



June 28, 2023

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

Scrp Code: 500830

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

Symbol: COLPAL  
Series: EQ

Dear Sir(s),

**Sub: Notice of the 82<sup>nd</sup> Annual General Meeting and Annual and ESG Report for the Financial Year 2022-23**

This is in continuation to our letter dated May 12, 2023 informing that the Company has scheduled its 82<sup>nd</sup> Annual General Meeting (“AGM”) on Thursday, July 27, 2023 through Video-Conferencing/Other Audio-Video Means in accordance with the relevant circulars issued by the Ministry of Corporate Affairs (“MCA”) and Securities and Exchange Board of India (“SEBI”). In this regard, please find enclosed herewith the Notice of the 82<sup>nd</sup> Annual General Meeting along with the Annual and ESG Report for the Financial Year 2022-23.

The requirements of sending physical copy of the Notice of the AGM and the Annual Report to the Members have been dispensed with vide the relevant MCA and SEBI Circulars. In line with the same, we hereby submit the copy of our Annual and ESG Report for the Financial Year 2022-23 containing the Business Responsibility and Sustainability Report and the Notice of 82<sup>nd</sup> AGM. The electronic copy of the same is being sent by email to those Members whose email addresses are registered with the Company/Depositories/Depository Participants on today i.e. June 28, 2023.

The Notice of 82<sup>nd</sup> AGM and Annual and ESG Report is also available on the website of the Company at <https://www.colgateinvestors.co.in/pdf/colgate-annual-report-2022-23.pdf> and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

As informed earlier, vide our letter dated May 12, 2023, the Register of Members and the Share Transfer Books of the Company shall remain closed from Friday, July 21, 2023 to Thursday, July 27, 2023 (both days inclusive) for the purpose of the AGM. Further, the Company has fixed Thursday, July 20, 2023 as the cut-off date to determine the eligibility of the Members to cast their vote by electronic means (e-Voting) on the resolutions stated in the Notice of the 82<sup>nd</sup> AGM.

Kindly take the above on record.

Thanking you,  
Yours Sincerely,  
For **Colgate-Palmolive (India) Limited**

Surender Sharma  
Whole-time Director- Legal &  
Company Secretary  
DIN: 02731373

Encl: a/a



# Powering a Billion Smiles

Innovative. Responsible. Inclusive

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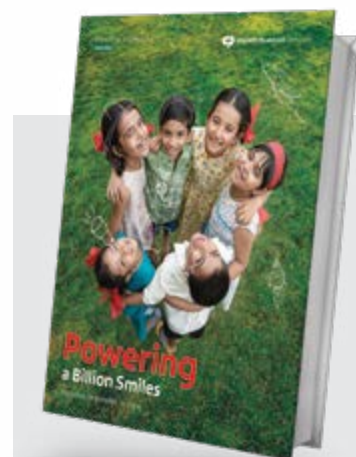
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Please find our online version at:  
<https://www.colgateinvestors.co.in/annual-report>



or Simply scan the QR code below to view our interactive version of the report.



The cover design captures twinkle in the eyes, dreams in the mind, and smiles on the lips of our patrons, making our hearts full of joy. At Colgate-Palmolive (India), we are elated to bring together Baidurja Sen (8 years), Agnisha Goswami (8 years), Aaheli Nag (6 years), Shivangi Sarkar (6 years), Promit Biswas (6 years) and Mohor Unadkat (7 years) from West Bengal, India for the cover design that truly captures our theme for this year's Annual & ESG Report - Powering a billion smiles.



Colgate-Palmolive, around the world has earned a place in more households than any other brand. The same is true for Colgate-Palmolive (India). As much as we are proud of this fact, we understand that this gives us a unique opportunity to shape a better world. With a purpose to reimagine a healthier future for all people and our planet, we dedicate ourselves to provide our customers with products that enhance their experiences and help build a better world.

# Powering a Billion Smiles

**Innovative | Responsible | Inclusive**

Millions of people rely on our products for their oral and personal care needs and we focus on fulfilling their expectations through our wide-ranging innovative offerings. Our portfolio is bolstered by science and a number of proprietary technologies, as we consistently enhance our offerings through careful R&D efforts and a keen understanding of consumer needs. We have undertaken innumerable research studies and hold a series of patents to remain ahead of the innovation curve.

Our zest for innovation comes from our deep sense of inclusiveness. Our unwavering commitment lies in promoting the wellness and prosperity of all individuals and communities, while fostering a culture of

inclusivity and equity. With a steadfast dedication to creating enriching opportunities, we aspire to empower all individuals to thrive both within and beyond the realms of Colgate-Palmolive (India).

We hold ourselves accountable for promoting responsible consumption across various product lines, ranging from oral care to personal care. Even our strong ESG framework is another facet of the sense of responsibility that is deeply embedded in all that we do. We empower healthier and sustainable lifestyles through products with an improved sustainability profile, that enhance customer experiences and protect the environment.

With our science, technology, collective energy and resources, we are committed to keep powering a billion more smiles every day.

# About This Report<sup>1</sup>

This Annual & ESG Report provides detailed information about Colgate-Palmolive (India)'s progress and highlights for the year ended March 31, 2023. This is the primary report to our stakeholders in which we aim to provide a balanced and accurate reflection of our value creation methodology, materiality assessment and stakeholder engagement, through the deployment of ESG framework as well as our future roadmap.

## Scope and Boundary

This report covers the business activities of Colgate-Palmolive (India) Limited, which will be referred to as “we”, “our”, “us”, “CPIL”, “Colgate-Palmolive (India)” and “the Company”. The performance of all four manufacturing sites and our headquarters in Mumbai are covered in the report. Our parent company, Colgate-Palmolive is headquartered in New York, USA, and has its presence across more than 80 countries with products marketed in more than 200 countries and territories.

## Reporting Standards and Frameworks

This Annual & ESG report FY 2022-23 complies with/reports on/references to the following:

- Business Responsibility and Sustainability Reporting (BRSR) based on the National Guidelines for Responsible Business Conduct (NGRBC)
- The Companies Act, 2013;
- Indian Accounting Standards
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- The Secretarial Standards on Board and General Meetings

The ESG section of this report has been prepared in accordance with the GRI (Global Reporting Initiative) Standards 2021 and further complies with/reports on/references to the following:

- United Nations Sustainable Development Goals (SDGs)

## Forward-Looking Statement

This communication, except for the historical data, may contain the forward-looking statements, including words, phrases, numbers that set forth anticipated results based on management's current plans and assumptions. These statements are made on the basis of the Company's views and assumptions as of this time. The Company does not, nor does any other person, assume responsibility for the accuracy and completeness of those statements.

The Company cautions investors that any such forward-looking statements are not guarantees of future performance and that actual events or results may differ materially from those statements because of factors that affect international businesses and global economic conditions, as well as matters specific to the Company and the markets it serves.

The Company based on any of the above factors is free to modify, amend, alter or take necessary corrective changes in such manner that the forward-looking statements contained herein may alter, and the Company undertakes no obligation to update these statements whether as a result of new information, future events or otherwise, except as required by law or by the rules and regulations.

## Feedback

Our commitment to listening to our stakeholders is unwavering, and we welcome your feedback on our report. Please feel free to contact us at [feedbackesg@colpal.com](mailto:feedbackesg@colpal.com) for any comments or clarifications.

## Reporting cycle

The information presented in this report pertains to the period from April 01, 2022 to March 31, 2023.

<sup>1</sup>GRI 2-1, GRI 2-2, GRI 2-3

# FY 2022- 23 at a glance

**₹ 5,188 Cr**

Net sales

**₹ 39**

DPS\*

**65.4%**

Gross Margin

**₹ 1,176 Cr**

Net cash generated  
from operations

**₹ 1,547 Cr**

EBIDTA\*\*

**₹ 1,689 Cr**

Reserves & surplus

**₹ 38.5**

EPS\*\*\*

**84%**

Return on Capital  
employed

\* Dividend per share

\*\* Earnings before interest, taxes, depreciation, and amortization

\*\*\*Earnings per share

# GROW. STRENGTHEN. SIMPLIFY



**“ We have steadfastly nurtured the culture of oral care in India for decades, which has made us India’s most preferred oral care brand and India’s most penetrated FMCG brand, reaching nine out of ten households. ”**

## Dear Shareholder Family,

It is a privilege for me to be part of an innovative growth company of such calibre and legacy as Colgate-Palmolive (India). We have always cared about people and their oral health, have worked together as a team and demonstrated firm commitment to getting better in everything we do. I am honoured to carry forward this legacy, and this is the first time that I’m presenting Colgate-Palmolive (India)’s Annual Report, along with the encouragement and support of all our stakeholders.

We have steadfastly nurtured the culture of oral care in India for decades, which has made us India’s most preferred oral care brand and India’s most penetrated FMCG brand, reaching nine out of ten households.

Our products reach over 1.7 million stores, 95% of which are active every quarter. We also enjoy category captaincy and great partnerships with all the key modern trade customers in the country. Our footprint in the future-facing channels, e-commerce as well as modern trade is robust and

this offers a huge opportunity for us, as these channels will grow rapidly in the coming years. We are proud of our unique Smile Stores project, which saw us successfully optimising store-level assortment in our indirect channels by the use of data-driven analytics.

If we look at the broader industry scenario, India’s per capita toothpaste consumption is still low. If India uses x grams per annum, then in the Philippines that number becomes 1.8x; and in Brazil, that

number becomes 3x. This gives us a sense of the potential to increase consumption. A more detailed analysis reveals approximately 20% of urban consumers brush twice a day and around 55% rural households do not brush daily. Our commitment is to instil good oral care habits among every citizen by encouraging people to brush daily, in the morning and at night. On our part we will double down on our commitment to offer science-backed products and continuous innovation. We have hundreds of scientists who tirelessly work towards making sure that our products use cutting edge science, backed by clinicals and numerous patents, over 900 a year.

A few of the most recent breakthrough innovations include: Colgate-Palmolive's first-of-its-kind recyclable toothpaste tubes, the arginine technology that is the backbone of Colgate Strong Teeth and the MPS technology that delivers efficacy in Colgate Visible White O<sub>2</sub>. With Colgate Teeth Whitening Products, we have forayed into the space of oral beauty. For enhancing oral beauty, we have also revolutionised our range of toothbrushes.

Colgate-Palmolive continues to be the #1 recommended brand by dentists across the world and in India. Dentists have been and continue to be key partners in our commitment to improve oral health in the country. Our other opportunity is to drive category value through offering

“  
**The Colgate Bright Smiles, Bright Futures® programme has so far touched over 171 million children in India in their formative years of 6-12 years, when habits are formed.**”

superior, premium benefits. This dual action of driving volume through ensuring regularity of brushing and driving premiumisation is the cornerstone of our growth strategy.

In addition, we are the leaders in toothbrushes and will continue to invest to drive replacement and upgrading. We are also committed to building a strong personal care portfolio leveraging the very high recall of Palmolive as well as considering relevant opportunities from the Colgate-Palmolive global portfolio.

Overall, the enablers of our strategic pillars are our superior science-backed products, our financial efficiency, our organisational and people capabilities and finally, our ESG initiatives.

We remain steadfast in our efforts to drive social impact and help protect our planet. We are focusing

on water conservation and women-led programmes. We are also accelerating action on climate change. You can read more about our ESG efforts in the ESG section.

Colgate-Palmolive (India)'s commitment to oral health in India is unparalleled. It is a commitment that goes all the way back to the mid-1970s, with the pioneering school program. The Colgate Bright Smiles, Bright Futures® programme has so far touched over 171 million children in India in their formative years of 6-12 years, when habits are formed. We aim to reach an additional 10 million children by 2030.

As a caring, innovative growth company, we are constantly thinking of how we can power smiles and spread optimism in the lives of our consumers, employees, partners etc. Being trusted and relied upon by millions of people for generations is a privilege and a responsibility that we cherish.

I am deeply thankful to our internal teams, partners, Shareholders and our entire stakeholder fraternity for partnering with us to move forward with smiles on our faces and optimism in our hearts.

Best Wishes,

**Prabha Narasimhan**  
**Managing Director and Chief Executive Officer**  
**Colgate-Palmolive (India) Limited**  
**DIN : 08822860**



# Brand with a purpose

We are Colgate-Palmolive (India) Limited, a caring, innovative growth company that is reimagining a healthier future for all people and our planet.





