



COLGATE-PALMOLIVE (INDIA) LIMITED

August 11, 2016

The Secretary
BSE Limited
P.J.Towers- 25th floor
Dalal Street
Mumbai- 400001

The Manager – Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block – G
Bandra – Kurla Complex
Bandra (East), Mumbai 400 051

Regd. Office :

Colgate Research Centre,
Main Street,
Hiranandani Gardens,
Powai,
Mumbai - 400 076.
Tel. : 67095050
Fax : (91 22) 25705088
www.colgate.co.in

Scrip Code: 500830
CIN : L24200MH1937PLC002700

Symbol: COLPAL
Series: EQ

Dear Sir,

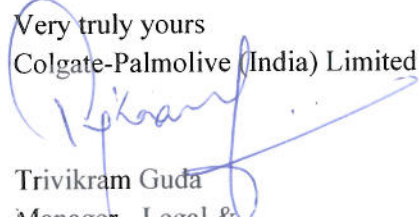
Subject: Submission of Annual Report 2015-16.

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2015-16 duly approved and adopted by the members of the Company at the Annual General Meeting held on August 8, 2016.

Kindly acknowledge the receipt.

Thanking you,

Very truly yours
Colgate-Palmolive (India) Limited


Trivikram Guda
Manager - Legal &
Deputy Company Secretary

File: Stock Exchange



COLGATE-PALMOLIVE (INDIA) LIMITED

KEEP INDIA SMILING

ANNUAL REPORT 2015-2016



The Building Blocks

Colgate-Palmolive (India) Limited has been the market leader in Oral Care in the country, and the Company manufactures and markets products that make people smile. Everyday millions of people around the country trust Colgate to help care for themselves and their loved ones.

The strong relationship and trust of our consumers, customers and dental profession built over many decades of operations in India has made Colgate, a trusted household name.

The success of the Company is driven by its continued focus on the four strategic pillars :



**Engaging to
build our Brands**



**Innovation
for Growth**



**Effectiveness
& Efficiency**



**Leading
to Win**

The four strategic pillars have helped the Company to create leading brands based on proven strategies that ensure growth. Executing these strategies with focus and creativity, while being guided by the Company's values of Caring, Continuous Improvement and Global Teamwork, is fuelling Colgate's profitable growth in India.

Engaging to build our Brands

People engagement is at the heart of Colgate's strategy for driving Company's strong performance and market share gains. This also helps gaining a deeper and more meaningful understanding of key stakeholders :

With Consumers

Engaging with consumers is at the core of Colgate's focused strategy, and the Company is strengthening this engagement in unique and innovative ways. One of the remarkable examples of this is, the Colgate Scholarship Offer - an initiative to support consumers in their endeavour to provide better education to their children in form of over 200 scholarships of upto Rs 1 lakh. And this year, the offer garnered an overwhelming participation through over 8.4 million calls.

With Customers

Colgate works closely with its trade partners to share expertise and provide shoppers with best value and service. Colgate engages with its customers across the country by sharing unique shopper insights, providing innovative in-store marketing communications and merchandising techniques. As more and more consumers become technologically savvy, it becomes imperative to communicate in the same language. Hence, Colgate brings in technologically superior applications and platforms that accelerate growth while delivering a seamless, user-friendly experience.

With Profession

Colgate constantly drives engagement and builds leadership with dentist professionals of the Indian Dental Association (IDA) to strengthen their endorsement of Company's brand. Colgate closely works with IDA professionals to spread awareness on oral health and hygiene. During Kumbh Mela held in Nasik, in 2015, Colgate, along with IDA dentists, reached out to thousands of pilgrims with an objective of educating a large populace about the benefits of oral health.



Innovation for Growth



At Colgate, developing innovative new products is a key driver of profitable growth. Colgate's Innovation Centre in India is focused on developing insight-driven innovations through breakthrough technology to meet the consumer's needs.

One of the significant breakthroughs, this year, was 'Pain Out' – first-of-its-kind product that gives express symptomatic relief with just one drop, applied directly on the aching tooth. With Pain Out, Colgate has set a new milestone of conceptualizing, creating and marketing a product completely in India.

Beyond new products, innovation is embedded into the Company's culture to encourage new ideas and process improvements through every aspect of the organization.

Effectiveness and Efficiency



Colgate is driving greater efficiency by setting up local manufacturing units in India to meet growing demand in Indian market. Recently, Colgate has set up two state-of-the-art manufacturing facilities at Sanand, Gujarat and Sricity, Andhra Pradesh for toothpaste and toothbrush respectively. The manufacturing facilities boast of best-in-class infrastructure and technologically advanced processes. Foreseeing the growing market demand, these facilities are true examples of how important it is at Colgate to deliver to consumer's needs efficiently. The new facilities not only assure the growth of Colgate but also that of India by generating ample employment opportunities.



Leading to Win

Colgate-Palmolive (India) Limited continues to march towards its commitment of 'Giving India Reasons to Smile' through its values of Caring, Global Teamwork and Continuous Improvement. The Company does this through several programs and initiatives such as :

1. **Bright Smiles, Bright Futures™ (BSBF)** : An initiative for cultivating correct oral health habits and educating children about basic hygiene, to reduce the prevalence of dental caries and promote preventive healthcare habits.
2. **Oral Health Month (OHM)** : An awareness campaign in association with Indian Dental Association (IDA) to establish and promote the importance of good oral hygiene and regular dental check-ups.

The Company also partner with Non-Governmental Organizations (NGOs) with an objective of improving and enhancing the quality of life of people in need :

3. **A Positive Step** : Collaboration with 'Network in Thane by People Living with HIV' to support infected/affected children, with HIV, by facilitating basic needs of nutrition and education.
4. **Seva Mandir** : Partnered with Seva Mandir with an aim to create sustainable livelihoods for individuals and communities, by providing basic hygiene and sanitation. And, helping in facilitating education to children from less privileged families.
5. **Pratham** : Pratham works towards providing quality education to the underprivileged children of India, under their motto of 'Every child in school and learning well'. Colgate supports the NGO in initiatives such as 'Read India' and 'Laakhon Mein Ek'.
6. **Project SAKSHAM** : Colgate has partnered with SEEDS and IL&FS to empower young individuals from rural and less privileged households by facilitating right kind of training, and supporting them in finding employment opportunities, thereby helping improve their socio-economic status.

Board of Directors



V. Nambiar
Chairman (Non-executive & Non-independent Director)



R. A. Shah
Vice-Chairman (Non-executive & Independent Director)



P. K. Ghosh
Deputy Chairman (Non-executive & Independent Director)



J. K. Setna
Non-executive & Independent Director



V. S. Mehta
Non-executive & Independent Director



Dr. I. Shahani (Ms.)
Non-executive & Independent Director



S. Gopinath (Ms.)
Non-executive & Independent Director



I. Bachaalani
Managing Director



G. Nthunzi
Whole-time Director & CFO



N. Ghat
Whole-time Director & Company Secretary

Management Committee

I. Bachaalani	Managing Director	Dr. S. Potnis	India Global Technology Centre
G. Nthunzi	Finance	M. Yajid	Supply Chain (Toothpaste)
N. Ghat	Legal	M. K. Ajay	Human Resources
E. Jumbert	Marketing	V. Ganesh	Supply Chain & Logistics
M. Chandrasekar	Customer Development	M. Mehrotra	Supply Chain (Toothbrush)

Audit Committee

R. A. Shah	Chairperson
P. K. Ghosh	
J. K. Setna	
V. S. Mehta	
Dr. I. Shahani (Ms.)	
S. Gopinath (Ms.)	
N. Ghat	Secretary

Risk Management Committee

P. K. Ghosh	Chairperson
V. S. Mehta	
S. Gopinath (Ms.)	
I. Bachaalani	
N. Ghat	
G. Nthunzi	
M. K. Ajay	

Corporate Social Responsibility Committee

Dr. I. Shahani (Ms.)	Chairperson
I. Bachaalani	
N. Ghat	
P. Sharma (Ms.)	

Stakeholders' Relationship Committee

J. K. Setna	Chairperson
P. K. Ghosh	
I. Bachaalani	
N. Ghat	

Nomination & Remuneration Committee

R. A. Shah	Chairperson
V. S. Mehta	
V. Nambiar	

Business Responsibility Reporting Committee

I. Bachaalani	Chairperson
N. Ghat	
M. K. Ajay	
M. Mehrotra	
P. Sharma (Ms.)	

Contents

Ten-year Highlights	2
Notice	3
Report of the Directors	8
Annexures to the Report of the Directors	
1. Corporate Governance Report	16
Auditors' Certificate on Corporate Governance	27
2. Annual CSR Report	29
3. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo	33
4. Secretarial Audit Report	35
5. Extract of Annual Return	38
6. Particulars of employees	44
7. Business Responsibility Report	46
Independent Auditors' Report to the Shareholders	55
Balance Sheet	62
Statement of Profit and Loss	63
Cash Flow Statement	64
Notes to the Financial Statements	66
Nomination Form	97
Updation of Shareholder Information	99
Route Map to the AGM Hall	102

Plant Locations :

- 1) Baddi, Himachal Pradesh
- 2) Kundaim, Goa
- 3) Sanand, Gujarat
- 4) Sricity, Andhra Pradesh

Registrars & Share Transfer Agents

Link Intime India Private Limited (*Appointed w.e.f. 01.04.2016*)
C-13, Pannalal Silk Milks Compound
L.B.S. Marg, Bhandup (West)
Mumbai 400 078

Solicitors

Crawford Bayley & Co.
State Bank Building
N.G.N. Vaidya Marg
Mumbai 400 023

Statutory Auditors

Price Waterhouse, Chartered Accountants
(Firm Registration No. 301112E)
252, Veer Savarkar Marg
Shivaji Park
Dadar (West)
Mumbai 400 028

Secretarial Auditor

S. N. Ananathasubramanian & Co.
Company Secretaries
(Firm Registration No. P1991MH040400)
10/26, Brindaban
Thane - 400 601

Registered office

Colgate Research Centre
Main Street
Hiranandani Gardens
Powai
Mumbai 400 076
(CIN - L24200MH1937PLC002700)

Ten-year Highlights

	₹ Lacs									
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
A. Operating Results :										
Sales	1,385,38	1,553,21	1,758,16	2,024,65	2,317,40	2,736,17	3,244,51	3,757,38	4,211,20	4,613,08
Other Operating revenue and Other Income	67,00	84,78	107,76	98,46	106,80	120,06	129,63	84,25	60,34	69,74
Net Profit After Tax	160,17	231,71	290,22	423,26	402,58	446,47	496,75	539,87	558,98	576,51
Cash Profits	175,42	251,56	313,17	460,83	436,83	485,78	540,45	590,62	634,00	687,92
B. Financial Position :										
Net Fixed Assets #	192,03	198,99	178,59	253,14	267,31	329,91	437,46	736,62	943,66	1,092,25
Investments	133,34	72,59	38,33	21,00	38,74	47,12	47,12	37,13	37,13	30,13
Other Assets/(Liabilities) (Net)	(40,57)	(104,69)	4,06	56,56	78,05	58,36	5,01	(173,89)	(210,47)	(102,92)
TOTAL ASSETS	284,80	166,89	220,98	330,70	384,10	435,39	489,59	599,88	770,32	1,019,47
Share Capital	135,99	13,60	13,60	13,60	13,60	13,60	13,60	13,60	13,60	27,20**
Reserves and Surplus	144,53	148,61	202,70	312,51	370,45	421,79	475,99	586,28	756,72	992,27
SHAREHOLDERS' FUNDS	280,52	162,21	216,30	326,11	384,05	435,39	489,59	599,88	770,32	1,019,47
Loan Funds	4,28	4,68	4,68	4,59	5	—	—	—	—	—
TOTAL CAPITAL EMPLOYED	284,80	166,89	220,98	330,70	384,10	435,39	489,59	599,88	770,32	1,019,47
C. Equity Share Data :										
Earnings Per Share (₹)	11.78	17.04	21.34	31.12	29.60	32.83	36.53	39.70	41.10	21.20**
Dividend Per Share (₹)	9.50*	13.00	15.00	20.00	22.00	25.00	28.00	27.00	24.00	10.00**
Number of Shares (in Lacs)	13,60	13,60	13,60	13,60	13,60	13,60	13,60	13,60	13,60	27,20
Number of Shareholders (in '000s)	1,40	1,33	1,26	1,24	1,26	1,22	1,29	1,32	1,35	1,81

including Capital Advances

* Including one-time special 70th Anniversary Dividend of ₹ 2.00 per share.

** Issue of bonus shares in the ratio of 1 : 1 during the current year. Consequently, number of shares has increased from 13.60 Lacs to 27.20 Lacs that is reflected in EPS and DPS for the year.

Previous year's figures have been re-grouped to conform with current year's presentation, wherever applicable.

Notice

COLGATE-PALMOLIVE (INDIA) LIMITED

Registered Office :

Colgate Research Centre,
Main Street, Hiranandani Gardens,
Powai, Mumbai 400 076.

CIN - L24200MH1937PLC002700

Email : investors_grievance@colpal.com

Website : www.colgatepalmolive.co.in

NOTICE is hereby given that the Seventy-Fifth Annual General Meeting of COLGATE-PALMOLIVE (INDIA) LIMITED will be held at Shri Bhaidas Maganlal Sabhagriha, Swami Bhaktivedanta Marg, J.V.P.D. Scheme, Vile-Parle (West), Mumbai 400 056 on Monday, August 8, 2016 at 3.30 p.m. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited financial statements including Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and the Auditors.
2. To appoint a Director in place of Mr. Niket Ghatge (DIN : 00001925), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution :

“RESOLVED THAT M/s. Price Waterhouse, Chartered Accountants (Firm Registration Number : 301112E), be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass the following resolution as a Special Resolution :
“RESOLVED that pursuant to Section 94 of the Companies Act, 2013 (hereinafter called ‘the Act’) and in supersession of the Special Resolution passed at the Sixty-Ninth Annual General Meeting of the Company held on July 17, 2009, the Company

hereby approves that the Registers of Members, Indices of Members, copies of all Annual Returns prepared by the Company under Section 88(1) of the Act together with copies of Certificates and Documents required to be annexed thereto and other related books have, with effect from April 1, 2016, been kept and maintained at the office of the new Registrars & Share Transfer Agents, Messrs. Link Intime India Private Limited, at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 instead of at the office of the erstwhile Registrars & Share Transfer Agents, Messrs. Sharepro Services (India) Private Limited, at 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off. Andheri Kurla Road, Andheri (East), Mumbai 400 072.

RESOLVED further that the Registers, Indices, Returns, Books, Certificates and Documents of the Company required to be maintained and kept open for inspection by the Members and/or any person entitled thereto under the Act, be kept open for inspection, at the place where they are kept, to the extent, in the manner and on payment of the fees, if any, specified in the Act between the hours of 11.00 a.m. and 1.00 p.m. on any working day (excluding Saturday) and except when the registers and books are closed under the provisions of the Act or the Articles of Association of the Company.”

By Order of the Board

Niket Ghatge
Whole-time Director &
Company Secretary
(DIN : 00001925)

Date : May 24, 2016

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ONLY ON A POLL AND A PROXY NEED NOT BE A MEMBER. **HOWEVER, A PERSON APPOINTED AS A PROXY SHALL ACT ON BEHALF OF SUCH MEMBERS NOT EXCEEDING FIFTY IN NUMBER AND HOLDING**

IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. An Explanatory Statement under Section 102 of the Companies Act, 2013 in respect of Item No. 4 to be transacted at the Meeting is appended hereto.
 3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, August 2, 2016 to Monday, August 8, 2016 (both days inclusive).
 4. Effective April 1, 2016, the Company has appointed Messrs. Link Intime India Private Limited having their office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 as the Registrars & Share Transfer Agents of the Company in place of Messrs. Sharepro Services (India) Private Limited having their office at 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off. Andheri Kurla Road, Andheri (East), Mumbai 400 072. The change in Registrars & Share Transfer Agents had already been notified to BSE Limited and the National Stock Exchange of India Limited on March 28, 2016, where the Company's shares are listed. The Company had also published a public notice to this effect on April 1, 2016 and necessary agreements have also been executed with Central Depository Services (India) Limited and National Securities Depository Limited.
 5. Documents pertaining to share transfer/transmission/renewal etc. and all correspondence relating thereto, should now be addressed to the new Registrars & Share Transfer Agents of the Company, Messrs. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078.
 6. Members who hold shares in physical form are requested to notify immediately any change in their addresses to the Registrars & Share Transfer Agents of the Company at the above address and to their respective Depository Participants, in case shares are held in electronic mode.
 7. The Company, consequent upon the introduction of the Depository System ('DS'), entered into agreements with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). The Members, therefore, have the option of holding and dealing in the shares of the Company in dematerialized form through NSDL or CDSL.
 8. The DS envisages elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, mutilation of share certificates, etc. Simultaneously, DS offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc.
 9. To prevent fraudulent transactions, we urge the Members to exercise due diligence and notify the Company of any change in address/stay abroad or demise of any shareholder as soon as possible. Members are requested not to leave their demat account dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
 10. Electronic Clearing Service ('ECS') helps in quick remittance of dividend without possible loss/delay in postal transit. Members are requested to fill in the form which is available on the Company's website or can obtain it from the Company's Registrars & Share Transfer Agents and forward the same to the Company's Registrars & Share Transfer Agents if the shares are held in physical form and to the Depository Participant in case the shares are held in dematerialized form.
 11. Under the Companies Act, 1956, dividends that are unclaimed for a period of seven years are transferred to the 'Investor Education and Protection Fund', constituted by the Central Government. Accordingly, during the Financial Year 2015-16, unclaimed amount of dividends (₹ 31,75,263/- and ₹ 44,35,713/-) declared for the years 2007-08 and 2008-09 have been transferred to the Investor Education and Protection Fund on September 2, 2015 and January 22, 2016 respectively.
- Pursuant to the provisions of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed

amounts lying with companies) Rules, 2012, the Company has uploaded the details of said unpaid and unclaimed dividends on the website of the Company at www.colgate.co.in/app/Colgate/IN/Corp/Investor/UnclaimedDividends.cvsp

12. The Company has designated an exclusive e-mail ID called **investors_grievance@colpal.com** to redress shareholders' complaints/grievances. In case of any queries/complaints or grievances, then please write to us at **investors_grievance@colpal.com**
13. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company at least 10 days before the Annual General Meeting so that the same can be suitably replied.
14. **Voting Instructions :**

The Company is providing remote e-Voting facility and ballot forms to all the shareholders for voting. A member can opt only one mode to vote either through ballot form or remote e-Voting. If member casts vote through both modes then only vote cast through remote e-Voting will prevail. Members who have not cast their vote by either mode that is through remote e-Voting or ballot form shall be allowed to vote at the ensuing Annual General Meeting (AGM) through poll.

The members who have cast their vote by remote e-Voting or ballot form shall not be entitled to cast their vote again at the AGM, however, such members will be entitled to attend the AGM.

Members opting to vote in physical form should return the duly completed ballot form (enclosed with the Annual Report) so as to reach the Scrutinizer (whose details are mentioned in point 'H' below) appointed by the Board of Directors of the Company, in the enclosed postage pre-paid, self-addressed envelope not later than Thursday, August 4, 2016 (5.00 p.m.). Ballot forms received after the aforesaid date & time and incomplete ballot forms will be treated as invalid.

Pursuant to Section 108 of the Companies Act, 2013 and the rules framed thereunder and the Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the shareholders are provided with the facility to cast their vote electronically, through the remote

e-Voting services provided by National Securities Depository Limited (NSDL) on all the resolutions set forth in this Notice.

The instructions for remote e-Voting are as under :

- A. Members whose e-mail ID(s) are registered with the Company/Depository Participants (CDSL/NSDL), the procedure to vote electronically is as under :
 - (i) Click on the PDF file sent to you in the e-mail by NSDL. The file will prompt for a Password. Kindly input your Client ID or Folio No. as may be applicable in the box prompted for Password. The said PDF file contains your user ID and password/PIN for remote e-Voting. Please note that this password is an initial password and needs to be changed while doing first time login for security purpose.
 - (ii) Launch internet browser by typing the following URL : <https://www.evoting.nsdl.com>
 - (iii) Click on Shareholder - Login
 - (iv) Enter user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-Voting opens. Click on remote e-Voting : Active Voting Cycles.
 - (vii) Select the "REVEN" (remote e-Voting Event Number) of Colgate-Palmolive (India) Limited.
 - (viii) Now you are ready for remote e-Voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@snaco.net

B. Members whose e-mail ID(s) are not registered with the Company/Depository Participants or request for a physical copy, the procedure to vote electronically is as under :

(i) Initial password is provided in the following format at the bottom of the Attendance Slip of the AGM sent with the Annual Report :

REVEN (Remote e-Voting Event Number)	USER ID	PASSWORD/ PIN

(ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) of notes 14(A) above, to cast vote.

C. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-Voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or contact NSDL at the toll free No. 1800-222-990. Alternatively, you can also contact on evoting@nsdl.co.in for any queries or grievances connected with remote e-Voting service.

D. Any person who acquires shares of the Company after the dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. August 1, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in If you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password you can reset your password by using "Forgot User Details/

Password" option available on www.evoting.nsdl.com

- E. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- F. The remote e-Voting period commences on Friday, August 5, 2016 (8 a.m.) and ends on Sunday, August 7, 2016 (5 p.m.). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, August 1, 2016, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, shareholder shall not be allowed to change it subsequently. Electronic voting shall not be allowed beyond the said date and time.
- G. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Monday, August 1, 2016.
- H. Mr. S. N. Ananthasubramanian (Membership No. F4206) has been appointed as the Scrutinizer for 75th Annual General Meeting. Scrutinizer will also scrutinize the ballot forms and ensure that the remote e-Voting process is conducted in a fair and transparent manner.
- I. The Scrutinizer shall, immediately after the conclusion of the voting at the AGM, first count the votes casted at the Meeting and thereafter unblock the votes cast through remote e-Voting as well as ballot forms in the presence of at least two (2) witnesses not in the employment of the Company and make within a period not exceeding three (3) days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman, or an authorized person by him, of the Company.
- J. The results shall be declared after receiving consolidated Scrutinizer's report from the Scrutinizer. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.colgatepalmolive.co.in and on the websites of Stock Exchanges and NSDL.

K. The resolution shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through a compilation of Voting results (i.e. remote e-Voting and Ballot forms along with the voting held at the AGM).

15. At the ensuing Annual General Meeting, Mr. Niket Ghate, Whole-time Director & Company Secretary of the Company shall retire by rotation and being eligible, offers himself for re-appointment. Pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the particulars of Mr. Niket Ghate are given below :

Mr. Niket Ghate :

Mr. Niket Ghate joined the Company as Vice-President Legal & Company Secretary effective August 8, 2011. He heads the Legal & Secretarial function of the Company and is also a member of the Board of Directors. Prior to joining Colgate-Palmolive (India) Limited, Mr. Ghate was the Executive Vice-President and General Counsel at Patni Computer Systems. Mr. Ghate has 26 years of valuable experience in the streams of Law like Litigation, Contract Negotiations, Corporate Governance and Merger & Acquisitions. Prior to Patni Computer Systems, Mr. Ghate worked with Transocean, KPMG, Carrier Air-conditioners, Tata-Lucent Technologies in roles of increasing responsibilities.

Mr. Ghate holds a Bachelor of Law (LLB) degree from the University College of Nagpur and is also a member of the Institute of Company Secretaries of India and Institute of Chartered Secretaries and Administrators of United Kingdom.

Mr. Ghate does not hold any other directorship in India. He does not hold any shares in Colgate-Palmolive (India) Limited.

Committee Memberships :

Mr. Ghate is a member of the Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Business Responsibility Reporting Committee of the Company.

This statement may also be regarded as a disclosure under Regulation 36 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Explanatory Statement under Section 102 of the Companies Act, 2013 for Item No. 4

Pursuant to a Special Resolution passed at the Annual General Meeting of the Company held on July 17, 2009,

the Members had approved keeping of the Registers of Members, Indices of Members, copies of Annual Returns prepared by the Company under Section 159 of the Companies Act, 1956 together with copies of Certificates and Documents required to be annexed thereto and other related books at the offices of the then Registrars & Share Transfer Agents, Messrs. Sharepro Services (India) Private Limited at 912, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai 400 021 and or at 13 AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (East), Mumbai 400 072.

Effective April 1, 2016 the Company has appointed Messrs. Link Intime India Private Limited as the Registrars & Share Transfer Agents of the Company in place of Messrs. Sharepro Services (India) Private Limited who shall maintain the Registers of Members, Indices of Members, copies of all Annual Returns prepared by the Company under Section 88(1) of the Companies Act, 2013 ("the Act") together with copies of Certificates and Documents required to be annexed or any one or more of them and other related books at the office of Messrs. Link Intime India Private Limited at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078. The approval of shareholders by a Special Resolution is sought to the above arrangement under Section 94 of the Act.

The Special Resolution also specifies the time of inspection of the books and documents of the Company by its Members, namely, between the hours 11.00 a.m. and 1.00 p.m. on any working day (excluding Saturday) and except when the registers and the books are closed under the provisions of the Act or Articles of Association of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in Item No. 4 of this Notice.

By Order of the Board

Niket Ghate
Whole-time Director &
Company Secretary
(DIN : 00001925)

Date : May 24, 2016

Report of the Directors

To,
The Members
Colgate-Palmolive (India) Limited

Your Directors have pleasure in presenting their Report and Audited Accounts of the Company for the year ended March 31, 2016.

1. Financial Results

	(₹ Crore)	
	F. Y. 2015-16	F. Y. 2014-15
Total Revenue (a+b+c)	4,201.89	4,015.12
Sales (Excluding Excise Duty) (a)	4,132.16	3,954.78
Other Operating Revenue (b)	30.12	27.17
Other Income (c)	39.61	33.17
Profit before Tax from ordinary activities	859.49	780.39
Exceptional Item	31.34	—
Profit before Taxation	828.15	780.39
Tax Expense	251.64	221.41
Profit for the year	576.51	558.98
Balance brought forward	345.95	175.51
Adjustment of Depreciation as per Schedule-II of the Companies Act, 2013	—	(0.17)
Profit available for appropriation	922.46	734.32
Appropriation :		
Dividend	271.99	326.38
Dividend Distribution Tax	55.37	61.99
General Reserve	—	—
Balance carried forward	595.10	345.95
	922.46	734.32

2. Business Performance

India's economic growth rate as measured through GDP showed signs of steady recovery in F.Y. 2015-16 at around 7.6% as compared to 7.2% in 2014-15. Much of that improvement is attributed to increase in urban consumption and infrastructure investments by the Government. However, the rural consumption in 2015 has remained subdued due to two consecutive weak monsoons and drought conditions in some of the states in India.

India's Wholesale Price Index fell for the 17th consecutive month until March 2016 because of cheaper fuel and manufactured goods, indicating weak demand and lack of pricing power for the producers. Inflation in 2015-16 continued to

moderate steadily as the Consumer Price inflation index has declined to 5% from 5.9% in 2014-15. The Central Bank, which primarily looks at retail inflation data, had in the month of February 2016, cut the policy rate by 0.25% and projected retail inflation at about 5%, this fiscal year. The Indian Meteorological Department has forecasted an above normal monsoon this year which will help in improving rural economy and drive the consumption.

