflation still a concern?". We have received similar questions specific to Rural Growth also from Ms. Meenakshi Verma Ambwani - Business Newspaper, Ms. Shilpa Ranipeta - CNBC-TV18 and others.

- We believe we have addressed this in the presentation already. We are definitely seeing green shoots in rural consumption also, behind a good monsoon and softening inflation. The category demand is growing healthily with category sales and users growing double digits.

Now let me take some specific questions on a few different topics.

Mr. Ranjeet Hingorani has asked "Nowadays disturbed sleeping patterns is a big issue! You have introduced Vicks ZzzQuil sleep aid. How are you going to tap this new category & make it a synonym of good night sleep in the minds of consumers in next decade?"

- In India, conditions such as occasional sleeplessness continue to be under-diagnosed and under-treated due to limited awareness. To address this, we are focusing on multichannel

and integrated approach on ways to address occasional challenges of sleep onset. We are following a three-pronged approach based on Awareness, Collaboration, and Access.

- We have been partnering with right set of stakeholders like World Sleep Society to raise awareness on 'Why Sleep is Essential for Health. We're leveraging the right touchpoints to broaden our reach according to consumers need and preferences. We are available at leading pharmacies and ecommerce platforms in Tier I as well as Tier II cities. The consumer need and preference is at the core of our efforts and thus with Melatonin & Vitamin B6, we have also added ingredients like lavender and chamomile.
- Zzzquil continues to be #1 bestseller on Ecommerce in the nutritional sleep supplements segment.

Next, Mr. Sagar Malviya – ET has asked about business reorganization towards becoming more agile and accelerating growth

- We have designed, and continue to refine and strengthen, P&G's organization structure so that it enables P&G people to focus on our biggest opportunities for growth – fully empowered, agile, and accountable. This is all in service of delighting consumers with superior propositions.

Vartika Rawat - Money Control has asked, "How are you looking at boosting consumption in the rural and urban markets and what are you offering in the festive season?"

- As part of our strategic approach, we recognize the significance of growing consumption and creating value in various markets. The festive season aligns with a crucial buying period in the retail industry, and we have developed comprehensive plans to cater to both rural and urban markets through traditional retail, modern retail, and ecommerce channels, with strategic partnerships with our customers focused on joint value creation in the season.

Next, we have received a question from Ramakrishnan V of Equity Intelligence Pvt Ltd, on disposal of sanitary napkins in an environmentally friendly way and how do we as a company plan to solve this problem.

- We are on a journey of sustainability and continue to work with the government and all the other stakeholders, on both solid waste and plastic packaging waste. We continue to work with different state authorities and organizations to enable collection as part of our Extended Producers Responsibility. We are also working on partnerships with the municipalities and NGOs, who collect the waste that consumers will segregate, and are testing technologies to upcycle.

The final set of questions that we have received are on Quick Commerce.

Ms. Meenakshi Verma Ambwani - Business Newspaper has asked, "What percentage of your sales come from quick commerce segment? How do you view the quick commerce and the overall e-commerce evolving?". Similar question was also asked by Ms. Vartika Rawat - Moneycontrol and others.

- India's quick commerce has experienced a 22% rise in monthly active users on India's top five quick commerce websites in July of 2024 when compared to January 2024. While currently a small channel, it is growing rapidly for us and is expected to continue to drive growth across FMCG as the channel expands to multiple locations. The penetration and frequency of use differs significantly by geography and demographics.

- At P&G, we are using the right set of data-drivers and tech enablers. Our strategy is dynamic and applies to every channel. We have invested in developing a deep understanding of consumer behaviour on quick commerce, which tells us that their path to purchase is unique, focused disproportionately on convenience. We have also ensured that we are supplementing our brand building efforts with a supply chain model to support this unique business structure. We have been able to do this with a strategic customer partnership that celebrates the best of data and analytics. We know this is working because quick commerce for us is growing at 2X.

With that, we have endeavoured to respond to most of the questions that we received from you – either in the presentations or in the Q&A section at the end. Some questions, while not called out, would have also been addressed as part of what you heard from us today. We hope today’s session was both informative and exciting for you.

Once again, we thank you for joining us on the call today. You may disconnect now. Have a great day!

Disclaimer: This transcript has been edited to remove any grammatical inaccuracies or inconsistencies of English language that might have occurred inadvertently while speaking.

END OF TRANSCRIPT