## Caring

We care about people: employees, consumers, shareholders and business partners. We are committed to act ethically, with compassion, integrity, and honesty in all situations, to listen with respect to others and to value differences. We are also committed to protect the environment, to enhance the communities where we live and work, and to be compliant with government laws and regulations.



## Global team work

All people at Colgate-Palmolive are part of a global team, committed to working together across countries and throughout the world. Only by sharing ideas, technologies and talents can we achieve and sustain profitable growth.

## Our core values



## Continuous improvement

We are committed to getting better every day in everything we do, as individuals and as teams. By better understanding consumers' and customers' expectations and continuously working to innovate and improve products, services, and processes, we will become the best.

## Leadership Principles

- **We cultivate trust**

Listen with empathy. Speak openly. Grow together.

- **We create the future**

Pursue our curiosity. Courageously change. Recognise progress.

- **We commit to Impact**

Provide clarity. Take ownership. Do what's right.

## Brand motto we live by

*#SmileKaroAurShuruHoJao*

At Colgate-Palmolive (India), we remain committed to championing optimism and making the world a better place through the power of a smile. We have always been a passionate group of people working passionately, powering billions of smiles for 85 years.

Our brand purpose is rooted in a strong belief that ‘Everyone deserves a future to smile about’. We take great care in how we position our brands so that they demonstrate our diversity, values and purpose, while leveraging cultural insights so that they resonate with our consumers.

One of the hallmarks of our brand is the ability to celebrate stories of transformation that translate into feelings of optimism, inspiration and confidence for all our stakeholders.

In this respect, our brand campaigns of ‘Smile Karo Aur Shuru Ho Jaao’, continues to showcase stories of real people that bring hope and smiles to the lives of many.





# Innovation that elevates lives

Our internal study shows India's population thinks 'Colgate', when asked about oral care.



## Stories that resonate with all

The Colgate Strong Teeth campaign in 2022 focused on shining the light on the significance of foundational strength of teeth by showcasing the connection between teeth and nutrition. The proposition of stronger teeth which ensures better chewing, thereby leading to higher absorption of nutrients.

The brand featured two of the biggest celebrities - Shahid Kapoor and Rana Daggubati to convey the message. The campaign depicted the heart-warming relationship of modern day fathers who are today deeply involved & participative in the health of their families.



The MaxFresh Charcoal toothpaste, replete with cooling crystals, promised an explosion of freshness in the mouth. This experience was epitomised by Ranveer Singh in the “Wake-up Max, Live-up Max” campaign which portrayed how this star takes the day head-on, completely awakened by Colgate MaxFresh Charcoal.

# Science-led innovation

## KEEP Toothbrush

Colgate KEEP toothbrush helps consumers make more sustainable choices. Colgate KEEP has a reusable metal stand-up handle with a soft-bristled disposable head with a tongue scraper. The removal of plastic from the entire handle results in 80%\* reduction in plastic.

**KEEP the Handle, replace the brush-head- it is that simple !**



## Advanced Electric Toothbrush

The smart electric toothbrush brings consumers a tailored brushing experience, letting them pick the right combination, while providing real-time coaching so they know they're doing it right.

The brush comes with 33 combinations, four modes, smart pressure sensor and a 30-second pacer for an advanced cleaning experience. Further, the lean, stylish body and ergonomic curves of the handle lets you brush in style.



## Visible White O<sub>2</sub> Toothbrush

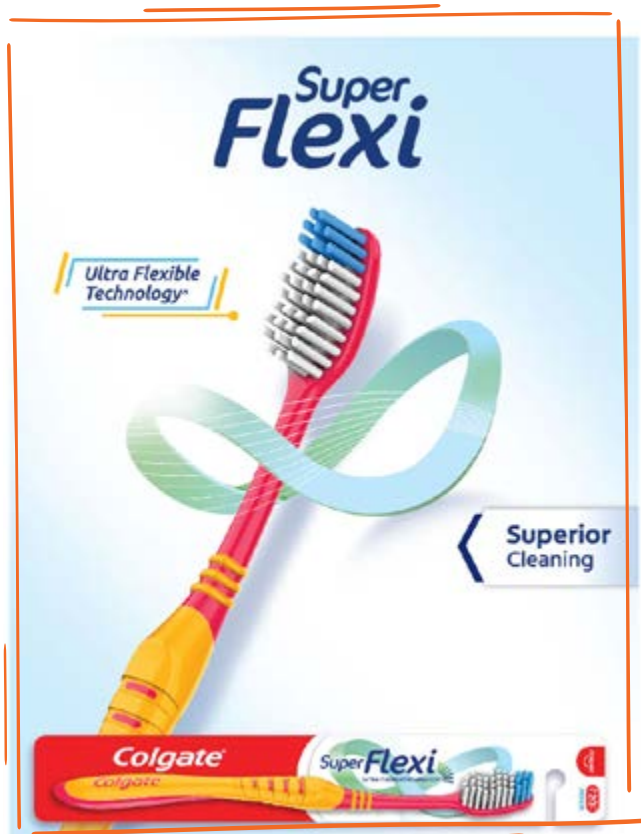
Revolutionary teeth whitening toothbrush with spiral bristles. The Colgate Visible White O<sub>2</sub> Toothbrush helps remove extrinsic stains so consumers can flaunt a whiter smile.



\* compared to similarly-sized Colgate Toothbrushes. Products featured here were launched/ relaunched in FY 2022-23

## Super Flexi Toothbrush

The best selling toothbrush brand in India, had a massive relaunch for the first time in a decade. With a fresh new look, the handle is available in four sporty colour variants. The new wave trim bristle material is more durable and designed to elevate the brushing experience.



## Colgate MaxFresh Charcoal Toothpaste

A brand new variant under the MaxFresh toothpaste family. With a unique combination of bamboo charcoal, wintergreen mint and our cooling crystals, this gel toothpaste delivers a blast of freshness that helps keep the mouth refreshed and provides a never-before energising wake-up experience.



## Colgate Active Salt Toothpaste

Colgate Active Salt was relaunched with more powerful anti-bacterial capabilities that fights up to 99.9% germs and prevents dental problems.



Products featured here were launched/ relaunched in FY 2022-23



### PerioGard Toothpaste

The all new Colgate PerioGard with a potent zinc citrate formula, combats anaerobic bacteria and helps treat gums problems like gum bleeding, inflammation and, bad breath. Addressing specific gum issues, this product is popularly prescribed and is available at dentist clinics and chemists across the country, and also on Colgate-Palmolive’s Dentistfirst website.



### Baby Toothbrush and Teether

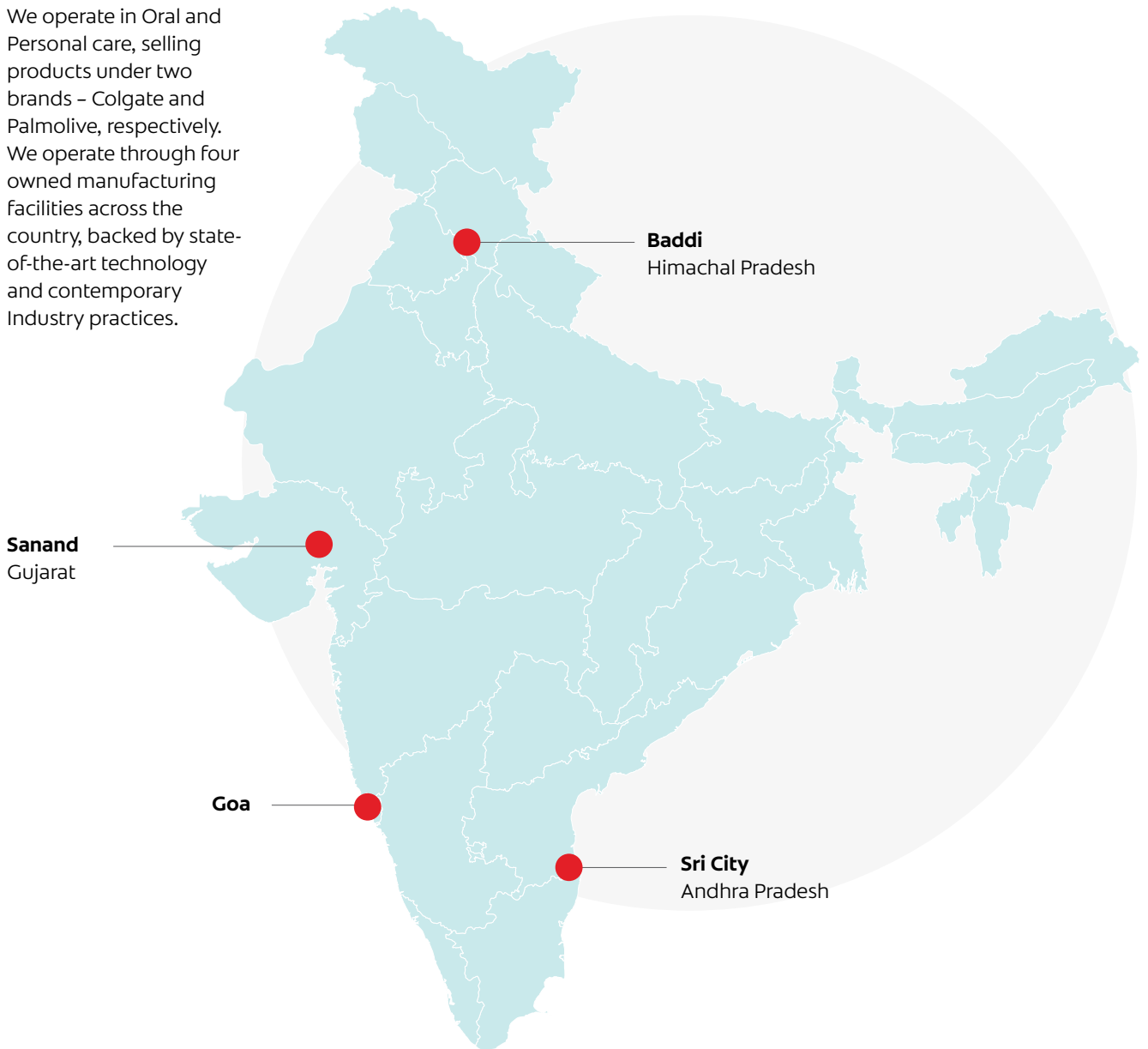
It is specifically designed for infants between 0-12 months, who are teething. Vigorously safety-tested, Colgate’s Baby Toothbrush is BPA free and made of 100% food grade silicon. It has extra soft bristles and flexible handles designed for little hands. Addressing specific infant based dental issues, the product is prescribed by dentists. Prescription based products are made available to the dentists across the country through Colgate-Palmolive (India)’s Dentistfirst app.

Products featured here were launched/ relaunched in FY 2022-23

# Revolutionizing Manufacturing<sup>2</sup>

At Colgate-Plamolive (India), we manufacture high quality products that exceed customer expectations. Achieving manufacturing excellence requires effective process management, technology, a skilled workforce and an unwavering commitment to continuous improvement.

We operate in Oral and Personal care, selling products under two brands – Colgate and Palmolive, respectively. We operate through four owned manufacturing facilities across the country, backed by state-of-the-art technology and contemporary Industry practices.



<sup>2</sup>GRI 2-6

**3,64,600** sqm

Cumulative area across all 4 plants

**25.54** million hours

Of zero Lost Time Accidents (LTA)

**2.7** MW

Green energy installed

**30%**

of energy consumption at CPIL Warehouses on Solar energy

**Two**

of the CPIL plants are net water positive

**LEED**

Gold certification by Indian Green Building Council (IGBC) certified for Sanand and Sri City plants



**Did you know**

**Technology edge**

All our plants have adopted best-in-class technologies of Industry 4.0 standards such as Cobots, Digital Twins, Predictive Analytics, Automated & Digital Laboratories and other smart factory initiatives to drive operational excellence. In addition, all our plants have been recognized for Energy Star award by the **United States Environmental Protection Agency (US EPA)** for bringing efficiencies in the energy usage.