While the economic environment for the year looks positive, a revival in private investment, increase in rural consumption and good monsoon will remain as critical economic drivers of growth in F.Y. 2016-17. While the fiscal policies of the government are being focused around growing rural economy and improving public infrastructure,

passing of reforms like GST could give further impetus to India's economic agenda.

Notwithstanding increased competitive intensity and low consumer demand in previous financial year, your Company delivered good results.

Your Company's Net Sales for the F.Y. 2015-16 stood at ₹ 41,32.16 Crore as compared to ₹ 39,54.78 Crore for the previous financial year. The Organic growth of the Company stands at 10% offset by phasing out of fiscal benefits in the State of Himachal Pradesh to give a reported growth of 4% over the same period of the previous year.

Your Company's Net Profit after Tax for the F.Y. 2015-16 is up at 32% which excludes the impact of phasing out of fiscal benefits in the State of Himachal Pradesh and restructuring cost related to toothpowder manufacturing facility at Aurangabad, in the State of Maharashtra. Including the aforesaid impact, the Net Profit after Tax of your Company for the F.Y. 2015-16 is ₹ 5,76.51 Crore as compared to ₹ 5,58.98 Crore for the previous financial year.

Your Company has made outstanding market share progress with Toothpaste at 55.7% and Toothbrushes at 46.2% during the period of January to April 2016. This is a result of ongoing innovation supported by impeccable execution in all retail environments by your Company. Your Company's efforts in the area of efficiency continue to pay-off with its 'Funding the Growth' initiatives, which deliver savings, allowing us to improve our investment levels while also delivering improved profitability.

3. Bonus Issue

The Board of Directors of your Company, with a view to encourage the participation of retail investors, recommended a bonus issue of one equity share for every equity share held at their meeting held on July 30, 2015. The said recommendation for issue of Bonus equity shares was approved by the shareholders through postal ballot and e-Voting on September 10, 2015.

4. Dividend

Your Board declared three interim dividends, aggregating ₹ 10/- per share on the expanded capital base, for the F.Y. 2015-16. These dividends were paid on November 26, 2015, December 23, 2015 and April 21, 2016. Having

declared three interim dividends, your Board has not recommended a final dividend for the F.Y. 2015-16.

5. Colgate – the # 1 Most Trusted Brand in India

Colgate was once again voted as the #1 'Most Trusted Brand' in India in the Economic Times – Brand Equity Survey, across categories in 2015. This is the fifth consecutive year that Colgate has been voted as the #1 'Most Trusted Brand'. It is pertinent to note that Colgate is the only brand to feature in the top three from 2001-2015 since the inception of the survey.

6. Focus on Innovation and New Launches

Your Company strongly believes that introducing new innovative products by leveraging technology from the Parent Company is a key driver of profitable growth. Your Company is focused on innovation that provides value-added new products across all price points. Beyond new products, innovation is embedded in your Company's culture that encourages new ideas and process improvements in every aspect of the organization.

Your Company's continued commitment to grow the oral care category by adopting advanced products has resulted in several new product launches that are mentioned as below :

In the toothpaste category, the Company introduced innovative products like :

- **Colgate Total Charcoal Deep Clean Toothpaste**, a product which combines the science of Colgate Total with micro charcoal particles. The result is a clinically proven, unique and superior anti-germ technology with ultra-micro charcoal particles that prevents germ build-up on all mouth surfaces viz. teeth, gums, cheeks and tongue.
- **Colgate Active Salt Neem Toothpaste**, addresses the inflammatory gum problem of pyorrhea. Its unique formula, containing Salt & Neem, helps strengthen the weakening gums and keep Pyorrhea away.
- **Colgate Sensitive Pro-Relief (CSPR) Enamel Repair Toothpaste**, a scientifically advanced technology that provides long-term relief from the problem of tooth sensitivity.

In the toothbrush category, the Company introduced innovative products like :

- **Colgate 360° Toothbrush range :**
 - **360° Charcoal Gold**, a never-seen-before gold coloured toothbrush that provides superior whole mouth cleaning. It has Charcoal infused spiral bristles which gently polish teeth and give a deep & gentle clean.
 - **360° Whole Mouth Clean**, provides 151% more germ removal than any ordinary toothbrush.
 - **360° Visible White** with its spiral bristles and whitening cups effectively removes surface stains.
 - **360° Floss-Tip** reaches 4X deeper with its FlossTip technology that is designed to clean along the gumline.
- **Colgate ZigZag Black Toothbrush**, a line extension of one of India's most popular toothbrush brand 'Colgate ZigZag'. As the market leader, Colgate has introduced many 'firsts' in the toothbrush category and Colgate ZigZag Black is the first black toothbrush in the Mass Segment.

Colgate Pain Out - Your Company has recently introduced a completely new segment of "express Relief from Tooth Pain" with the launch of innovative Proprietary Ayurvedic Medicine "Pain Out". Colgate Pain Out is a revolutionary new product which provides express symptomatic relief from tooth pain with just one drop. This first-of-its-kind product has been conceptualized and introduced by your Company in India. Adopting innovations like these help reaffirm your Company's position as a thought leader in the Oral Care category and as a Company which strives to understand and address the needs of the consumers.

In the Personal Care category your Company has introduced for the first time, **Palmolive's Foaming Hand Wash** range in two variants – one with delicate notes of 'Raspberry' and one with a fresh bouquet of 'Lime & Mint'. The rich foam from these hand washes gently clean and hydrate hands to make them feel soft & smooth. Your

Company has also introduced two new variants of liquid Hand Wash – 'The Palmolive Black Orchid & Milk', with milk proteins & a sensual scent of exotic flowers and 'The Palmolive Sea Minerals', with 100% natural origin sea salt.

Innovations like these will help your Company maintain its position of India's most trusted Brand today, and hopefully for many years to come.

7. New projects and expansions

As stated in the previous Annual Reports, your Company had set up the state-of-the-art Toothpaste manufacturing facility at Sanand in Gujarat in the year 2014 and a new state-of-the-art Toothbrush manufacturing facility at Sricity in Chittoor District in Andhra Pradesh in the year 2015. The above facilities have already commenced commercial production and are catering to the domestic and the export markets (for Sanand Toothpaste facility).

Your Company, with a long term vision of sustaining profitable growth, has made additional capital investments during the year for expanding the existing manufacturing capacities at its above Toothpaste and Toothbrush manufacturing facilities. Your Board strongly believes that such additional investments on capacity expansions have been made to grow the business and deliver a profitable growth over the long term.

8. Expiry of Fiscal Incentives at Baddi Facility

As stated in the Annual Report for the F.Y. 2014-15, the income tax and excise benefits to the Company's manufacturing facility at Baddi expired in the year 2015, and post its expiry, the Company has been paying applicable Excise duty on the production and Income tax on the Profits from the said facility.

9. Sustainability

Your Company is committed to sustainability with focused and measurable goals. Your Company values sustainability through a commitment to the quality of the environment and extends it to the long term well-being of the people and communities, it serves. Through our sustainability efforts, we are ensuring that the business grows responsibly, while promoting the well-being of future generations.

Considering this, your Company developed a plan that guides its sustainability initiative with key goals in the following three areas viz. People, Performance and Planet.

The broad aspects covered in these goals are as under :

- People - Promoting healthier lives, Contributing to the Communities where we live and work.
- Performance - Delivering Products that delight consumers and respect our Planet.
- Planet - Making every drop of water count, Reducing our impact on the climate and the environment.

Your Company believes that integrating sustainability into its everyday operations will help in making better business decisions and improve peoples' lives. The sustainability strategy will also continue to increase consumer loyalty, provide a competitive advantage and help to ensure long-term shareholder value. Amongst the sustainability initiatives in the area of People, Performance and Planet, listed are a few initiatives undertaken during the year :

- Free Health Check-up for all the employees;
- Initiatives on clean technology, energy efficiency, renewable energy etc.;
- Sourcing of packaging material locally to reduce the fuel emission;
- Usage of reused and recycled materials for packaging;
- LEED certification for our new facilities;
- Reducing consumption of water and energy per ton of product produced; and
- Nil material to landfill

More details on energy conservation measures undertaken by your Company are mentioned in Annexure - 3 to this Report.

10. Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors, based on the representations received from the Management, confirm :

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) that they have, in selection of the accounting policies, consulted the statutory auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) that to the best of their knowledge and information, they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that they have prepared the annual accounts on a going concern basis;
- e) that they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. Corporate Governance

A separate report on Corporate Governance along with the Auditors' Certificate on its compliance together with the Management Discussion and Analysis Report is attached as Annexure - 1 to this Report.

The details of number of meetings of the Board and its Committees are given in the Corporate Governance Report.

12. Corporate Social Responsibility

Your Company's success is linked to the Company's values of Caring, Global Teamwork and Continuous Improvement. Your Company cares about people : Colgate people, customers, shareholders, business partners and the community at large. Your Company works towards protecting the environment, improving

and enhancing the quality of life of individuals and communities through several partnerships and associations.

Your Company and its employees are committed to bring in a positive change in the lives of many underserved communities. Your Company undertakes its Corporate Social Responsibility (CSR) activities through diverse effective programs. Some of the key CSR activities which your Company has undertaken during the year are in the areas of Promoting preventive health care, Promoting education, Addressing inequalities and Conservation of natural resources. These activities are broadly in accordance with the Schedule VII of the Companies Act, 2013.

Your Board of Directors and the CSR Committee review and monitor, from time to time, all CSR initiatives being undertaken by the Company.

Following are the key CSR programs undertaken by your Company during the Financial Year 2015-16 :

- **Bright Smiles, Bright Futures™**
- **Oral Health Month**
- **A Positive Step** – A Program in collaboration with 'Network in Thane by People Living with HIV', a Non-Governmental Organization (NGO), for addressing inequalities and promoting education for HIV infected and affected children. Under this initiative, 79 children are supported by your Company during the year.
- **Supporting 'Pratham'** – An NGO, in the areas of providing quality education to the underprivileged children of India. Under their motto of 'Every child in school and learning well', your Company supports the NGO in their initiatives like 'Laakhon Mein Ek' and 'Read India' that are aimed at promoting continuous education.
- **Supporting 'Seva Mandir'** – A non-profit organization, working in the areas of conservation of natural resources, improving health and education of the people. Under the '**Colgate Seva Mandir Scholarship Fund**' the corpus amount donated by the Company, is being used to support school education of children of class 8 to 12, especially for those

who are from underserved families or those living in the tribal areas.

- **Skill development program for rural youth** – Under a program named '**SAKSHAM**', your Company has partnered with **SEEDS**, for economic & social upliftment of rural youth through skill development programs that make them employable. The implementation partner is affiliated by National Skill Development Corporation (NSDC) and has necessary expertise including pan-India presence to promote this high impact initiative.
- **Donation to Chennai flood victims** – During the year, the State of Tamil Nadu, especially Chennai and surrounding areas had come to a standstill because of major floods. In this time of adversity, your Company had partnered with an emergency group, '**Action Aid**', a Non-Governmental Organization, which works towards helping communities in disaster management and contributed to support women with disabilities to help them regain livelihood.

The details of the above programs/activities are elaborated in 'the Annual Report on CSR activities' which is attached as Annexure - 2 to this Report.

The contents of the CSR Policy as well as the CSR programs undertaken by the Company are available on the Company's website.

13. Employee Relations

The employee relations in the Company continued to be healthy, cordial and progressive.

Your Company's culture is one that reflects its values of Caring, Global Teamwork and Continuous Improvement, as well as, its unwavering commitment to integrity in everything we do. Our employees are our greatest asset, and your Company is committed to maintain an environment that respect their differences, value their contributions and provide opportunities for their personal and professional growth.

Your Company recognizes its responsibility and continues to provide a safe working environment for its employees, free from sexual harassment and discrimination. Your Company also has a Policy on Prevention of Sexual Harassment which is reviewed by the Internal Complaints Committee (ICC) at regular intervals.

"Managing With Respect" is the way Colgate people put Company Values into action. Each and every employee is expected to work with all stakeholders (other employees, customers, consumers, suppliers, etc.) in a respectful manner. Each employee is also expected to strictly follow the Company's Code of Conduct and any violation is treated with zero tolerance. By fully including ethics and integrity in the ongoing business relationships and decision-making, your Company demonstrates a commitment to a culture that promotes the highest ethical standards. During the year, 5 complaints were received, investigated and resolved by the ICC. There are no pending complaints at the end of the year 2015-16.

14. Trade Relations

Your Directors wish to record appreciation of the continued, unstinted support and co-operation from its retailers, stockists, suppliers of goods/services, clearing and forwarding agents and all others associated with it. Your Company will continue to build and maintain a strong association with its business partners.

15. Particulars of Employees

Information as per Section 197 of the Companies Act, 2013 (the 'Act') read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as Annexure - 6.

Details of employee remuneration in accordance with the Act and Rules mentioned above are available at the Registered Office of the Company during business hours on any working day of the Company up to the date of 75th Annual General Meeting. Any shareholder interested in obtaining a copy of the said statement may write to the Secretarial Department at the Registered Office of the Company. Such details are also available on your Company's website.

16. Energy Conservation, Technology Absorption and Foreign Exchange

The information required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo is appended hereto as Annexure - 3 and it forms part of this Report.

17. Directors and Key Managerial Personnel

Consequent to the elevation of role of the previous Chairman Mr. Mukul Deoras as the Chief Marketing Officer of Colgate-Palmolive Company, USA, the Board of Directors of your Company after considering the recommendation of the Nomination & Remuneration Committee, have appointed Mr. Vinod Nambiar as the 'Non-retiring Director and the Chairman of the Board' of the Company effective September 28, 2015. The Board of Directors of your Company have also appointed Mr. Nambiar as a member of the Nomination & Remuneration Committee effective September 28, 2015. Your Board strongly believes that appointment of Mr. Nambiar would add significant value and strength to the Board. The details of Mr. Nambiar are available on the Company website.

Your Board places on record its appreciation for the outstanding contributions made by Mr. Mukul Deoras during his tenure as the Chairman of the Board of the Company.

Following are the 'Non-executive & Independent Directors' of your Company, who were appointed by the shareholders at their 73rd Annual General Meeting for a term of five consecutive years effective July 25, 2014.

1. Mr. R. A. Shah;
2. Mr. P. K. Ghosh;
3. Mr. J. K. Setna;
4. Mr. V. S. Mehta; and
5. Dr. (Ms.) Indu Shahani
6. Ms. Shyamala Gopinath was appointed by the shareholders at their 74th Annual General Meeting for a term of five consecutive years effective July 30, 2015.

The Independent Directors of the Company have furnished the declarations as required under Section 149(6) of the Act regarding their independence.

Mr. Issam Bachaalani, Managing Director, Mr. Godfrey Nthunzi, Whole-time Director & CFO and Mr. Niket Ghate, Whole-time Director & Company Secretary are the Key Managerial Personnel of the Company.

Pursuant to the provisions of Section 152 of the Act and under Article 124 of the Company's Articles of Association, Mr. Niket Ghate retires by rotation at the ensuing 75th Annual General Meeting and, being eligible, offers himself for re-appointment.

A detailed profile of all the directors of your Company is available on the company website www.colgatepalmolive.co.in

18. Familiarization Programme

Your Company, for many years now, has been familiarizing the Independent Directors on its Board with detailed presentations by its business functional heads on the Company operations, strategic business plans, new products and technologies, including significant aspects of the Industry and its future outlook. The details of familiarization programmes extended to the Non-executive & Independent Directors during the year are available on the Company website at http://www.colgate.co.in/Colgate/IN/Corp_v2/RelatedInformation/Familiarization-Programme.pdf

19. Policies

The Board of Directors of your Company from time to time has framed and approved various Policies for better governance and administration of your Company. Some of the important Policies that were framed by your Board include the following :

- i. **Nomination & Remuneration Policy** : This policy sets the objective, terms of reference, functions and scope of the Nomination & Remuneration Committee for determining qualifications, experience, independence etc. relating to the appointment and remuneration for the Directors, Key Managerial Personnel and Senior Management employees of the Company.
- ii. **Corporate Social Responsibility Policy** : This policy sets the scope for identification of the areas where the CSR activities will be performed, evaluation of CSR activities, review the CSR spending vis-a-vis the activities implemented and monitoring the process of CSR projects/programs of the Company.
- iii. **Risk Management Policy** : This policy provides the framework for identification of risks of the Company, risk assessment and prioritization, loss prevention measures and other risk management measures for the Company.

- iv. **Policy on Related Party Transactions** : This policy intends to regulate the transactions between the Company and its related parties based on the laws and regulations applicable to the Company from time to time.

Apart from the above, your Company during the year has framed and approved certain additional Policies which include **Policy on determination of Materiality of Event or Information, Record Management Policy and Code of Conduct for Dealing in Company's Securities.**

Brief information about the aforesaid policies is stated in the Corporate Governance Report annexed to this Report.

20. Committees

The Board of Directors of your Company has constituted various committees of the Board to assist in discharging its duties. These include Audit Committee, Nomination & Remuneration Committee, Risk Management Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee. The Board has approved the terms of reference for each of these committees. All these Committees of the Board hold their meetings at regular intervals and make their recommendations to the Board from time to time.

The broad terms of reference of the said Committees are stated in the Corporate Governance Report annexed to this Report.

21. Annual Performance Evaluation by the Board

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report annexed to this Report.

22. Vigil Mechanism

Your Company has an effective Vigil Mechanism system which is embedded in its Code of Conduct. The Code of Conduct of your Company serves as a guide for daily business interactions, reflecting your Company's standard for appropriate

behaviour and living corporate values. The Code of Conduct applies to all Colgate people, including Directors, Officers, and all employees of the Company. Even your Company vendors and suppliers are also subject to these requirements as adherence to the Code is a prerequisite for conducting business with your Company.

The Colgate-Palmolive EthicsLine phone number and e-mail id are available on the Company website to report any genuine concerns about unethical behaviour, any actual or suspected fraud or violation of Company's Code of Conduct.

23. Loan, Guarantees and Investment

Particulars of loans, guarantees and investment made by the Company pursuant to Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Accounts.

24. Related Party Contracts & Arrangements

All related party transactions done by the Company during the financial year were at arm's length and in ordinary course of business. All related party transactions were placed in the meetings of Audit Committee and the Board of Directors for their necessary review and approval. During the financial year, your Company has not entered into any material transaction as per the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 with any of its related parties which may have potential conflict with the interest of the Company at large. Disclosures pursuant to Accounting Standards on related party transactions have been made in the notes to the Financial Statements. To identify and monitor significant related party transactions, the Company has framed a policy on the related party transactions and the same is available on the Company's website.

25. Auditors

M/s. Price Waterhouse, Chartered Accountants, retire and are eligible for re-appointment as Auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting. The Auditors' Report for the financial year 2015-16 does not contain any qualification, reservation or adverse remarks.

26. Secretarial Auditor & Secretarial Audit Report

The Board had appointed M/s. S.N. Ananthasubramanian & Co., Company

Secretaries in Whole-time Practice, to conduct Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013. The report of the Secretarial Auditor in Form MR-3 is annexed to this report as Annexure - 4. The Secretarial Auditors' Report for the Financial Year 2015-16 does not contain any qualification, reservation or adverse remarks.

27. Extract of Annual Return

Pursuant to the Section 92(3) of the Companies Act, 2013 extract of the annual return in Form MGT-9 is annexed to this Report as Annexure - 5.

28. Business Responsibility Report

The Business Responsibility Report for the Financial Year 2015-16, as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report as Annexure - 7.

29. Significant and Material Orders passed by the Regulators or Courts

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company in future. Additionally, there are no material changes and commitments which will affect the financial position of the Company.

30. Acknowledgements

Your Directors sincerely appreciate the high degree of professionalism, commitment and dedication displayed by employees at all levels. Your Directors also wish to place on record their gratitude towards the shareholders for their continued support and confidence.

On behalf of the Board

Issam Bachaalani
Managing Director
(DIN : 06975320)

R. A. Shah
Vice-Chairman
(DIN : 00009851)

Niket Ghatge
Whole-time Director &
Company Secretary
(DIN : 00001925)

Godfrey Nthunzi
Whole-time Director &
CFO
(DIN : 06450693)

May 24, 2016

Corporate Governance Report

Your Company continues to lay great emphasis on the broad principles of Corporate Governance. Our pursuit towards achieving good governance is an ongoing process. The Company fully complies with the requirements under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

I) Company's philosophy on Code of Governance

Your Company believes that good Corporate Governance is essential for achieving long-term corporate goals and enhancing stakeholders' value. In this pursuit, your Company's philosophy on Corporate Governance is led by a strong emphasis on transparency, accountability and integrity. Your Company has been practicing the principles of Corporate Governance over the years for setting highest standards of ethical behaviour. All directors and employees are bound by a Code of Conduct that sets forth the Company's policies on important issues, including its relationship with Customers, Suppliers, Contract Manufacturers, Shareholders and Government.

II) Composition of Board

The Board of Directors has an optimum combination of Executive, Non-executive & Independent

Directors, including women directors. The Board comprises of three Whole-time Directors (the Managing Director and two Executive Directors) and seven Non-executive Directors including the Chairman of the Board. Six of the seven Non-executive Directors are Independent Directors. Accordingly, the composition of the Board is in conformity with the Listing Regulations.

Except the Non-executive Directors and Managing Director, the two executive Directors are liable to retire by rotation.

During the financial year 2015-16, seven Board Meetings were held on May 19, July 30, September 28, October 29, November 27, 2015, January 27 and March 28, 2016. The last Annual General Meeting of the Company was held on July 30, 2015.

The table below comprises of the following details of the Board of Directors :

- Board Meeting and Annual General Meeting attendance;
- Composition of the Board, Directorships/ Committee positions in other Companies; and
- Other relevant details.

Name of Director	Category	No. of Board Meetings attended during F.Y. 2015-16	Attendance at Last AGM	No. of other Directorships - excluding Private Ltd. Companies & Foreign Body Corporates	No. of Memberships of other Board Committees	No. of other Board Committees of which the Director is a Chairperson
Mr. M. V. Deoras*	Non-executive & Non-independent	3	Yes	—	—	—
Mr. V. Nambiar**	Non-executive & Non-independent	5 ^{\$}	N.A.	—	—	—
Mr. R. A. Shah	Non-executive & Independent	7	Yes	9	7	2
Mr. P. K. Ghosh	Non-executive & Independent	7	Yes	—	—	—
Mr. J. K. Setna	Non-executive & Independent	7	Yes	1	—	—

Name of Director	Category	No. of Board Meetings attended during F.Y. 2015-16	Attendance at Last AGM	No. of other Directorships - excluding Private Ltd. Companies & Foreign Body Corporates	No. of Memberships of other Board Committees	No. of other Board Committees of which the Director is a Chairperson
Mr. V. S. Mehta	Non-executive & Independent	6 ^{\$}	Yes	6	–	–
Dr. (Ms.) I. Shahani	Non-executive & Independent	5	Yes	4	7	1
Ms. S Gopinath***	Non-executive & Independent	6	Yes	3	3	2
Mr. I. Bachaalani	Executive	7	Yes	–	–	–
Mr. G. Nthunzi	Executive	7	Yes	–	–	–
Mr. N. Ghate	Executive	7	Yes	–	–	–

* Ceased to be a Non-executive & Non-independent Director and Chairperson effective September 28, 2015

** Appointed as a Non-executive & Non-independent Director and Chairperson effective September 28, 2015

*** Appointed as a Non-executive & Independent Director effective May 19, 2015

^{\$}Includes participation via video conference/telepresence

Note : None of the Directors are related to each other.

Other than Mr. P. K. Ghosh, who holds 14,676 shares (including joint holdings) of the Company as on March 31, 2016, no other Non-executive & Independent Director hold any shares in the Company.

July 30, October 29, 2015, January 27 and March 28, 2016.

The composition and attendance details of the Audit Committee are as under :

III) Familiarization Programme for Independent Directors

The Company conducts familiarization programmes for Independent Directors with regard to their roles, rights, responsibilities in the Company, the business operations of the Company etc. Details of familiarization programmes extended to the Independent Directors during the year are disclosed on the Company website at http://www.colgate.co.in/Colgate/IN/Corp_v2/RelatedInformation/Familiarization-Programme.pdf

IV) Committees of the Board

i) Audit Committee

The Audit Committee consists of six Non-executive & Independent Directors. The Members of the Committee are well versed in financial matters, accounts, company law and general business practices.

During the financial year 2015-16, five Committee Meetings were held, on May 19,

Name of Director	Status	No. of Meetings Attended
Mr. R. A. Shah	Chairperson	5
Mr. P. K. Ghosh	Member	5
Mr. J. K. Setna	Member	5
Mr. V. S. Mehta	Member	4 ^{\$}
Dr. (Ms.) I. Shahani	Member	3
Ms. S. Gopinath*	Member	4

^{\$}Includes participation via video conference/telepresence.

*Attended Audit Committee Meeting as a Member from July 30, 2015.

The Managing Director, Whole-time Director & Chief Financial Officer, Internal Auditor and the Statutory Auditors are invitees to the Meetings.

Mr. Niket Ghate acts as Secretary to the Committee.

The role of the Audit Committee is as under :

a) To review any change in accounting policies and practices.

- b) To confirm whether major accounting entries are based on exercise of judgments by management.
- c) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- d) To recommend the appointment, remuneration and terms of appointment of auditors of the Company.
- e) To check whether there are any qualifications made in the draft Auditors' Report.
- f) To review whether there are any significant adjustments arising out of audit.
- g) To confirm whether the accounts are prepared on going concern basis.
- h) To confirm whether the accounts are prepared by applying applicable accounting standards.
- i) To review whether the financial statements comply with the Stock Exchange and Legal requirements.
- j) To check whether there are any related party transactions which may have potential conflict with the interests of the Company.
- k) To discuss with the auditors whether they have any post audit concerns.
- l) To check whether there are any defaults in payment to creditors and shareholders.
- m) To evaluate internal financial controls and risk management systems of the Company.
- n) To review 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 to report the matter to the Board.

- o) To approve the appointment of the 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, background, etc. of the candidate.

ii) Stakeholders' Relationship Committee

During the financial year 2015-16, two meetings of the Stakeholders' Relationship Committee were held on September 28, 2015 and March 28, 2016. In the Board Meeting held on September 22, 2014, a new committee, viz. Share Transfer Committee was constituted to note and approve the routine share transfers and other related items and to support the Stakeholders' Relationship Committee. The Share Transfer Committee meets at regular intervals to approve the transfer of shares and related activities and updates the Stakeholders' Relationship Committee from time to time.

The constitution and attendance details of the Stakeholders' Relationship Committee are as under :

Name of Director	Status	No. of Meetings Attended
Mr. J. K. Setna	Chairperson	2
Mr. P. K. Ghosh	Non-executive & Independent Director	2
Mr. I. Bachaalani	Managing Director	2
Mr. N. Ghate	Whole-time Director & Company Secretary	2

Mr. Niket Ghate, Whole-time Director & Company Secretary, is the Compliance Officer.

