

**HINDUSTAN UNILEVER LIMITED**

MINUTES OF THE 81<sup>ST</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF HINDUSTAN UNILEVER LIMITED HELD AT THE REGISTERED OFFICE OF THE COMPANY AT UNILEVER HOUSE, B. D. SAWANT MARG, CHAKALA, ANDHERI EAST, MUMBAI 400 099, ON MONDAY, 30TH JUNE, 2014, AT 2.00 P.M.

**Present:**

<b>Mr. Harish Manwani</b>	<b>Non-Executive Chairman of the Board of Directors and as a member of the Company</b> Also, as an Authorised Representative of Unilever PLC, Brooke Bond Group Limited, Brooke Bond Assam Estates Limited, Brooke Bond South India Estates Limited, Unilever Overseas Holdings AG., Unilever Overseas Holdings B.V. and Unilever UK & CN Holdings Limited and a proxy for 6 Members
<b>Mr. Sanjiv Mehta</b>	<b>Managing Director &amp; CEO</b>
<b>Mr. Aditya Narayan</b>	<b>Independent Director</b> Also, as the Chairman of the Audit Committee of the Company
<b>Mr. S. Ramadorai</b>	<b>Independent Director and as a member of the Company</b> Also, as the Chairman of the Nomination and Remuneration Committee of the Company
<b>Mr. O. P. Bhatt</b>	<b>Independent Director</b> Also, as the Chairman of the Stakeholders' Relationship Committee and Corporate Social Responsibility Committee of the Company
<b>Dr. Sanjiv Misra</b>	<b>Independent Director</b>



<b>Mr. Sridhar Ramamurthy</b>	<b>Executive Director, Finance &amp; IT and CFO and as a member of the Company</b>
<b>Mr. Pradeep Banerjee</b>	<b>Executive Director, Supply Chain and as a member of the Company</b>
<b>Mr. B. P. Biddappa</b>	<b>Executive Director, Human Resources and as a member of the Company</b>
<b>Mr. Hemant Bakshi</b>	<b>Executive Director, Home &amp; Personal Care and as a member of the Company</b>
<b>Ms. Geetu Verma</b>	<b>Executive Director, Foods and as a member of the Company</b>
<b>Mr. Manish Tiwari</b>	<b>Executive Director, Customer Development and as a member of the Company</b>
<b>Mr. Dev Bajpai</b>	<b>Executive Director (Legal &amp; Corporate Affairs) and Company Secretary and as a member of the Company</b>

1. Mr. P. B. Balaji, Executive Director, Finance & IT and Chief Financial Officer (designate), Mr. Pradip Kanakia, Audit Partner of M/s. Lovelock & Lewes, Statutory Auditors of the Company and Mr. Sanjay Buch, Partner of M/s. Crawford Bayley & Co., the Solicitors of the Company, were present by invitation.
2. 879 Members were present in person and 91 Members were represented by their proxies and authorized representatives.
3. In accordance with Article 82 of the Articles of Association, Mr. Harish Manwani, Chairman of the Board of Directors took the Chair.
4. The following documents and Registers were placed on the table:
  - (i) Notice convening the 81st Annual General Meeting.
  - (ii) Directors' Report along with Annexures thereto for the financial year ended 31st March, 2014.



- (iii) The Audited Accounts and Auditors' Report thereon for financial year ended 31st March, 2014.
  - (iv) The Proxy Register with 100 valid proxies lodged with the Company in connection with the 81st Annual General Meeting (remained open for inspection during the meeting).
  - (v) The Register of Directors' and Key Managerial Personnel and their shareholdings (remained open for inspection during the meeting).
  - (vi) The Register of Contracts or arrangements in which the Directors and KMPs are interested (remained open for inspection during the meeting).
  - (vii) Auditors' Certificate in respect of Employees' Stock Option Plan of the Company (remained open for inspection during the meeting).
5. Ms. Anthea Miranda, Manager, Employee Services informed the Members about the safety arrangements inside the meeting hall, in case of any emergency.
6. At 2.00 P.M., the Chairman commenced the meeting by welcoming the Members to the 81st Annual General Meeting (AGM). The Chairman announced that the requisite quorum being present, the meeting was called to order.
7. The Chairman introduced the members of the Board of Directors, members of the Management Committee and other invitees present on the dais. The Chairman welcomed Mr. Sanjiv Mehta, Managing Director and Chief Executive Officer (MD & CEO) to his first AGM. The Members were informed that, Mr. Mehta had succeeded Mr. Nitin Paranjpe. The Chairman placed on record appreciation on behalf of the Board for the enormous contribution made by Mr. Nitin Paranjpe in his capacity as the MD & CEO of the Company.
8. The Chairman also welcomed Mr. P. B. Balaji, who was appointed as Executive Director, Finance & IT and Chief Financial Officer with effect from 1st July, 2014 to succeed Mr. Sridhar Ramamurthy. The Chairman informed the Members that Mr. Sridhar Ramamurthy, Executive Director, Finance & IT and Chief Financial Officer was elevated to the position of Senior Vice President, Finance for Global Markets, Unilever and would not be offering himself for reappointment at the AGM. The Chairman placed on record deep sense of appreciation for the outstanding contribution made by Mr. Sridhar Ramamurthy during his tenure and stated that under his leadership of Finance function, the Company made substantial progress and his immense knowledge contributed to the growth agenda of the Company. The Chairman also congratulated Mr. Sridhar Ramamurthy on his new role of leading the Finance Function for Global Markets .