**Pushing the digital envelope**

Our Goa plant is a leading oral care manufacturing site globally, integrating Digital Twin Technology in operations for advanced analytics and decisionmaking. The technology helped the plant to improve the Batch Cycle Time by 25% helping to improve the annual capacity. Based on this success, the technology is being rolled out to all other facilities.



# Taking Smiles to the Last Mile

At Colgate-Palmolive (India), we believe everybody deserves a future they can smile about. We aim to stay agile and incorporate technology to keep taking innovative steps to reach the remotest homes and consumers across India; so far reaching 1.7 million homes.

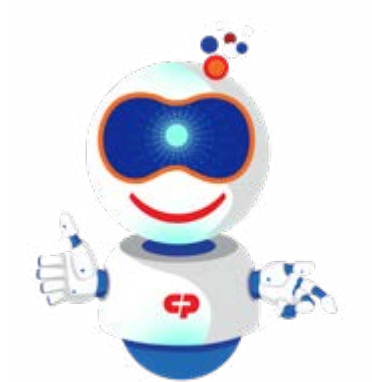




### Smile Stores

We are humbled by the trust and support of our partners through the journey of evolution in oral care. Our unique 'Smile Stores' project resulted in successfully optimizing store-level assortment in our indirect channels by the use of bespoke data-driven analytics.

We use predictive analytics to recommend and fulfil the demand for the right variety of products in right set of retail stores across the country. We have received encouraging responses with continued double digit growth in total distribution points (TDPs) across our 1.6 Mn stores.



### AmaZing

Another leap in digital transformation is our image recognition-based AI/ML tool to drive everyday in-store excellence for elevated shopper experience.

AmaZing (Assisted Merchandising with AI for Zero In-store Gaps) is a revolutionary in-store app which enables us to move away from manual recording to one click photo led actions. The application has led to significant time saving, live tracking of comprehensive in-store parameters & on the go corrective actions - All with one single click!

The widespread adoption with the mammoth scale of stakeholders, and encouraging outcomes is a testimony to the meticulous and proactive planning by our team.

### AmaZing Stats

Live in

**~5,000**

Stores

Analysed

**1.5 million+**

Images



# Inspiring our people to make a difference

Our people are the driving force behind our pursuit of innovation, business growth and value creation. We put utmost emphasis on building an 'always learning', compassionate and deeply inclusive culture. Our all-encompassing ethos prioritizes diversity and supports every individual's personal and professional growth.



We remain committed to prioritise both ‘Valuing People’ and ‘Managing with Respect’ as essential elements of our approach to leadership and organisational culture. By fostering a culture of continuous improvement, we ensure that we continue to provide a supportive and fulfilling workplace experience.

### Promoting Diversity and Inclusion

We continue to foster a diverse and inclusive workplace. Our awareness programs and training initiatives combat unconscious bias. Our Workplace Inclusivity (WIN) policy supports new and expectant parents, while Employee Resource Groups (ERGs) create safe spaces for employees, promoting positive change.

### Fostering Innovation

We are encouraging a culture of innovation that empowers teams to think outside the box. Our ‘Freedom to Innovate’ culture supports employees’ innovative ideas through the Innovation Fund Grant, leading to new products, processes, and technologies.

### Safeguarding Human Rights

We continue to implement policies to protect human rights across our value chain. Due diligence process addresses risks in labor standards, non-discrimination and health and safety. Human rights training ensures awareness and governance mechanisms.

### Driving Transformation

We are investing in natural resource preservation, upgrading technology, and employee well-being through the F.E.E.D. principles.

Our empowered and agile teams aided by workshops and programs are fostering psychological safety and growth of our team.



F

Focused on strategic priorities

E

Empowered and accountable teams

E

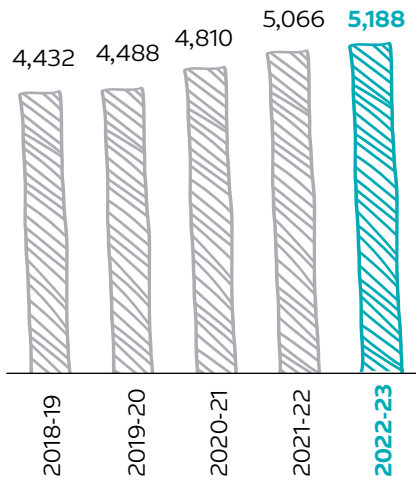
Experimental to accelerate innovation and learning

D

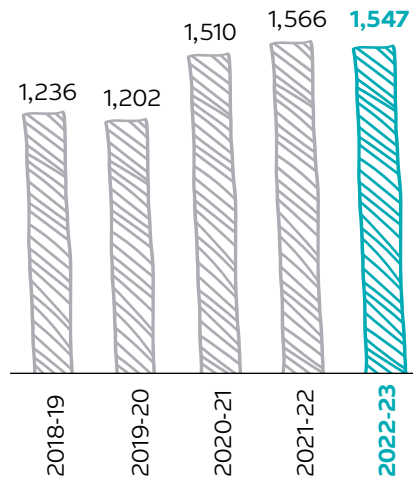
Digitally connected and data-driven

# Performance Highlights

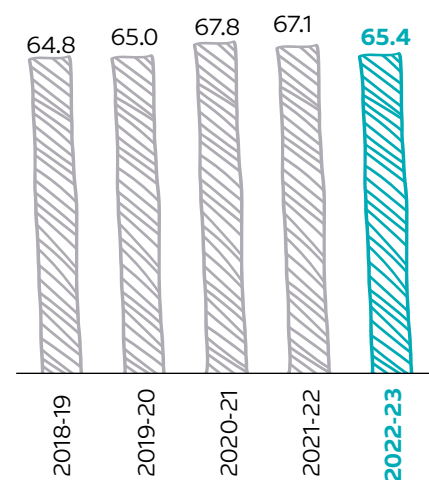
Net Sales (₹ in crores)



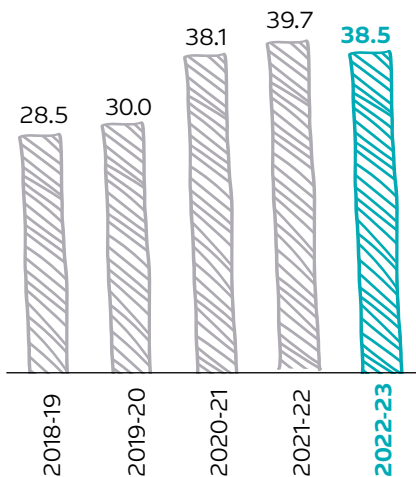
EBITDA (₹ in crores)



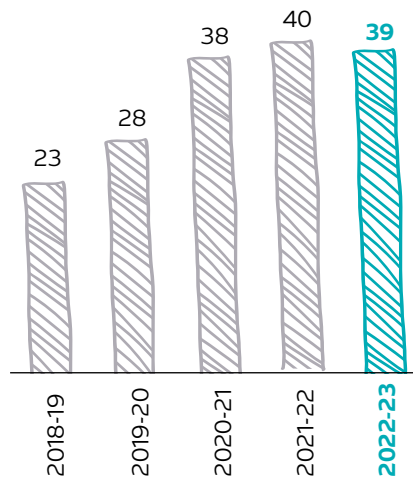
Gross Margin (%)



Earnings Per Share (₹)



Dividend Per Share (₹)\*



\*Interim dividends - declared and distributed during the years.



# Our story over a Decade

(₹ in lakh)

	2013-14	2014-15	2015-16*	2016-17*	2017-18*	2018-19*	2019-20*	2020-21*	2021-22*	2022-23*
<b>A. Operating Results</b>										
Sales	3,75,738	4,21,120	4,31,898	4,48,985	4,29,989	4,43,244	4,48,757	48,10,48	5,06,646	5,18,786
Other Operating Revenue and Other Income	8,425	6,034	6,964	7,147	6,600	6,765	8,676	6,109	5,959	9,191
Net Profit After Tax	53,987	55,898	58,117	57,743	67,337	77,557	81,647	1,03,539	1,07,832	1,04,715
Total Comprehensive Income**	-	-	57,998	57,226	67,445	77,567	80,094	1,03,863	1,08,299	1,04,226
Cash Profits	59,062	63,400	69,139	70,550	83,096	93,483	99,888	1,22,113	1,26,029	1,21,706
<b>B. Financial Position</b>										
Net Fixed Assets#	73,662	94,366	1,09,225	1,30,570	1,33,274	1,40,065	1,20,664	1,21,224	1,08,730	98,182
Investments	3,713	3,713	3,116	3,116	3,116	3,115	1,862	1,861	-	-
Other Assets/(Liabilities) (Net)	(17,389)	(21,047)	(9,237)	(6,306)	16,071	1,495	25,316	(6,499)	64,738	73,456
TOTAL ASSETS	59,988	77,032	1,03,104	1,27,380	1,52,461	1,44,675	1,59,416	1,16,586	1,73,467	1,71,638
Share Capital***	1,360	1,360	2,720	2,720	2,720	2,720	2,720	2,720	2,720	2,720
Reserves and Surplus	58,628	75,672	1,00,384	1,24,660	1,49,741	1,41,955	1,56,696	1,13,866	1,70,748	1,68,919
SHAREHOLDERS' FUNDS	59,988	77,032	1,03,104	1,27,380	1,52,461	1,44,675	1,59,416	1,16,586	1,73,468	1,71,638
Loan Funds	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EMPLOYED	59,988	77,032	1,03,104	1,27,380	1,52,461	1,44,675	1,59,416	1,16,586	1,73,468	1,71,638
<b>C. Equity Share Data</b>										
Earnings Per Share (₹) ***	39.70	41.10	21.37	21.23	24.76	28.52	30.02	38.07	39.65	38.50
Dividend Per Share (₹) ***	27.00	24.00	10.00	10.00	24.00	23.00	28.00	38.00	40.00	39.00
Number of Shares (in Lakhs)	1,360	1,360	2,720	2,720	2,720	2,720	2,720	2,720	2,720	2,720
Number of Shareholders (in '000s)	132	135	181	176	169	176	214	229	308	267

# Including Capital Advances.

\* The figures reported for financial year 2015-16 onwards are Ind AS compliant.

\*\* Total Comprehensive Income is required to be reported under Ind AS from financial year 2015-16 onwards and hence not reported for earlier years which are IGAAP compliant.

\*\*\* Issue of bonus shares in the ratio 1:1 during financial year 2015-16. Consequently number of shares has increased from 13,60 Lakhs to 27,20 Lakhs that is reflected in Earnings Per Share and Dividend Per Share for the year.

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

# Recognition for our efforts





# Powering India's Smiles

Colgate-Palmolive (India), for over 85 years, has been dedicated to improving oral hygiene and promoting healthier smiles among the Indian population. We understand the vital role that oral health plays in overall well-being, and our mission has been to make oral care accessible, effective, and affordable for every individual across the country. Over the years, we have diligently worked towards achieving our goals by employing various initiatives and programs that focus on education, innovation, and community outreach. Our efforts have been guided by a deep understanding of the specific oral care needs of the diverse Indian population. As a responsible corporate citizen, we endeavour to create a meaningful impact on the millions of lives we touch.

## Oral Healthcare Elevation

For over eight decades, Colgate Palmolive (India) has been resolutely dedicated to enhancing the state of oral health in India through our pioneering program, Colgate Bright Smiles, Bright Futures®. This initiative has emerged as a resounding success story on the global stage and has resulted in a positive impact on oral health.

## Promoting Education

We believe that education and especially good oral health education is a fundamental human right. Under the aegis of the Keep India Smiling Scholarships, we strive to ensure that every child in our community has access to quality education. The program serves to extend financial aid to exceptional individuals from both urban and rural India, who, despite their remarkable aptitude, have been deprived of educational and employment opportunities. These scholarships are awarded across the domains of education, sports, and community.



Oral Health Awareness Session in Nellore, Andhra Pradesh

## Water Conservation

Water is a finite resource that is vital for all aspects of life, including human well-being, agriculture, industry, and the preservation of ecosystems. As we face growing concerns over water scarcity and its impact on communities and the environment, it is imperative that we collectively address this issue and work towards sustainable solutions.

We emphasise educating the community about the necessity of saving water, maintaining hygiene and having proper water resource management. Throughout the value chain, our programmes seek to ensure appropriate water stewardship, in an effort to reduce our water footprint.