During the financial year 2015-16, 111 complaints were received from shareholders/ investors, details of which are as under :

Nature of complaints	Number of complaints received	Number of complaints redressed
Non-receipt of dividends	3	3
Non-receipt of shares lodged for transfer/ transmission and on account of capital reduction	9	9
Others	99	99
Total	111	111

All complaints have generally been resolved to the satisfaction of the complainants except for disputed cases and sub-judice matters, which would be resolved upon final disposal by the Courts or by authorities before whom they are pending. The increase in the no. of complaints mainly pertains to non-receipt of physical copy of Annual Report 2014-15.

The Role of Stakeholders' Relationship Committee is as under :

- To note the minutes of the Share Transfer Committee Meetings;
- To note the synopsis of the complaints received and redressed;
- To approve allotment of shares, if any; and
- Other important shareholders related issues.

iii) Corporate Social Responsibility Committee

The composition of the Corporate Social Responsibility (CSR) Committee is as under :

Name of Director	Status
Dr. (Ms.) I. Shahani	Chairperson
Mr. I. Bachaalani	Managing Director
Mr. N. Ghate	Whole-time Director & Company Secretary
Ms. P. Sharma*	Member

*Appointed as a Member of CSR Committee effective October 29, 2015.

During the financial year 2015-16, two meetings of the CSR Committee were held on November 27, 2015 and March 28, 2016.

The Role of the CSR Committee is as under :

- To identify and recommend to the board, the programs to be carried out during the financial year;

- To carry out evaluation of the CSR activities;
- To review and monitor the CSR programs undertaken by the Company;
- To review and monitor the spending on the CSR activities;
- To give inputs to enhance quality of the CSR activities;
- To develop new areas CSR activities; and
- To seek advice from external experts or consultants on CSR related matters.

iv) Risk Management Committee

The composition of the Risk Management Committee (RMC) is as under :

Name of Director	Status
Mr. P. K. Ghosh	Chairperson
Mr. V. S. Mehta	Non-executive & Independent Director
Ms. S. Gopinath*	Non-executive & Independent Director
Mr. I. Bachaalani	Managing Director
Mr. G. Nthunzi	Whole-time Director & CFO
Mr. N. Ghate	Whole-time Director & Company Secretary
Mr. M. K. Ajay	Vice-President, Human Resources

*Appointed as a Member of Risk Management Committee effective March 28, 2016.

During the F.Y. 2015-16, two meetings of the RMC were held on September 28, 2015 and March 28, 2016.

The Committee has adopted a policy on Risk Management to assess and determine the risks and potential threats to the Company.

The Role of Risk Management Committee is as under :

- To identify, assess and mitigate the existing as well as potential risks to the Company and to recommend the strategies to the Board to overcome them;
- To develop and implement action plans to mitigate the risks;

- c) To oversee at such intervals as may be necessary, the adequacy of Company's resources to perform its risk management responsibilities and achieve its objectives;
- d) To review on a half-yearly basis the Company's performance against the identified risks of the Company;
- e) To formulate the strategies towards identifying any areas that may materially affect the Company's overall risk exposure and to review the Risk Management Policy;
- f) To regularly review the risk management framework for the operations of the Company that are deemed necessary; and
- g) To perform such other activities related to this Policy as requested by the Board of Directors or to address issues related to any significant subject within its term of reference.

v) Nomination & Remuneration Committee :

The composition of the Nomination & Remuneration Committee is as under :

Name of Director	Status
Mr. R. A. Shah	Chairperson
Mr. V. S. Mehta	Non-executive & Independent Director
Mr. M. V. Deoras*	Non-executive & Non-independent Director
Mr. V. Nambiar**	Non-executive & Non-independent Director

* Ceased to be a Non-executive & Non-independent Director and Member of the Committee effective September 28, 2015

** Appointed as a Non-executive & Non-independent Director and Member of the Committee effective September 28, 2015

During the F.Y. 2015-16, three meetings of the Committee were held on May 19, September 28, 2015 and January 27, 2016.

The Committee has adopted a policy relating to the appointment and remuneration for the Directors, Key

Managerial Personnel and Senior Management employees.

The Role of Nomination & Remuneration Committee is as under :

- a) The appointment and remuneration of new Directors on Board, Key Managerial Personnel and Senior Management employees shall be made on the basis of core competencies, expertise, experience, qualifications, etc.
- b) Evaluation of the performance of the Executive Directors shall be based on the parameters such as accomplishment of assigned goals, their professional contributions towards the Company and the overall performance. On the basis of the evaluation, the remuneration of the Executive Directors will be determined.
- c) Evaluation of the overall performance of the Non-executive & Independent Directors of the Company shall be determined by the terms of the policy.
- d) Remuneration of the Senior Management employees and Key Managerial Personnel will be fixed annually considering performance of the Company and achievements of the individuals corresponding to their goals set during the year.

Details of remuneration to the Directors :

i) Executive Directors :

The Nomination & Remuneration Policy is directed towards rewarding performance. It is aimed at attracting and retaining high potential talent. The Company does have an incentive plan which is linked to performance and achievement of the Company's objectives. The Company has no stock option scheme relating to its shares. For more information on share-based compensation refer Note 1.8 to the Financial Statements. The Nomination & Remuneration Committee of the Company shall, *inter-alia*, evaluate the performance of the Executive Directors and the remuneration payable to the Executive Directors and Senior Management employees.

Details of remuneration paid/payable to the Executive Directors of the Company during the year ended March 31, 2016 are given below :

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount (₹ Lacs)
		I. Bachaalani	N. Ghate	G. Nthunzi	
1)	Gross Salary	4,26.57	79.99	3,17.18	8,23.74
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1,14.54	2,51.57	1,51.50	5,17.61
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	—	—	—	—
2)	Commission				
	- As % of Profit				
	- Others, specify	1,29.10	52.09	90.99	2,72.18
	Executive Incentive Compensation Plan/ Bonus				
3)	Others, please specify :				
	Employer contribution to Provident Fund	24.96	9.59	20.17	54.72
	Total	6,95.17	3,93.24	5,79.84	16,68.25

Note : 1) The appointment of each of the three Executive Directors is as per the employment agreement executed between the Executive Director and the Company. As per the said agreement, either party shall be entitled to terminate the agreement at any time by giving ninety days' advance notice in writing to the other party without the necessity of showing any cause, and in the case of the Company, by payment of ninety days' salary as compensation in lieu of such notice.

2) None of the present Executive Directors of the Company hold any shares in the Company.

II) Non-executive & Independent Directors :

The Company has no pecuniary relationship or transaction with its Non-executive & Independent Directors other than payment of sitting fees to them for attending the Board and Committee meetings and Commission as approved by the members for their invaluable contribution to the Board. The Company pays fees for professional services rendered by a firm of Solicitors and Advocates of which a Non-executive & Independent Director is a Partner. The fees are, however, not material in nature.

The Shareholders of the Company at the Annual General Meeting held on July 23, 2012

have approved payment of commission to Non-executive & Independent Directors not exceeding 1% of the Net Profit subject to a maximum limit of ₹ 5,00,000/- (Rupees Five Lacs only) per annum to each of the Non-executive & Independent Directors, for a period of five years commencing from April 1, 2012.

During the year 2015-16, three meetings of Independent Directors were held on July 30, November 27, 2015 and March 28, 2016.

Details of the sitting fees and commission paid to the Independent Directors for the financial year 2015-16 are as under :

₹ In Lacs

	Particulars	R. A. Shah	P. K. Ghosh	J. K. Setna	V. S. Mehta	I. Shahani (Ms.)	S. Gopinath (Ms.)
a)	Sitting Fees	11.10	11.35	10.85	9.75	7.65	8.75
b)	Commission	5.00	5.00	5.00	5.00	5.00	5.00
	Total	16.10	16.35	15.85	14.75	12.65	13.75

V) Annual Performance Evaluation of the Board :

Pursuant to provisions of the Companies Act, 2013 and Regulation 17(10) of Listing Regulations, the Board has carried out a formal process of performance evaluation of the Board, Committees and individual Directors. The performance was evaluated based on the parameters such as composition and quality of Board Members,

effectiveness of Board/Committee process and functioning, contribution of the Members, Board culture and dynamics, fulfillment of key responsibilities, ethics and compliance etc. A structured questionnaire was prepared covering the above areas of competencies. All the responses were evaluated by the Nomination & Remuneration Committee as well as the Board of Directors and the results reflected high satisfactory performance.

VI) General Body Meetings :

Location and time where last three Annual General Meetings were held are given below :

Financial Year	Date	Location of the Meeting	Time
2012-13	July 29, 2013	Shri Bhaidas Manganlal Sabhagriha, Mumbai	3.30 p.m.
2013-14	July 25, 2014	Shri Bhaidas Manganlal Sabhagriha, Mumbai	3.30 p.m.
2014-15	July 30, 2015	Birla Matushri Sabhagar, New Marine Lines, Mumbai	3.30 p.m.

- In the 74th Annual General Meeting held on July 30, 2015, a Special Resolution was passed to adopt the new set of Articles of Association in substitution of the earlier Articles of Association of the Company.
- No Special Resolution through postal ballot was passed during the year 2015-16.

VII) Means of Communication :

The quarterly results are published in The Financial Express, Free Press Journal, The Hindu Business Line and Navshakti as required under Regulation 47 of the Listing Regulations. The Company results and official news releases are displayed on the Company website www.colgatepalmolive.co.in

Presentations are made from time to time to analysts and institutional investors and the same are displayed on the Company's website www.colgatepalmolive.co.in

VIII) General Shareholder Information :

a) 75th Annual General Meeting

- Day, Date and Time : Monday, August 8, 2016 at 3.30 p.m.
- Venue : Shri Bhaidas Maganlal Sabhagriha, Swami Bhaktivedanta Marg, J.V.P.D. Scheme, Vile-Parle (West), Mumbai 400 056
- Record Date : NA
- Date of Book Closure : Tuesday, August 2, 2016 to Monday, August 8, 2016 (both days inclusive)
- Financial Calendar : The Company follows April–March as its financial year. The financial results for every quarter beginning from April are declared in the month following the quarter except for the last quarter, for which the results are declared on or before May 30 as permitted under the Listing Regulations.

b) Dividend Payment Dates

During the F.Y. 2015-16, the Company declared and paid three interim dividends as detailed below :

Dividend for 2015-16 Payment Dates	
First Interim	November 26, 2015
Second Interim	December 23, 2015
Third Interim	April 21, 2016

c) Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges :

Name of the Stock Exchange	Stock Code
----------------------------	------------

BSE Limited, Mumbai (Physical & Demat)	500830
National Stock Exchange of India Limited, Mumbai (Physical & Demat)	COLPAL

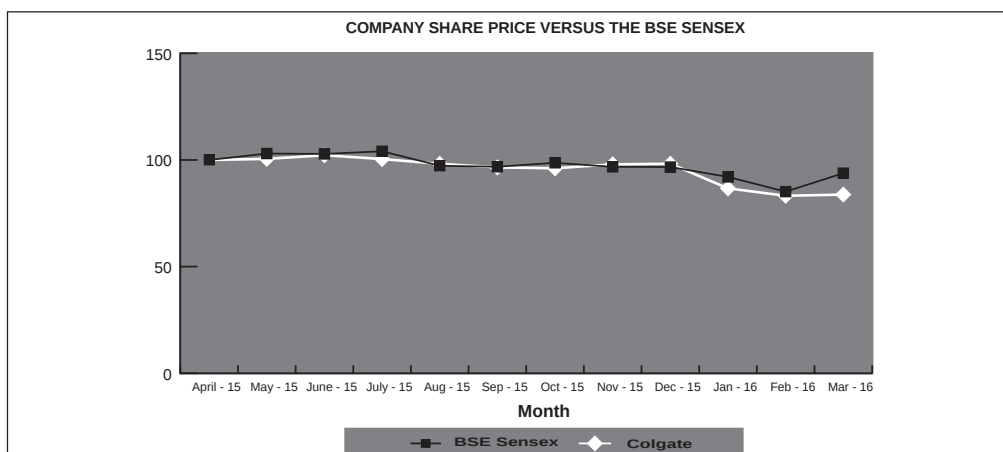
Company has paid the Annual Listing fees for the financial years 2015-16 & 2016-17.

d) Market Price Data

The monthly high and low quotations of shares traded on the BSE Limited and National Stock Exchange of India Limited, Mumbai are as follows :

Month	BSE Limited		National Stock Exchange of India Limited	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2015	2,198.15	1,915.00	2,198.00	1,910.00
May 2015	2,110.00	1,950.25	2,113.45	1,950.05
June 2015	2,045.50	1,863.00	2,048.80	1,861.00
July 2015	2,099.50	1,952.55	2,100.00	1,948.00
August 2015	2,058.00	1,852.10	2,058.20	1,852.00
September 2015	2,000.00	928.00	2,004.25	927.00
October 2015	993.00	896.25	994.90	895.10
November 2015	976.80	911.25	975.50	908.90
December 2015	1,009.00	958.00	1,009.45	960.00
January 2016	981.00	848.00	982.45	846.55
February 2016	869.80	810.00	870.60	808.20
March 2016	858.00	791.00	858.70	790.05

Note : The Bonus issue of one equity share for every equity share held was approved by the shareholders through postal ballot and e-Voting on September 10, 2015

e) Performance in comparison to BSE Sensex


Notes : Adjusted for Bonus Issue and Interim Dividends

Base 100 = April 1, 2015

The Bonus issue of one equity share for every equity share held was approved by the shareholders through postal ballot and e-Voting on September 10, 2015

f) Registrars & Share Transfer Agents

Effective April 1, 2016, the Company has appointed new Registrars & Shares Transfer Agents M/s Link Intime India Private Limited (RTA) in place of Messrs. Sharepro Services (India) Private Limited.

The Registered Office address of the new RTA is as under :

M/s. Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound
L.B.S Marg, Bhandup (West)
Mumbai- 400 078.

Tel : 91-22-2594 6970

Fax : 91-22-2594 6969

E-mail : rnt.helpdesk@linkintime.co.in

For any assistance regarding dematerialisation of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares, please write to our Registrar and Shares Transfer Agent at their aforesaid registered address.

An exclusive e-mail ID, **investors_grievance@colpal.com** for redressal of investor complaints has been created and the same is available on our website.

For the Convenience of our investors, apart from the above mentioned registered address, our RTA will accept the share transfer documents and other related letters at the following locations :

Location	Address
Ahmedabad	303, 3 rd Floor Shoppers Plaza – V, Near 5 Government Society Opp. Municipal Market, C. G. Road, Navrangpura, Ahmedabad - 380 009 Tel : 079-2646 5179 Fax : 079-2646 5179 E-mail : ahmedabad@linkintime.co.in
Coimbatore	Surya 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore 641 028 Tel : 0422-2314792 Fax : 0422-2314792 E-mail : coimbatore@linkintime.co.in
Kolkata	59 C, Chowringhee Road, 3 rd Floor, Kolkata - 700 020 Tel : 033-2289 0540 Fax : 033-2289 0539 E-mail : kolkata@linkintime.co.in
New Delhi	44, Community Centre 2 nd Floor, Naraina Industrial Area Phase I, Near PVR Naraina, New Delhi - 110 028 Tel : 011-41410592/93/94 Fax : 011-41410592/93/94 E-mail : delhi@linkintime.co.in
Pune	Block No. 202, 2 nd Floor, Akshay Complex, Near Ganesh Temple, Off. Dhole Patil Road, Pune - 411 001 Tel : 020-2616 1629 Fax : 020-2616 3503 E-mail : pune@linkintime.co.in
Vadodara	B-102 & 103, Shangrila Complex, 1 st Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020 Tel : 0265-2356573 Fax : 0265-2356791 E-mail : vadodara@linkintime.co.in

g) Share Transfer System

Applications for transfer of shares held in physical form are received at the office of the Registrars and Share Transfer Agents of the Company. All valid transfers are processed and registered within 15 days from the date of receipt.

Shares held in the dematerialised form are electronically traded in the Depository and the Registrars and Share Transfer Agents of the Company periodically receive from the Depository

the beneficiary holdings so as to enable them to update their records and send all corporate communication, dividend warrants, etc.

Physical shares received for dematerialisation are processed and completed within a period of 21 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the shareholders.

h) Shareholding Pattern (as at March 31, 2016)

Category of Shareholders	Number of Shares	% of Total Shares
Promoter and Promoter Group (A)	138712672	51.00
Public Shareholding (B)		
Mutual Funds/UTI	5561865	2.04
Financial Institutions/Banks	1514995	0.56
Central Government/State Government	298662	0.11
Insurance Companies	14788888	5.44
Foreign Institutional Investors	27630441	10.16
Bodies Corporate	5185079	1.91
Individuals	58918957	21.66
Any Other		
- NRI	1460704	0.54
- Foreign Nationals/ Overseas Corporate Body	6440	0.00
- Trust	1521978	0.56
- Foreign Portfolio Investor	16384953	6.02
Total Public Shareholding	133272962	49.00
Total Shareholding	271985634	100.00

Distribution of Shareholding (as at March 31, 2016)

Description	Holder(s)			
	Folios	%	Shares	%
1 - 500	156976	86.83	14753045	5.42
501 - 1000	10016	5.54	7388346	2.72
1001 - 2000	6666	3.69	9654649	3.55
2001 - 3000	3693	2.04	9529856	3.50
3001 - 4000	830	0.46	2927004	1.08
4001 - 5000	679	0.38	3069898	1.13
5001 - 10000	1357	0.75	8484747	3.12
10001 & above	560	0.31	216178089	79.48
Total	180777	100.00	271985634	100.00

i) Dematerialisation of shares and liquidity

Particulars of Equity Shares	Equity Shares of Re. 1/- each	
	Number	% of Total
Dematerialized form :		
– NSDL	254519587	93.58
– CDSL	9563589	3.52
Sub-total	264083176	97.10
Physical form :	7902458	2.90
Total	271985634	100.00

The equity shares of the Company are permitted to be traded only in dematerialized form with effect from April 5, 1999.

j) Outstanding GDRs/ADRs/Warrants or any convertible instruments

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as at end March 2016.

k) Plant Locations

Location	Address
Baddi Himachal Pradesh	Plot No. 78, EPIP Phase 1, Jharmajri, Baddi, District Solan, [H.P.] 174 103.
Kundaim Goa	Plot Nos. 154, 158 & 160, Kundaim Industrial Estate, Kundaim, Goa 403 115.
Sanand Gujarat	Plot No. SM-02, Sanand - II, GIDC Industrial Area, Near BOI Village, Sanand, Gujarat 382 170.
Sricity Andhra Pradesh	6000 Central Expressway, Sricity, Satyavedu (M), Chittoor District, Andhra Pradesh 517 588.

IX) Management Discussion and Analysis Report :

The Management Discussion and Analysis Report is appended to this report.

X) Disclosures :

- a) Policy on materially significant related party transactions :
 - There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large. Attention is drawn to Note 31 to the Financial Statements for disclosure of related parties.
 - The Company has formulated policy on dealing with related party transactions. This policy has been

hosted on the Company's website at <http://www.colgate.co.in/app/Colgate/IN/Corp/Investor/CorporateGovernance.cvsp>

- b) Policy on determination of materiality of event or information :

In accordance with the requirements of the Listing Regulations, the Company has formulated a policy on determination of materiality of event or information which is available on the Company website at <http://www.colgate.co.in/app/Colgate/IN/Corp/Investor/CorporateGovernance.cvsp>. This policy prescribes 'quantitative' and 'qualitative' criteria for determining the materiality of the event.

- c) Policy for Preservation of Documents :

The Company has framed a Record Management Policy for preservation of documents. This Policy prescribes the nature of Documents and the period for which the same should be preserved.

The Archival Policy which forms part of this policy, is hosted on the Company website at <http://www.colgate.co.in/app/Colgate/IN/Corp/Investor/CorporateGovernance.cvsp>

- d) Policy for Prohibition of Insider Trading :

In line with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 the Company has adopted a Code of Conduct for prohibition of insider trading duly approved by the Board of Directors. The objective of the policy is to ensure the prohibition of insider trading practices in the Company. Mr. Niket Ghate, Company Secretary, is the Compliance Officer for the purpose of this policy. This policy has been hosted on the Company website at <http://www.colgate.co.in/app/Colgate/IN/Corp/Investor/CorporateGovernance.cvsp>

- e) The Company has an effective Vigil Mechanism system which is embedded in its Code of Conduct. The Code of Conduct of the Company serves as a guide for daily business interactions, reflecting your Company's standard for appropriate behaviour and living Corporate Values. The Colgate-Palmolive EthicsLine phone number and e-mail id are available on the Company website at <http://www.colgate.co.in/app/Colgate/IN/Corp/HomePage.cvsp> to report any genuine

concerns about unethical behavior, any actual or suspected fraud or violation of Company's Code of Conduct.

- f) The Company has adopted a Code of Conduct for its Directors, Senior Management and employees of the Company. This Code of Conduct has been communicated to each of them. A certificate from Mr. Issam Bachaalani, Managing Director, to this effect has been obtained.
- g) The Company has complied with the requirements of regulatory authorities on capital markets and no penalty/stricture was imposed on the Company during the last three years.

XI) Compliance with Discretionary Requirements :

The Company has separate positions for the Chairperson and the Managing Director of the Company. To this extent, the Company has adopted the applicable requirements as specified in Part E of Schedule II in Listing Regulations.

XII) Adoption of Non-Mandatory Requirements :

As specified in sub-regulation 1 of Regulation 27 of the Listing Regulations, the non-mandatory

requirements are reviewed by the Board as and when necessary.

XIII) Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification :

As required under Regulation 17(8) of the Listing Regulations, the CEO and CFO of the Company have certified the accuracy of Financial Statements, the Cash Flow Statements and adequacy of Internal Control Systems for financial reporting for the year ended March 31, 2016.

Declaration

The Company has made adequate disclosures as required under Regulations 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations.

For Colgate-Palmolive (India) Limited

I. Bachaalani

Managing Director

(DIN : 06975320)

Mumbai, May 24, 2016

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To

The Members of Colgate-Palmolive (India) Limited

We have examined the compliance of conditions of Corporate Governance by Colgate-Palmolive (India) Limited, for the year ended March 31, 2016 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure) Requirements, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate

Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

For and on behalf of

Price Waterhouse

Firm Registration No. 301112E

Chartered Accountants

Pradip Kanakia

Partner

Place : Mumbai

Date : May 24, 2016

Membership No - 39985

Management Discussion and Analysis Report

(within the limits set by the Company's competitive position)

The Company is engaged in the Personal Care business which includes Oral Care. The Oral Care business continues to account for over 90 per cent of the Company's sales turnover.

In India, almost one-third of the population does not have access to modern oral care. To address this situation, the Company, in partnership with Indian Dental Association, conducts annually, an intensive two-month-long awareness campaign in October and November, every year under the banner "Oral Health Month". The aim of this campaign is to create oral health awareness and motivate people to adopt preventive self-care habits to improve their oral health. This is yet another step in the Company's longstanding effort to spread the message of good oral health and encourage the use of modern and efficacious dentifrice products.

To help its objective of expanding the dentifrice market, the Company has designed its product portfolio in such a manner that its products are available at different price points to cater to the requirements of consumers across all segments.

The Company follows a closely defined business strategy to develop and increase market leadership positions in key products categories. On continuous basis, the Management focuses on a variety of key indicators to monitor business health and performance. These indicators include market share, net sales, gross profit margin, operating profit, net income and earnings per share. The monitoring of these indicators and the Company's Code of Conduct and Corporate Governance practices help to maintain business health and strong internal controls.

To achieve its business and financial objectives, the Company focuses on initiatives to drive and fund growth. The Company seeks to capture significant opportunities for growth by identifying and meeting consumer needs within its core categories, through its focus on innovation and the deployment of valuable consumer and shopper insights in the development of successful new products. To enhance these efforts, the Company has developed key initiatives to build strong relationships with consumers, dental professionals, modern trade customers and retail consumers.

The investments needed to support the growth are developed by funding the growth initiatives such as reduction in costs associated with direct materials, distribution and logistics, advertisement and promotional materials, reduction of packaging materials, increasing manufacturing efficiency etc. The Company continues to prioritize its investments in the Oral Care business by expanding the existing production capacities at its state of the art, Toothpaste and Toothbrush manufacturing facilities.

While the predominant business of the Company has been confined to Oral Care, where it continues to face intense competition, the outlook for industry is positive given the size of the opportunity. The Company believes that with its strong financial condition, experience operating in the challenging environment and continued focus on the Company's strategic initiatives: engaging to build our brands; innovation for growth; effectiveness and efficiency; and leading to win, the Company's business will continue to grow strongly in the next several years.

The Company reports that adequate internal control systems are in place. There has been no adverse material development on human resources and industrial relations continue to be positive. The number of people employed as on March 31, 2016 was 2,278.

Annual CSR Report

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs :

Founded in 1937, Colgate-Palmolive (India) Limited ('Colgate') has always focussed on '**Giving India Reasons to Smile**'. Colgate people continue to make great stride towards this long-standing commitment which is demonstrated through our programs and partnerships that bring our brands and values to life, around the nation.

Colgate's success is linked to the Company's values of Caring, Global Teamwork and Continuous Improvement.

The Company cares about people: Colgate people, customers, shareholders, business partners and the community at large. We work towards protecting the environment, improving and enhancing the quality of life of individuals and communities through several partnerships and associations.

All Colgate people are committed to working together across the country not only to achieve sustained profitable growth but also to bring a positive change in the lives of many underserved communities.

We are focussed in getting better every day in everything we do, as individuals and as a team. By better understanding consumers' and customers' expectations, we continuously work towards innovating and improving our products, services and programs.

Our three shared values are reflected in the quality of our products, reputation of our Company and also in our dedication to serving the communities in which we do business.

The details of CSR Policies and projects/programs are available on the Company's website at <http://www.colgate.co.in/app/Colgate/IN/Corp/Investor/CorporateGovernance.cvsp>

The overview of CSR projects or programs undertaken by the Company is appended hereto.

2. The Composition of the CSR Committee : Dr. (Ms.) I. Shahani (Chairperson)
Mr. I. Bachaalani
Mr. N. Ghate
Ms. P. Sharma
3. Average net profit of the Company for last three financial years : ₹ 7,08.95 crore
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : ₹ 14.18 crore
5. Details of CSR spent during the financial year : ₹ 14.33 crore
 - a) Total amount to be spent for the financial year : ₹ 14.18 crore
 - b) Amount unspent, if any. : Nil

c) Manner in which the amount spent during the financial year is detailed below :

₹ Crore

Sr. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program-wise	Amount spent on the projects or programs	Cumulative expenditure upto the reporting period	Amount spent direct or through implementing agency
1.	Bright Smiles, Bright Futures™	Promoting preventive health care	Across India	9.41	9.54	9.54	Direct as well as through implementing agency
2.	Oral Health Month	Promoting preventive health care	Across India	2.65	2.66	2.66	
3.	Pratham	Promoting education	Mumbai, Maharashtra	0.27	0.27	0.27	Through Registered Trust/ Society/ NGO*
4.	Seva Mandir	Conservation of Natural Resources, Health, Education and other allied areas	Rajasthan	0.80	0.80	0.80	
5.	"A Positive Step program" with Network in Thane by People Living with HIV	Addressing inequalities	Thane, Maharashtra	0.50	0.51	0.51	
6.	"Saksham" program with SEEDS	Vocational and skills training for upliftment of economically weaker youth	Lucknow, Uttar Pradesh	0.55	0.55	0.55	
	Total			14.18	14.33	14.33	
7.	In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report						
	Not applicable						

* The details of NGOs/Trust/Society : (i) Pratham; (ii) Seva Mandir; (iii) Network in Thane by People Living with HIV; and (iv) SEEDS.