9. Thereafter, the Chairman commenced the formal agenda of the AGM and with the consent of the Members present, the Notice convening the meeting, the Directors' Report along with Annexures thereto and the Annual Accounts for the financial year ended 31st March, 2014 were taken as read.
10. The Chairman then announced that until 48 hours before the time of the commencement of the Annual General Meeting, 100 valid proxies covering 7,24,50,041 (Seven Crores Twenty Four Lakhs Fifty Thousand Forty One) equity shares of Re.1/- each and 7 (Seven) representations under Section 113 of the Companies Act, 2013 from bodies corporate, including Unilever PLC and its Affiliates, covering total of 145,44,12,858 (One Hundred Forty Five Crores Forty Four Lakhs Twelve Thousand Eight Hundred and Fifty Eight) equity shares of Re.1/- each, had been received and the same were laid on the table. The Register of Proxies, the Register of Directors and Key Managerial Personnel and their Shareholdings, the Register of Contracts or arrangements in which the Directors and KMPs were interested and the Certificate from Auditors confirming that the Employees Stock Option Scheme was implemented in accordance with the SEBI guidelines, were open for inspection.
11. The Chairman informed the Members that the Auditor's Report on the Annual Accounts of the Company for the financial year ended 31st March, 2014 did not contain any qualifications, observations or comments on financial transactions or matters, which had adverse effect on the functioning of the Company. He stated that in terms of Section 145 of the Companies Act, 2013, only the qualifications, observations or comments, mentioned in the Auditor's Report, which had any adverse effect on the functioning of the Company, were required to be read at the general meeting. Since there were no such qualifications, observations or comments, the Auditors Report was not required to be read.
12. The Chairman informed the Members that the Companies Act, 2013 had come into effect from 1st April, 2014 and has brought about several changes in the procedure for conduct of AGM including changes in voting procedure at the AGM. The Chairman requested Mr. Dev Bajpai to brief the Members about the voting procedure at the AGM.
13. Mr. Bajpai stated that considering all the statutory requirements, both under the Companies Act, 2013 and the Listing Agreement, the Company had decided to follow a process that ensured larger participation and also provided equal opportunity to all Members in the voting process at the AGM. It was stated that the Company had provided the facility of e-voting to the Members to enable them to cast their vote electronically. He informed the Members that until last year, the consent on the resolutions proposed in the AGM was taken by voting by show of hands. In line with the regulatory changes during the year, voting by show of hands was not permitted at the general meeting where e-voting was offered to the Members. Therefore, the voting at the AGM would be conducted by Poll through tablets (e-Poll).



14. Mr. Bajpai informed the Members that those Members who had not cast their vote through e-voting process were provided with a one-time password to cast vote on e-Poll. It was stated that Mr. S. N. Ananthasubramanian, Practicing Company Secretary and Mr. P. D. Vora (IN301549 /18540383), a Shareholder of the Company, were appointed as the Scrutinizers for the Poll process. Thereafter, a short film demonstrating the manner and procedure of e-Poll was played for the Shareholders.
15. The Chairman then informed the Shareholders about the revised flow of events at the AGM and stated that after his speech, he would first move all the resolutions as set out in the Notice of AGM and then, in accordance with Section 109 of the Companies Act, 2013, would order for Poll to be conducted on every item of the Agenda post which, the question & answer session would be commenced. The Chairman stated that on conclusion of the question & answer session, the Shareholders may cast their vote through e-Poll and that the combined results of e-voting and e-Poll would be displayed on the website of the Company and the Stock Exchanges.”
16. The Shareholders gave their consent to the said flow of the AGM proceedings and the Chairman then shared his views on a subject that was relevant in the current environment for the Company and read excerpts from his speech titled “Building a future ready organisation”. A copy of excerpts from the speech is attached as Annexure 1.
17. The Chairman then took up the official business of the meeting.