Our water accessibility and water augmentation programs are designed to cater to the needs of farm-based livelihoods. Our efforts are centered on providing sustainable solutions that not only enhance agricultural productivity, but also foster the overall well-being of farming communities.



Anicut Restoration at Bedadev Kaliwas Village, Rajasthan

## Women Empowerment

At Colgate-Palmolive (India), we are deeply committed to empowering women from underserved communities in rural and tribal regions through a holistic approach that encompasses livelihood opportunities along with training women in financial and digital literacy programs. This program has empowered these women by offering them a platform for livelihoods, managing money and becoming financially independent.



Floriculture beneficiary, Aadh Village, Rajasthan

We are undertaking our CSR initiatives in collaboration with several NGOs, including Seva Mandir, Water For People India Trust, Shikshadaan Foundation, Mission Smile and Sambhav Foundation.

**Hear from our beneficiaries**

**Raising oral health awareness**

“The project is a commendable initiative by Colgate and has made our students more aware of oral care; such programmes need to be conducted frequently to enhance students’ knowledge.”

*G. Sujatha, Principal, Municipal School, Thortapalligudunu, Nellore District, Andhra Pradesh  
Beneficiary of the Colgate BSBF Program*

**Keep India Smiling**

“I aim to establish a school in my village to provide quality education along with life and career skills to children, so they are able to realise their full potential. This is just the start!”

*Swarn Rekha,  
Keep India Smiling Scholar,  
Rohtas District, Bihar*



# Corporate Governance

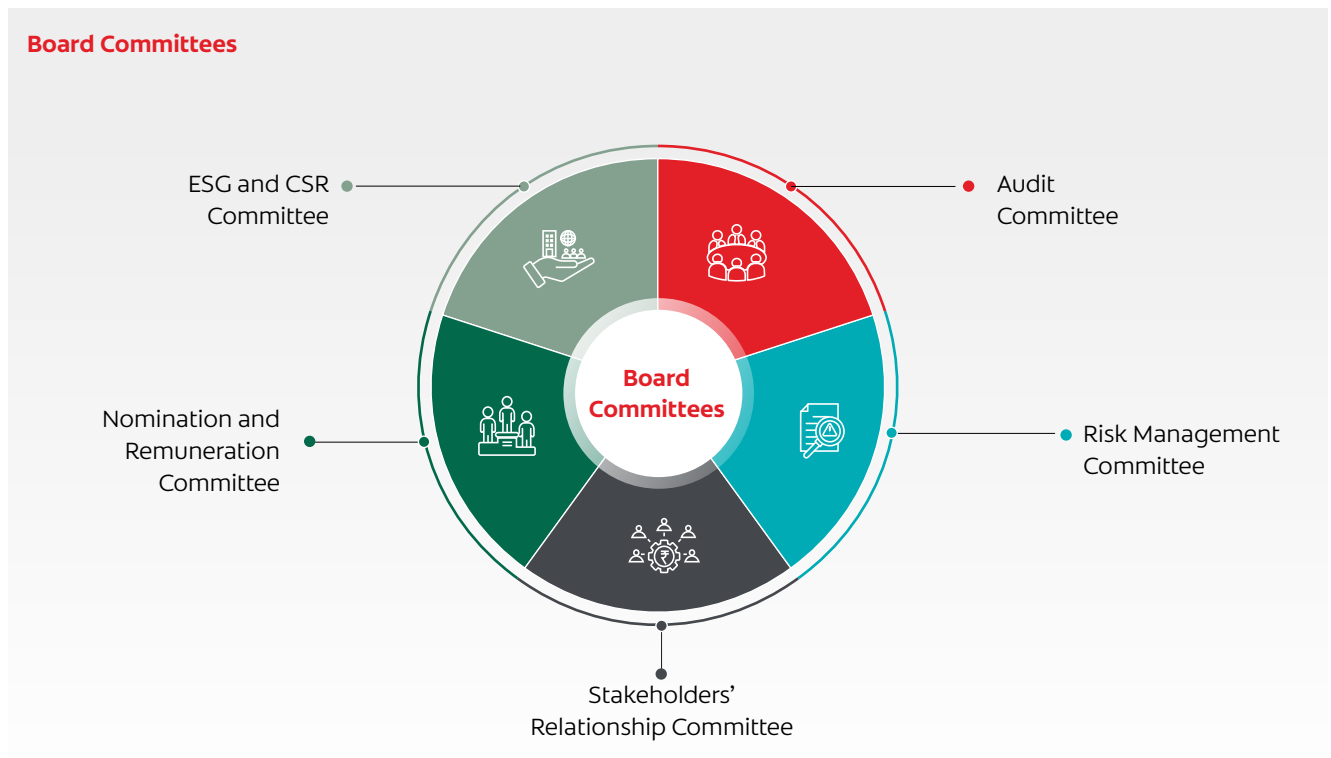
## Leading with Responsibility

Colgate-Palmolive (India) champions long-term value creation for its diverse stakeholders through a robust and fair governance mechanism. Our governance structures, leveraged by the pillars of integrity and transparency, help to adhere to ethical standards and also to propagate core values across the business. With a sharp focus on meeting regulatory compliances with all applicable laws in areas of our operation, we consider ethical behavior an imperative for upholding fair business practices. Guided by a highly engaged board and management, we ensure the highest standards of governance mechanisms.

As the highest decision-making body, the Board of Directors play an integral role in translating our corporate values into our business operations. They discharge their fiduciary responsibilities in a fair, respectful and transparent manner while ensuring that the business processes are aligned with the highest standards of ethics and integrity. The Board is responsible for establishing policies, strategies, goals and evaluating ethical performance.

## Board Composition<sup>3</sup>

The amalgamation of our Board members sheds light on our commitment towards diversity. Comprising of individuals with varying skill sets, age, gender, knowledge and experience, the culmination of their collective expertise and dedication to facilitate sustainable growth is at the heart of the economic, social and environmental impact that we have been able to create over the course of years. In FY 2022-23, we achieved equal representation of men and women in our Board of Directors. As on March 31, 2023, the Board of the Company had equal representation from men and women.



<sup>3</sup>GRI 2-9

## Our Policies<sup>4</sup>

The strength of Colgate-Palmolive (India)'s systems and processes lies in well-defined policies and frameworks that empower the Directors and Senior Management to pursue organizational objectives. Our diverse board, corporate and sustainability policies help to foster a culture that prioritizes responsible ethical and sustainable business practices.

### Board Policies

- Code of Conduct for prevention of Insider Trading
- Nomination and Remuneration Policy
- Corporate Social Responsibility (CSR) Policy
- Human Rights Policy
- Risk Management Policy
- Related Party Transactions Policy
- Policy on Determination of Materiality of Event or Information
- Records Management Policy
- Dividend Distribution Policy
- Board Diversity Policy
- Public Policy Advocacy
- Vigil Mechanism
- Code for Independent Directors

### Corporate Policies

- Code of Conduct
- Third Party Code of Conduct
- Anti-Bribery Policy
- Equal Opportunity Employer Information
- Managing with Respect
- Non-Retaliation Policy
- Procurement Policies
- Charitable Contributions Policy
- Anti-Harassment Policy
- Valuing Colgate People
- Business Practices Guidelines

### Sustainability Policies

- Our Policy on Ingredient Safety
- Committed to Responsible Sourcing
- Colgate-Palmolive HIV/AIDS Policy
- Policy on Conflict Minerals
- Environmental, Health & Safety Policy Statement
- Respecting Human Rights and Labor Rights: Modern Slavery Statement
- Our Commitment to Animal Welfare
- Our Policy on No Deforestation
- Sustainable Sourcing of Palm Oils
- Soy Procurement Policy

## Ethics and Integrity

Colgate-Palmolive (India) employs a responsible approach to enhance organizational performance across the environmental, social and governance paradigms. Our emphasis on conducting business in a fair and responsible manner is supported by the strong foundation of business ethics, governance and transparency. We hold our Code of Conduct as a moral guide for abiding by high standards of ethics and integrity in our business activities. We organize training programs, employee engagement sessions and interactions with the leadership team regularly to encourage our employees, suppliers and other stakeholders to abide by the Code.<sup>5</sup>

We are steadfast in our approach to combat unethical practices and our robust compliance management systems effectively track and prevent such cases.



- Zero** Unfair trade practices
- Zero** Anti-competitive behavior
- Zero** Conflict of interest\*
- Zero** Corruption cases

6

For more details on our policies:

<https://www.colgateinvestors.co.in/policies>

<https://www.colgatepalmolive.com/en-us/who-we-are/our-policies>



<sup>4</sup>GRI 2-23

<sup>5</sup>GRI 2-24

<sup>6</sup>GRI 2-15, GRI 205-3, GRI 206-1, GRI 2-15

\*For Board of Directors and Senior Management Team



## Board of Directors<sup>7</sup>



**Mukul Deoras**

Chairman

Mr. Mukul Deoras is a global business leader with rich experience across multiple geographies. He is the President of the Asia Pacific Division of Colgate-Palmolive. Mukul holds a postgraduate degree in Management from IIM, Ahmedabad. He joined the Company in 2004 and has since served as Managing Director in Thailand and India, Chairman in India, President of the Asia Division, and Global Chief Marketing Officer. He was appointed as the Chairman of Colgate-Palmolive (India) Limited in September 2018.

Ms. Prabha Narasimhan is the Managing Director and Chief Executive Officer of Colgate-Palmolive (India) Limited. She joined the Company in 2022 from Hindustan Unilever (HUL), where she led the Home Care category as Executive Director and served as a member of the HUL Leadership Team. She has over 25 years of rich and varied experience in Customer Development, Consumer Marketing and Innovation across geographies and multiple categories, including Home Care, Foods, Personal and Skin Care. She is a post-graduate from the India Institute of Management, Bangalore and Melbourne Business School.

#Appointed effective September 01, 2022



**Prabha Narasimhan<sup>#</sup>**

Managing Director & Chief Executive Officer



**Shyamala Gopinath**

Non-executive,  
Independent Director

A senior financial sector expert, Ms. Shyamala Gopinath has guided and influenced diverse national policies. She was the Deputy Governor of the RBI for seven years, and was on the RBI Board. She is an Independent Director on the Boards of a few companies, including not-for-profit entities. She is also the Chairperson of the Board of Governors of IIM, Raipur. She was appointed as a Director on the Company's Board in May 2015.

<sup>7</sup>GRI 2-17

Dr. (Ms) Indu Shahani is a passionate educationist who continues to redefine education sector. She is the President and Chairperson at the Indian School of Design and Innovation, and the Founding Dean of Indian School of Management and Entrepreneurship. She has been the Principal of H.R. College of Commerce and Economics in Mumbai. She has an Honorary ‘Doctor of Letters’ degree awarded by the University of Westminster in London. A former Sheriff of Mumbai, Indu was appointed as a Director on the Company’s Board in 2012.



**Indu Shahani**

Non-executive,  
Independent Director



**Gopika Pant**

Non-executive,  
Independent Director

Ms. Gopika Pant has over 37 years of legal experience and is a member of the ABA and The Supreme Court Bar Association. She has significant experience in Indian corporate and commercial laws and is a specialist in cross border commercial transactions. She is also a keen environmentalist and holds a Diploma in Environmental Law with the World Wide Fund for Nature. She was also an advisory for Times Bank in India’s first private banking merger with HDFC Bank and Japan Bank for International Cooperation in various equity and debt transactions. She was appointed as a Director on the company’s Board in May 2020.

Ms. Sukanya Kripalu is a consultant in the fields of marketing, strategy, advertising, and market research. An alumna of IIM, Kolkata, she has rich work experience with Nestle India Limited, Cadbury India Limited and Kellogg’s India. She was appointed as a Director on the Company’s Board in June 2018.



**Sukanya Kripalu**

Non-executive,  
Independent Director



**Vikram Singh Mehta**

Non-executive,  
Independent Director

Mr. Vikram Singh Mehta was the Chairman of the Shell Group of Companies in India from 1994 till 2013. He began his career as a Member of the Indian Administrative Service, and was Advisor to the Public Sector 'Oil India'. Awarded Asia House's 'Businessmen of the year' award in 2010 and 'Best Independent Director' award by Asian Centre for Corporate Governance and Sustainability in 2016. He was appointed as a Director on the Company's Board in 2001.