The CSR Committee confirms that the implementation and monitoring of the CSR activities is in compliance with the CSR objectives and Policy of the Company.

Colgate Bright Smiles, Bright Futures™ Program

At Colgate, we understand that oral health plays a significant role in people's overall health, so we recognize the importance of a healthy smile and following good oral health care practices. Importantly, developing good habits at an early age helps children get a good start toward a lifetime of oral health.

As India's leader in oral care, Colgate is committed to improving children's oral health and considers it as Company's responsibility to bring healthy bright smiles to children of India through free dental check-ups & oral health education.

One of the most impactful oral health initiatives by Colgate is **Bright Smiles, Bright Futures™ (BSBF)**, and we are committed to educating children about oral healthcare. A flagship initiative by the Company, it was created with an aim to spread awareness among children about the correct oral health habits, basic hygiene and diet, using engaging aids to ensure they retain the learning.

The objective is to empower children to practice good oral care hygiene, by making them aware of good oral care practices, to reduce prevalence of dental caries and to promote preventive health care habits.

Since the inception of the program in 1976, the Company has been delivering oral health education to children, in partnership with the Indian Dental Association (IDA) and committed dental professionals, reaching out to influencers – like school teachers and the Anganwadi workers in the community to promote preventive oral care education.

Children between the age group of 6 to 14 years, studying in primary schools, are taught good oral hygiene habits, the right technique of brushing with the use of a tooth model and a toothbrush, the importance of night brushing through an interactive module where the importance of a good mouth cleaning regimen is strongly instilled in these children. At the end of the program, each child is given a Dental Health Pack consisting of a toothpaste and basic toothbrush, along with attractive charts depicting valuable oral care information to encourage these children to brush twice a day and take care of their oral care hygiene. A chart containing the oral care information is left in each classroom as a reminder and for teachers to reiterate the message. School teachers are trained and provided a Teacher's Guide to help them instill good oral care habits on an on-going basis. The Teacher's Guide is a

detailed booklet that pictorially shares details of a tooth anatomy, stages of decay and causes of gum diseases to help them advocate the importance of healthy teeth.

BSBF so far has touched the lives of 135 million school children between the age of 6 to 14 years across 2 million schools in urban and rural India.

In the year 2015-16, the BSBF program has reached 9.4 million children across the country.

Oral Health Month :

India's first National Oral Health Survey conducted by Dental Council of India and Ministry of Health & Family Welfare, focused on improving the standards of oral health care in India. Colgate India, along with Indian Dental Association (IDA), in 2004 rolled out a 6-city awareness program with 70 participating dentists, to establish and promote the importance of good oral hygiene and regular dental check-ups. Spanning two months – October and November, OHM is focused on educating consumers and offers free dental check-ups across the country.

The program was further strengthened with the introduction of Mobile vans to service under-privileged areas in the metros and towns. It also made oral care check-ups more accessible and break any in-clinic fears that people may harbor.

The Oral Care awareness drive now covers in-clinic free dental check-ups, school contact programs, free dental check-ups in mobile dental vans, retailers outreach program, and community outreach initiative. In the past 12 years, Oral Health Month has grown phenomenally, emerging as a leading campaign for promoting oral health awareness in India. In our estimate, in the F.Y. 2015-16, this campaign has benefitted almost 6 million people across geographies, contributing towards improving the Oral Health condition in India.

A Positive Step Program Network in Thane by People Living with HIV (NTP+) :

At Colgate India, we recognize the seriousness of the HIV/AIDS epidemic and its impact on the workplace and the society. Our policy focuses on non-discrimination and confidentiality, prevention, access to treatment, partnerships with third parties and proactive organizational support. We work to limit the impact of HIV/AIDS and maintain a conducive environment to openness and acceptance.

Colgate-Palmolive (India) Limited initiated, '**A Positive Step**' program in collaboration with '*Network In Thane by People Living With HIV*', (NTP+), a Non-Governmental Organization addressing inequalities and promoting education for HIV infected and affected children.

What started with a small group of a few children few years back, the program today supports a total of 79 children. The Company and its employees have come forward, not just to support the cause, but to also spend their time in engaging with the kids so that they learn and sharpen their skills and face the challenges bravely and positively. Colgate India also organizes a special event on 'World AIDS Day' every year in December wherein, the kids get to spend a day at Colgate office and interact with, sponsors, volunteers and the entire Colgate family.

Seva Mandir :

Seva Mandir is a non-profit organization, working in & around Udaipur in Rajasthan in the field of Education, Health, Empowerment of Women and Youth, Village Institutions and Natural Resource Development.

With an aim to create sustainable livelihoods and bring in positive change in the lives of individuals and communities, Colgate partnered with Seva Mandir in 2013, to support its unique programs through an annual grant. Our association with Seva Mandir has helped women, youth and children in the under-privileged sections of the society by providing basic hygiene and sanitation. Most recently, through 'Colgate Seva Mandir Scholarship Fund', the Company has started supporting the school education of children of class 8-12 from less-privileged families or those living in tribal areas.

More information about the NGO is available on www.sevamandir.org

Pratham :

Colgate has been associated with Pratham, working towards providing quality education to the underprivileged children of India. '**Every child in school and learning well**' has been Pratham's endeavour since its inception in 1994. Education is the crying need of India's developing economy and the only permanent solution to eradicate poverty in the long-term, is by empowering children through education. Pratham has come a long way, both in scope and

geographical coverage since, and established itself as a credible implementer of education solutions for under-privileged children. Pratham works to strengthen government's effectiveness and efficiency, in its role as the provider of primary school education in India. Pratham tries to supplement government initiatives and not supplant it; primary education being the essential responsibility of the government.

Colgate has also partnered with Pratham in supporting their endeavour of working to provide education to the underprivileged children under their initiative "**Read India**". In addition, in F.Y. 2015-16, Colgate also supported the '*Laakhon Mein Ek*' initiative for Mumbai and 13 cities of Maharashtra. This initiative aims to improve the basic arithmetic and language skills for the students.

More information about the NGO is available on www.pratham.org

Project "Saksham" with SEEDS

Realising the need of making the future generation more employable, Colgate India recently initiated '**Saksham**', a project that focuses on imparting vocational skill training to the youth of the country. Colgate has partnered with Social Empowerment and Economic Development Society (SEEDS) and their implementation partner IL & FS to roll out its first phase in Uttar Pradesh. The project aims at empowering young individuals from rural and less privileged households by facilitating right kind of training and supporting them find employment opportunities, thereby helping them improve their socio-economic status. During the training period, individuals are also groomed on social skills and behaviours and they also get a platform to interact with renowned people from different walks of life to share their experiences and life lessons.

More information about the NGO is available on www.seedsimpact.org

Donation to Chennai flood victims – During the year, the State of Tamil Nadu, especially Chennai and surrounding areas had come to a standstill because of major floods. In this time of adversity, your Company had partnered with an emergency group, '**Action Aid**', a Non-Governmental Organization, which works towards helping communities in disaster management and contributed to support women with disabilities to help them regain livelihood.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo Pursuant to Provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

A) Conservation of energy :

The Company continues its endeavour to improve energy conservation and utilization.

Some of the steps taken by the Company for energy conservation at its manufacturing locations are outlined below :

Sanand

Installation of Energy efficient equipments such as :

- High Efficiency Steam Boilers (IBR approved)
- High Efficiency Centrifugal Chillers
- LED Lighting system in the Plant which saves energy to the extent of 35%
- Condensate Recovery - Feeds water to Boilers saving fuel to the extent of 4% as well as reduces water consumption
- Building Management System for load management
- Upgradation of Boilers to use CNG as the fuel in place of the currently used High speed diesel; CNG being more energy efficient fuel
- Implementation of motion sensor based control for lighting in Office area
- In recognition of the various steps taken to ensure Energy efficiency by the Facility, it was awarded LEED Gold Certification by India Green Building Council

Goa

- Flex - Installation of higher capacity Chilled Water Circulation Pump for Vacuum chilled water system thereby cutting down two circulation pumps
- Flex Utility - Installation of Air Compressor Synchronizer to auto loading and unloading of three compressors based on operation requirement
- Building Management System (BMS) for FF AOC, FF POC and Micro Lab to make auto operation of AHU and HVAC systems
- Installation of VFDs for HVAC condenser and chilled water pumps
- Installed Eco Ventilators for utility areas thus avoided exhaust fans

- 8TR AC for cafeteria and Change room put on timer to operate during required time slot
- Replacement of HPMV type lamps with LED (Street Lights)
- Automation of Chilled Water Circulation Pumps (Hot Well & Cold Well) in FF flex
- Sky-Lights Roof Sheets in Contractor Change room and scrap handling area for natural light

Baddi

- Energy Efficient Heat Exchangers at Waste system, making CIP system resulted in steam reduction and water reduction
- Online steam traps installed to recover the steam condensate
- Upgraded the existing Vacuum Pump which resulted in water reduction
- Ozone and Chlorine sensors water recovery system
- Steam condensate recovery system in secondary water treatment area

Sricity

- LED lighting and efficient building management systems to control energy usage
- Measures to Conserve the Environment such as :
 - i) Top soil stock-pilling
 - ii) Preservation of existing trees
 - iii) Temporary seeding for permanent stabilization
- In recognition of the various steps taken to ensure Energy efficiency by the Facility it was awarded LEED Gold Rating by India Green Building Council.

In addition to above, the Company has also other energy conservation measures in place like, rain harvesting systems, usage of treated/ recycled water, tree plantation, optimization of processes and equipments etc. All these steps ultimately results in saving energy, water consumption, fuel consumption and protecting the environment.

The Company has made a capital investment of approximately ₹ 3.65 Crore on the energy saving devices during the F.Y. 2015-16.

B) Technology absorption :

The Company continues to receive technology from Colgate-Palmolive Company, U.S.A., for manufacture of oral care products. The technology received by the Company is being absorbed, customised and adapted to the demands of the local markets.

Following are some of the technology absorption efforts made by the Company during the year :

- 1) Adapted technology for products using both local and/or imported raw materials & flavours
- 2) Prepared laboratory and pilot plant batches and set tentative product specifications
- 3) Completed product stability tests, microbiological tests, analytical tests and method validation

- 4) Optimized various manufacturing processes and filling trials
- 5) Tested new product or formula among sensory expert panel members and consumers
- 6) Finalized and derived product formula, process and product quality specifications
- 7) Identified alternate local raw material vendors
- 8) Reviewing and approval of product claims and providing clinical support and preparing documentation

New technologies allowed the Company to have a strong presence in key benefit segments of the Oral Care market viz., Cavity Protection, Whitening and Anti-Sensitivity.

The details of technology imported by the Company during the last three years are as follows :

Technology Imported	Year of Import	Has the technology been fully absorbed?	If not fully absorbed, areas where absorption has not taken place, and reasons thereof
Technology for Colgate Total Toothpaste	2015-2016	No	Work-in-Progress
Technology for Colgate Sensitive Toothpaste	2015-2016	No	Work-in-Progress
Technology for Colgate Pain Out Dental Gel active ingredients testing	2014-2015	Yes	Not Applicable
Colgate Total Charcoal Toothpaste Technology	2014-2015		
Colgate Active Salt Neem Technology	2014-2015		
Technology for Colgate Sensitive Enamel Repair Toothpaste	2014-2015		
Colgate Visible White Plus Shine Toothpaste Technology	2013-2014		
Technology to optimize Colgate Dental Cream's formula and product performance	2013-2014		
Colgate Total Advanced Health Toothpaste – Technology to improve micro-robustness	2013-2014		
Sugar Acid Neutralizer Technology for Toothpaste for Colgate Maximum Cavity Protection Toothpaste	2013-2014		

Details of expenditure on R&D are given below :

Expenditure on R&D	F.Y. 2015-16 (₹ Lacs)
a) Capital	3,07.99
b) Recurring.....	5,85.48
c) Total.....	8,93.47

C) Foreign Exchange Earnings and Outgo :

During the year, the Company was able to generate export earning of ₹ 107,48.43 Lacs. The particulars of foreign exchange earned/utilized during the year are given in Note No. 34 to the Financial Statements.

The particulars of expenditure in foreign currency is given in Note No. 33 to the Financial Statements.

Form No. MR-3**Secretarial Audit Report**

For the Financial year ended 31st March 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Colgate-Palmolive (India) Limited
CIN:L24200MH1937PLC002700
Colgate Research Centre, Main Street,
Hiranandani Gardens, Powai,
Mumbai-400076.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Colgate-Palmolive (India) Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March 2016**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2016** according to the provisions of :

- i. The Companies Act, 2013 (the Act) and the rules made thereunder and applicable provisions of the Companies Act, 1956;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 upto 14th May 2015/Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May 2015);
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014)
- Not Applicable as the Company has not granted any options during the financial year under review;

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable as the Company has not issued and/or listed any debt securities during the financial year under review;**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable as the Company has not delisted/ has proposed to delist its equity shares from any stock exchange during the financial year under review;**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable as the Company has not bought back / has proposed to buy-back any of its securities during the financial year under review;**
- vi. The laws as are applicable specifically to the Company are as under :
1. The Hazardous Wastes (Management and Handling) Rules 1989;
 2. Factories Act, 1960;
 3. The Drugs and Cosmetics Act, 1940;
 4. The Legal Metrology Act, 2009;
 5. The Legal Metrology (Packaged Commodities) Rules, 2011
 6. Local laws as applicable to various offices and plants.

We have also examined compliance with the applicable provisions of the following :

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July 2015;
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 made effective 1st December 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that: -

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors pertaining to the schedule of the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on the review of the Compliance mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

- As informed, the Company has responded to notices for demands, claims, penalties etc., levied by various statutory/regulatory authorities and initiated actions for corrective measures, wherever found necessary.

We further report that during the audit period :

- The members have at the 74th Annual General Meeting of the Company held on 30th July, 2015, passed a special resolution adopting new set of Articles of Association, substituting the then existing Articles;
- The Company has on 28th September, 2015, issued and allotted 13,59,92,817 equity shares as bonus equity shares in the ratio one bonus equity share for every one existing equity share held by the shareholders of the Company.

Other than the aforesaid, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. referred to above.

For **S. N. ANANTHASUBRAMANIAN & CO.**
Company Secretaries
Firm Registration No.P1991MH040400

S.N.ANANTHASUBRAMANIAN
PARTNER
C.P No: 1774

Date: 6th May, 2016

Place: Thane

FORM No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended March 31, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

i)	CIN	L24200MH1937PLC002700
ii)	Registration Date	September 23, 1937
iii)	Name of the Company	Colgate-Palmolive (India) Limited
iv)	Category/Sub-Category of the Company	Public Company limited by shares
v)	Address of the Registered office and contact details	Colgate Research Centre, Main Street Hiranandani Gardens, Powai, Mumbai 400 076, India
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharepro Services (India) Pvt. Ltd. 13 AB, Samhita Warehousing Complex, 2 nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (E), Mumbai 400 072 Tel : 022 - 6772 0300 Fax : 022 - 2859 1568 E-mail : sharepro@shareproservices.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated :

Sr. No.	Name and Description of main Products/Services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Toothpaste	Group 202	79.64
2.	Tooth Powder	Class 2023 Sub-Class 20235	—
3.	Toothbrush *		15.94

*No NIC Code is available for Toothbrush.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Colgate-Palmolive Co., 300, Park Avenue, New York, NY 10022, United States	Foreign Co.	Holding	40.06	2 (46)
2.	Colgate-Palmolive (Asia) Pte. Ltd. 24, Raffles Place #15-00 Clifford Centre Singapore 048621	Foreign Co.	Holding	10.94	2 (46)
3.	Norwood International Incorporated 300, Park Avenue, New York, NY 10022, United States	Foreign Co.	Holding	—	2 (46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2015)				No. of Shares held at the end of the year (March 31, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/ HUF	–	–	–	–	–	–	–	–	–
b) Central/State Govt.(s)	–	–	–	–	–	–	–	–	–
c) Bodies Corporate	–	–	–	–	–	–	–	–	–
d) Banks/FI	–	–	–	–	–	–	–	–	–
e) Any Others	–	–	–	–	–	–	–	–	–
Sub-Total (A) (1)	–	–	–	–	–	–	–	–	–
2) Foreign									
a) NRIs – Individuals	–	–	–	–	–	–	–	–	–
b) Other –Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corporate	69356336	–	69356336	51.00	138712672	–	138712672	51.00	–
d) Banks/FI	–	–	–	–	–	–	–	–	–
e) Any Others	–	–	–	–	–	–	–	–	–
Sub-total (A)(2)	69356336	–	69356336	51.00	138712672	–	138712672	51.00	–
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	69356336	–	69356336	51.00	138712672	–	138712672	51.00	–

B. Public Shareholding									
1. Institutions									
a) Mutual Funds / UTI	1739445	5117	1744562	1.28	5551631	10234	5561865	2.04	0.76
b) Banks / FI	202968	5570	208538	0.15	1503855	11140	1514995	0.56	0.41
c) Central Govt.	149331	–	149331	0.11	298662	–	298662	0.11	–
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	4616264	50	4616314	3.40	14788788	100	14788888	5.44	2.04
g) FII's	24044434	2950	24047384	17.68	27624541	5900	27630441	10.16	-7.52
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)									
- Foreign Portfolio Corp.	4262684	–	4262684	3.14	16384953	–	16384953	6.02	2.88
- Qualified Foreign Investor	–	–	–	–	–	–	–	–	–
Sub-total (B) (1)	35015126	13687	35028813	25.76	66152430	27374	66179804	24.33	-1.43

2. Non- Institutions									
a) Bodies Corporate									
i) Indian (Domestic)	3130882	18202	3149084	2.32	5154155	30924	5185079	1.91	-0.41
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 Lac	23033346	4223235	27256581	20.04	49659953	7819282	57479235	21.13	1.09
ii) Individual shareholders holding nominal share capital in excess of ₹1 Lac	231501	–	231501	0.17	1439722	0	1439722	0.53	0.36
c) Others (specify):									
– Trust	404678	–	404678	0.30	1521978	–	1521978	0.56	0.26
– NRI (Repat)	216147	1500	217647	0.16	589444	3000	592444	0.22	0.06
– NRI (Non-Repat)	333248	11709	344957	0.25	848942	19318	868260	0.32	0.07
– Foreign Nationals/ Bodies / OCB	1940	1280	3220	0.00	3880	2560	6440	0.00	–
Sub-total (B)(2)	27351742	4255926	31607668	23.24	59218074	7875084	67093158	24.67	1.43
Total Public Shareholding (B) = (B)(1) + (B)(2)	62366868	4269613	66636481	49.00	125370504	7902458	133272962	49.00	–
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	131723204	4269613	135992817	100	264083176	7902458	271985634	100.00	–

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2015)			Shareholding at the end of the year (March 31, 2016)			% Change in Shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to total shares	
1.	Colgate-Palmolive Co.	54476347	40.06	–	108952694	40.06	–	–
2.	Colgate-Palmolive (Asia) Pte. Ltd	14879426	10.94	–	29758852	10.94	–	–
3.	Norwood International Incorporated	563	–	–	1126	–	–	–
	Total	69356336	51.00	–	138712672	51.00	–	–

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year (April 1, 2015)		Cumulative shareholding during the year (March 31, 2016)	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	69356336	51.00	69356336	51.00
	Datewise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease. Issue of Bonus Shares @ 1:1 in September, 2015	Nil	Nil	69356336	Nil
	At the end of the year	69356336	51.00	138712672	51.00

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.		Shareholding at the beginning of the year (April 1, 2015)		Cumulative Shareholding during the year (March 31, 2016)	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	Top Ten Shareholders				
1.	Arisaig Partners (Asia) Pte. Ltd A/c. Arisaig	4807084	3.5348	9187394	3.38
2.	Oppenheimer Developing Markets Fund	3602409	2.6490	–	–
3.	Life Insurance Corpn. of India	3690123	2.7135	12868698	4.73
4.	Virtus Emerging Markets Opportunities Fund	1614576	1.1873	2238792	0.82
5.	Vontobel India Fund	1544722	1.1359	1266883	0.47
6.	Vontobel Fund – Emerging Markets Equity	1085915	0.7985	1268461	0.47
7.	Columbia Acorn International	920000	0.6765	–	–
8.	Birla Sun Life Insurance Company Limited	837186	0.6156	–	–
9.	General Insurance Corporation of India	757659	0.5571	1165318	0.43
10.	Government of Singapore	743255	0.5465	2290290	0.84
11.	Fidelity Investment Trust - Fidelity	–	–	1354322	0.50
12..	Arisaig Partners (Asia)Pte Ltd. A/c. Arisaig	–	–	1164684	0.43
13	Swiss Finance Corporation (Mauritius) Limited	–	–	1098747	0.40

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.		Shareholding at the beginning of the year (April 1, 2015)		Cumulative Shareholding during the year (March 31, 2016)	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	For Each of the Directors and KMP				
	At the beginning of the year	7338	0.0054	7338	0.0054
	Datewise increase/ decrease in shareholding during the year specifying the reasons for increase/decrease. Issue of Bonus Shares @ 1:1 in September, 2015	–	–	7338	–
	At the End of the year	7338	0.0054	14676	0.0054

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment : Not Applicable

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :					
Sr. No.	Particulars of Remuneration	Name of MD/MTD/Manager			Total Amount (₹ Lacs)
		I. Bachaalani	N. Ghate	G. Nthunzi	
1.	Gross Salary	4,26.57	79.99	3,17.18	8,23.74
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1,14.54	2,51.57	1,51.50	5,17.61
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission				
	- As % of profit				
	- Others, specify Executive Incentive Compensation Plan/Bonus	1,29.10	52.09	90.99	2,72.18
5.	Others, please specify: Employer contribution to Provident Fund	24.96	9.59	20.17	54.72
	Total (A)	6,95.17	3,93.24	5,79.84	16,68.25
	Ceiling as per the Act	10% of the Net Profits of the Company			

B. Remuneration to other directors								
Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount (₹ Lacs)
		R. A. Shah	P. K. Ghosh	J. K. Setna	V. S. Mehta	I. Shahani (Ms.)	S. Gopinath (Ms.)	
1)	Independent Directors							
	* Fee for attending Board Committee meetings	11.1	11.35	10.85	9.75	7.65	8.75	59.45
	* Commission	5.00	5.00	5.00	5.00	5.00	5.00	30.00
	* Others, please specify	—	—	—	—	—	—	—
	Total (1)	16.1	16.35	15.85	14.75	12.65	13.75	89.45
2)	Other Non-executive Directors							
	* Fee for attending board committee meetings							
	* Commission							
	* Others, please specify	NOT APPLICABLE						
	Total (2)							
	Total (B) = (1+2)	16.1	16.35	15.85	14.75	12.65	13.75	89.45
	Total Managerial Remuneration							
	Overall Ceiling as per the Act:	1% of the Net Profits of the Company.						

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB					
Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total (₹ Lacs)
		Managing Director	Company Secretary	CFO	
		I. Bachaalani	N. Ghate	G. Nthunzi	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	4,26.57	79.99	3,17.18	8,23.74
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1,14.54	2,51.57	1,51.50	5,17.61
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission				
	- As % of profit				
	- Others, specify	1,29.10	52.09	90.99	2,72.18
	Executive Incentive				
	Compensation/ Bonus				
5.	Others, please specify				
	Employer contribution to Provident Fund	24.96	9.59	20.17	54.72
	Total	6,95.17	3,93.24	5,79.84	16,68.25

VII. Penalties / Punishment / Compounding of offences : NONE

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year is as follows :

	Name of the Executive Director	Ratio
1.	Mr. Issam Bachaalani [#] (Managing Director)	1: 68
2.	Mr. Godfrey Nthunzi (Whole-time Director & CFO)	1: 56
3.	Mr. Niket Ghate (Whole-time Director & Company Secretary)	1: 38

[#]Appointed as the Managing Director w.e.f. October 1, 2014.

Employees for the above purpose includes all employees excluding Associates at the manufacturing locations of the Company.

Non-executive Directors :

Non-executive & Independent Directors of the Company are paid only 'Sitting fees' for attending the Board and Committee meetings. They are also paid a fixed 'Commission' of ₹ 5 Lacs per annum as per the Shareholders approval. Non-executive & Non-independent Director of the Company do not receive any remuneration from the Company.

2. The percentage increase in remuneration of each Executive Director, in the financial year is as follows :

Sr. No.	Name of the Executive Director	Approx. increase in percentage in F.Y. 2015-16 as compared to F.Y. 2014-15 (without earnings from exercise of ESOPs)
1.	Mr. Issam Bachaalani [#] (Managing Director)	N.A.
2.	Mr. Godfrey Nthunzi (Whole-time Director & CFO)	15.24%
3.	Mr. Niket Ghate (Whole-time Director & Company Secretary)	7.72%

[#]Appointed as the Managing Director w.e.f. October 1, 2014.

3. The percentage increase in the median remuneration of employees in the financial year :

The percentage of increase in the median remuneration of all the Salaried & Clerical (S&C) employees in the financial year 2015-16 was 26.44% as compared to financial year 2014-15.

4. The number of permanent employees on the rolls of the Company :

The number of Permanent employees on the rolls of the Company as on March 31, 2016 is 2,278.

5. The explanation on the relationship between average increase in the remuneration and company performance :

The average movement in remuneration is in line with the Company's performance which is based on growth of the Company's net sales and profits. Also, the increase in the remuneration is influenced by various other factors such as competitiveness within the peer group and the industry outlook.

6. Comparison on the remuneration of the Key Managerial Personnel against the performance of the Company :

The average increase in the fixed remuneration for all Executive Directors/Key Managerial Personnel is 6% in the financial year 2015-16.

Performance of the Company in F.Y. 2015-16 :

The Organic growth of the Company stands at 10% offset by phasing out of fiscal benefits in the State of Himachal Pradesh with a reported growth of 4% over the same period of the previous year.

Net Profit after Tax is up 32% which excludes the impact of phasing out of fiscal benefits in the State of Himachal Pradesh and restructuring cost related to toothpowder manufacturing facility at Aurangabad, in the State of Maharashtra. Including the aforesaid impact, the reported Net Profit after Tax is ₹ 576.5 Crore, growing by 3.14% year on year.

7. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year is as follows :

Particulars	FY 2014-15 As of 31.03.2015		FY 2015-16 As of 31.03.2016	
	BSE	NSE	BSE	NSE
Market Capitalisation (₹ Cr.)	27,375	27,389	22,511	22,439
Price earnings ratio (₹)	49	49	39	39
Shares*	135992817	135992817	271985634	271985634
Share price*	2013	2014	828	831
EPS*	41.10	41.10	21.20	21.20

* Bonus issue of 1:1 in 2015-16

- i) The closing share price of the Company at BSE Limited on March 31, 2016 was ₹ 828/- per equity share of face value ₹ 1/- each has grown 414 times since the last offer for sale made by the Company in the year 1994 (Offer price was ₹ 20/- per equity share of face value of ₹ 10/- each)
- ii) On National Stock Exchange of India Limited the closing price as on March 31, 2016 was ₹ 831/- and growth rate was 416 times.

8. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

In financial year 2015-16, there is an average increase of 8% in the fixed remuneration of all the employees (other than the managerial personnel) as compared to increase of 6% in the fixed remuneration of all the Executive Directors.

9. Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company :

Remuneration paid to each Key Managerial Personnel is based on their performance during the year which is directly measured with the overall performance of the Company. The remuneration

to the Key Managerial Personnel is reviewed and recommended by the Nomination & Remuneration Committee of the Board.

10. The key parameters for any variable component of remuneration availed by the Executive Directors are as under :

- The Business unit's Operating Target achievement;
- The Mandated Objectives or Team Goals results;
- The individual's performance; and
- Adherence to the Managing With Respect principles & Core values of the Company.

11. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year : NIL

12. Affirmation :

Remuneration paid by the Company to its Executive Directors, Key Managerial Personnel and Senior Management employees is as per the Nomination & Remuneration Policy of the Company.

Issam Bachaalani Managing Director (DIN : 06975320)	Niket Ghate Whole-time Director & Company Secretary (DIN : 00001925)
---	---

Mumbai, May 24, 2016

Business Responsibility Report

Colgate-Palmolive (India) Limited ('Colgate') is committed to doing business ethically. There is a clear business mandate that governs all actions at Colgate through a Code of Conduct that every employee and business partner is familiar with. We, at Colgate, believe while it is important to fulfill our primary goal of doing business – 'how' we achieve our goals is critical.

Colgate is committed to act with compassion, integrity, honesty and high ethics in all situations. The Company is also committed to protect global environment, to enhance the welfare of communities where Colgate people live and work, and to be compliant with laws and regulations of the country.

Section A : General Information about the Company

1. Corporate Identity Number (CIN) of the Company : **L24200MH1937PLC002700**
2. Name of the Company : **Colgate-Palmolive (India) Limited**
3. Registered address : **Colgate Research Centre,
Main Street, Hiranandani Gardens,
Powai, Mumbai – 400 076, India**
4. Website : **www.colgatepalmolive.co.in**
5. E-mail ID : **brr_info@colpal.com**
6. Financial Year reported : **April 1, 2015 – March 31, 2016**
7. Sector(s) that the Company is engaged in (industrial activity code-wise) :
The Company's Business Segment is "Personal Care" (including Oral Care).
8. List three key products/services that the Company manufactures/provides (as in balance sheet) :
The Company manufactures/provides following key products; namely –
 - i. Toothpaste and Tooth Powder
 - ii. Toothbrush
 - iii. Mouth Wash
 - iv. Personal Care Products
9. Total number of locations where business activity is undertaken by the Company :
 - i. Number of International Locations : None
 - ii. Number of National Locations : 8 (Factories, including Head Office & Branches)
10. Markets served by the Company - Local/State/National/International :

LOCAL	STATE	NATIONAL	INTERNATIONAL
Yes	Yes	Yes	Yes

Section B : Financial Details of the Company (₹ in Lacs)

1. Paid up Capital (INR) : 27,20
2. Total Turnover (INR) : 4,16,228
3. Total profit after taxes (INR) : 57,651
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) : 2%
5. List of activities in which expenditure in 4 above has been incurred :
 - a) Bright Smiles, Bright Futures™ – Promoting preventive health care
 - b) Oral Health Month – Promoting preventive health care

- c) Pratham – Promoting education
 - d) Seva Mandir – Conservation of natural resources, health, education and other allied areas
 - e) Network in Thane by People Living with HIV – Empowerment of women and addressing inequalities
 - f) SEEDS – Vocational and Skills training for upliftment of economically weaker youth
- More information about Corporate Social Responsibility (CSR) Activities of the Company are available in the Annual CSR Report.

Section C : Other Details

1. **Does the Company have any Subsidiary Company/Companies?**
 - The Company does not have any Subsidiary.
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the Parent Company? If Yes, then indicate the number of such Subsidiary Company(s).**
 - Not applicable.
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If Yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**
 - Yes, the Company shares its ethical business practices, Code of Conduct, Anti-Bribery Policy and Supplier Code of Conduct with its contract manufacturers, suppliers and major third parties associated with the Company.

Section D : BR Information

1. **Details of Director/Directors responsible for Business Responsibility**
 - a) Details of the Director/Directors responsible for implementation of the BR policy/policies
 - DIN Number : 06975320
 - Name : Mr. Issam Bachaalani
 - Designation : Managing Director
 - b) Details of the BR head

Sr. No.	Particulars	Details
1.	DIN Number (if applicable)	06975320
2.	Name	Mr. Issam Bachaalani
3.	Designation	Managing Director
4.	Telephone number	022 – 6709 5050
5.	e-mail ID	brr_info@colpal.com

2. **Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)**

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

Principle 3: Businesses should promote the well-being of all employees.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Principle 5: Businesses should respect and promote human rights.

Principle 6: Businesses should respect, protect and make efforts to restore the environment.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Principle 8: Businesses should support inclusive growth and equitable development.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sr. No.	Questions	Business Ethics	Sustainability	Employees' Well-being	Stakeholders' Welfare	Human Rights	Environment	Regulatory Policy	Equitable Development	Customer Responsibility
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for...	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	–	Y	Y
3.	Does the policy conform to any national/international standards? If yes, specify? (50 words) #	Y	Y	Y	Y	Y	Y	–	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?*	Y	Y	Y	Y	Y	Y	–	Y	Y
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	–	Y	Y
6.	Indicate the link for the policy to be viewed online?	#	#	#	#	#	#	–	#	#
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	–	Y	Y
8.	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	–	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	–	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	N	N	N	N	N	–	N	Y

<http://www.colgate.co.in/app/Colgate/IN/Corp/LivingOurValues/CodeOfConduct.cvsp>

* Colgate has a globally accepted Code of Conduct policy approved by the CEO of the parent company, Colgate-Palmolive Company, U.S.A. which is also followed by the Company, being one of its subsidiaries.

2a. If answer to S. No. 1 against any principle, is 'No', please explain why:

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the principles	–	–	–	–	–	–	–	–	–
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	–	–	–	–	–	–	–	–	–
3.	The Company does not have financial or manpower resources available for the task	–	–	–	–	–	–	–	–	–
4.	It is planned to be done within the next 6 months	–	–	–	–	–	–	–	–	–
5.	It is planned to be done within the next 1 year	–	–	–	–	–	–	–	–	–
6.	Any other reason (please specify) [#]	–	–	–	–	–	–	✓	–	–

The Company currently does not find it necessary to frame a policy on principle #7.

3. Governance related to BR

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meets to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year :**
 - The Committee meets periodically to evaluate the BR performance of the Company.
- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**
 - The Company publishes the 'information on sustainability' in the Directors' Report which forms a part of the Annual Report of the Company. The hyperlink to view the Annual Report is : http://www.colgate.co.in/Colgate/IN/Corp_v2/Investor/FinancialReports/annual-report-2015-16.pdf

Section E : Principle-wise performance

Principle 1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Colgate is committed to do business with integrity and adhere to ethical business practices. It acts with integrity in all aspects of its business. Colgate's well earned reputation for integrity is a business asset. It is reliant upon the commitment of all Colgate Directors, Officers and Employees everywhere, to act in accordance with Colgate's Code of Conduct and all applicable laws and regulations.

Colgate-Palmolive Company, U.S.A. is the Parent Company of Colgate-Palmolive (India) Limited. The parent company's Code of Conduct ('Colgate Code of Conduct') applies to all Colgate People, including Directors, Officers and all Employees of the Company and its subsidiaries globally. 'Colgate Code of Conduct' also applies to contract manufacturers, suppliers and major third parties associated with the Company.

Colgate also has an Anti-bribery Policy. The Company conducts due diligence with its Vendors,

Suppliers and other stakeholders dealing with the Government or statutory authorities on behalf of the Company, in accordance with its Anti-bribery Policy. The Company has a zero tolerance for any breach of its Policy. As a pro-active initiative, the Company regularly provides training with respect to Ethics and Anti-bribery Policy to all its stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

The Company received 5 stakeholder complaints which were duly investigated and appropriate actions were taken in all the matters.

Principle 2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- Re-designing of packaging material that result in low impact on the environment through change in Technology. Cartons that have lower thickness contribute to improved biodegradability and recyclability.
- Most of the cartons are made of recycled paper board which can be further recycled.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional) :

i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

We endeavour to source material from suppliers of raw material and packaging located close to our manufacturing facilities. In most of the cases, we source packaging material locally. The secondary & tertiary packaging material has potential of being reused and recycled.

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

We have been imparting education on oral hygiene and have given a message to millions of children of saving water while brushing teeth.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

Most of our plants are situated close to raw material suppliers, thereby reducing transportation and carbon emission.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Colgate's 'Enhance Supplier Management' program helps suppliers improve their quality, efficiencies, productiveness and waste reduction through regular audits, recommendations and an inspection process.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Yes. About 82% of the waste is recycled/reused.

Some of the containers for our primary packaging material are recycled and reused. Most of the material used for transportation of primary & secondary packaging material is recycled and reused.

Solid waste/sludge from Waste Water Treatment Plants and process waste is sent to cement manufacturing companies. It is co-processed to be converted into cement. A small portion of the waste is not environment friendly and is therefore disposed in a controlled manner to government approved Common Hazardous Waste Treatment Storage and Disposal Facility (CHWTSDF).

Principle 3 : Businesses should promote the well-being of all employees.

Colgate's commitment to caring for people is manifested in the workplace through a variety of

programs designed to promote and reward individual and team achievement. Specifically, in matters of employment :

- It is the policy, practice and aim of Colgate to provide employment opportunities to all qualified persons on an equal basis. The Company will not discriminate against any employee or applicant for employment on the basis of race, religion, disability, ethnicity, marital status or any other characteristic protected by law.
- The Company does not employ/engage child labour.
- It provides training, education and promotion opportunities that permit development and career advancement to the Company's workforce.
- It prohibits sexual harassment by any person in the workplace or while conducting Company business.
- It provides wellness programs for the employees.
- Free health check-ups are arranged for the employees.

1. Please indicate the Total number of employees :

Total number of employees : 2,278

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis :

The total number of employees hired on temporary/contractual/casual basis : 717

3. Please indicate the Number of permanent women employees :

Number of permanent women employees : 145

4. Please indicate the Number of permanent employees with disabilities :

Number of permanent employees with disabilities : NIL

5. Do you have an employee association that is recognized by management :

No. There are no unions/employee associations recognized by the management. However, we have signed long term settlements with majority union at Goa factory which has multiple unions.

6. What percentage of your permanent employees is members of this recognized employee association?

There are total 1,507 workmen in the factories. Of these, about 407 workmen i.e. 27% forms part of union recognized by the management.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as at the end of the financial year.

The Company has not received any complaints relating to child labour, involuntary labour and on discriminatory employment during the year 2015-16. During the year, two complaints on sexual harassment were received by the Company, which were thoroughly investigated and necessary actions were promptly taken by the management as per applicable law and policies of the Company. There were no complaints pending as at the end of the financial year.

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- Permanent Employees : 100%
- Permanent Women Employees : 100%
- Contractual Manpower : 100%
- Employees with Disabilities : N.A.

Principle 4 : Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the Company mapped its internal and external stakeholders?

Yes, the Company has mapped its internal and external stakeholders.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

Yes, the Company has identified the disadvantaged, vulnerable and marginalized stakeholders.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged,

vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The Company has focused on the education of less privileged children in society. Also, the Company supports a program called 'A Positive Step' with an NGO working for the well-being of children infected/affected by HIV. More steps like Saksham, Laakhon Mein Ek initiative etc. are mentioned in the CSR Report.

Principle 5 : Businesses should respect and promote human rights.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

The policy for human rights forms part of the Code of Conduct of the Company. The Code of Conduct extends to the contract manufacturers, suppliers and major third parties associated with the Company.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

We have not received any complaints under the Human Rights in the past financial year.

Principle 6 : Business should respect, protect and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others?

The policy related to Principle 6 covers only the Company.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If Yes, please give hyperlink for webpage etc.

Yes, the Company does have strategies/initiatives to address the global environmental issues. The hyperlink for the same is: <http://www.colgate.co.in/app/Colgate/IN/Corp/LivingOurValues/Sustainability.cvsp>

3. Does the Company identify and assess potential environmental risks? Y/N

Yes, the Company identifies and assesses potential environmental risks through audit and assessments.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The Company does not have a project related to Clean Development Mechanism.

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If Yes, please give hyperlink for web page etc.

Yes, the Company has undertaken initiatives on energy efficiency. The hyperlink for the same is : <http://www.colgate.co.in/app/Colgate/IN/Corp/LivingOurValues/Sustainability.cvsp>

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the Emissions/Waste generated by the Company are within the permissible limits given by Central Pollution Control Board/State Pollution Control Board for the financial year 2015-16.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

NIL

Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is associated/is a member of the following Associations :

- a) The Advertising Standards Council of India
- b) Indian Beauty & Hygiene Association

- c) The Associated Chambers of Commerce and Industry of India
- d) American Chamber of Commerce in India
- e) Confederation of Indian Industry
- f) Bombay Management Association
- g) Federation of Indian Chambers of Commerce and Industry
- h) Bombay Chamber of Commerce and Industry
- i) Council for Fair Business Practices

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if Yes, specify the broad areas (drop box : Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others).

Although, the Company is member of the Associations, it has not lobbied in the above areas.

Principle 8 : Businesses should support inclusive growth and equitable development.

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If Yes, details thereof.

Yes, the Company have programmes/initiatives/projects in pursuit of the policy related to Principle 8. Details of which are mentioned below :

a) Bright Smiles, Bright Futures™ :

One of the most impactful oral health initiatives by Colgate is Bright Smiles, Bright Futures™ (BSBF), to educate primary school children on the importance of maintaining good oral hygiene.

Partnering with the Indian Dental Association (IDA), and committed dental professionals, Colgate conducts this oral care awareness program in rural as well as urban schools with informative education aids like mouth model, flipcharts. The interactive session with these aids helps the children retain the message of good oral hygiene life-long.

The program equips every child with a basic dental health pack of a toothpaste and toothbrush with a brushing chart to encourage these children to brush twice a day and take care of their oral health. In addition, Colgate also conducts, jointly with IDA, a Teachers' Training Program to enable teachers to continue to instill good oral care habits among school-going children on an on-going basis.

BSBF, so far, has touched the lives of 135 million school children between the age of 6-12 years across 2 million schools in urban and rural India.

b) Oral Health Month :

Oral Health Mouth (OHM) is Colgate's largest consumer contact program where, with the support of over 35,000 members of IDA and Dental Professionals, it offers an in-clinic free dental check-up to people across the country over two months. This initiative is aimed at creating awareness for good oral hygiene, given that preventive care is the best way to maintain good oral health. The program was further strengthened with the introduction of Mobile vans to service under privileged areas in the Metros and Towns. It also made oral care check-ups more accessible and break any in-clinic fears that people may harbor. In our estimate, in 2015 this campaign benefitted almost 60 lakh people across geographies, contributing towards improving the Oral Health condition in India.

c) Pratham :

Colgate supports 'Pratham', an NGO working in the field of education of children from less privileged backgrounds studying in Municipal Schools. 'Every child in school and learning well' has been Pratham's endeavour since its inception. Pratham has come a long way both in scope and geographical coverage and established itself as a credible implementer of education solutions for under-privileged children. This initiative aims to improve the basic arithmetic and language skills for the students.

d) A Positive Step :

Colgate supports 'A Positive Step' program for the last 6 years, for HIV infected/affected children

through the NGO 'Network in Thane by People Living with HIV', (NTP+). The Company and its employees volunteer to support the cause, spend their time with kids so that they can learn, sharpen their skills and encourage them to fight with challenges bravely. This program was initiated with a small group of children and today, it supports a total of 79 children.

e) Seva Mandir :

A non-profit organization, working in the areas of conservation of natural resources, improving health and education of the people. Under the '**Colgate Seva Mandir Scholarship Fund**' the corpus amount donated by the Company, is being used to support school education of children of class 8 to 12, especially for those who are from underserved families or those living in the tribal areas.

f) Project Saksham :

Colgate India recently initiated 'Saksham', a project that focuses on imparting vocational skill training to the youth of the country. Colgate has partnered with SEEDS and IL&FS, to roll out its first phase in Uttar Pradesh. The project aims at empowering young individuals from rural and less privileged households by facilitating them with right kind of training and supporting them find employment opportunities, thereby helping them improve their socio-economic status.

2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?

The Company conducts two major community involvement programs - Bright Smiles, Bright Futures™ and Oral Health Month that are undertaken both directly and along with ground organizations given the massive scale of these programs. The Company also supports certain programs with NGOs - 'Pratham' that works towards the education of less privileged children in Municipal Schools and NTP+ that supports children affected and infected by HIV. Also, the Company in partnership with 'Seva Mandir', a not-for-profit Organisation, conducts programs in health, education, natural resource development and women and child care.

3. Have you done any impact assessment of your initiative?

The nature of these programs - Bright Smiles, Bright Futures™ and Oral Health Month - are on-ground CSR initiatives. Feedback and appreciation of the community work undertaken is instant, not dependent on continuous monitoring process and does not require a formal impact assessment.

The NGOs supported by Colgate – Pratham & Seva Mandir conduct regular assessment programs to ensure the impact of their initiatives.

4. What is your Company's direct contribution to community development projects – Amount in INR and the details of the projects undertaken?

The Company spent an amount of ₹ 14.33 Crore on major community involvement projects, viz. Bright Smiles, Bright Futures™, Oral Health Month, Academic Education to less privileged children, Support children affected with HIV. More information on CSR activities of the Company are disclosed in the CSR Report which forms part of the Report of the Directors in the Annual Report of 2015-16.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The importance of following and maintaining good oral hygiene message is carried home by the child, thereby spreading the message in the community which has a larger impact beyond the school education. The CSR projects have been constantly evaluated to ensure maximum impact of their initiatives in the geographies they work in.

Principle 9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Since, the Company's business is consumer products, our success depends upon consumer satisfaction, trust and goodwill. When a consumer expresses dissatisfaction, we address the problem promptly, courteously and fairly, and make every responsible effort to sustain or regain the consumers' goodwill and continued purchase of Colgate products. The Company

believes that the consumer opinions, concerns and inquiries communicated to the Company regarding the products are important sources of information. To strengthen further the existing customer care system, the Company has set up call center at Pune by partnering with Aegis Limited, which acts as the contact center for our consumers, providing inbound and outbound customer care. The Company understands the consumer needs and uses its world-class technology to create products that cater to the evolving needs of the consumers. The Company has fair, equitable and transparent terms for all consumers.

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year?

There are total 6 consumer cases pending in different consumer courts/forums as on the end of the financial year and the same are *sub-judice*.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information).

Yes, the Company displays the product information on the product label, over and above what is mandated as per local laws. Few examples are efficacy of the product, technology used in the product and claims attributed to the product.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

There are no cases filed against the Company regarding unfair trade practices or anti-competitive behaviour. The Company received few complaints with respect to the advertisement of its products from Advertising Standards Council of India (ASCI). The complaints have been resolved satisfactorily.

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

Yes, the Company regularly conducts consumer surveys/consumer satisfaction trends.

Independent Auditors' Report

To the Members of Colgate-Palmolive (India) Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Colgate-Palmolive (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including

the accounting standards and matters which are required to be included in the audit report.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Independent Auditors' Report (Contd.)

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2016 on its financial position in its financial statements – Refer Note 6 and Note 20;
 - ii. The Company has long-term contracts as at March 31, 2016 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2016;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

For Price Waterhouse

Firm Registration Number: 301112E

Chartered Accountants

Pradip Kanakia

Partner

Mumbai
May 24, 2016

Membership Number - 39985

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Colgate-Palmolive (India) Limited on the financial statements for the year ended March 31, 2016

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Colgate-Palmolive (India) Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance

about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors

Annexure to Independent Auditors' Report (Contd.)

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Colgate-Palmolive (India) Limited on the financial statements for the year ended March 31, 2016

of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse

Firm Registration Number: 301112E
Chartered Accountants

Pradip Kanakia

Partner

Mumbai
May 24, 2016

Membership Number - 39985

Annexure B to Independent Auditors' Report (Contd.)

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Colgate-Palmolive (India) Limited on the financial statements as of and for the year ended March 31, 2016

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties other than self-constructed properties as disclosed in Note 10 on fixed assets to the financial statements, are held in the name of the Company, except for the following leasehold properties:
 - (1) Leasehold land at Sanand with gross book value of ₹ 53,13.18 Lacs and net book value of ₹ 52,07.13 Lacs is yet pending registration with the concerned authorities.
 - (2) Two plots of Leasehold land at Sewri with gross book value of ₹ 1,16.04 Lacs and net book value of Nil where formal transfer of lease rights in favour of the Company is pending.
- ii. The physical verification of inventory, including stocks with third parties, have been conducted at reasonable intervals by Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii) (a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed thereunder to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duty of custom which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, duty of excise and value added tax as at March 31, 2016 which have not been deposited on account of a dispute, are as follows:

Annexure B to Independent Auditors' Report (Contd.)

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Colgate-Palmolive (India) Limited on the financial statements as of and for the year ended March 31, 2016

Sr. No.	Name of the Statute	Nature of the Dues and period to which the amount relates	Amount# (₹ Lacs)	Forum where dispute is pending
1	Income Tax The Income Tax Act, 1961	Income tax liability for the Financial Years 2005-2006 and 2006-2007. Income tax liability for the Financial Years 2008-2009, 2009-2010 and 2010-11. Income tax liability for the Financial Years 1995-1996 to 1999-2000 and 2003-04. ** The matter was decided in favour of the Company, but department has preferred appeal at higher level.	2,33.59 60,77.68 **13,35.86	First Appellate Authorities Income Tax Appellate Tribunal High Court
	Total		76,47.13	
2	Sales Tax As per the Statutes applicable in the following states – New Delhi, Maharashtra, Madhya Pradesh, Bihar, Orissa, Kerala, Andhra Pradesh, West Bengal, Uttar Pradesh, Gujarat, Assam, Tripura, Rajasthan, Jharkhand, Karnataka and Goa	Sales tax liability for the Financial Years 1995-1996, 1998-1999, 2000-2001 to 2014-2015. Sales tax liability for the Financial Years 1987-1988 to 1988-1989, 1990-1991, 1995-96 to 1997-1998, 1999-2000 to 2001-2002, 2003-2004 and 2011-12. Sales tax liability for the Financial Years 1993-1994 and 2004-2005.	7,11.05 3,52.59 51.86	Assessing Authorities and First Appellate Authorities of various states Sales tax Appellate Tribunal of various states. High Court
	Total		11,15.50	
3	Service Tax The Finance Act, 1994	Service tax liability for the Financial Years 2002-2003, 2004-2005 to 2009-2010. Service tax liability for the Financial Years 1997-1998 to 2000-2001, 2007-2008 and 2008-2009. Service tax liability for the Financial Years 1997-1998 to 2000-2001, 2005-2006 and 2006-2007.	71.00 72.84 9,39.73	First Appellate Authorities Customs, Excise and Service Tax Appellate Tribunal High Court
	Total		10,83.57	
4	Excise Duty The Central Excise Act, 1944	Excise duty liability for the Financial Year 1994-1995 to 2010-2011. *** includes ₹ 14,00.73 Lacs in respect of matter which has been decided in favour of the Company, but department has preferred appeal at higher level. Excise duty liability for the Financial Years 1998-1999 to 2004-2005, 2009-2010, 2011-2012 to 2014-15, April 2014 to January 2015 and February 2015 to October 2015.	***23,95.39 6,41.22	Customs, Excise and Service Tax Appellate Tribunal First Appellate Authorities
	Total		30,36.61	

Net of amounts paid under Protest.

Annexure B to Independent Auditors' Report (Contd.)

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Colgate-Palmolive (India) Limited on the financial statements as of and for the year ended March 31, 2016

- | | |
|---|--|
| <p>viii. As the Company does not have any loans or borrowings from any financial institution or bank or government nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.</p> <p>ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.</p> <p>x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.</p> <p>xi. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.</p> <p>xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.</p> <p>xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details</p> | <p>of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.</p> <p>xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.</p> <p>xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.</p> <p>xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.</p> |
|---|--|

For Price Waterhouse

Firm Registration Number : 301112E

Chartered Accountants

Pradip Kanakia

Partner

Membership Number - 39985

Mumbai

May 24, 2016

Balance Sheet as at March 31, 2016

	Note	As at March 31, 2016 ₹ Lacs	As at March 31, 2015 ₹ Lacs
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	27,19.86	13,59.93
Reserves and Surplus	3	992,27.21	756,71.62
		<u>1,019,47.07</u>	<u>770,31.55</u>
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	4	21,71.75	2,58.93
Other Long-term Liabilities	5	1,68.96	1,54.35
Long-term Provisions	6	64,25.04	60,85.99
		<u>87,65.75</u>	<u>64,99.27</u>
Current Liabilities			
Trade Payables	7		
– Total outstanding dues of micro enterprises and small enterprises; and		2,21.09	1,04.08
– Total outstanding dues of creditors other than micro enterprises and small enterprises		549,72.97	513,36.48
Other Current Liabilities	8	238,21.85	285,86.58
Short-term Provisions	9	46,38.32	66,31.84
		<u>836,54.23</u>	<u>866,58.98</u>
		<u>1,943,67.05</u>	<u>1,701,89.80</u>
ASSETS			
Non-Current Assets			
Fixed Assets:	10		
– Tangible Assets		1,008,13.88	781,58.22
– Intangible Assets		–	–
– Capital Work-in-Progress		78,37.44	141,18.24
Non-current Investments	11	30,13.48	30,13.48
Long-term Loans and Advances	12	48,82.91	55,53.80
Other Non-current Assets	13	3,87.51	3,74.27
		<u>1,169,35.22</u>	<u>1,012,18.01</u>
Current Assets			
Current Investments	14	–	7,00.00
Inventories	15	292,66.15	252,22.53
Trade Receivables	16	101,53.83	69,64.36
Cash and Bank Balances	17	288,30.45	254,45.00
Short-term Loans and Advances	18	87,49.65	102,99.36
Other Current Assets	19	4,31.75	3,40.54
		<u>774,31.83</u>	<u>689,71.79</u>
		<u>1,943,67.05</u>	<u>1,701,89.80</u>

The accompanying notes are an integral part of these financial statements.

In terms of our report of even date.