**ADOPTION OF ANNUAL REPORT AND ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2014**

18. The Chairman took up the first item of the agenda and with the consent of the Members present, the Ordinary Resolution for item no. 1 of the Notice pertaining to adoption of Reports and Accounts for the financial year ended 31st March, 2014 was taken as read. The Resolution for item no. 1 of the Notice read as follows:

“RESOLVED THAT the Audited Statement of Profit and Loss for the financial year ended 31st March, 2014, the Balance Sheet as on that date, the Auditor’s Report and the Directors’ Report, as circulated to the Shareholders and laid before the meeting, be received, considered and adopted.”

19. Mr. Seshan Krishnamurthy proposed and Mr. Gautam Tiwari seconded the resolution.





### DECLARATION OF DIVIDEND

20. The Chairman informed the Shareholders that the Board of Directors, at their meeting held on 26th October, 2013, had paid Interim Dividend of Rs. 5.50, for Equity Share of Re. 1/- each. It was stated that the Board at their meeting held on 28th April, 2014 had proposed Final Dividend of Rs. 7.50 for Equity Share of Re. 1/- each for the financial year ended 31st March, 2014. With the consent of the Members present, the Ordinary Resolution for item no. 2 of the Notice pertaining to declaration of dividend was taken as read. The Resolution for item no. 2 of the Notice read as follows:

“RESOLVED THAT the interim dividend of Rs. 5.50 for every Equity Share of face value of Re. 1/- each, paid to the Shareholders for the financial year ended 31st March, 2014, as per the Resolution passed by the Board of Directors at their meeting held on 26th October, 2013, be and is hereby noted and confirmed,

RESOLVED FURTHER THAT the final dividend of Rs. 7.50 for every Equity Share of face value of Re. 1/- each for the financial year ended 31st March, 2014 as recommended by the Board of Directors at their meeting held on 28th April, 2014 be and is hereby declared.”

21. The resolution was proposed by Mrs. Asha Lata Maheshwari and seconded by Mr. P. Mapara.

### RE-ELECTION OF DIRECTORS

22. The Chairman stated that as per the Articles of Association of the Company, all the Directors other than the Managing Director retire at the Annual General Meeting every year.
23. The Chairman stated that as informed earlier, consequent to the elevation, of Mr. Sridhar Ramamurthy, he would not offer himself for reappointment and would step down from the Board of the Company after the conclusion of the AGM. It was also stated that Mr. P. B. Balaji was already appointed as a successor to Mr. Sridhar Ramamurthy effective 1st July, 2014 and that the vacancy would, therefore, stand filled.
24. The Chairman stated that as per the provisions of the Companies Act, 2013, the Independent Directors were not liable to retire by rotation and therefore there were separate resolutions for appointment of Independent Directors.



25. The Chairman stated that Mr. Pradeep Banerjee and he would retire in accordance with Article 124 of the Articles of Association of the Company and the provisions of Companies Act, 2013 and, being eligible, offered themselves for re-election.
26. Being interested for the purpose of resolution concerning his re-appointment, Mr. Harish Manwani requested Mr. Aditya Narayan to be the Chairman for the next agenda item. Mr. Aditya Narayan then requested Mr. Dev Bajpai to read the resolution for re-appointment of Mr. Harish Manwani. Mr. Bajpai then read the Ordinary Resolution, set at item no. 3 of the Notice pertaining to re-election of Mr. Harish Manwani, as follows:

“RESOLVED THAT Mr. Harish Manwani, be and is hereby re-appointed as Director of the Company.”

27. The resolution was proposed by Mr. Dinesh Bhatia and seconded by Mrs. Lekha Shah.
28. Mr. Aditya Narayan then requested Mr. Harish Manwani to be the Chairman for remaining business of the meeting. Thereafter, the Chairman requested Mr. Dev Bajpai to read the Ordinary Resolution, set at item no. 3 of the Notice pertaining to re-election of Mr. Pradeep Banerjee, as follows:

“RESOLVED THAT Mr. Pradeep Banerjee, be and is hereby re-appointed as Director of the Company.”