**Sekhar Natarajan**

Non-executive,  
Independent Director

Mr. Sekhar Natarajan has rich experience in the Agriculture and Rural sector. After his retirement and now as Managing Partner of M/s. S.N Consultants, he continues to stay involved with the Agriculture Industry by providing advice and strategic guidance to local and international companies including private equity investors. A qualified Chartered Accountant and Cost Accountant, he possesses extensive knowledge of strategic thinking, business development and mergers and acquisitions. He was appointed as a Director on the Company's Board in May 2020.



**M.S. Jacob**

Whole-time Director &  
Chief Financial Officer

Mr. M.S. Jacob provides overall financial leadership, including on Investor Relations at Colgate-Palmolive (India) Limited. He joined the Company in 1995 in the Continuous Improvement Group. Over the course of 28 years, he has served at leadership roles in Finance at Colgate-Palmolive subsidiaries in Thailand, Vietnam, Malaysia and Hong Kong. He is a Commerce graduate from Mumbai University and Chartered Accountant from the Institute of Chartered Accountants of India. He was appointed on the Company's Board in October 2016.



**Surender Sharma**

Whole-time Director-Legal  
& Company Secretary

Mr. Surender Sharma leads the Legal and Secretarial Team in advising the business on issues of Legal Compliance, devising and implementing litigation strategy as well as issues of Ethics and Corporate Governance in a dynamic regulatory environment. He joined the Company in October, 2017 and has experience of over 23 years across leading companies in the areas of Legal, Secretarial and Corporate Affairs. He holds a Bachelor of Laws degree from the University of Delhi and is a fellow member of the Institute of Company Secretaries of India. He was appointed on the Company's Board in May 2020 and as a Company Secretary in February 2022.

## Leadership Team



**Prabha Narasimhan**

Managing Director & Chief  
Executive Officer  
*(Appointed w.e.f. 01.09.2022)*



**M S Jacob**

Whole-time Director &  
Chief Financial Officer



**Surender Sharma**

Whole-time Director-Legal  
& Company Secretary



**Sarala Menon**

Executive Vice-President - End  
to End Supply Chain



**Niraj Kumar**

Business Lead,  
Bangladesh, Nepal & Sri Lanka



**Balaji Sreenivasan**

Executive Vice President,  
Human Resources



**Gunjit Jain**

Executive Vice President, Marketing  
*(Appointed w.e.f. 01.02.2023)*



**Ruchir Bhatnagar**

Executive Vice President,  
Customer Development  
*(Appointed w.e.f. 01.07.2022)*



**Swati Agarwal**

Executive Vice President, IGTC  
*(Appointed w.e.f. 26.05.2022)*



# ESG Report

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# ACCOUNTABLE. SUSTAINABLE. IMPACTFUL.



“ We are implementing efficient waste management practices, optimizing material flows, and exploring recycling and upcycling opportunities. By creating closed loops, we aim to minimize waste generation and ensure valuable materials are kept in circulation for as long as possible. ”

highlighting our commitment to sustainability, responsible practices, and ethical governance. We continued to align our business practices with sustainable principles, focusing on - Environmental Stewardship, Social Impact, and Governance Excellence.

As part of our efforts to inspire trust and transparency, this is the second year of publishing our Environmental, Social and Governance (ESG) Report. In the following section, we share our progress and achievements in these crucial areas over the past year.

## Environmental Stewardship

We recognize the urgent need to address climate change and its impact on our planet. With this in mind, we have intensified our efforts to reduce our carbon footprint and promote resource conservation. Through various initiatives, we have reduced greenhouse gas emissions, optimised water consumption, and implemented renewable energy solutions across our operations and supply chain. These actions are not only vital for our business but also contribute to preserving the environment for future generations.

We believe in the importance of responsible waste management. We emphasise waste segregation at the source as an important step towards enhancing recycling and reuse rates. Additionally, we have taken substantial steps to minimize waste generation and promote recycling, striving towards a circular economy.

## Dear Stakeholders<sup>8</sup>,

At Colgate-Palmolive, we firmly believe that our success is intertwined with the well-being of our planet and society. We humbly present the Environmental, Social, and Governance (ESG) report for Colgate-Palmolive (India),

<sup>8</sup>GRI 2-22

Circularity represents a transformative shift in the way we approach resource utilisation, waste management, and product lifecycles. It is about designing out waste and pollution, keeping materials in use for longer, and regenerating natural systems. By embracing circular principles, we are committed to minimizing our environmental footprint while maximising the positive social impact we can create.

We have embarked on a comprehensive journey towards circularity and here are a few notable initiatives.

**Sustainable Packaging Solutions:** Packaging plays a crucial role and our focus is on developing sustainable packaging options that minimize waste and maximise recyclability. We are investing in research and development to find innovative materials, optimize packaging design, and increase the use of recycled and renewable content. By prioritizing eco-friendly packaging solutions, we aim to reduce our reliance on virgin resources and contribute to a circular value chain.

**Waste Management:** We are implementing efficient waste management practices, optimizing material flows, and exploring recycling and upcycling opportunities. By creating closed loops, we aim to minimize waste generation and ensure valuable materials are kept in circulation for as long as possible.

**Collaboration for Impact:** We actively seek collaboration opportunities with suppliers and other stakeholders to drive systemic change across the value chain. By working together, we can accelerate the transition to a circular economy, foster innovation, and scale up sustainable practices.

**Consumer Engagement:** We believe that informed consumers are powerful catalysts for change. We are committed to engaging and educating our consumers about the importance of circularity, sustainable consumption, and responsible product disposal. By educating consumers, we can create a ripple effect that drives demand for circular products and practices.

## Social Impact

Our commitment to society goes beyond our products and we understand that the strength of our organisation lies in the well-being of our people and the communities

in which we operate. We remain steadfast in our commitment to prioritise diversity, equity, and inclusion within our workforce, fostering an environment where every employee feels valued and respected. Additionally, our efforts in Oral Healthcare, Water Conservation & Augmentation and Community Development efforts have touched the lives of millions. Through our flagship programs, we have empowered individuals, particularly women and children, to lead healthier and more prosperous lives.

## Governance Excellence

Strong governance is the cornerstone of our business. We maintain the highest standards of transparency, integrity, and accountability across all our operations. Our Board of Directors actively oversees our ESG initiatives, ensuring that we align with global best practices and regulatory requirements. We believe in nurturing a culture of ethical conduct, risk management, and responsible decision-making, which enables us to build trust and safeguard the interests of our shareholders.

Looking ahead, we recognize that there is still much work to be done. We remain committed to setting ambitious goals and implementing innovative solutions to address pressing sustainability challenges. We will continue to collaborate with our partners, industry peers, and stakeholders to drive positive change. This is a responsibility that we embrace at Colgate.

On behalf of the entire Colgate-Palmolive (India) family, I extend gratitude to our Shareholders, Consumers, Employees and, Business Partners, for their active participation in our sustainability agenda. Together, we will create a brighter and more sustainable tomorrow.

Warm Regards,

**Shilpashree Muniswamappa**  
**Director - ESG & Communications**  
**Colgate-Palmolive (India) Limited**

# Top ESG highlights



## 80%

less plastic waste generated from **KEEP\*** toothbrush that has a reusable metal handle



## 80%

recyclable packaging\*\* used for our products, at all 4 CPIL plants



TRUE

## TRUE®

certification for zero waste for all 4 CPIL plants

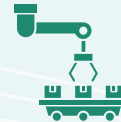


awarded to Sanand plant for energy efficiency



## Water positive

Goa and Sri City plants



## 100%

manufacturing facilities underwent human rights assessment



Pioneered

## Recyclable

toothpaste tubes while increasing product portfolio to – Active Salt, Visible White O<sub>2</sub>, PerioGard, Ved Shakti

\* compared to similarly-sized Colgate Toothbrushes.

\*\*Primary and Secondary Packaging.





~ **120%**

Plastic neutrality\*\*\*



**171 million**

school children reached through **BSBF** programme since its inception



**20,000**

women trained in digital and financial literacy



**Best  
Workplaces  
for Women**

by the Economic Times



**Zero**

fatalities



**Zero**

incidents of child labour, forced labour and freedom of association



**350 million +**

liters of water replenished through relevant programs

\*\*\*equivalent of plastic waste is recovered and removed from the environment



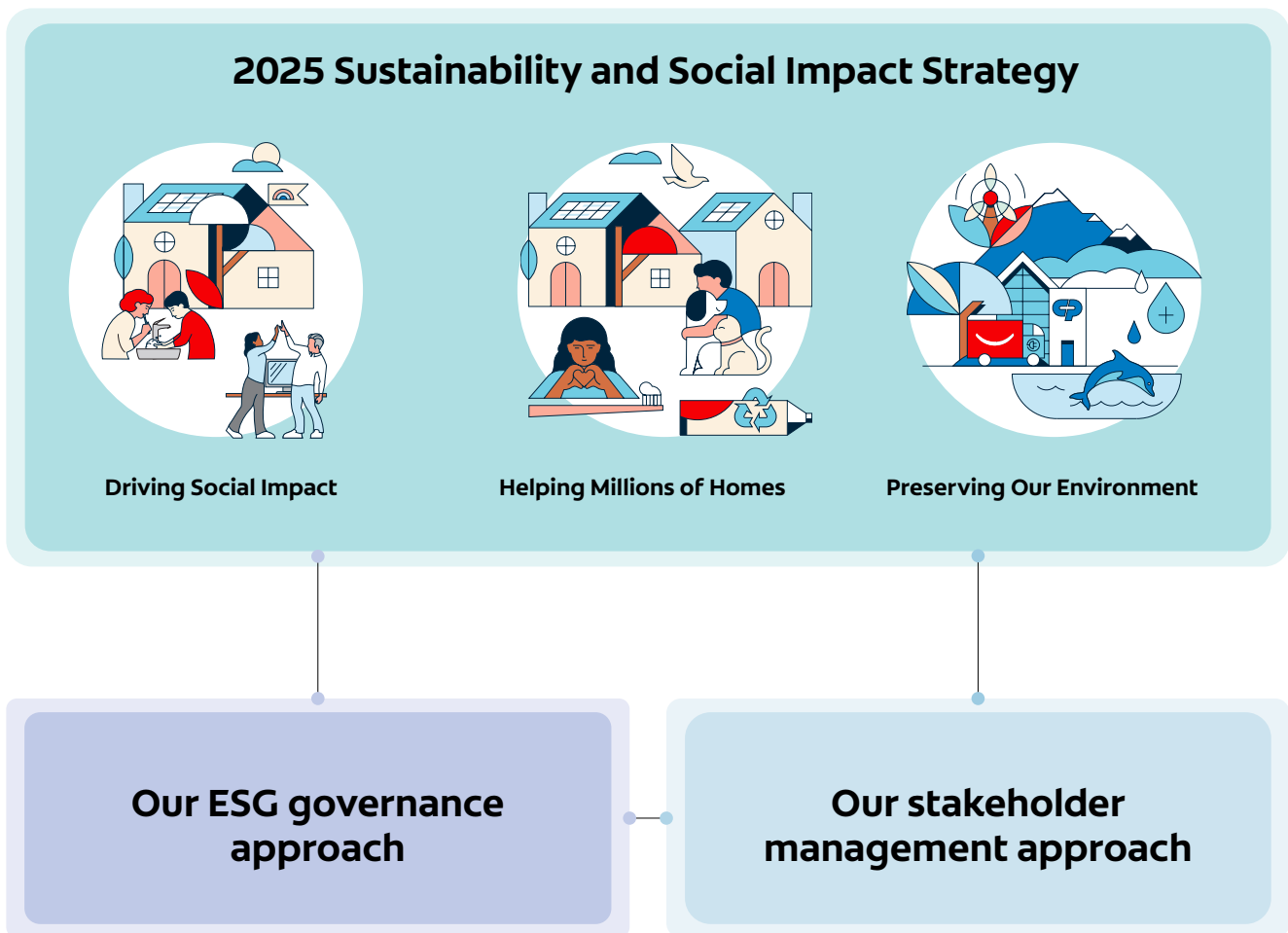
**Governance**

# ESG Framework

At Colgate-Palmolive (India), we believe that our purpose of ‘reimagining a healthier future’ for all people and our planet can only be achieved by integrating Environmental, Social, and Governance (ESG) into all our operational and strategic efforts. Our ESG framework serves as a key approach to achieve this vision.