For Price Waterhouse

Firm Registration No. 301112E
Chartered Accountants

Pradip Kanakia

Partner
Membership Number - 39985

Mumbai, May 24, 2016

For and on behalf of the Board

R. A. Shah
Vice-Chairman
(DIN : 00009851)

G. Nthunzi
Whole-time Director &
Chief Financial Officer
(DIN : 06450693)

Mumbai, May 24, 2016

I. Bachaalani
Managing Director
(DIN : 06975320)

N. Ghate
Whole-time Director &
Company Secretary
(DIN : 00001925)

Statement of Profit and Loss for the year ended March 31, 2016

	Note	₹ Lacs	Year ended March 31, 2016 ₹ Lacs	Year ended March 31, 2015 ₹ Lacs
Revenue from Operations (Gross)	21	4,643,21.00		4,238,36.48
Less: Excise Duty		480,92.02		256,42.15
Revenue from Operations (Net)			4,162,28.98	3,981,94.33
Other Income	22		39,60.51	33,17.30
			4,201,89.49	4,015,11.63
Expenses				
Cost of Materials Consumed	23	1,145,87.12		1,185,71.20
Purchase of Stock-in-Trade	24	353,67.19		298,35.86
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	(4,25.09)		(16,35.27)
Employee Benefits Expense	26	269,79.50		258,93.20
Depreciation and Amortisation Expense	10	111,41.11		75,02.04
Other Expenses	27	1,465,90.32		1,433,05.66
			3,342,40.15	3,234,72.69
Profit Before Exceptional Item and Tax			859,49.34	780,38.94
Exceptional Item	40		31,34.47	—
Profit Before Tax			828,14.87	780,38.94
Tax Expense:				
Current Tax [Net of prior period reversals ₹ 31,09.47 Lacs (Previous Year: Nil)]		232,50.97		200,94.52
Deferred Tax		19,12.82		20,46.03
			251,63.79	221,40.55
Profit for the year			576,51.08	558,98.39
Earnings Per Equity Share (Rupees)	29			
[Face Value of ₹ 1 per Equity Share]				
Basic and Diluted			21.20	20.55

The accompanying notes are an integral part of these financial statements.

In terms of our report of even date.

For Price Waterhouse

Firm Registration No. 301112E
Chartered Accountants

Pradip Kanakia

Partner
Membership Number - 39985

Mumbai, May 24, 2016

For and on behalf of the Board

R. A. Shah
Vice-Chairman
(DIN : 00009851)

G. Nthunzi
Whole-time Director &
Chief Financial Officer
(DIN : 06450693)

Mumbai, May 24, 2016

I. Bachaalani
Managing Director
(DIN : 06975320)

N. Ghate
Whole-time Director &
Company Secretary
(DIN : 00001925)

Cash Flow Statement for the year ended March 31, 2016

	Year ended March 31, 2016 ₹ Lacs	Year ended March 31, 2015 ₹ Lacs
Cash flow from Operating Activities:		
Profit before Exceptional Item and Tax	859,49.34	780,38.94
Adjustment for:		
Unrealised Foreign Exchange Loss/(Gain) (Net)	2,25.69	(17.34)
Depreciation and Amortisation Expenses	111,41.11	75,02.04
Lease Rentals	(1,98.45)	(1,06.39)
Loss on Sale of Fixed Assets (Net)	99.12	70.15
Interest Income	(24,62.05)	(26,38.68)
Bad Debts Written Off	42.15	33.07
Provision for Doubtful Debts	–	9,94.25
Provisions no Longer Required Written Back	(6,91.05)	–
Operating Profit before Working Capital Changes	941,05.86	838,76.04
Adjustment for (Increase)/Decrease in Working Capital:		
Inventories	(40,43.62)	(26,48.26)
Trade and Other Receivables	3,38.23	(21,54.42)
Trade and Other Payables	52,53.68	52,92.17
Cash Generated from Operations	956,54.15	843,65.53
Direct Taxes Paid (Net)	(252,35.50)	(205,50.40)
Net Cash Generated from Operations before Exceptional Item	704,18.65	638,15.13
Exceptional Item [Refer Note 40]	(31,25.79)	–
Net Cash Generated from Operating Activities (A)	672,92.86	638,15.13
Cash Flow from Investing Activities:		
Purchase of Tangible Assets	(272,68.77)	(300,01.31)
Proceeds from Sale of Tangible Assets	1,41.23	60.89
Proceeds from Sale of Current Investments	7,00.00	–
Lease Rentals	1,98.45	1,06.39
Inter Corporate and Bank Deposits (Placed)/Matured (Net)	1,00.00	29.19
Interest Received	24,67.18	26,41.89
Net Cash used in Investing Activities (B)	(236,61.91)	(271,62.95)
Cash Flow from Financing Activities:		
Dividends Paid	(298,65.91)	(338,74.76)
Dividend Distribution Tax Paid	(77,12.24)	(46,04.28)
Net Cash used in Financing Activities (C)	(375,78.15)	(384,79.04)
Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)	60,52.80	(18,26.86)
Cash and Cash Equivalents at the beginning of the year	132,36.83	150,63.69
Cash and Cash Equivalents at the end of the year [Refer Note 17]	192,89.63	132,36.83

Cash Flow Statement for the year ended March 31, 2016 (Continued)

Cash and Cash Equivalents comprise :

	As at March 31, 2016 ₹ Lacs	As at March 31, 2015 ₹ Lacs
Bank Balances in:		
- Current Accounts	11,57.74	25,90.74
- Deposit Accounts (with less than 3 months original maturity)	181,31.89	106,46.09
Cash and Cash Equivalents as at the end of the year	<u>192,89.63</u>	<u>132,36.83</u>

Notes:

1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 "Cash Flow Statements".
2. Previous year figures have been regrouped/reclassified, wherever necessary, to conform with current year's classification.

In terms of our report of even date.

For Price Waterhouse

Firm Registration No. 301112E
Chartered Accountants

Pradip Kanakia

Partner
Membership Number - 39985

Mumbai, May 24, 2016

For and on behalf of the Board

R. A. Shah

Vice-Chairman
(DIN : 00009851)

G. Nthunzi

Whole-time Director &
Chief Financial Officer
(DIN : 06450693)

Mumbai, May 24, 2016

I. Bachaalani

Managing Director
(DIN : 06975320)

N. Ghate

Whole-time Director &
Company Secretary
(DIN : 00001925)

Notes to the Financial Statements for the year ended March 31, 2016

Note 1 : Significant Accounting Policies

1.1 Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis.

Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013 (the Act).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

1.2 Use of Estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles in India requires, the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates and the differences between the actual and the estimates are recognised in the periods in which the actuals are known/materialise.

1.3 Fixed Assets

Fixed assets are stated at acquisition cost less accumulated depreciation/amortisation and accumulated impairment losses, if any. All direct costs are capitalised including freight, duties, taxes and other expenses incidental to acquisition and installation of fixed assets.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately as "Other Current Assets" in the Financial Statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Losses arising from the retirement of, and gains and losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Tangible Assets

Leasehold land is being amortised over the primary period of the lease.

The useful lives of the assets are based on technical estimates approved by the Management, and are lower than or same as the useful lives prescribed under Schedule II to the Companies Act, 2013 in order to reflect the period over which depreciable assets are expected to be used by the Company. Depreciation is provided on a pro-rata basis on the straight-line method based on the estimated useful lives of the assets as stated below:

Asset	Useful Life
Residential and Office Buildings	40 Years
Factory Buildings	20 Years
Plant and Equipment (other than Dies and Moulds)	7 Years to 15 Years
Dies and Moulds	3 Years
Furniture and Fixtures	5 Years
Office Equipment (including Computers)	5 Years

Notes to the Financial Statements for the year ended March 31, 2016

Note 1 : Significant Accounting Policies (Contd.)

Assets individually costing less than ₹ 5,000 are fully depreciated in the year of acquisition.

Intangible Assets

Intangible Assets comprise of Goodwill, Trademarks, Copyrights and Technical Know-how. Goodwill and other Intangible Assets are amortised over the useful life of the assets, not exceeding 10 years. All the intangibles assets of the Company have been fully amortised as at the Balance Sheet date.

Expenditure on research is recognised as an expense when it is incurred. Development costs of products are also charged to the Statement of Profit and Loss unless all the criteria for capitalisation as set out in paragraph 44 of AS 26 - 'Intangible Assets' have been met by the Company.

Impairment

At each balance sheet date, the Company reviews the carrying value of tangible and intangible assets for any possible impairment. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is determined as higher of the asset's net selling price or estimated future cash flows expected to arise from the continuing use of the assets and from their disposal at the end of their useful lives, which are discounted to their present value based on appropriate discount rates. For the purpose of assessing impairment, assets are grouped at the levels for which there are separately identifiable cash flows (cash generating unit). Assessment is done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting period may no longer exist or may have decreased. An impairment loss is reversed to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

1.4 Investments

Investments that are readily realisable and are intended to be held for not more than one year

from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

Long-term investments are valued at cost. The Company provides for diminution in the value of investments, other than temporary in nature as determined for each investment individually. Current investments are valued at the lower of cost and fair value as on the date of the Balance Sheet.

1.5 Inventories

Inventories of raw and packing materials, work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost of work-in-progress and finished goods includes materials, labour, manufacturing overheads and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using standard cost method that approximates actual cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

1.6 Revenue Recognition

Sales are recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract which usually coincide with the delivery of goods and are recorded net of trade discounts, rebates, sales tax/value added tax and excise duty on own manufactured and outsourced products.

Service Income is recognised on cost plus basis as per the terms of the contract with customers, as the service is performed using the proportionate completion method.

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Rental income is recognised on a straight-line basis over the term of the lease as per the terms of the lease agreement.

Notes to the Financial Statements for the year ended March 31, 2016

Note 1 : Significant Accounting Policies (Contd.)

1.7 Provisions and Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure as specified in Accounting Standard 29 - 'Provisions, Contingent Liabilities and Contingent Assets' is made.

1.8 Expenditure

Advertising expenses are consistently accrued and recognised in the year in which the related activities are carried out.

Employee Benefits

Defined Contribution Plans: The Company has Defined Contribution Plans for its employees such as Provident Fund, Superannuation Fund, Employee's State Insurance etc. Contributions to these plans are charged to the Statement of Profit and Loss as incurred, as the Company has no further obligation beyond making the contributions.

In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Company. The interest rates payable by the Trust to the beneficiaries every year shall not be lower than statutory rate of interest notified by the Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the shortfall, if any, shall be made good by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of the year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

The Company provides for retirement/post-retirement benefits in the form of Gratuity (funded) and Pension (Non-funded) which are in the nature of Defined Benefit Plans. Such benefits

are provided for on the basis of an independent actuarial valuation done at the year-end using Projected Unit Credit Method. Actuarial Gains and Losses comprise experience adjustments and the effect of changes in the actuarial assumptions and are recognised in the Statement of Profit and Loss in the year in which they arise.

The employees of the Company are also entitled for other long-term benefits in the form of compensated absences as per policy of the Company. The Company's liability is actuarially determined (using Projected Unit Credit Method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Expenditure on voluntary retirement scheme is charged to the Statement of Profit and Loss in the year in which it is incurred.

Share Based Compensation: The Company does not provide any equity-based compensation to its employees. However, the parent company, Colgate-Palmolive Company ("the Grantor") offers equity incentive plans that provide for the grant of stock-based awards to qualifying employees of the Company. The 2013 Equity Incentive Plan ("2013 Plan") of the Grantor provides for the grant of non-qualified stock options ("stock options") as well as restricted stock units ("together Stock-based compensation").

Each stock option gives the employee the right to purchase a share of Colgate-Palmolive Company stock at the grant price for a specific period of time, once certain vesting requirements have been met or to receive an amount in cash being the difference between the fair value on the date of grant and fair value on the date of exercise, or partly in stock and partly in cash. Stock options vest in three equal annual instalments from the date of grant, and will be fully exercisable three years from the date of grant. Stock options expire six years from the date of grant (exercise period).

A restricted stock unit provides an employee with a share of Colgate-Palmolive Company common stock upon vesting. The restricted stock units vest three years from the grant date and is exercised

Notes to the Financial Statements for the year ended March 31, 2016

Note 1 : Significant Accounting Policies (Contd.)

on that date. During the vesting period the restricted stock units accrue dividend equivalents. Accordingly, upon vesting, the employee receives the stock in the amount of the restricted stock units, plus the value of accrued dividends paid out in the form of additional Colgate stock, less any stock retained and applied to tax withholding during or at the end of the vesting period.

Stock-based compensation cost is accounted for in the books of the parent company and is passed on to Colgate-Palmolive (India) Limited at the time of exercise by the employee in respect of qualifying employees on the books of Colgate-Palmolive (India) Limited. The expense recognised in any given year therefore represents the gain realized by Colgate-Palmolive (India) Limited employees that has been passed on by the parent company.

1.9 Foreign Currency Transactions and Translation

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss. Foreign currency denominated monetary assets and liabilities at the year end are translated at the year-end exchange rates, and the resultant exchange difference is recognised in the Statement of Profit and Loss. Non Monetary foreign currency items are carried at cost.

1.10 Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the year using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, such deferred tax assets are recognised only if there is virtual certainty supported by convincing

evidence that they can be realised against future taxable profits. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

1.11 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

1.12 Earnings Per Share

Basic earnings per share (EPS) is calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by adjusting the number of shares used for basic EPS with the weighted average number of shares that could have been issued on the conversion of all dilutive potential equity shares. The weighted average number of equity shares and potential equity shares outstanding during the period and for all the period presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

1.13 Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

Notes to the Financial Statements for the year ended March 31, 2016

	As at March 31, 2016 ₹ Lacs	As at March 31, 2015 ₹ Lacs
Note 2: Share Capital		
Authorised:		
1,37,00,00,000 (Previous Year: 1,37,00,00,000)	137,00.00	137,00.00
Equity Shares of ₹ 1 each		
Issued, Subscribed and Paid-up:		
27,19,85,634 (Previous Year: 13,59,92,817)	27,19.86	13,59.93
Equity Shares of ₹ 1 each fully paid-up		

(A) Reconciliation of Number of Shares:

	As at March 31, 2016		As at March 31, 2015	
	Number of Shares	₹ Lacs	Number of Shares	₹ Lacs
Balance as at the beginning of the year	13,59,92,817	13,59.93	13,59,92,817	13,59.93
1:1 Bonus Shares issued during the year	13,59,92,817	13,59.93	—	—
Balance as at the end of the year	27,19,85,634	27,19.86	13,59,92,817	13,59.93

(B) Rights, Preferences and Restrictions attached to Shares:

The Company has one class of Equity Shares having par value of ₹ 1/- per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(C) Shares held by Ultimate Holding Company and its Subsidiaries:

- (i) **10,89,52,694** (Previous Year: 5,44,76,347) Equity Shares are held by Colgate-Palmolive Company, U.S.A., the Ultimate Holding Company.
- (ii) **2,97,58,852** (Previous Year: 1,48,79,426) Equity Shares are held by Colgate-Palmolive (Asia) Pte. Ltd., Singapore, Subsidiary of the Ultimate Holding Company.
- (iii) **1,126** (Previous Year: 563) Equity Shares are held by Norwood International Incorporated, U.S.A., Subsidiary of the Ultimate Holding Company.

The increase in shareholding represents the bonus shares issued during the year.

(D) Details of Shareholders holding more than 5% of the aggregate Shares in the Company:

	As at March 31, 2016		As at March 31, 2015	
	Number of Shares	% of holding	Number of Shares	% of holding
Colgate-Palmolive Company, U.S.A.	10,89,52,694	40.06	5,44,76,347	40.06
Colgate-Palmolive (Asia) Pte. Ltd., Singapore	2,97,58,852	10.94	1,48,79,426	10.94

(E) Aggregate number of shares allotted as fully paid up by way of bonus shares (during 5 years immediately preceding March 31, 2016):

	March 31, 2016	March 31, 2015
Equity shares allotted as fully paid-up bonus shares (in 1:1 ratio) by capitalization of General Reserve [Refer Note 39]	13,59,92,817	—

Notes to the Financial Statements for the year ended March 31, 2016

	As at March 31, 2016 ₹ Lacs	As at March 31, 2015 ₹ Lacs
Note 3: Reserves and Surplus		
Securities Premium Account	12,79.93	12,79.93
General Reserve		
Balance at the beginning of the year	397,97.06	397,97.06
Less : Utilised for issue of Bonus Shares [Refer Note 39]	13,59.93	—
Balance at the end of the year	384,37.13	397,97.06
Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	345,94.63	175,50.94
Less : Adjustment of Depreciation as per Schedule II of Companies Act, 2013 (Net of Deferred Tax of ₹ 8.73 Lacs) [Refer Note 10(II) (iv)]	—	16.96
Add : Profit for the year	576,51.08	558,98.39
Less : Appropriations		
– First Interim Dividend	108,79.43	108,79.43
– Second Interim Dividend	81,59.57	108,79.43
– Third Interim Dividend	81,59.57	108,79.43
– Dividend Distribution Tax	55,36.99	61,99.45
Balance at the end of the year	595,10.15	345,94.63
	992,27.21	756,71.62
Note 4: Deferred Tax Liabilities [Net]		
Deferred Tax Liabilities:		
Timing Difference between book and tax depreciation	51,47.89	33,55.49
Less : Deferred Tax Assets:		
Voluntary Retirement Scheme allowable over a period of five years in Income Tax	8,09.99	54.28
Accrual for expenses allowable only on payment and disallowance u/s 40(a)(ia)	21,66.15	30,42.28
	21,71.75	2,58.93

Notes to the Financial Statements for the year ended March 31, 2016

	As at March 31, 2016 ₹ Lacs	As at March 31, 2015 ₹ Lacs
Note 5: Other Long-term Liabilities		
Payable under Voluntary Retirement Scheme	54.73	55.12
Security Deposits	1,14.23	99.23
	<u>1,68.96</u>	<u>1,54.35</u>
Note 6: Long-term Provisions		
Provision for Employee Benefits:		
– Gratuity	63.13	1,70.01
– Pension [Refer Note 26 II(D)(ii)]	57.38	49.06
– Compensated Absences [Refer Note 26 III]	16,67.66	14,77.49
– Provident Fund [Refer Note 26 II(D)(i)]	–	1,08.99
Other Provision:		
Indirect Tax Matters [Refer Note (A)]	29,21.09	28,42.93
Other Matters [Refer Note (B)]	17,15.78	14,37.51
	<u>64,25.04</u>	<u>60,85.99</u>
(A) Indirect Tax Matters		
Opening Balance	28,42.93	27,78.32
Add : Provisions made during the year	4,07.46	78.99
Less : Provision Utilised/Reversed	(3,29.30)	(14.38)
Closing Balance	<u>29,21.09</u>	<u>28,42.93</u>
Indirect Tax Matters represent estimates made for probable liabilities arising out of pending disputes/litigations with various tax authorities. The timing of the outflow with regard to the said matters depends upon exhaustion of remedies available to the Company under the law and hence, the Company is not able to reasonably ascertain the timing of the outflow.		
(B) Other Matters		
Opening Balance	14,37.51	11,96.62
Add : Provisions made during the year	2,78.27	2,40.89
Closing Balance	<u>17,15.78</u>	<u>14,37.51</u>
Provision for other matters represents disputed claims against the Company that may materialise upon resolution of dispute.		
Note 7: Trade Payables		
Trade Payables		
(a) Total outstanding dues of micro enterprises and small enterprises [Refer Note 37];	2,21.09	1,04.08
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	549,72.97	513,36.48
	<u>551,94.06</u>	<u>514,40.56</u>

Notes to the Financial Statements for the year ended March 31, 2016

	As at March 31, 2016 ₹ Lacs	As at March 31, 2015 ₹ Lacs
Note 8: Other Current Liabilities		
Security Deposit	–	15.00
Unpaid Dividends*:		
– Third Interim Dividend	81,59.57	108,79.43
– Others	13,13.80	12,64.86
Unpaid Balance for Share Capital Reduction (Year 2007)	67.45	63.88
Dividend Distribution Tax	–	21,75.25
Others:		
Employee Benefits Payable	68,23.06	63,39.40
Payable under Voluntary Retirement Scheme	7.46	9.66
Payable towards Statutory Liabilities	61,40.65	56,74.79
Advances from Customers	6,09.36	4,85.06
Payable towards purchase of Fixed Assets	7,00.50	16,79.25
	<u>238,21.85</u>	<u>285,86.58</u>
*There are no amounts due and outstanding to be credited to Investor Education and Protection Fund under Section 205 (c) of the Companies Act, 1956. Section 125 of Companies Act, 2013 which corresponds to Section 205 (c) of Companies Act, 1956 has not yet been enforced.		
Note 9: Short-term Provisions		
Taxation [net of advance tax payments ₹ 1,358,74.17 Lacs (Previous Year: ₹ 1,106,38.67 Lacs)]	44,23.48	64,08.01
Provision for Employee Benefits:		
– Compensated Absences [Refer Note 26 III]	2,14.84	1,90.86
– Provident Fund [Refer Note 26 II(D)(i)]	–	32.97
	<u>46,38.32</u>	<u>66,31.84</u>

Notes to the Financial Statements for the year ended March 31, 2016

Note 10(i): Fixed Assets (Own Assets, unless otherwise stated)

Particulars	Gross Block				Depreciation/Amortisation		Net Block
	As at April 1, 2015	Additions	Disposals/Transfers [Refer Note (iv) below]	As at March 31, 2016	For the Year	Disposals/Transfers [Refer Note (iv) below]	
(A) Tangible Assets							
Land - Leasehold [Refer Note (i) below]		1,41.16	45.70	69,05.29	73.16	12.96	66,93.20
Buildings [Refer Note (ii) below]	68,09.83	83,08.83	12,66.53	388,74.20	17,68.34	12,58.49	312,28.47
Plant and Equipment	752,13.28	238,00.47	31,04.00	959,09.75	85,24.63	28,63.36	599,03.53
Furniture and Fixtures	20,60.78	7,86.63	85.11	27,62.30	3,05.00	78.12	12,49.50
Office Equipment	33,03.61	10,49.47	1,42.30	42,10.78	4,69.98	1,40.92	17,39.18
Total Tangible Assets	1,192,19.40	340,86.56	46,43.64	1,486,62.32	111,41.11	43,53.85	1,008,13.88
(B) Intangible Assets							
Goodwill	27,07.61	-	-	27,07.61	-	-	-
Trademarks	22.20	-	-	22.20	-	-	-
Copyrights	13,52.90	-	-	13,52.90	-	-	-
Technical Know-how	49,83.70	-	-	49,83.70	-	-	-
Total Intangible Assets	90,66.41	-	-	90,66.41	-	-	-
Total	1,282,85.81	340,86.56	46,43.64	1,577,28.73	111,41.11	43,53.85	1,008,13.88
(C) Capital Work-in-Progress [Refer Note (iii) below]							
Total							78,37.44
							1,086,51.32

- (i) Land - Leasehold includes lease rights in respect of the land in the possession of the Company under Lease with Industrial Area Development Agency at Baddi, Goa, Daman and Diu Industrial Development Corporation at Goa and Sricity Developers at Sricity, Andhra Pradesh. Land - Leasehold also includes lease rights in respect of the land in the possession of the Company at Sanand, pending execution of lease deed between the Company and the Gujarat Industrial Development Corporation (GIDC).
- (ii) Buildings include: (a) Factory Building at Sewri and leasehold rights in the land on which the building stands. While the ownership of the Factory Building is in the name of the Company, the Mumbai Port Trust (MPT) has not yet effected formal transfer of lease rights in the said land, in favour of the Company. As regards the plot of land adjoining the factory building, MPT has revoked its offer of assignment. The Company has made a representation to MPT in this respect and the matter is pending. The stamp duty and legal costs for such transfer will be capitalised when paid, (b) Research Centre at Powai, Mumbai, (c) Factory Building at Baddi, (d) Factory Buildings at Goa, (e) Factory Buildings at Sanand and (f) Factory Building at Sricity.
- (iii) Capital Work-in-Progress includes ₹ 2,82.93 Lacs being salary of ₹ 61.51 Lacs and other expenses of ₹ 2,21.42 Lacs incurred towards capital projects.
- (iv) Disposals/Transfers include Assets aggregating Gross Block ₹ 11,45.32 Lacs and Net Block ₹ 40.76 Lacs shown as Assets held for sale under Other Current Assets [Refer Note 19 and Note 40].

Notes to the Financial Statements for the year ended March 31, 2016

Note 10(ii): Fixed Assets (Own Assets, unless otherwise stated) for the previous year ended March 31, 2015

Particulars	Gross Block			Depreciation/Amortisation				Net Block	
	As at April 1, 2014	Additions	Disposals/Transfers	As at March 31, 2015	Amount charged to Reserve [Refer Note (iv) below]	For the Year	Disposals/Transfers	As at March 31, 2015	As at March 31, 2015
(A) Tangible Assets									
Land - Leasehold [Refer Note (i) below]	66,38.28	171.55	-	68,09.83	80.94	70.95	-	1,51.89	66,57.94
Buildings [Refer Note (ii) below]	217,44.13	101,45.81	58.04	318,31.90	61,15.15	10,31.89	11.16	71,35.88	246,96.02
Plant and Equipment	579,34.38	183,28.53	10,49.63	752,13.28	252,43.54	60,43.48	9,67.23	303,44.95	448,68.33
Furniture and Fixtures	12,62.83	8,27.01	29.06	20,60.78	11,60.56	1,53.32	28.12	12,85.92	7,74.86
Office Equipment	26,23.75	7,53.29	73.43	33,03.61	20,12.38	2,02.40	72.61	21,42.54	11,61.07
Total Tangible Assets	902,03.37	302,26.19	12,10.16	1,192,19.40	346,12.57	75,02.04	10,79.12	410,61.18	781,58.22
(B) Intangible Assets									
Goodwill	27,07.61	-	-	27,07.61	-	-	-	27,07.61	-
Trademarks	22.20	-	-	22.20	-	-	-	22.20	-
Copyrights	13,52.90	-	-	13,52.90	-	-	-	13,52.90	-
Technical Know-how	49,83.70	-	-	49,83.70	-	-	-	49,83.70	-
Total Intangible Assets	90,66.41	-	-	90,66.41	-	-	-	90,66.41	-
Total	992,69.78	302,26.19	12,10.16	1,282,85.81	25,69	75,02.04	10,79.12	501,27.59	781,58.22
(C) Capital Work-in-Progress [Refer Note (iii) below]									
Total									922,76.46

(i) Land - Leasehold includes lease rights in respect of the land in the possession of the Company under Lease with Maharashtra Industrial Development Corporation (MIDC) at Aurangabad, Industrial Area Development Agency at Baddi, Goa, Daman and Diu Industrial Development Corporation at Goa and Sricity Developers at Sricity, Andhra Pradesh. Land - Leasehold also includes lease rights in respect of the land in the possession of the Company at Sanand, pending execution of lease deed between the Company and the Gujarat Industrial Development Corporation (GIDC) and subject to certificate from Executive Engineer of GIDC as to fulfillment of conditions and stipulations contained in the Agreement between the Company and GIDC.

(ii) Buildings include : (a) Factory Building at Sewri and leasehold rights in the land on which the building stands. While the ownership of the Factory Building is in the name of the Company, the Mumbai Port Trust (MPT) has not yet effected formal transfer of lease rights in the said land, in favour of the Company. As regards the plot of land adjoining the factory building, MPT has revoked its offer of assignment. The Company has made a representation to MPT in this respect and the matter is pending. The stamp duty and legal costs for such transfer will be capitalised when paid, (b) Factory Buildings at Aurangabad, (c) Research Centre at Powai, Mumbai, (d) Factory Building at Baddi, (e) Factory Buildings at Goa, (f) Factory Buildings at Sanand and (g) Factory Building at Sricity.