29. The resolution was proposed by Mr. Manish Shah and seconded by Mr. Sudhir Parekh.

#### **APPOINTMENT OF AUDITORS AND TO FIX THEIR REMUNERATION**

30. The Chairman informed that the Company had received Special Notice dated 22nd April, 2014 from Unilever PLC, in its capacity as a Shareholder of the Company, recommending appointment of M/s. B S R & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company in place of M/s. Lovelock & Lewes, Chartered Accountants, retiring Statutory Auditors of the Company. It was stated that the change in the Statutory Auditors was proposed in order to remain at forefront of good governance and in recognition of regulatory changes under the Companies Act, 2013. The Chairman informed that a copy of the Special Notice was forwarded to M/s. Lovelock & Lewes for information.



31. It was stated that as per the provisions of Section 139 of the Companies Act, 2013, the Statutory Auditors were required to be appointed for a period of five years and accordingly resolution no. 4 proposed the appointment of M/s. B S R & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company for a period of five years. The Shareholders were informed that the appointment of the Statutory Auditors would be subject to ratification by Shareholders at every AGM. The Members were informed that the remuneration of the Statutory Auditors for the next financial year 2014-15 was proposed to be Rs. 160 Lakhs.
32. The Chairman stated that upon approval of Shareholders, M/s. B S R & Co. LLP would be appointed as Statutory Auditors of the Company and M/s. Lovelock & Lewes would cease to be the Statutory Auditors. The Chairman thanked M/s. Lovelock & Lewes for the contribution made by them as the Statutory Auditors of the Company for over 17 years. He also thanked and recorded his appreciation for Mr. Pradip Kanakia who was the signing partner on behalf of M/s. Lovelock and Lewes for last 3 years.
33. With the consent of the Members present, the Ordinary Resolution set at item no. 4 of the Notice pertaining to the appointment and fixing of remuneration of the Auditors was taken as read. The Resolution set at item no. 4 of the Notice read as follows:

“RESOLVED THAT M/s. B S R & Co. LLP, Chartered Accountants, Mumbai, Firm Registration number 101248W, be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the eighty sixth Annual General Meeting, subject to ratification of appointment by Shareholders at every Annual General Meeting, and that the Board of Directors be and are hereby authorised to fix such remuneration, inclusive of applicable taxes and reimbursement of travelling and out of pocket expenses incurred in connection with the audit, as may be determined by the Audit Committee in consultation with the Auditors and payable in a manner as may be decided by the management.”

34. The resolution was proposed by Mr. Gautam Tiwari and seconded by Mr. Arvind Vijaykar.

#### **APPOINTMENT OF INDEPENDENT DIRECTORS OF THE COMPANY**

35. The Chairman informed the Shareholders that item nos. 5 to 8 were concerning the appointment of Mr. Aditya Narayan, Mr. S. Ramadorai, Mr. O. P. Bhatt and Dr. Sanjiv Misra as Independent Directors of the Company, in accordance with the Companies Act, 2013.





36. The Chairman stated that in accordance with the relevant provisions of the Articles of Association of the Company and the erstwhile provisions of the Companies Act, 1956, Mr. Aditya Narayan, Mr. S. Ramadorai, Mr. O. P. Bhatt and Dr. Sanjiv Misra were appointed as Independent Directors by the Members of the Company at the 80th AGM (held on 26th July, 2013) to hold office till the conclusion of the 81st AGM. The Chairman explained that as per the provisions of the Companies Act, 2013 the Independent Directors were not liable to retire by rotation at every AGM and were required to be appointed for not more than two terms of five years each.
37. The Chairman further stated that the Board of Directors of the Company had decided to adopt the provisions with respect to the appointment and tenure of Independent Directors which was consistent with the provisions of the Companies Act, 2013 and the amended Listing Agreement. Accordingly, the Independent Directors would serve for not more than two terms of five years each on the Board of the Company. It was clarified that, in the transition to the Companies Act, 2013, which was effective 1st April, 2014, those Independent Directors who had already served for ten or more years would serve for a maximum period of one term of five years.
38. With the consent of the Members present, the Ordinary Resolution as at item nos. 5 to 8 of the Notice for appointment of Mr. Aditya Narayan, Mr. S. Ramadorai, Mr. O. P. Bhatt and Dr. Sanjiv Misra as Independent Directors of the Company was taken as read.
39. The Resolution set at item no. 5 of the Notice read as follows:
- “RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Mr. Aditya Narayan (DIN: 00012084), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30th June, 2014.”
40. The resolution was proposed by Mr. Hariram Choudhary and seconded by Mr. Arvind Vijaykar.
41. The Resolution set at item no. 6 of the Notice was as follows:
- “RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Mr. S. Ramadorai



(DIN: 00000002), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30th June, 2014.”