Our ‘Global 2025 Sustainability and Social Impact Strategy,’ at the core of our ESG framework, ensures that we take care of our Environmental and Social considerations in an inclusive way. We leverage innovation, digitization, and modern technology to make a positive impact on the environment

and society. In addition, we have a strong governance and stakeholder management approach as critical components of our ESG framework. It is seamlessly woven into our business, reflecting our continued commitment to building environmental and social consciousness into every decision we make.



## ESG governance approach<sup>9</sup>

**Colgate-Palmolive (India) places a great deal of importance on cultivating a strong organizational culture that effectively addresses environmental, social, and governance (ESG) concerns. We strengthened our governance framework in the financial year 2021-22, to ensure responsible business practices and sustainable growth. This includes increased board supervision on ESG matters.**

Our ESG approach starts with a strong board, which comprises diverse members and independent voices who very well understand ESG in our business context. Furthermore, a Board-level ESG & Corporate Social Responsibility (CSR) Committee (ESG and CSR Committee/ECC) is formalized, which provides oversight of ESG issues and risks and ensures alignment with the business strategy. The Committee reviews progress made against ESG-related goals and targets and ensures the appropriate disclosure for stakeholders.

In addition to the ECC, Colgate-Palmolive (India) has a core committee that is comprised of leadership team members from Legal, Finance, Human Resources, Supply Chain, Corporate Communications, CSR & Sustainability. This Committee is responsible for providing support and effective supervision of ESG initiatives undertaken by the company. It also facilitates the incorporation of ESG goals into the organization’s overall corporate strategy.

Furthermore, we have a dedicated ESG task force consisting of representatives from relevant functions, which facilitates the integration of ESG considerations into our day-to-day operations. The task force conducts thorough analyses of trends, performance, forecasting, and cost-benefit evaluations of ongoing initiatives. This process empowers the ECC to make informed decisions and maximize the value creation potential of the organization.

### ESG Governance and Monitoring Framework

#### ESG Governance Structure

**Board of Directors**  
*(Oversight on CPIL’s ESG vision and direction)*

**ESG and CSR Committee**  
*(Board level committee to drive ESG governance and initiatives across the organization)*

**ESG Core Committee**  
*(Core leadership team comprising the Human Resources, Supply Chain, Corporate Communications, Legal, Finance, Audit and Sustainability & CSR departments)*

**ESG Taskforce**  
*(Cross-functional representatives led by sustainability champions to drive ESG initiatives on-ground)*

#### ESG Impact Assessment Framework

Tracking and monitoring progress across ESG goals and targets, aligned to the SMILE framework

#### Communication Framework

Leveraging communication channels to effectively enhance ESG disclosures and Y-o-Y performance against ESG goals and targets

#### Review Mechanism

<b>ESG and CSR Committee:</b> Half-yearly and yearly review	<b>ESG Core Committee:</b> Periodic Review
<b>ESG Taskforce:</b> Periodic Review	

UN SDGs in focus



<sup>9</sup>GRI 2-9, GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-16

## Stakeholder Management Approach<sup>10</sup>

The diverse stakeholder perspectives fuel our innovation-centric endeavours towards creating sustainable value across ESG<sup>11</sup>.

In the FY 2021-22, we conducted a comprehensive materiality assessment in alignment with the approach defined by GRI standards to identify and prioritize the key sustainability issues at Colgate-Palmolive (India). This assessment incorporates the ESG perspectives shared by our internal and external stakeholders and is inclusive of insights received through investor surveys, peer-reviewed scientific research, industry reports, consumer insights data, and employee as well as supplier feedback<sup>12</sup>.

With the advent of the GRI 2021 standards, our materiality assessment was modified to a **5-step systematic materiality approach** to determine positive and negative impacts created across all business activities, operations and external environment on the economy, environment and our stakeholders.

The results are presented in this report, with additional details on each issue and our actions to address them. We will continue to update our assessment as needed.

### Materiality Process

01

#### Cognize

Gauge a profound understanding of the company’s activities, business relationships, sustainability context, laws, regulations as well as the internal and external stakeholders.

02

#### Determine

Identify actual and potential impacts on the economy, environment, people (including human rights) across the products (oral health), activities (manufacturing, sales, community development) and relationships (suppliers, logistics, distributors).

03

#### Evaluate

Evaluate significance of identified positive and negative impacts through a risk assessment process. The actual and potential impacts undergo a quantitative and qualitative analysis where the severity and likelihood of the impact is assessed to determine significance.

04

#### Prioritize

The significance of identified impacts are assessed and prioritized. Using threshold set by the leadership team. These impacts are grouped together into diverse material topics.

05

#### Validate<sup>13</sup>

CPII’s ESG and CSR Committee oversees the due diligence process as well as refines and validates the final material topics.

### Four-step approach to ensure stakeholder inclusiveness at each step



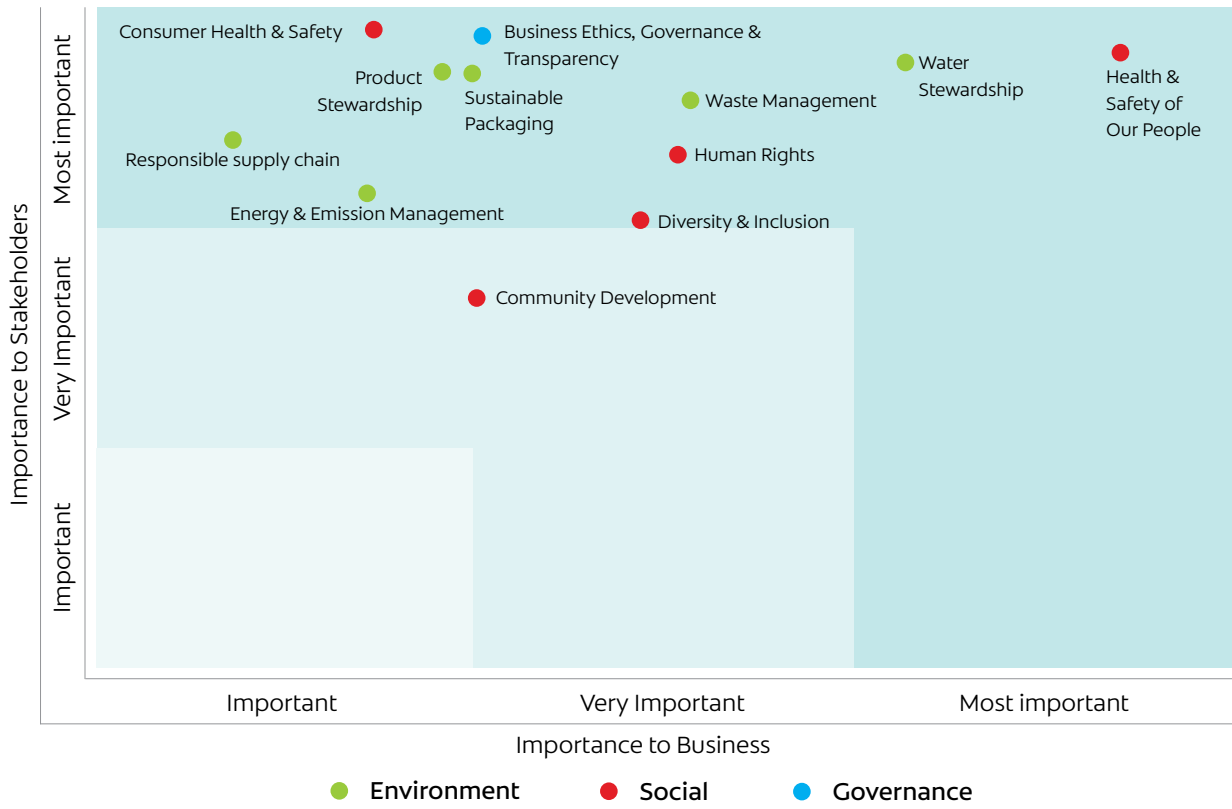
<sup>10</sup> GRI 2-29, GRI 3-1, GRI 3-2, GRI 3-3

<sup>11</sup> GRI 3-1, GRI 3-2

<sup>12</sup> GRI 2-26

<sup>13</sup> GRI 2-14

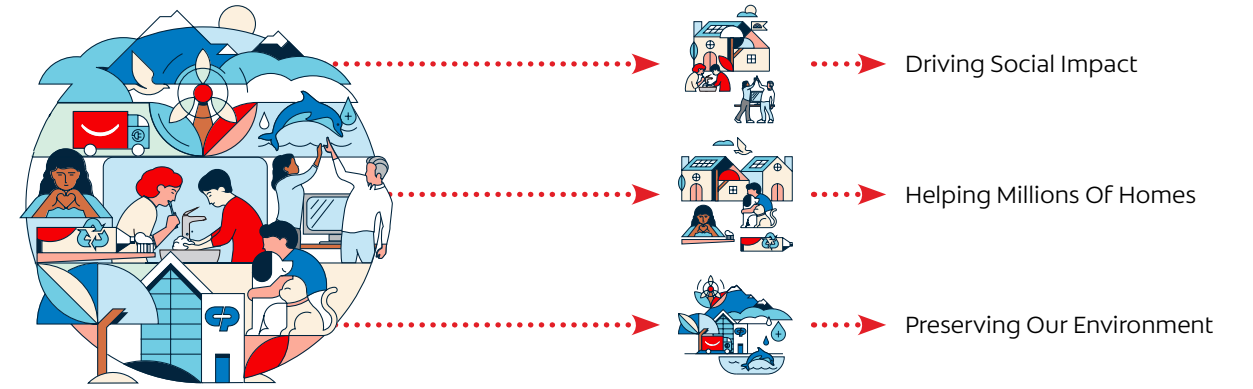
### Materiality Assessment



## 2025 Sustainability & Social Impact Strategy

Our 2025 Sustainability & Social Impact Strategy is the cornerstone of our ESG framework and guides our approach to environmental and social aspects.

With the Colgate-Palmolive (India) brand present in more homes than any other, we have a unique opportunity to integrate sustainability into every aspect of our business and create positive impacts. We are dedicated to positioning ourselves for further growth as we implement our 2025 Sustainability & Social Impact Strategy, based on our three key ambitions of Driving Social Impact, Helping Millions of Homes and Preserving Our Environment. These are supported by a set of specific actions and targets. Our ambitions are reinforced by actionable targets that reflect our unwavering commitment to incorporating environmental and social consciousness into our decision-making processes.