(iii) Capital Work-in-Progress includes ₹ 3,21.73 Lacs being salary of ₹ 2,45.08 Lacs and other expenses of ₹ 76.65 Lacs incurred towards capital projects.

(iv) In the year 2014-15, the Company had revised useful life of certain assets as per the useful life specified in the Schedule II of the Companies Act, 2013 or as reassessed by the Company. As prescribed in Schedule II, an amount of ₹ 16.96 Lacs (net of deferred tax, of ₹ 8.73 Lacs) has been charged to the opening balance of retained earnings for the assets in respect of which the remaining useful life is Nil as on April 1, 2014 and in respect of other assets on that date, Depreciation has been calculated based on the remaining useful life of those assets. Had the Company continued with the previously adopted useful life of such assets, charge for the year ended March 31, 2015 would be higher and the net profit would have been lower by ₹ 9.07 Lacs in respect of asset block for which the remaining useful life became Nil as at April 1, 2014.

Notes to the Financial Statements for the year ended March 31, 2016

	As at March 31, 2016 ₹ Lacs	As at March 31, 2015 ₹ Lacs
--	-----------------------------------	-----------------------------------

Note 11: Non-Current Investments

Long-Term and Non-Trade (Unquoted)

(Valued at cost unless stated otherwise)

Investment in Bonds:

1,200 6.70% (Tax-Free) Indian Railway Finance Corporation Bonds (Series-68B) of face value of ₹ 100,000 each	12,16.73	12,16.73
800 7.51% (Tax- Free) Secured, Redeemable, Non-Convertible Bonds of Power Finance Corporation Limited (Series-79A) of face value of ₹ 100,000 each	8,00.00	8,00.00
99,675 8.20% (Tax-Free) Secured, Redeemable, Non-Convertible Bonds of Power Finance Corporation Limited (Series-I) of face value of ₹ 1,000 each	9,96.75	9,96.75
	<u>30,13.48</u>	<u>30,13.48</u>

Note 12: Long-term Loans and Advances

Secured and Considered Good

Loans to Employees	2,70.17	3,09.05
--------------------	---------	---------

Unsecured and Considered Good

Capital Advances	5,73.79	20,89.53
Security Deposits	28,54.54	23,94.80
Other Deposits	11,84.41	7,39.42
Prepaid Rent	–	21.00
	<u>48,82.91</u>	<u>55,53.80</u>

Note 13: Other Non-Current Assets

Deposits with banks (with original maturity period of more than 12 months) [Refer Note below]	3,87.51	3,74.27
---	---------	---------

	<u>3,87.51</u>	<u>3,74.27</u>
--	----------------	----------------

Note: Held as lien by Banks against Bank Guarantees issued to Regulatory Authorities in the normal course of business.

Note 14: Current Investments

Non-Trade (Unquoted)

(Valued at cost unless stated otherwise)

Investment in Bonds:

700 6.05% (Tax-Free) Indian Railway Finance Corporation Bonds (Series-73) of face value of ₹ 100,000 each [Refer Note below]	–	7,00.00
	<u>–</u>	<u>7,00.00</u>

Note: This investment represents current maturity of a Long-term investment.

Notes to the Financial Statements for the year ended March 31, 2016

	As at March 31, 2016 ₹ Lacs	As at March 31, 2015 ₹ Lacs
Note 15: Inventories		
(At the lower of cost and net realisable value)		
Raw and Packing Materials	46,07.69	43,13.18
Work-in-Progress	15,74.33	9,68.85
Finished Goods	165,75.84	135,54.08
Stock-in-Trade [includes in transit ₹ 3,43.52 Lacs, (Previous Year: ₹ 4,81.04 Lacs)]	47,68.81	49,77.10
Stores and Spares	17,39.48	14,09.32
	<u>292,66.15</u>	<u>252,22.53</u>
(A) Details of Inventory:		
(i) Work-in-Progress:		
Soaps, Cosmetics and Toilet Preparations	14,27.25	9,68.85
Tooth Brushes	1,47.08	—
	<u>15,74.33</u>	<u>9,68.85</u>
(ii) Finished Goods:		
Soaps, Cosmetics and Toilet Preparations	147,36.39	135,54.08
Tooth Brushes	18,39.45	—
	<u>165,75.84</u>	<u>135,54.08</u>
(iii) Stock-in-Trade:		
Soaps, Cosmetics and Toilet Preparations	12,14.65	11,60.36
Tooth Brushes and Shave Brushes	33,84.20	37,47.47
Others	1,69.96	69.27
	<u>47,68.81</u>	<u>49,77.10</u>
Note 16: Trade Receivables		
<i>Unsecured and Considered Good:</i>		
Outstanding for a period exceeding six months from the date they are due for payment	22.37	1,76.79
Others	101,31.46	67,87.57
<i>Unsecured and Considered Doubtful:</i>		
Outstanding for a period exceeding six months from the date they are due for payment	6,27.79	9,94.25
Less : Provision for Doubtful Debts	(6,27.79)	(9,94.25)
	<u>101,53.83</u>	<u>69,64.36</u>

Notes to the Financial Statements for the year ended March 31, 2016

	As at March 31, 2016 ₹ Lacs	As at March 31, 2015 ₹ Lacs
--	-----------------------------------	-----------------------------------

Note 17: Cash and Bank Balances*

Cash and Cash Equivalents:

Bank Balances in:

– Current Accounts	11,57.74	25,90.74
– Deposit Accounts (with less than 3 months original maturity)	181,31.89	106,46.09
	<u>192,89.63</u>	<u>132,36.83</u>

Other Bank Balances:

Earmarked balances with Banks in:

– Unpaid Dividend Account - Third Interim Dividend	81,59.57	108,79.43
– Unpaid Dividend Account for other Dividends	13,13.80	12,64.86
– Unpaid Share Capital Reduction Account (Year 2007)	67.45	63.88
	<u>95,40.82</u>	<u>122,08.17</u>
	<u>288,30.45</u>	<u>254,45.00</u>

* Deposits with banks having original maturity of more than 12 months of ₹ 3,87.51 Lacs (Previous Year: ₹ 3,74.27 Lacs) is classified as Other Non-Current Assets [Refer Note 13]

Note 18: Short-term Loans and Advances

Secured and Considered Good

Loans to Employees	66.61	70.67
--------------------	-------	-------

Unsecured and Considered Good

Inter-Corporate Deposits	11,20.00	12,20.00
Balances with Government Authorities	38,10.16	60,05.13
Advances to Suppliers	26,91.47	16,63.12
Prepaid Expenses	4,90.04	5,05.10
Employee Advances	1,49.43	1,77.36
Security Deposits	2,40.29	4,76.33
Fringe Benefit Advance Tax	1,81.65	1,81.65
	<u>87,49.65</u>	<u>102,99.36</u>

Note 19: Other Current Assets

Unsecured and Considered Good

Interest Accrued on Investments/Bank Deposits	1,45.66	1,50.79
Insurance Claims Receivable	30.33	7.85
Other Receivable from Related Parties	2,15.00	1,81.90
Assets held for Sale [Refer Note 10(I)(iv) and Note 40]	40.76	–
	<u>4,31.75</u>	<u>3,40.54</u>

Notes to the Financial Statements for the year ended March 31, 2016

	As at March 31, 2016 ₹ Lacs	As at March 31, 2015 ₹ Lacs
Note 20: Contingent Liabilities and Commitments		
(To the extent not provided for)		
(A) Contingent Liabilities:		
Claims against the Company not acknowledged as debts:		
– Excise and Related Matters	42,93.77	38,63.23
– Service Tax Matters	2,57.03	5,81.62
– Sales Tax Matters	1,89.74	–
– Income Tax Matters	2,67.07	2,67.07
– Provident Fund Matters	7.37	7.37
– Commercial Matters	1,28.39	1,35.55
Future cash flow in respect of the above, if any, is determinable only on receipt of judgements/decisions pending with the relevant authorities.		
(B) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances of ₹ 5,73.79 Lacs (Previous Year: ₹ 20,89.53 Lacs)]	94,07.52	29,19.05

Notes to the Financial Statements for the year ended March 31, 2016

	Year ended March 31, 2016 ₹ Lacs	Year ended March 31, 2015 ₹ Lacs
Note 21: Revenue from Operations		
Sale of Products		
– Finished Goods	3,838,62.30	3,499,63.47
– Stock-in-Trade	774,45.52	711,56.35
Other Operating Revenue :		
– Service Income	27,21.37	24,84.16
– Scrap Sales	2,91.81	2,32.50
Revenue from Operations (Gross)	4,643,21.00	4,238,36.48
Less : Excise duty [Refer Note (A) below]	480,92.02	256,42.15
Revenue from Operations (Net)	4,162,28.98	3,981,94.33
(A) The amount of excise duty disclosed as deduction from turnover is the total excise duty for the year except the excise duty related to the difference between the closing stock and opening stock and excise duty paid but not recovered, which has been disclosed as 'Increase/ (Decrease) in Excise Duty on Finished Goods' in Note 25.		
(B) Details of Sale of Products:		
(i) Sale of Finished Goods		
Soaps, Cosmetics and Toilet Preparations	3,726,80.66	3,499,63.47
Tooth Brushes	111,81.64	–
	3,838,62.30	3,499,63.47
(ii) Sale of Stock-in-Trade		
Soaps, Cosmetics and Toilet Preparations	135,50.93	92,36.83
Tooth Brushes and Shave Brushes	632,26.47	617,07.52
Others	6,68.12	2,12.00
	774,45.52	711,56.35
Note 22: Other Income		
Interest :		
– On Bank Deposits	16,91.76	18,86.01
– On Non-Current Investments	2,22.21	2,22.21
– On Current Investments	30.91	42.35
– Others	5,17.17	4,88.11
Cash Discounts	1,59.03	1,52.76
Lease Rentals [Refer Note 28]	1,98.45	1,06.39
Provisions no Longer Required Written Back	6,91.05	–
Miscellaneous Income	4,49.93	4,19.47
	39,60.51	33,17.30

Notes to the Financial Statements for the year ended March 31, 2016

	Year ended March 31, 2016 ₹ Lacs	Year ended March 31, 2015 ₹ Lacs
Note 23: Cost of Materials Consumed		
Raw and Packing Materials Consumed	1,145,87.12	1,185,71.20
(A) Details of Raw and Packing Materials Consumed :		
Chemicals	531,42.01	542,02.54
Tubes and Containers	289,43.12	331,23.59
Oils	125,96.59	138,80.54
Cartons	166,14.48	160,47.11
Others	32,90.92	13,17.42
	<u>1,145,87.12</u>	<u>1,185,71.20</u>

(B) Value of imported and indigenous Raw and Packing Materials consumed :

	Year ended March 31, 2016		Year ended March 31, 2015	
	Value ₹ Lacs	% to Total Consumption	Value ₹ Lacs	% to Total Consumption
Raw and Packing Materials:				
Imported	167,38.48	15	161,84.78	14
Indigenous	978,48.64	85	1,023,86.42	86
	<u>1,145,87.12</u>	100	<u>1,185,71.20</u>	100

Note 24: Purchase of Stock-in-Trade

	Year ended March 31, 2016 ₹ Lacs	Year ended March 31, 2016 ₹ Lacs	Year ended March 31, 2015 ₹ Lacs
Soaps, Cosmetics and Toilet Preparations		45,15.90	43,23.14
Tooth Brushes and Shave Brushes		305,36.36	253,71.09
Others		3,14.93	1,41.63
		<u>353,67.19</u>	<u>298,35.86</u>

Note 25: Changes in inventories of Finished Goods, Work-in-Progress, and Stock-in-Trade:

Opening Stock			
Work-in-Progress	9,68.85		9,67.98
Finished Goods	135,54.08		118,51.85
Stock-in-Trade	49,77.10		45,67.35
		195,00.03	173,87.18
Less : Closing Stock			
Work-in-Progress	15,74.33		9,68.85
Finished Goods	165,75.84		135,54.08
Stock-in-Trade	47,68.81		49,77.10
		229,18.98	195,00.03
Increase/(Decrease) in Excise Duty on Finished Goods [Refer Note 21(A)]		29,93.86	4,77.58
		<u>(4,25.09)</u>	<u>(16,35.27)</u>

Notes to the Financial Statements for the year ended March 31, 2016

	Year ended March 31, 2016 ₹ Lacs	Year ended March 31, 2015 ₹ Lacs
Note 26: Employee Benefits		
Salaries, Wages and Bonus [Refer Note IV below]	241,09.07	228,79.53
Contribution to Provident, Gratuity and Other Funds	19,33.22	20,22.63
Staff Welfare Expenses	9,37.21	9,91.04
	269,79.50	258,93.20

(A) As required by Accounting Standard 15 "Employee Benefits" (AS-15), the disclosures are as under:

I Defined Contribution Plans

Charge to Statement of Profit and Loss for Defined Contribution Plans:

– Employers' Contribution to Provident Fund	48.13	51.76
– Employers' Contribution to Superannuation Fund	1,57.39	1,64.49
– Employers' Contribution to Employee's State Insurance	17.17	11.28
– Employers' Contribution to Employee's Pension Scheme 1995	3,01.00	2,26.39
– Employers' Contribution to National Pension Scheme	79.49	86.19
(Included in Employee Benefits - Contribution to Provident, Gratuity and Other Funds)		

II Defined Benefit Plans

Contribution to Gratuity Fund (Funded Scheme), Provident Fund (Funded Scheme)[#] and accrued liability towards Pension Scheme (Non-Funded Scheme)

In accordance with Accounting Standard 15, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following key assumptions:-

	Year ended March 31, 2016	Year ended March 31, 2015
Discount Rate (per annum)	8.05%	7.90%
Rate of increase in Compensation levels	7.00%	7.00%
Rate of Return on Plan Assets (for Funded Gratuity Scheme)	7.50%	7.50%
Rate of Return on Plan Assets (for Funded Provident Fund Scheme)	9.30%	8.47%

[#] The Guidance Note on Implementing AS 15, 'Employee Benefits' issued by the Accounting Standard Board (ASB) of the Institute of Chartered Accountants of India states that Provident Funds set up by employers that guarantee a specified rate of return and which require interest shortfall to be met by the employer should be classified as defined benefit plans as per para 26(b) of AS 15.

Notes to the Financial Statements for the year ended March 31, 2016

Note 26: Employee Benefits (Contd.)

A) (i) Changes in the Present Value of Obligation (Funded Schemes)

	Gratuity		Provident Fund	
	Year ended		Year ended	
	March 31, 2016 ₹ Lacs	March 31, 2015 ₹ Lacs	March 31, 2016 ₹ Lacs	March 31, 2015 ₹ Lacs
Present Value of Obligation at the beginning of the year	50,47.23	39,02.92	126,07.14	110,72.53
Interest Cost	4,13.26	3,70.16	9,87.88	10,42.93
Current Service Cost	3,87.74	3,06.73	7,59.89	7,24.00
Benefits Paid	(8,22.72)	(4,25.91)	(17,24.30)	(10,43.13)
Employee Contribution	–	–	11,51.56	10,63.96
Transfer In/(Transfer out)	–	–	49.62	(3,44.08)
Actuarial Loss/(Gain)	1,01.46	8,93.33	(62.03)	90.93
Present Value of Obligation as at the end of the year	51,26.97	50,47.23	137,69.76	126,07.14

A) (ii) Changes in the Present Value of Obligation (Non-Funded Scheme : Pension)

	Year ended March 31, 2016 ₹ Lacs	Year ended March 31, 2015 ₹ Lacs
Present Value of Obligation at the beginning of the year	49.06	36.29
Interest Cost	4.19	3.65
Current Service Cost	4.00	3.18
Benefits Paid	(11.97)	–
Actuarial (Gain)/Loss	12.10	5.94
Present Value of Obligation as at the end of the year	57.38	49.06

B) (i) Changes in the Fair value of Plan Assets (For Funded Schemes)

	Gratuity		Provident Fund	
	Year ended		Year ended	
	March 31, 2016 ₹ Lacs	March 31, 2015 ₹ Lacs	March 31, 2016 ₹ Lacs	March 31, 2015 ₹ Lacs
Present Value of Plan Assets at the beginning of the year	43,77.22	34,67.81	124,65.18	110,72.53
Expected Return on Plan Assets	3,31.76	2,63.24	10,64.14	9,91.51
Actuarial Gain/(Loss)	(1,92.43)	6,31.92	3.67	0.39
Company's Contributions	6,70.01	4,40.16	7,59.89	7,24.00
Employee's Contributions	–	–	11,51.56	10,63.96
Benefits Paid	(8,22.72)	(4,25.91)	(17,24.30)	(10,43.13)
Assets settled on Divestiture	–	–	49.62	(3,44.08)
Fair Value of Plan Assets as at the end of the year	43,63.84	43,77.22	137,69.76	124,65.18

Notes to the Financial Statements for the year ended March 31, 2016

Note 26: Employee Benefits (Contd.)

B) (ii) Percentage of each category of Plan Assets to total Fair Value of Plan Assets

Category of Assets (% Allocation)	Gratuity		Provident Fund	
	Year ended		Year ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Government of India Securities	2%	2%	39%	37%
Corporate Bonds	–	1%	37%	38%
Insurer Managed Funds	96%	97%	–	–
Special Deposit Scheme	–	–	18%	20%
Others	2%	–	6%	5%

C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets

	Year ended March 31, 2016 ₹ Lacs	Year ended March 31, 2015 ₹ Lacs
Present Value of Funded Obligation as at the end of the year (Gratuity)	51,26.97	50,47.23
Fair Value of Plan Assets as at the end of the year (Gratuity)	43,63.84	43,77.22
Present Value of Funded Obligation as at the end of the year (Provident Fund)	137,69.76	126,07.14
Fair Value of Plan Assets as at the end of the year (Provident Fund)	137,69.76	124,65.18
Funded Status (Gratuity)	7,63.13	6,70.01
Funded Status (Provident Fund)	–	1,41.96
Present Value of Non-funded (Pension) Obligation as at the end of the year	57.38	49.06
Unfunded Liability recognised in Balance Sheet	8,20.51	8,61.03

D) (i) Amount recognised in the Balance Sheet (Funded Scheme)

	Gratuity		Provident Fund	
	Year Ended		Year Ended	
	March 31, 2016 ₹ Lacs	March 31, 2015 ₹ Lacs	March 31, 2016 ₹ Lacs	March 31, 2015 ₹ Lacs
Present Value of Obligation as at the end of the year	51,26.97	50,47.23	137,69.76	126,07.14
Fair Value of Plan Assets as at the end of the year	43,63.84	43,77.22	137,69.76	124,65.18
Liability recognised in the Balance Sheet	7,63.13*	6,70.01*	–	1,41.96**

*[Included in Long-term Provisions ₹ 63.13 Lacs (Previous Year ₹ 1,70.01 Lacs) (Refer Note 6) and ₹ 7,00 Lacs (Previous Year ₹ 5,00 Lacs) expected to be contributed in next year as included in "Employee Benefits Payable" under "Other Current Liabilities" (Refer Note 8)].

**[Included in Long-term Provisions ₹ Nil (Previous Year ₹ 1,08.99 Lacs) (Refer Note 6) and in Short-term Provisions ₹ Nil (Previous Year ₹ 32.97 Lacs) (Refer Note 9)].

Notes to the Financial Statements for the year ended March 31, 2016

Note 26: Employee Benefits (Contd.)

D) (ii) Amount recognised in the Balance Sheet (Non-Funded Scheme: Pension)

	Year ended March 31, 2016	Year ended March 31, 2015
	₹ Lacs	₹ Lacs
Present Value of Obligation as at the end of the year	57.38	49.06
Liability recognised in the Balance Sheet	57.38	49.06

[Included in Long-term Provisions (Refer Note 6)]

E) (i) Expenses recognised in the Statement of Profit and Loss (Funded Schemes)

	Gratuity		Provident Fund	
	Year ended		Year ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs
Current Service Cost	3,87.74	3,06.73	7,59.89	7,24.00
Interest Cost	4,13.26	3,70.16	9,87.88	10,42.93
Expected Return on Plan Assets	(3,31.76)	(2,63.24)	(10,64.14)	(9,91.51)
Net actuarial Loss/(Gain) recognised in the year	2,93.89	2,61.41	(65.70)	90.54
Total Expenses recognised in the Statement of Profit and Loss	7,63.13	6,75.06	6,17.93	8,65.96

(Included in Employee Benefits - Contribution to Provident, Gratuity and Other Funds)

E) (ii) Expenses recognised in the Statement of Profit and Loss (Non-Funded Scheme : Pension)

	Year ended March 31, 2016	Year ended March 31, 2015
	₹ Lacs	₹ Lacs
Current Service Cost	4.00	3.18
Interest Cost	4.19	3.65
Net actuarial (Gain)/Loss recognised in the year	12.10	5.93
Total Expenses recognised in the Statement of Profit and Loss	20.29	12.76

(Included in Employee Benefits - Contribution to Provident, Gratuity and Other Funds)

F) Expected Contribution to be paid for next year

	Year ended March 31, 2016	Year ended March 31, 2015
	₹ Lacs	₹ Lacs
Expected Contribution to be paid for next year		
– Funded (Gratuity) [Refer Note 8]	7,00.00	5,00.00
– Funded (Provident Fund)	8,13.08	7,74.68
– Unfunded	–	–

Notes to the Financial Statements for the year ended March 31, 2016

Note 26: Employee Benefits (Contd.)

G)	Details of Present Value of Obligation, Plan Assets and Experience Adjustments for five years				
	2015-16	2014-15	2013-14	2012-13	2011-12
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs
Present Value of Obligation					
– Funded Schemes	188,96.73	176,54.37	149,75.45	43,40.29	35,35.33
– Non-Funded Schemes	57.38	49.06	36.29	32.80	30.23
Fair Value of Plan Assets - Funded Schemes	181,33.60	168,42.40	145,40.34	34,70.69	31,70.18
Deficit/(Surplus)	8,20.51	8,61.03	4,71.40	9,02.40	3,95.38
Experience Adjustments:					
Loss on Funded Plan Obligations	2,83.60	2,18.79	5,50.43	2,33.39	5,49.63
Gain/(Loss) on Funded Plan Assets	(1,88.76)	6,32.31	(1,10.06)	(34.75)	42.35
Loss/(Gain) on Non-Funded Plan Obligations	12.65	1.51	1.02	(5.87)	0.80

III. Other Employee Benefit

The liability for Compensated Absences as at the year end is ₹ **18,82.50 Lacs** (Previous Year: ₹ 16,68.35 Lacs).

	As at	As at
	March 31, 2016	March 31, 2015
	₹ Lacs	₹ Lacs
Included in :		
Long-term Provisions (Refer Note 6)	16,67.66	14,77.49
Short-term Provisions (Refer Note 9)	2,14.84	1,90.86
	18,82.50	16,68.35

- IV. The employee compensation expense for stock options and restricted stock units of Colgate-Palmolive Company during the year ended March 31, 2016 is ₹ **19,59 Lacs** (₹ 18,66 Lacs for year ended March 31, 2015) which is borne by Colgate-Palmolive (India) Limited and is included in employee benefits expense.

Notes to the Financial Statements for the year ended March 31, 2016

	Year ended March 31, 2016 ₹ Lacs	Year ended March 31, 2015 ₹ Lacs
Note 27: Other Expenses		
Consumption of Stores and Spares [Refer Note (A) below]	18,87.04	13,01.50
Processing Charges	6,63.01	4,97.69
Power and Fuel	37,84.16	32,68.26
Freight and Forwarding Charges	139,04.07	137,75.71
Lease Rentals [Refer Note 28]	37,77.29	32,24.89
Rates and Taxes	17,52.42	22,40.62
Insurance	3,81.35	2,39.56
Repairs and Maintenance		
– Plant and Machinery	22,96.44	20,91.53
– Buildings	1,79.83	93.50
– Others	1,04.79	40.68
	25,81.06	22,25.71
Advertising	417,93.78	418,45.49
Sales Promotion	306,26.66	295,79.04
Fees and Commission to Independent Directors	93.09	58.78
Auditors' Remuneration [Refer Note (B) below]	1,41.88	1,42.94
Royalty	220,83.06	221,00.88
Expenditure towards Corporate Social Responsibility [Refer Note (C) below]	14,32.56	13,27.77
Bad Debts Written Off	42.15	33.07
Provision for Doubtful Debts	–	9,94.25
Loss on Sale of Fixed Assets (Net)	99.12	70.15
Exchange Loss (Net)	2,21.84	90.36
Travel and Conference Expenses	34,92.04	31,51.48
Outside Services	103,05.19	99,75.98
Miscellaneous	75,28.55	71,61.53
	1,465,90.32	1,433,05.66

(A) Value of imported and indigenous Stores and Spare Parts consumed :

	Year ended March 31, 2016		Year ended March 31, 2015	
	Value ₹ Lacs	% to Total Consumption	Value ₹ Lacs	% to Total Consumption
Stores and Spare Parts:				
Imported	8,12.19	43	4,47.48	34
Indigenous	10,74.85	57	8,54.02	66
	18,87.04	100	13,01.50	100

Notes to the Financial Statements for the year ended March 31, 2016

	Year ended March 31, 2016 ₹ Lacs	Year ended March 31, 2015 ₹ Lacs
(B) Auditors' Remuneration (excluding service tax) :		
As Auditor :		
– Statutory Audit	61.63	54.74
– Limited Review	29.11	25.85
– Tax Audit	17.09	15.18
– Certification	0.25	1.55
Other Services	30.27	42.33
Reimbursement of Expenses	3.53	3.29
	<u>1,41.88</u>	<u>1,42.94</u>
(C) Corporate Social Responsibility Expenditure		
(I) Gross amount required to be spent by the company during the year	14,17.89	13,16.78
(II) Amount spent during the year on:		
(A) In cash -		
(i) Construction/acquisition of any asset	–	–
(ii) On purposes other than (i) above :		
– Promoting preventive health care	9,62.08	10,47.46
– Empowerment of women and addressing inequalities	50.51	8.00
– Promoting education	27.00	11.00
– Conservation of natural resources, Health, Education and other allied areas	80.00	15.00
– Vocational and skill training for upliftment of economically weaker youth	55.00	–
(B) Yet to be paid in cash -		
– Promoting preventive health care	2,57.97	2,46.31
	<u>14,32.56</u>	<u>13,27.77</u>

Note 28: Operating Leases

- (A) The Company has taken operating leases for machinery, office premises, residential premises, warehouses, laptops, printers and vehicles. These lease arrangements include both cancellable and non-cancellable leases.

Description of significant operating lease arrangements in respect of premises (including warehouses):

The Company has given refundable interest free security deposit under the lease agreements.

All agreements contain provision for renewal at the option of either party and also include escalation clause.

All agreements provide for restriction on sub-lease.

Notes to the Financial Statements for the year ended March 31, 2016

Note 28: Operating Leases (Contd.)

Future minimum lease payments under non-cancellable operating leases are as follows:

	Year ended March 31, 2016	Year ended March 31, 2015
	₹ Lacs	₹ Lacs
Upto 1 year	26,18.97	27,04.27
Greater than 1 year but less than 5 years	83,19.94	74,77.16
Greater than 5 years	5,29.05	19,69.60
Lease payments recognised in Statement of Profit and Loss are shown as "Lease Rentals" under Other Expenses in Note 27.	37,77.29	32,24.89

- (B) The Company has given office premise space under non-cancellable operating lease for a period of 3 years. The rental income from the asset given on lease of ₹ **1,98.45 Lacs** (Previous Year ₹ 1,06.39 Lacs) has been disclosed as "Lease Rentals" under Other Income in Note 22 to the Statement of Profit and Loss.