42. The resolution was proposed by Mr. Jameel Tyebjee and seconded by Mr. Dilip Bhargava.

43. The Resolution set at item no. 7 of the Notice was as follows:

“RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Mr. O. P. Bhatt (DIN: 00548091), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30th June, 2014.”

44. The resolution was proposed by Mr. Nimesh Shah and seconded by Mr. Dinesh Kotecha.

45. The Resolution set at item no. 8 of the Notice was as follows:

“RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV to the said Act, Dr. Sanjiv Misra (DIN: 03075797), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30th June, 2014.”

46. The resolution was proposed by Mr. Dinesh Kotecha and seconded by Mr. Jiten Parekh.

47. After the Resolutions were moved, proposed and seconded, in accordance with the provisions of Section 109 of the Companies Act, 2013, the Chairman ordered for Poll to be taken on all resolutions forming part of the Notice. The Chairman then invited Members (other than those present by proxy) to make comments, offer suggestions and seek clarifications. The following Members spoke on various items of the Notice and Annual Accounts for the year and sought clarifications.



Mrs. Asha Lata Maheswari, Mr. Seshan Krishnamurthy, Mr. Hariram Chaudhary, Mr. Gautam Tiwari, Mr. Suresh Khanolkar, Mr. Vijaykar PA, Mr. Kaushik Shahukar, Mr. Jayaprakash Desai, Mrs. Lekha Shah, Mrs. R. K. Makhija, Mr. Prabhakar Kuvelekar, Mr. Bakul Joshi, Mr. Manish Shah, Mr. P. S. Mapara, Mrs. Rohini Parikh, Mr. S. K. Jhaveri, Mr. Dinesh Bhatia, Mrs. H. S. Patel, Mr. Dinesh Kotecha, Mr. Arjun Asudhani, Mr. Hiren Vyas, Mr. K. R. Meenakshi Sundaram, Mr. P. Sharma, Mr. Gunapala Shetty, Mr. Sadarangani, Mr. Jayram Gopalan Iyer.

(i) The following were some of the comments from the Members:

- Appreciated the quality of Annual Report and that the Report was very transparent and informative.
- Appreciated the Company for excellent cash generation and cash flow management.
- Appreciated the amount of dividend payout.
- Appreciated the Domex's initiative of building toilets in the area where people did not have access to improved sanitation.
- Appreciated the speech delivered by the Chairman.
- Appreciated bus facility provided to Shareholders to attend the AGM.
- Appreciated various awards and recognition received by the Company.
- Appreciated means of advertisement and that they brought good visibility for the Company product.
- Appreciated the financial results of the Company.
- Appreciated the Company for orderly succession planning.
- Appreciated the Company for conducting factory visit for Shareholders.

(ii) Some of the Members gave following feedback/ suggestions:

- Suggested that the Company should make some of the products available on railway stalls.
- Gave feedback on unavailability of some of the products of the Company.
- Suggested that the Company should display awards and its products at the venue of the AGM
- Suggested improvisation in packing of one of the Brands.
- Suggested that the Company should look at reducing the time of Book closure.
- Requested Company to send Annual Report in physical mode instead of electronic mode.

(iii) Some of the queries from Members were as follows:



- Enquired that out of total Salons operated by the Company how many were Unisex Salons?
  - Enquired about the activities that the Company does on CSR.
  - Enquired whether the Company was manufacturing products for export to Unilever.
  - Enquired about the amount of Doubtful Debts.
  - Enquired about the trend of complaints under whistle blowing policy in last two years.
  - Requested for information on the retirement age of the Directors.
  - Enquired why the Company had demerged its FMCG Exports business into a separate Company.
  - Requested the Chairman to provide background of M/s. B S R & Co. LLP, who were proposed to be appointed as Statutory Auditors of the Company.
  - Requested information on the number of patents granted to the Company.
  - Enquired about Company's plans on appointment of a Woman Director.
48. The Chairman thanked the Members for the kind words and appreciation and stated that the suggestions and feedback would be evaluated. The Chairman responded to the queries raised by Members present at the Meeting as follows:
- The Chairman informed the Members that the Company had about 6 Salons catering to men and the Company will look at opportunities to expand the unisex salons.
  - The Chairman informed the Members about the CSR Activities of the Company and gave details of the Project Shakti and Water Conservation initiatives.
  - The Chairman informed that the Company was manufacturing products like soaps, detergents and tea for export to other Unilever Companies.
  - The Chairman informed that the doubtful debt as a percentage of revenue was only 0.18%, which was best in class.
  - The Chairman informed the Members that, under Whistle Blowing Policy and Code of Business Principles, the Company had received 82 complaints in the year 2012-13 and 112 complaints in the year 2013-14. He further informed that the Company's objective was not to see reduced complaints alone but also to make sure that people felt free and open to raise concerns, if any.
  - The Chairman informed that there was no retirement age for the Directors. He mentioned that all the Independent Directors would be appointed for not more than two terms of five years each, which was in line with the provisions of the



Companies Act, 2013. He further informed that in the case of Executive Directors, the tenure was in accordance with their service contract.