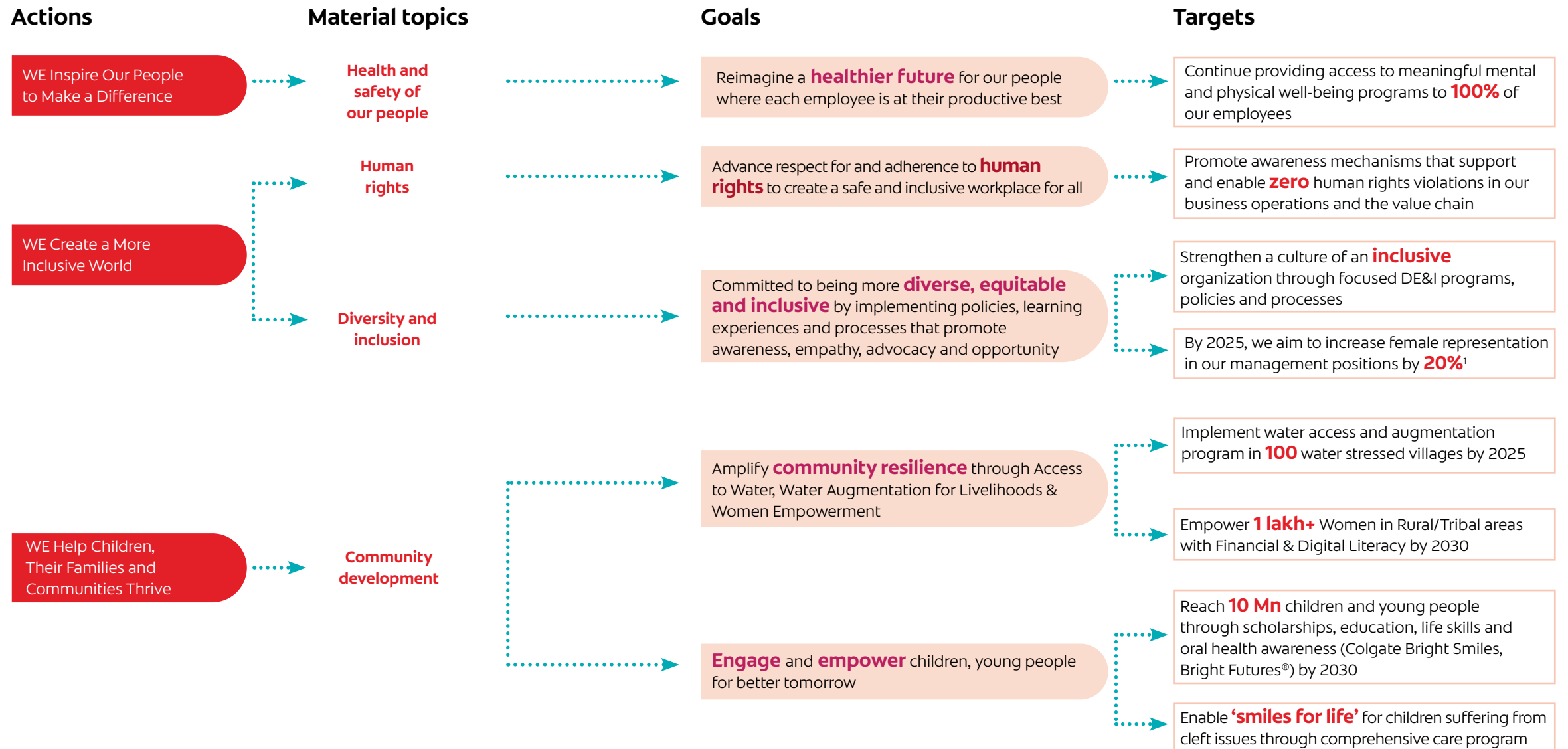


### Our 2025 Sustainability & Social Impact Strategy

CPI's sustainability strategy was developed with a strong focus on Environmental, Social, and Governance (ESG) considerations. Thus, the report provides detailed disclosures on the Environmental, Social and Governance initiatives undertaken in FY 2022-23.



### Driving Social Impact



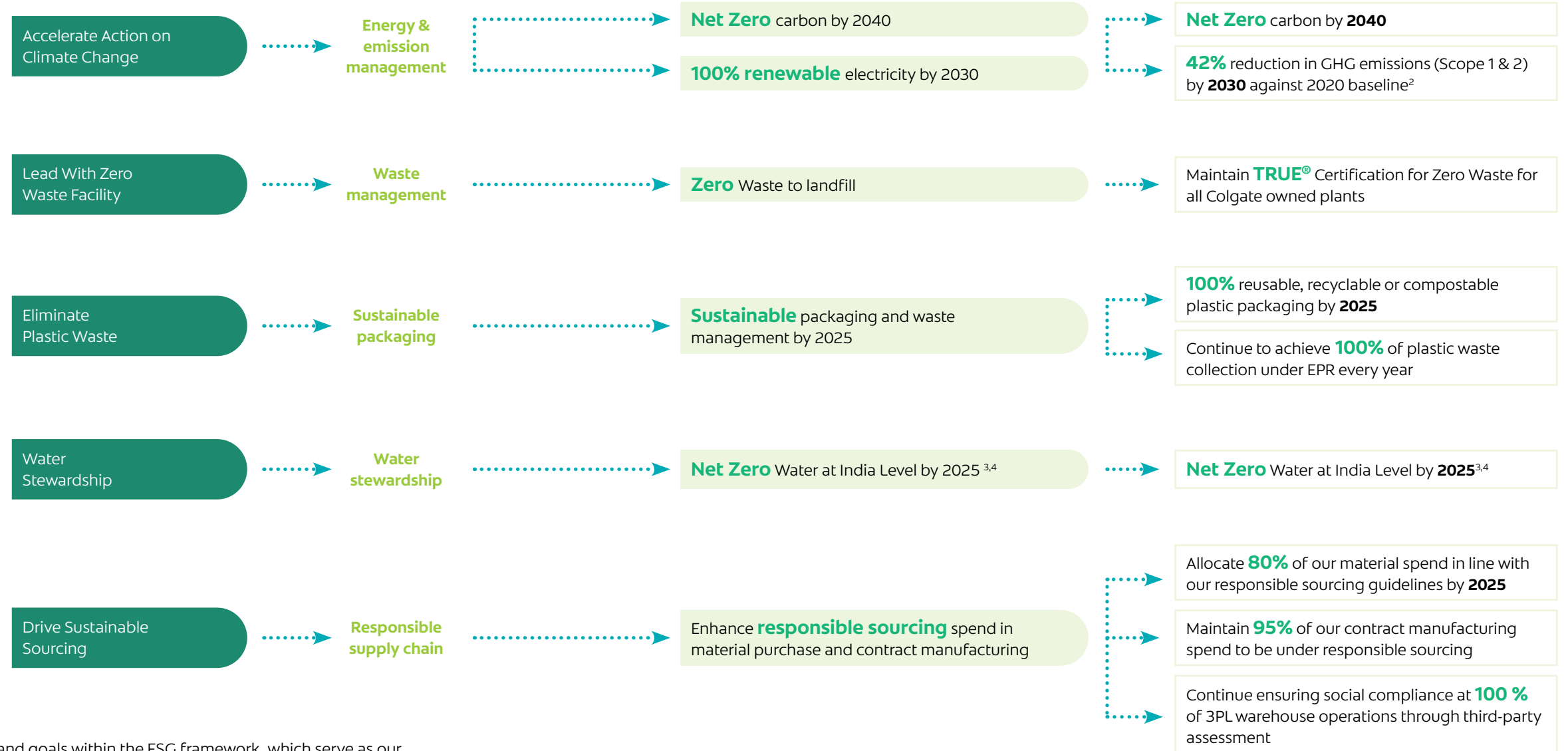
1. Against baseline 2020



## Helping Millions Of Homes



## Preserving Our Environment



The aforementioned table encompasses CPI's targets and goals within the ESG framework, which serve as our guiding principles. Our overarching objective is to secure a safer future for our planet and our people, which can only be achieved through a purpose-led innovation approach that permeates all aspects of our operations.

<sup>2</sup>. Energy consumed in KWh per tonne of production

<sup>3</sup>. As defined by USGBC LEED Net Zero Water

<sup>4</sup>. Excluding water mandated to be sent to Central Effluent Treatment Plant for treatment



# Spreading Smiles through Innovation

We have been committed to bringing smiles to people’s faces through our innovations for over 200 years. Our innovations are not just for people, but for society and the planet as well. We believe in science-led innovation across all areas of our business, which is why we have a large team of specialists including scientists, engineers, innovators, technologists, regulatory experts and data scientists.

With rich experience in the oral care industry and support from our external partners, Colgate-Palmolive on a global level has developed a wealth of patents and proprietary technologies, enabling the company to develop some of the most innovative, effective and sustainable oral care products in the market.

<p><b>~900</b> Scientists</p>	<p><b>10K+</b> Patents Studied</p>
<p><b>100+</b> Research Studies</p>	<p><b>~900</b> Patents per year</p>
<p><b>~750</b> Quality Specialists &amp; Engineers</p>	<p><b>07</b> Strategic Global Technology Centers</p>
<p><b>2.7X</b> Higher Oral Care Scientific Publications than the next player</p>	



Colgate-Palmolive recognizes India as a key part of its global Research and Development (R&D) agenda. With over 85 years of presence in India, the Company has established a state-of-the-art R&D center in Mumbai, which is one of its largest R&D facilities globally. This center is staffed by a highly skilled team of scientists and researchers, who collaborate with other research centers, including Colgate-Palmolive’s central R&D center headquartered in Piscataway, New Jersey, United States and leverages a trained workforce to deliver the finest quality products to the market.

Overall, the company’s investment in R&D in India reflects its commitment to developing innovative products and technologies. This meets the unique needs of consumers in the Indian market while contributing to the company’s global growth and success and meeting our ESG ambitions.

To provide an overview of this journey, we offer a compelling insight into CPIL’s product stewardship section—an essential component of our environmental and social pillar.

## Product Stewardship

### Product design for a better tomorrow

Our team of experts work closely with our network of partners to develop new and innovative solutions. We then translate these scientific discoveries into everyday products that not only care for the planet, but also improve people’s health, confidence, and overall well being.

We are committed to providing products of the highest quality while maintaining strict environmental compliance standards. Through an innovation focused strategy, Colgate-Palmolive (India) strives for manufacturing excellence and endeavors to meet the changing demands of today’s customers.

We cater to changing consumer needs by continuously innovating and improving our products to meet the evolving market demands. Our product development process is validated by consumer feedback received through various channels. Along with offering valuable insights, it allows us to improve procedures and systems,

gauge customer satisfaction through surveys and enables employees to improve skill-sets for fueling product innovation. The company has also implemented a mechanism to drive greater sustainability and continuous improvement in its products.

We continue to deploy advanced technologies to enhance product quality, ensure process optimization and heighten production capacity. For example, Colgate-Palmolive (India) has been working to incorporate recycled materials into its products and reduce the use of plastics in its packaging<sup>14</sup>.



**Brushing up on sustainability**  
**KEEP TOOTHBRUSH**

- 01 ..... Disposable head
- 02 ..... Reusable metal stand-up handle

**80%**  
reduction in plastic usage from no-plastic handles



**Going green with every squeeze**  
**MONO-MATERIAL HDPE TUBES**

- 01 ..... Fully recyclable
- 02 ..... Easier recovery, sorting and recycling at the end of product life cycle.

Colgate-Palmolive is the **world’s first** to manufacture recyclable toothpaste tubes

<sup>14</sup>GRI 3-3

## Product Quality & Safety Management

CPI's product quality and safety management system is designed to ensure that all of its products meet the highest standards of quality, safety and regulatory compliance. This begins with the selection of high-quality raw materials and the implementation of rigorous quality control processes throughout the manufacturing process. The company also conducts extensive testing on its products to ensure that they meet or exceed industry standards for safety and performance.

We follow a comprehensive set of 26 'Global Quality Standards' based on the US FDA's Six-system approach covering innovation, manufacturing and commercialization. These standards are applied across all our facilities to ensure monitoring of processes and testing of products. They guarantee that all our manufacturing facilities rely on state-of-the-art technology and have the necessary audit and quality control mechanisms to respect health and safety of our people and consumers.

All our products conform to Key Release Specifications (KRSs) and meet the requirements specified for each product type. Any product which fails to conform to the required parameters is barred from unintended use or release<sup>15</sup>. Our efforts ensured zero incidents of non-compliance concerning the health and safety impacts of our products in FY 2022-23<sup>16</sup>.

**100%**

products assessed for health and safety impacts prior to launch<sup>13</sup>

In addition, we have implemented a number of measures to ensure that our products are sustainable and environmentally responsible. This includes reducing the environmental impact of manufacturing processes, using renewable energy sources, and developing products that are more environmentally friendly.



We launched the first of its kind **Recyclable toothpaste tube** which is made of HDPE\*. We chose this material because the HDPE bottle stream has one of the highest recycling rates across the world. But It was not easy to work with; HDPE is rigid and not well suited for squeezable tubes. But by combining different layers of HDPE laminate at varying thicknesses, our engineers were able to produce a soft, easy-to-squeeze recyclable tube with similar performance parameters.

We shared our recyclable tubes knowhow globally, including with our competitors. We, thus, promoted the transition to recyclable tubes, improving portfolio efficiency and contributing to a circular economy. We are committed to transition **100%** of our toothpaste portfolio to **recyclable tubes by 2025** in India.

<sup>15</sup> GRI 416-1

<sup>16</sup> GRI 416-2, GRI 3-3

\* High Density Polyethylene

## Ingredient Safety

We understand that our customers trust us to provide safe and reliable products. That's why we take our responsibility to ensure the safety of our ingredients very seriously. We provide accurate and transparent information about our products, empowering customers to make informed decisions.