Description of significant operating lease arrangements in respect of premises:

The Company has taken refundable interest free security deposit under the lease agreement.

Agreement contains provision for renewal at the option of either party.

Agreement provides for restriction on sub lease.

Future minimum lease payments that the Company is expected to receive under the non-cancellable lease are as under:

	Year ended March 31, 2016	Year ended March 31, 2015
	₹ Lacs	₹ Lacs
Upto 1 year	1,98.45	1,98.45
Greater than 1 year but less than 5 years	57.88	2,56.33

Note 29: Earnings Per Share (EPS)

	Year ended March 31, 2016	Year ended March 31, 2015
Profit After Taxation (₹ Lacs)	576,51.08	558,98.39
Weighted average number of shares for Basic and Diluted EPS (Nos.) [Refer Note 39]	27,19,85,634	27,19,85,634
Nominal Value of shares outstanding (₹)	1	1
Basic and Diluted Earnings Per Share (₹)	21.20	20.55

Notes to the Financial Statements for the year ended March 31, 2016

Note 30: Segment Information

The Company has considered the business segment as the primary reporting segment on the basis that risk and returns of the Company is primarily determined by the nature of products and services. Consequently, the Company has considered Geographical Segment as the secondary reporting segment based on sales within India and outside India.

The Company has identified 'Personal Care (including Oral Care)' as its only primary reportable segment, which primarily includes products such as Soaps, Cosmetics and Toilet Preparations.

The disclosures in accordance with the requirements of Accounting Standard (AS) – 17, Segment Reporting, relating to secondary segment are as follows:

₹ Lacs

	India		Outside India		Total	
	Year Ended		Year Ended		Year Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Revenue from Operations	4,054,80.55	3,900,35.65	107,48.43	81,58.68	4,162,28.98	3,981,94.33
Carrying amount of segment assets	1,893,20.17	1,666,04.41	50,46.88	35,85.39	1,943,67.05	1,701,89.80
Capital Expenditure	262,90.02	283,62.66	–	–	262,90.02	283,62.66

Note 31: Disclosure of Related Parties

Related Party Disclosures, as required by Accounting Standard 18, "Related Party Disclosures", are given below:

- i) **Ultimate Holding Company** : Colgate-Palmolive Company, U.S.A.
- ii) **Group Companies where common control exists** :
 - : Colgate-Palmolive Mktg. SDN BHD, Malaysia
 - : Colgate-Palmolive East Africa Ltd., Kenya
 - : Colgate-Palmolive Morocco, Morocco
 - : Colgate-Palmolive Pty. Ltd., South Africa
 - : Colgate-Palmolive (Thailand) Ltd., Thailand
 - : Colgate-Palmolive (H.K.) Ltd., Hongkong
 - : Colgate-Palmolive Management Services (H.K.) Limited, Hongkong
 - : Colgate-Palmolive (China) Co. Ltd., China
 - : Colgate Palmolive (Vietnam) Ltd., Vietnam
 - : Colgate Sanxiao Company Limited, China
 - : Colgate-Palmolive SAS, Columbes*
 - : Colgate Palmolive Temizlik Urunleri Sanayi ve Ticaret S.A., Turkey
 - : Colgate-Palmolive Cameroun S.A., Cameroun
 - : Colgate-Palmolive Romania srl., Romania*
 - : Hawley & Hazel Chemical Co., (Zhongshan) Ltd., China
 - : Colgate-Palmolive (Eastern) Pte. Ltd., Singapore
 - : Colgate-Palmolive Indústria Ltda., Brazil
 - : Colgate-Palmolive (Asia) Pte. Ltd., Singapore
 - : Norwood International Incorporated, U.S.A.

Notes to the Financial Statements for the year ended March 31, 2016

Note 31: Disclosure of Related Parties (Contd.)

- : Colgate-Palmolive Tanzania Limited, Tanzania
- : Colgate-Palmolive Pty. Ltd., Boksburg
- : Colgate Global Business Services Pvt. Ltd., India
- : Colgate-Palmolive Zambia Inc., Zambia
- : Colgate-Palmolive Europe SARL
- : Colgate-Palmolive Services (Poland) Sp.z.o.o, Poland*
- : Colgate-Palmolive (Kazakhstan) LLP, Kazakhstan
- : Colgate-Palmolive Europe SARL, Italy
- : Mission Hills S.A. DE. C. V., Mexico*
- : Colgate Palmolive Bt. Ltd., (Blantyre), Malawi
- : Colgate Oral Pharmaceuticals Inc. Carrollton, U.S.A.
- : Colgate-Palmolive Senegal, Senegal
- : Colgate-Palmolive Italia S.r.l., Italy*
- : Colgate-Palmolive (Pakistan) Limited, Pakistan
- : Colgate Philippines Inc., Philippines
- : Colgate-Palmolive Mocambique Limitada
- : Colgate-Palmolive S.P.A., Italy*
- : Hill's-Colgate (Japan) Ltd., Japan
- : Colgate Palmolive West East Investments, U.S.A.
- : Tom's Of Maine, U.S.A.
- : Colgate-Palmolive Ghana Ltd., Ghana
- : Colgate-Palmolive Europe Sarleu Div
- : CP Middle East Exports Ltd
- : Colgate-Palmolive (Myanmar) Limited, Myanmar

* There are no transactions with the Company during the current year

- iii) Key Management Personnel**
- : I. Bachaalani (effective October 1, 2014)
 - : P. Parameswaran (Ms.) (Up to October 1, 2014)
 - : N. Ghatge
 - : G. Nthunzi

Notes to the Financial Statements for the year ended March 31, 2016

Note 31: Disclosure of Related Parties (Contd.)

The Company has entered into transaction with the Ultimate Holding Company, with various group Companies where common control exists and with Key Management Personnel as follows:

Nature of Transaction	Parties referred to in (i) above		Parties referred to in (ii) above		Parties referred to in (iii) above		Total	
	Year ended		Year ended		Year ended		Year ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Purchase of Goods/Materials Colgate Palmolive (Vietnam) Ltd. Colgate Sanxiao Company Limited Colgate-Palmolive (Thailand) Ltd. Colgate-Palmolive Company, U.S.A. Others	-	-	17,65.56	-	-	-	17,65.56	-
	-	-	24,39.79	14,56.52	-	-	24,39.79	14,56.52
	-	-	18,22.65	18,00.48	-	-	18,22.65	18,00.48
	72.39	2,43.98	-	-	-	-	72.39	2,43.98
	-	-	2,82.56	4,67.95	-	-	2,82.56	4,67.95
Sub-Total	72.39	2,43.98	63,10.56	37,24.95	-	-	63,82.95	39,68.93
Sale of Goods/Materials Colgate-Palmolive East Africa Ltd., Kenya Colgate-Palmolive Zambia Inc. Colgate-Palmolive Pty. Ltd., Boksburg Others	-	-	6,21.26	14,76.68	-	-	6,21.26	14,76.68
	-	-	6,99.73	1,17.13	-	-	6,99.73	1,17.13
	-	-	28,46.97	13,34.60	-	-	28,46.97	13,34.60
	-	-	12,90.37	11,21.42	-	-	12,90.37	11,21.42
	-	-	54,58.33	40,49.83	-	-	54,58.33	40,49.83
Sub-Total	-	-	9,83.17	18,32.26	-	-	9,83.17	18,32.26
Purchase of Fixed Assets/Spares Colgate Sanxiao Company Limited Others	-	-	53.01	60.40	-	-	53.01	60.40
	-	-	10,36.18	18,92.66	-	-	10,36.18	18,92.66
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Sub-Total	30,23.61	27,39.56	-	-	-	-	30,23.61	27,39.56
Services Rendered (inclusive of Service Tax) Colgate-Palmolive Company, U.S.A. Others	-	-	9.04	2.73	-	-	9.04	2.73
	30,23.61	27,39.56	9.04	2.73	-	-	30,32.65	27,42.29
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Sub-Total	67,57.92	61,40.25	-	-	-	-	67,57.92	61,40.25
Services Received Colgate-Palmolive Company, U.S.A. Colgate Global Business Services Pvt. Ltd.	-	-	5,61.58	5,39.74	-	-	5,61.58	5,39.74
	67,57.92	61,40.25	5,61.58	5,39.74	-	-	73,19.50	66,79.99
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Sub-Total	(53,46.19)	(45,62.82)	-	-	-	-	(53,46.19)	(45,62.82)
Reimbursement of Expenses Charged by the Company/ (on the Company) Colgate-Palmolive Company, U.S.A. Others	-	-	1,88.04	2,22.51	-	-	1,88.04	2,22.51
	(53,46.19)	(45,62.82)	1,88.04	2,22.51	-	-	(51,58.15)	(43,40.31)
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Sub-Total	119,84.80	136,19.09	-	-	-	-	119,84.80	136,19.09
Dividend Paid Colgate-Palmolive Company, U.S.A. Colgate-Palmolive (Asia) Pre. Ltd., Singapore Norwood International Incorporated, U.S.A.	-	-	32,73.47	37,19.85	-	-	32,73.47	37,19.85
	-	-	0.13	0.15	-	-	0.13	0.15
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Sub-Total	119,84.80	136,19.09	32,73.60	37,20.00	-	-	152,58.40	173,39.09

₹ Lacs

Notes to the Financial Statements for the year ended March 31, 2016

Note 31: Disclosure of Related Parties (Contd.)

Nature of Transaction	Parties referred to in (i) above		Parties referred to in (ii) above		Parties referred to in (ii) above		Total	
	Year ended		Year ended		Year ended		Year ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Issue of Bonus Shares [Refer Note 39] Colgate-Palmolive Company, U.S.A. Colgate-Palmolive (Asia) Pte. Ltd., Singapore Norwood International Incorporated, U.S.A. Sub-Total	5,44.76	–	–	–	–	–	5,44.76	–
	–	–	1,48.79	–	–	–	1,48.79	–
	–	–	0.01	–	–	–	0.01	–
	5,44.76	–	1,48.80	–	–	–	6,93.56	–
Royalty (exclusive of Royalty Tax) Colgate-Palmolive Company, U.S.A. Sub-Total	196,94.78	187,85.75	–	–	–	–	196,94.78	187,85.75
	196,94.78	187,85.75	–	–	–	–	196,94.78	187,85.75
Remuneration P. Parameswaran (Ms.) G. Nithunzi I. Bachaalani N. Ghate Sub-Total	–	–	–	–	–	3,05.83	–	3,05.83
	–	–	–	–	5,79.85	4,60.43	5,79.85	4,60.43
	–	–	–	–	6,95.17	3,57.94	6,95.17	3,57.94
	–	–	–	–	3,93.25	2,30.28	3,93.25	2,30.28
Trade Receivables Colgate-Palmolive Company, U.S.A. Colgate-Palmolive Zambia Inc. Colgate Palmolive West East Investments, U.S.A. Colgate-Palmolive Pty. Ltd., Boksburg Colgate-Palmolive East Africa Ltd., Kenya Others Sub-Total	7,85.65	6,83.50	–	–	–	–	7,85.65	6,83.50
	–	–	6,43.59	20.55	–	–	6,43.59	20.55
Trade Payables Colgate-Palmolive Company, U.S.A. Colgate Sanxiao Company Limited Others Sub-Total	–	–	–	2,39.53	–	–	–	2,39.53
	–	–	12,57.40	7,23.30	–	–	12,57.40	7,23.30
	–	–	1,66.52	3,96.70	–	–	1,66.52	3,96.70
	–	–	5,21.68	3,73.88	–	–	5,21.68	3,73.88
Other Receivables (included in Other Current Assets) Colgate-Palmolive Company, U.S.A. Colgate-Palmolive Management Services (H.K.) Limited Colgate Palmolive Bt. Ltd., (Blantyre), Malawi Colgate-Palmolive (Myanmar) Limited Colgate-Palmolive Europe Sarleu Div Others Sub-Total	7,85.65	6,83.50	25,89.19	17,53.96	–	–	33,74.84	24,37.46
	93,51.04	69,68.51	–	–	–	–	93,51.04	69,68.51
	–	–	3,90.80	12,00.64	–	–	3,90.80	12,00.64
	–	–	9,86.95	7,50.82	–	–	9,86.95	7,50.82
Other Receivables (included in Other Current Assets) Colgate-Palmolive Company, U.S.A. Colgate-Palmolive Management Services (H.K.) Limited Colgate Palmolive Bt. Ltd., (Blantyre), Malawi Colgate-Palmolive (Myanmar) Limited Colgate-Palmolive Europe Sarleu Div Others Sub-Total	93,51.04	69,68.51	13,77.75	19,51.46	–	–	107,28.79	89,19.97
	45.75	26.42	–	–	–	–	45.75	26.42
	–	–	98.94	29.75	–	–	98.94	29.75
	–	–	–	20.96	–	–	–	20.96
Other Receivables (included in Other Current Assets) Colgate-Palmolive Company, U.S.A. Colgate-Palmolive Management Services (H.K.) Limited Colgate Palmolive Bt. Ltd., (Blantyre), Malawi Colgate-Palmolive (Myanmar) Limited Colgate-Palmolive Europe Sarleu Div Others Sub-Total	–	–	–	17.62	–	–	–	17.62
	–	–	–	36.34	–	–	–	36.34
	–	–	70.31	50.81	–	–	70.31	50.81
	45.75	26.42	1,69.25	1,55.48	–	–	2,15.00	1,81.90

₹ Lacs

Notes to the Financial Statements for the year ended March 31, 2016

	Year ended March 31, 2016 ₹ Lacs	Year ended March 31, 2015 ₹ Lacs		
Note 32: Value of imports calculated on C.I.F. basis				
Raw Materials	147,62.58	128,24.65		
Stock-in-Trade	63,41.36	44,69.31		
Capital Goods	146,59.17	43,62.99		
Spares	4,52.21	6,31.12		
Note 33: Expenditure in Foreign Currency				
Travelling	32.16	51.29		
Royalty (Net of tax)	196,94.78	187,85.75		
Services Received	67,84.30	61,53.85		
Others	65,18.08	64,57.22		
Note 34: Earnings in Foreign Exchange				
Exports at F.O.B. Value	80,27.06	56,74.52		
Services Rendered	27,21.37	24,84.16		
Note 35: Net Dividends remitted in foreign currency to non-resident shareholders :				
For the year	Nature of Dividend	No. of Equity Shares	Year ended March 31, 2016 ₹ Lacs	Year ended March 31, 2015 ₹ Lacs
Colgate-Palmolive Company, U.S.A.:				
2013-2014	Third Interim	5,44,76,347	—	49,02.87
2014-2015	First Interim	5,44,76,347	—	43,58.11
2014-2015	Second Interim	5,44,76,347	—	43,58.11
2014-2015	Third Interim	5,44,76,347	43,58.11	—
2015-2016	First Interim	10,89,52,694	43,58.11	—
2015-2016	Second Interim	10,89,52,694	32,68.58	—
			119,84.80	136,19.09
Colgate-Palmolive (Asia) Pte Ltd., Singapore:				
2013-2014	Third Interim	1,48,79,426	—	13,39.15
2014-2015	First Interim	1,48,79,426	—	11,90.35
2014-2015	Second Interim	1,48,79,426	—	11,90.35
2014-2015	Third Interim	1,48,79,426	11,90.35	—
2015-2016	First Interim	2,97,58,852	11,90.35	—
2015-2016	Second Interim	2,97,58,852	8,92.77	—
			32,73.47	37,19.85
Norwood International Incorporated, U.S.A:				
2013-2014	Third Interim	563	—	0.05
2014-2015	First Interim	563	—	0.05
2014-2015	Second Interim	563	—	0.05
2014-2015	Third Interim	563	0.05	—
2015-2016	First Interim	1,126	0.05	—
2015-2016	Second Interim	1,126	0.03	—
			0.13	0.15

Notes to the Financial Statements for the year ended March 31, 2016

Note 36: Derivative Instruments:

There are no hedge instruments outstanding at the Balance Sheet in the current year and previous year.

Details of foreign currency balances not hedged on the Balance Sheet date :

Particulars	Foreign Currency Denomination	Year ended March 31, 2016		Year ended March 31, 2015	
		Foreign Currency Amount in Lacs	Indian Rupees equivalent in Lacs	Foreign Currency Amount in Lacs	Indian Rupees equivalent in Lacs
Current Assets (Trade Receivables)	USD	65.22	43,19.07	49.21	30,75.77
Current Assets	USD	3.19	2,11.53	2.72	1,70.05
(Short-term Loans and Advances)	EUR	0.03	2.29	0.03	2.07
Current Liabilities (Trade Payables)	USD	88.74	58,76.75	73.91	46,19.65
	EUR	3.38	2,53.42	0.42	28.74
	GBP	0.08	7.43	0.17	15.39
	CHF	—*	0.06	—	—
	SEK	0.37	3.00	2.73	19.85
Current Liabilities (Others)	EUR	2.55	1,91.08	1.74	1,17.96
	SEK	—	—	1.97	14.29
	USD	0.61	40.60	0.34	21.43

* Amount is below the Rounding Off Norms adopted by the Company.

Note 37: The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

The disclosures pursuant to the said MSMED Act are as follows :

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end*	2,12.53	1,04.08
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	8.56	—
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	12,99.39	—
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
(vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	8.50	—
(vii) Further interest remaining due and payable for earlier years	—	—

* The principal amount represents amount outstanding (due as well as not due) as on the Balance Sheet date.

Notes to the Financial Statements for the year ended March 31, 2016

- Note 38:** Research and Development expenses during the year aggregated to ₹ **5,85.48 Lacs** (Previous Year: ₹ 6,76.48 Lacs).
- Note 39:** The Shareholders of the Company through a postal ballot approved the issue of bonus equity shares in the ratio of 1:1 by capitalization of general reserves. Accordingly, on September 28, 2015, the Company allotted 13,59,92,817 bonus equity shares of ₹ 1/- each fully paid-up to the existing shareholders as on the record date. The paid up share capital of the Company stands increased from ₹ 13,60 Lacs to ₹ 27,20 Lacs. Accordingly, the earnings per share have been adjusted for the bonus issue for the previous year presented in accordance with the provisions of Accounting Standard (AS) 20 - 'Earning Per Share'.
- Note 40:** On April 29, 2015, the Company had announced a Voluntary Retirement Scheme (VRS) for the employees at the toothpowder manufacturing facility at Waluj, Aurangabad, Maharashtra. The scheme was accepted on May 4, 2015 by all affected employees. Post acceptance of the offer by all the workmen under the said Scheme, the toothpowder manufacturing operations at the Aurangabad factory were discontinued effective May 5, 2015. Exceptional items for year ended March 31, 2016 comprise of VRS expenses of ₹ 29,25.54 Lacs and other expenses of ₹ 2,08.93 Lacs pertaining to the discontinuance of the operations at the Aurangabad Factory. Assets pertaining to Aurangabad Factory have been disclosed as Assets held for sale [Refer Note 10(I)(iv) and Note 19].
- Note 41:** Previous year figures have been regrouped/reclassified, wherever necessary, to conform with current year's classification.

Signature to Notes 1 to 41

For Price Waterhouse

Firm Registration No. 301112E
Chartered Accountants

Pradip Kanakia

Partner
Membership Number - 39985

Mumbai, May 24, 2016

For and on behalf of the Board

R. A. Shah

Vice-Chairman
(DIN : 00009851)

G. Nthunzi

Whole-time Director &
Chief Financial Officer
(DIN : 06450693)

Mumbai, May 24, 2016

I. Bachaalani

Managing Director
(DIN : 06975320)

N. Ghate

Whole-time Director &
Company Secretary
(DIN : 00001925)

Form No. SH-13 – Nomination Form

[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To,

(Name of the Company) _____

(Address of the Company) _____

_____ Pincode _____

I/We _____

residing at _____

_____ the holder(s) of the securities, particulars of which are given hereunder, wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1) Particulars of the Securities (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.	
				From	To

2) Particulars of Nominee

Name:		Date of Birth:		Please affix recent passport size photograph of the Nominee signed across
Father's/Mother's/ Spouse's name:		Occupation:	Nationality:	
E-mail id:				
Phone No:	Relationship with the security holder:			
Address: _____ _____ Pincode _____				Signature of the Nominee

3) In case Nominee is a Minor

Date of birth:	Date of attaining Majority:	Name of guardian:
Address of guardian: _____ _____ Pincode _____		

4) Particulars of Nominee in case Minor Nominee dies before attaining age of majority

Name:		Date of Birth:		Please affix recent passport size photograph of the Nominee signed across
Father's/Mother's/ Spouse's name:		Occupation:	Nationality:	
E-mail id:				
Phone No:	Relationship with the security holder:			Signature of the Nominee
Address: _____ _____ Pincode _____				

Name of the Security Holder(s)	Signature
1.	
2.	
3.	

Name of Witness:		Signature of Witness with date
Address of Witness: _____ _____ Pincode _____		
Place:	Date:	



To
Messrs.
Link Intime India Private Limited
Unit : Colgate-Palmolive (India) Limited
C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (West),
Mumbai 400 078

UPDATION OF E-MAIL ADDRESS AND BANK ACCOUNT DETAILS

***Updation of E-mail address :** Kindly update your email-id & contact details in the above mentioned block.

E-mail ID	
Tel. No./Mobile No.	

Bank Details :

Name of Sole/First shareholder	
Name of the Bank in Full & Branch	
MICR Code	
IFSC Code	
Bank Account No. as appearing on the cheque leaf	
PAN	

(Enclosed a cancelled cheque for verification and updating bank mandate)

Specimen Signature Block :

Physical Folio No. :			
First Holder Name :		First holder signature :	
Second Holder Name :		Second holder signature :	
Third Holder Name :		Third holder Signature :	

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company/the RTA responsible. I/We undertake to inform any subsequent changes in the above particulars before the relevant Book closure/Record Date(s). I/We understand that, the above details shall be maintained by you till I/We hold the shares in physical mode under the captioned Folio No.

Place:

Date:

Signature of Sole/First Holder

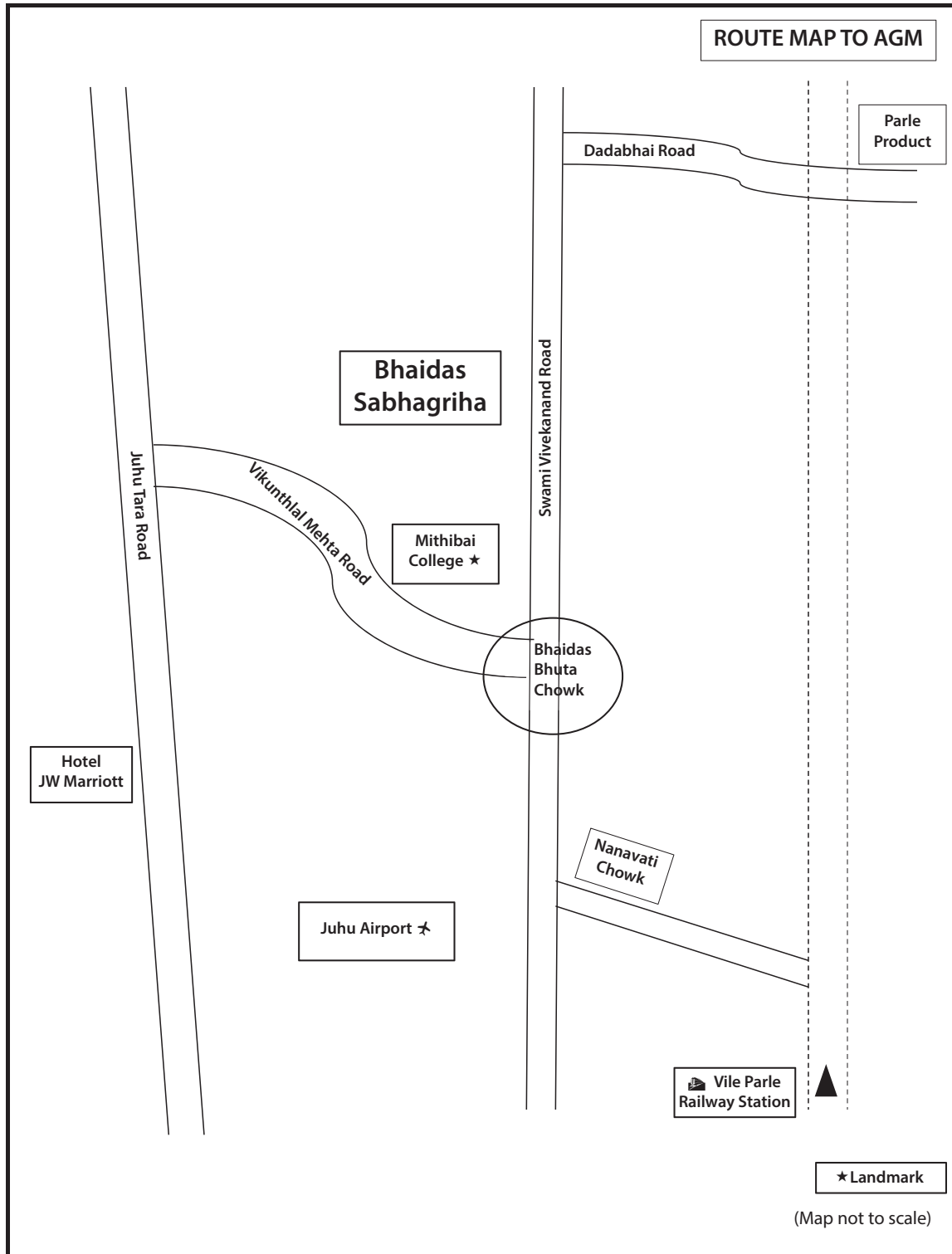


NOTES

[illegible]

NOTES

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



REWARDS & RECOGNITION



India's #1 Most Trusted Brand - The Economic Times -
Brand Equity Survey, 2015



GOLD Certification - LEED New Construction Project, 2016 -
Indian Green Building Council (IGBC) - Manufacturing
facilities at Sanand, Gujarat & Sricity, Andhra Pradesh



India's #1 'Most Chosen Consumer Brand' -
Kantar Worldpanel Brand Footprint Report, 2015



Award for Excellence in Quality - FMCG (Customer Service) -
Aditya Birla Retail's (ABR) MORE Confluence 2015



Award for Outstanding Innovation - Colgate SlimSoft
Charcoal Toothbrush - Aditya Birla Retail's (ABR) MORE
Confluence 2015



Product of the Year 2015 (Toothbrush Category) - Colgate
SlimSoft Charcoal Toothbrush - Research by Nielsen for
Product of the Year (India) Pvt. Ltd.



Spreading the smiles



Everyday, millions of Indians wake up to Colgate products!



COLGATE-PALMOLIVE (INDIA) LIMITED

Colgate Research Centre, Main Street, Hiranandani Gardens, Powai, Mumbai - 400 076

Tel: 022-67095050 www.colgatepalmolive.co.in