- The Chairman clarified that as the domestic business and exports business operate under different market conditions, the FMCG Export business was demerged into a wholly owned subsidiary of the Company to provide it better focus and to bring about simplification.
  - The Chairman informed the Members that M/s. B S R & Co. LLP was a reputed firm of Chartered Accountants having many national and multinational companies as their clients.
  - The Chairman informed that during the year 2013-14, 30 patents were granted to the Company and that a total of 600 patents were registered by the Company.
  - The Chairman assured the Members that diversity on Board was important to the Company and that as the Chairman he was conscious of it. The Chairman stated that about 30% of management strength in the Company was women and he was doing his best to bring the diversity on Board as well.
49. After answering all the queries of speakers, the Chairman handed over the Poll process to the Scrutinizers and stated that the combined Results of e-voting done previously and e-poll would be announced on Website of the Company and also on the website of the Stock Exchanges.
50. The Chairman stated that the meeting would stand concluded when the last vote was cast.
51. One of the Shareholders gave vote of thanks to the Chairman.
52. The meeting concluded at 05.40 p.m., when the last vote was cast.
53. The consolidated results of the e-voting and e-poll were declared by the Company on 1st July, 2014 on the website of the Company and the website of the Stock Exchanges, the details of results declaration are enclosed at Annexure 2 to the Minutes.

Place: Mumbai

Dated this 28th day of July, 2014



Sd/-  
(Harish Manwani)  
CHAIRMAN



### **Building a future ready organization**

We live in an increasingly interconnected world that is changing faster than ever before. In fact, change is 'the new normal' and if anything the pace of change in future will be even faster than it is today.

Take connectivity for instance. It took almost 50 years after the invention of the telegraph before the first telephone was invented. It was another 50 years before we saw the television. But in less than half the time it took to move from the telegraph to the television, we witnessed the rise of computers, the invention of the mobile phone and the advent of the Internet. Now we have the power of the telegraph, telephone, radio, television, computer and Internet all in one device that can fit in our palm.

The pace at which these technologies have been adopted in India is unprecedented. The spread of mobile connections is a telling example. The first mobile phone call was made in 1995. In less than 20 years, mobile connections are now all pervasive and have in fact far surpassed landline connections, a service that started more than a century earlier.

About 25 years ago, only 3% of India's 600,000 villages enjoyed telephone services. For urgent communication, people would rely on what was commonly known as the 'taar', the telegraph service. Today, there are over 875 million mobile phone subscribers in India and the 'taar' is history, with the telegraph service shuttered last year.

This connectivity is allowing India to leapfrog. It is increasing the productivity of our farmers by providing easy access to agriculture-related information, eliminating intermediary non-value adding players and opening opportunities for micro-enterprises, thus fundamentally improving everyday life for millions of people.

Technology and easier access to information and knowledge have opened up employment opportunities resulting in a new wave of people entering the consumption cycle. We are witnessing a significant increase in the earning power of consumers at the bottom-of-the-pyramid as they join the increasing middle class population in India.

A company that is future ready will not only be able to seize the opportunities these changes present, but also protect itself from the challenges of the VUCA world.

Being future ready means having the vision and the capabilities to compete in the world of tomorrow, and having a larger purpose to remain relevant to society.

At Unilever, we have a five-pronged approach to remain future ready – first, embracing technology and inclusive innovation that meets the needs of consumers across the socio-economic pyramid; second, committing to sustainable and responsible growth; third, building future ready talent and capabilities; fourth, values-led and purpose-driven leadership; fifth, creating an agile and inclusive work culture.

India is a vast nation with widespread socio-economic diversity. Technology and innovation allow us to anticipate and better serve the needs of the many different Indias. There are huge opportunities in meeting the needs of the rising middle class as well as the aspiring low-income consumers.

In India, to be truly future ready, one has to leverage technology to cater not only to the rising middle class but also to consumers at the bottom-of-the-pyramid. As the late Prof C K Prahalad and Dr R A Mashelkar put it, the way forward for companies is inclusive innovation. Low-cost business models are changing the way we serve millions of consumers.



In Hindustan Unilever Limited (HUL), we have institutionalised a 'challenge cost' mindset where the target price for consumers drives innovation in each segment and category. This has helped us to develop several new market segments in Home Care, Personal Care and Foods. Pureit is a more recent example of this approach.

It provides one litre of 'as safe as boiled'<sup>TM</sup> water at a running cost of just 28 paise without the hassles of boiling, the need for electricity or continuous tap water supply. Pureit has emerged as the largest selling water purifier brand in India and has now been introduced in several other countries, protecting 58 million lives globally.

We continue to leverage advancements in technology and connectivity to strengthen our collaboration with customers in modern trade and simultaneously expand our distribution reach in deep rural areas. We call this reaching up and reaching wide.

With the emerging modern trade channel, we have improved our service delivery standards by leveraging technology for demand sensing. We have deployed a collaboration tool with most of our large modern trade customers which has helped us achieve an all-time high on-shelf availability in these stores.

Similarly, to strengthen our reach in deep rural areas, we deployed a low-cost mobile IT solution that enables thousands of our Shakti Ammas (rural women entrepreneurs) to take and bill orders and manage inventory in real time. This has made the Shakti Ammas more productive and helped them to further enhance their incomes.

The Internet is changing the way brands engage with consumers. There is a blurring of lines between advertising and editorial; between 'paid' media in conventional channels and 'owned' and 'earned' media in emerging digital channels. Mobile, social media and big data are transforming the very nature of marketing.

We were early in recognising this trend as a game changer. We have not just significantly increased our investment in digital media but are also innovating to increase our impact in this space. Last year, we launched the 'Media Lab' which helps our brands deliver engaging brand experiences in an effective manner across Internet enabled mobile devices and platforms.

Perhaps our most exciting initiative has been the launch of 'Kan Khajura Tesan', a mobile marketing initiative aimed to help our brands engage with low-income rural consumers in media dark areas. 'Kan Khajura Tesan' has been globally recognised with the prestigious Lions Gold awards at Cannes Lions International Festival of Creativity this year.

As the less developed economies grow, demand will rise dramatically; but we live in a world with finite resources. Large numbers of people still remain out of the modern day economic system - we still have one billion people going to bed hungry every night, 2.8 billion people short of water and 2.3 billion people living without access to basic sanitation.

We are convinced that businesses that address the needs and aspirations of consumers as well as our social and environmental challenges will thrive in the long term. This is the foundation of what it means to be future ready.

Unilever's journey towards building a future ready organisation gained momentum and direction in November 2010 when we launched our ambitious Unilever Sustainable Living Plan. The Plan aims to double the size of our business while decoupling our growth from our environmental impact and increasing our positive social impact. This thinking lies at the heart of our business and is now being firmly embedded across every part of the organisation.

Lifebuoy runs one of the largest handwashing programmes in India. Last year, we launched the 'Help a Child Reach 5' campaign in Thesgora, a village in Madhya Pradesh, known for having one of the highest rates of diarrhoea in India. The campaign aims to eradicate preventable deaths from diseases like diarrhoea by



teaching lifesaving handwashing habits, one village at a time. The results have been tremendous, with a staggering 86% drop in the incidence of diarrhoea in Thesgora. The campaign is now being rolled out to villages across 14 countries.

Being future ready also means caring for your environment and investing in sustainable supply chains. We are working with smallholder farmers to help them implement sustainable methods while significantly improving their crop yields. In 2013, 80% of the tomatoes used in Kissan ketchup were from sustainable sources. We already source 100% of our palm oil from sustainable sources backed by GreenPalm certificates.

To address the impact of depleting water resources on food, energy and livelihoods, we set up the Hindustan Unilever Foundation (HUF) in 2010. It currently runs projects that have a cumulative and collective water conservation potential of 100 billion litres by the end of 2015.

To create a business that addresses the needs of the future through technology and sustainable models for growth, we need to nurture a continuous learning environment that builds talent and new organisational capabilities. The Unilever Future Leaders Programme provides us a strong foundation to groom and develop talent from the entry level itself.

We are harnessing technology to prepare our employees to succeed in tomorrow's world. For example, we have created digital passports that are licenses for our marketers to operate in the future. As a part of building awareness and knowledge of our managers on business, managerial and professional areas, we use online e-learning solutions. In 2013 alone our employees completed nearly 50,000 online courses.

We also believe that learning must be embedded in the organisation at all levels. We have undertaken a host of programmes in the space of capability building on the shopfloor. For example, our Shopfloor Skill Upgrading Programme, 'Sparkle', assesses training needs, skills and the performance of our shopfloor employees.

Ultimately, the most important asset of any organisation is its reputation. For future ready organisations, we need leaders who will not only build the organisational capabilities to harness technology and new ways of working, but also instil the values to build sustainable and responsible models of growth. These are the leadership principles that we have embedded in our company and they will continue to shape our future as an organisation.

More than ever before we need leaders who are values-led and purpose-driven. These are leaders who recognise that there are some non-negotiables in business and that building organisational character is essential to future success.

In Unilever, we have a common code of business principles and leadership values of integrity, respect, pioneering and responsibility that have to be embraced by every leader in every part of the world.

And finally, the importance of an agile and inclusive work culture. In a world with easy access to information and rapid changes, companies need to move fast to keep up. Speed is the new currency for future ready organisations.

In 2013, we launched a new campaign, 'Winning Together', to reduce complexity across the organisation and empower people to maximise their potential through simplified ways of working, cutting inefficiency and promoting a bias for action.

Equally, diversity and inclusion is an important aspect of our sustainable business growth agenda and a key to building a future ready organisation. In HUL, we refer to this as 'Winning Balance'.

To conclude, we live in an extremely volatile world that is changing faster than ever. Products and services are becoming more accessible with increasing connectivity and improved infrastructure. To succeed in this world we have to develop a high capacity for responsiveness. Organisations will have to adapt to rapidly changing situations and priorities, tolerate ambiguity, and develop new ways of working in order to succeed.



While technology and innovation will be the hardware that drives future ready organisations, it is a values-led and purpose-driven leadership that is the software that must drive sustainable and responsible growth. It is this combination of hardware and software that will shape the corporate winners of tomorrow.



**81<sup>ST</sup> ANNUAL GENERAL MEETING HELD ON 30TH JUNE, 2014****Declaration of Results of e-voting and poll**

As per the provisions of the Companies Act, 2013 as also the Listing Agreement, the Company had provided the facility of e-voting to the Shareholders to enable them to cast their vote electronically on the resolutions proposed in the Notice of the 81st Annual General Meeting (AGM). The e-voting was open from 24th June, 2014 to 26th June, 2014.

In line with the provisions of the Companies Act, 2013 and in terms of the clarification issued by MCA, voting by Show of Hands was not permitted at the general meeting where e-voting has been offered to the Shareholders. Therefore, at the 81st AGM, voting was conducted by means of poll.

The Board of Directors had appointed Mr. S. N. Ananthasubramanian, Practising Company Secretary as the Scrutinizer for e-voting and poll. Mr. P. D. Vora, a Member of the Company, was appointed as additional Scrutinizer for the poll to be conducted at the AGM. The Scrutinizer(s) have carried out the scrutiny of all the electronic votes received up to the close of working hours on 26th June, 2014 and poll received till the conclusion of the meeting and submitted their Report on 30th June, 2014.

The Consolidated Results as per the Scrutinizers' Report dated 30th June, 2014 is as follows:

Particulars	% Votes in favour	% Votes Against
Resolution 1: Adoption of Annual Accounts and Reports thereon for the financial year ended 31st March, 2014	99.99	0.01
Resolution 2: Declaration of Dividend	99.99	0.01
Resolution 3A: Re-election of Mr. Harish Manwani as Director of the Company	99.19	0.81
Resolution 3B: Re-election of Mr. Pradeep Banerjee as Director of the Company	99.79	0.21
Resolution 4: Appointment of M/s. B S R & Co. LLP, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration for the financial year ending 31st March, 2015	99.64	0.36
Resolution 5: Appointment of Mr. Aditya Narayan as an Independent Director of the Company for a term of upto five years	99.45	0.55
Resolution 6: Appointment of Mr. S. Ramadorai as an Independent Director of the Company for a term of upto five years	99.23	0.77
Resolution 7: Appointment of Mr. O. P. Bhatt as an Independent Director of the Company for a term of upto five years	99.70	0.30
Resolution 8: Appointment of Dr. Sanjiv Misra as an Independent Director of the Company for a term of upto five years	99.99	0.01

Based on the consolidated Report of the Scrutinizer(s), all Resolutions as set out in the Notice of 81st Annual General Meeting have been duly approved by the Shareholders with requisite majority.

Date: 1st July, 2014