Our strict ingredient safety policy governs our processes and ensures compliance with our own safety standards

as well as government regulations in all regions where we operate. Our guidelines for using ingredients are based on thorough scientific evaluations. We proactively collaborate with external experts and keep up with the latest scientific discoveries to continuously improve our knowledge and practices. We also work only with suppliers who meet our high safety standards and pass regulatory tests, to ensure the safety of our products at every stage of production.



All ingredients utilized in our products undergo a meticulous safety screening conducted by our scientists to ensure adherence to stringent safety and performance standards.



After the formula is finalized, our scientists conduct a comprehensive screening of the entire formula to confirm that it meets the set expectations.



Our ingredient and formula assessments are conducted beyond the laboratory environment and encompass real-world conditions such as manufacturing, transportation, storage and usage.



All our plants have on-site chemical, microbiological and packaging testing laboratories that are staffed by highly trained and qualified analysts/technicians. These fully-functional labs are equipped with highly trained and qualified analysts/technicians, testing equipment and methods as well as programs for Quality Control.



### Recall Management

To safeguard the safety and well-being of our consumers, we have established a standardized process to recall and recover any products that do not meet our high-quality standards, are defective, or potentially harmful. This process includes rigorous measures such as conducting mock recovery audits, utilizing FMEA (Failure Mode and Effect Analysis) technology to eliminate defects, and implementing product coding for traceability purposes. Through these steps, we ensure that our customers can have complete confidence in the safety and reliability of our products.

**Zero**  
product recalls for almost a decade

### Consumer Awareness – transparency in labeling

We prioritize transparency to establish and maintain strong relationships with our valued consumers. Our constant endeavor to provide accurate information about our products is reflected on our website and e-commerce platforms. We also ensure that our packaging includes information on safe usage and disposal. In addition to meeting regulatory requirements, we proactively provide details such as directions for usage, product quantity, and suitability for different age groups. Our labeling and packaging also includes symbols and information on recycling and water conservation<sup>17</sup>.

As a result of our responsible practices, we had no incidents of non-compliance with marketing communication regulations in the fiscal year 2022-23<sup>18</sup>. We had one incident of non-compliance with regulations and voluntary codes for product and service information and labeling, which was promptly resolved without any adverse impact<sup>19</sup>.

**Zero**  
incidents of non-compliance with marketing communication regulations in the FY 2022-23



<sup>17</sup> GRI 417-1  
<sup>18</sup> GRI 417-3  
<sup>19</sup> GRI 417-2

Celebrating 85 years in India

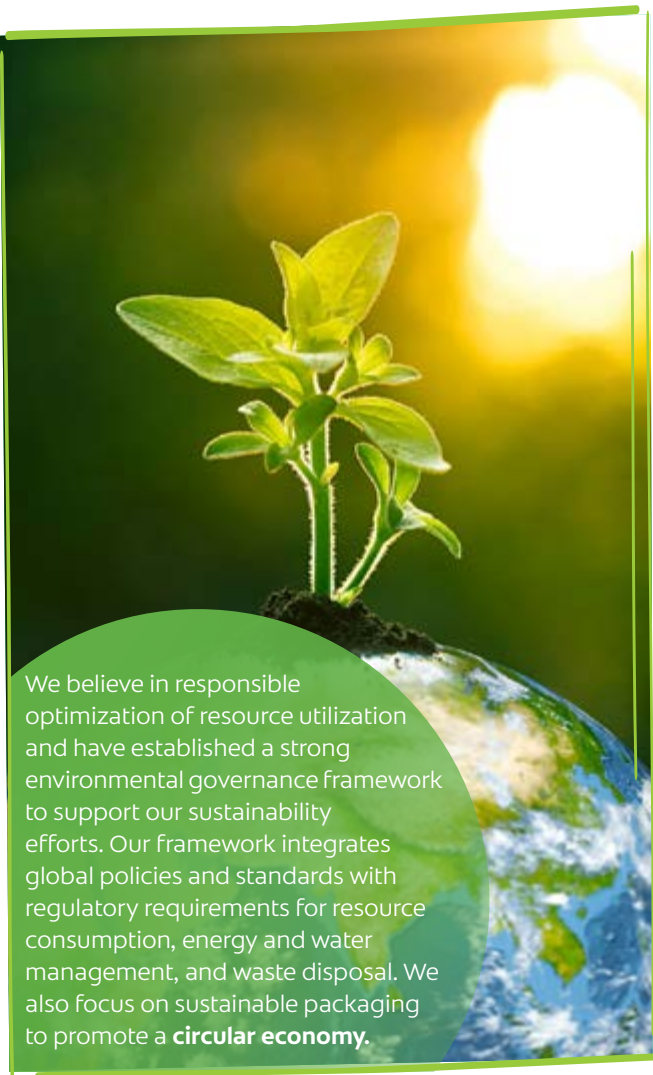
**85 YEARS**  
**ANNIVERSARY**



**Environment**

# Towards a Sustainable Future

At Colgate-Palmolive (India), we take our impact on the environment seriously and strive to minimize it by closely monitoring our environmental parameters such as energy and water consumption, waste generation, and recycling.



We believe in responsible optimization of resource utilization and have established a strong environmental governance framework to support our sustainability efforts. Our framework integrates global policies and standards with regulatory requirements for resource consumption, energy and water management, and waste disposal. We also focus on sustainable packaging to promote a **circular economy**.

Our environmental management system addresses all critical areas, including resource optimisation, energy and water management, waste disposal, and sustainable packaging. By adhering to this framework, we strive to ensure minimization of our impact on the environment and acceleration of our actions on climate change. We continually evaluate our performance, identify areas for improvement, and implement corrective actions promptly.

We align our approach with our business objectives while complying with necessary environmental regulations and standards. Through collaborative initiatives, we integrate various management systems across our operational locations to review, certify, and improve systems. This standardized approach ensures access to best practices from other locations and reinforces existing management systems. We recognize that sustainability is a continuous journey and requires collective effort. Therefore, we remain committed to working alongside our stakeholders to achieve this shared goal<sup>20</sup>.

We are pleased to share that we are making significant strides on our ESG journey, and as part of our commitment to enhancing our sustainability practices, we have made a change to our reporting boundary in our ESG report. We have included our Head Office, Mumbai in this year's report to provide a more comprehensive overview of our sustainability performance, as a result of this change, year-on-year data is not directly comparable.

## UN SDGs in focus



<sup>20</sup> GRI 3-3



# Addressing Climate Change

## Energy & Emissions Management

**As the world continues to grapple with the challenges associated with climate change, the importance of energy and emissions management cannot be overstated. As a responsible corporate citizen, we recognize the significance of managing our energy usage and reducing our emissions amidst the ongoing challenges associated with climate change.**

Therefore, we have set strategic goals and taken actions to achieve net zero carbon by 2040, underscoring our commitment to promote environmentally conscious business practices.

To achieve this, we have implemented several initiatives that promote energy conservation across our product development processes. Our efforts include enhancing fuel efficiency in our manufacturing facilities, optimizing electricity consumption at our offices, promoting the use of renewable and clean energy, and ensuring air emissions are below thresholds prescribed by regulatory bodies. Our initiatives align with our business goals and comply with all necessary environmental regulations and standards. We continually adopt modern and innovative technologies and sustainably upgrade our infrastructure to achieve energy efficiency across our operations.

**9,801 GJ**

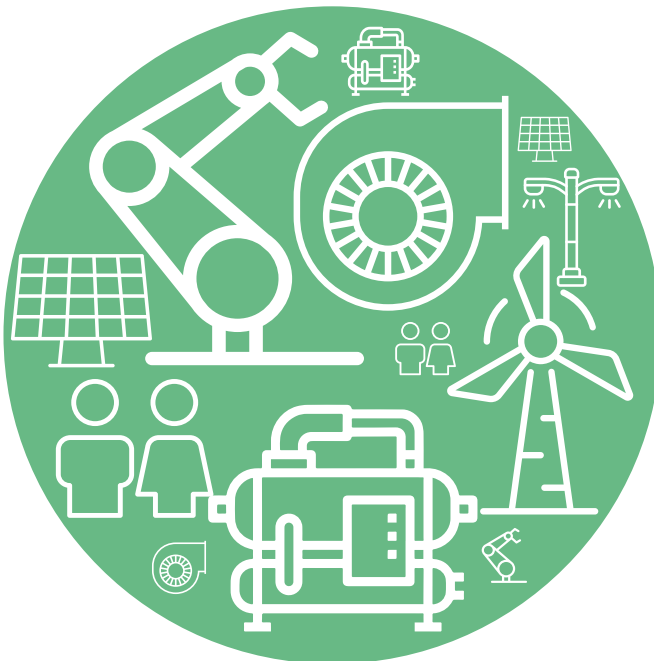
energy saved resulting in reduction of GHG emissions in FY 2022-23<sup>21</sup>

## Energy Conservation Initiatives

**Installation** of EC blowers, HVAC chiller replacement, IR burners, HSD saving through Steam Condensate recovery, HVAC Blower replacement with Axial Blower, etc. at our manufacturing facilities.

Installation of an in-house **solar power** plant for green energy at our Sri City and Sanand manufacturing facilities.

Sensitization of employees for **energy conservation** through open forums, Energy Treasure Hunts, etc.



Installation of the first handle **feeder robot** to help place the toothbrush skeletons on Vertical Injection Machines for over-molding operation and help bring in more efficiency and output.

Power Purchase Agreements (PPA) for **solar and wind power** at our Sri City and Sanand manufacturing facilities.

Installation of energy-efficient **smart lighting systems** in sanitary facilities at all locations.

<sup>21</sup>GRI 302-4, GRI 305-5

## Energy Consumption<sup>22</sup>

By 2030, we aim to decrease our Greenhouse Gas (GHG) Emissions (Scope 1 & 2) by 42% from the 2020 baseline. In the financial year 2022-2023, we utilized approximately 225.53 TJ of energy, out of which 11% was obtained from renewable sources such as solar and wind.

Our direct energy requirements are primarily fulfilled by on-site solar rooftop installations, diesel, natural gas, and LPG.

We have prioritized our energy management practices by adopting high-efficiency energy equipment to optimize consumption and eliminate energy wastage.

**89%**

increase in direct renewable energy consumption in FY 2022-23 compared to FY 2020-21

The following table depicts our location wise energy consumption during the FY 2022-23

Location	Direct		Indirect		Total		Total FY 2022-23
	Renewable	Non-renewable	Renewable	Non-renewable	Renewable	Non-renewable	
Sri City	6,481.94	1,211.94	4,552.16	34,601.27	11,034.10	35,813.21	46,847.31
Sanand	5,402.33	9,472.34	7,407.40	41,576.17	12,809.73	51,048.51	63,858.24
Baddi	-	14,849.93	-	28,526.40	-	43,376.33	43,376.33
Goa	-	15,091.73	-	39,452.90	-	54,544.63	54,544.63
<b>Total*</b>	<b>11,884.27</b>	<b>40,625.94</b>	<b>11,959.56</b>	<b>1,44,156.74</b>	<b>23,843.83</b>	<b>1,84,782.68</b>	2,08,626.51
Head Office	-	27.92	-	16,882.16	-	16,910.08	16,910.08
<b>Total#</b>	<b>11,884.28</b>	<b>40,653.86</b>	<b>11,959.56</b>	<b>1,61,038.90</b>	<b>23,843.83</b>	<b>2,01,692.76</b>	2,25,536.59

\* (4 CPIL owned manufacturing plants)

# (4 CPIL owned manufacturing plants + Head Office)

The following table depicts our location wise energy consumption during the FY 2022-23<sup>23</sup>

	Energy Consumption (in GJ)						Total
	Direct		Indirect		Total		
	Renewable	Non-renewable	Renewable	Non-renewable	Renewable	Non-renewable	
<b>FY 2022-23</b>	11,884.28	40,653.86	11,959.56	1,61,038.90	23,843.84	2,01,692.76	2,25,536.60
FY 2021-22	8,685.74	43,156.98	19,137.23	1,41,297.65	27,822.97	1,84,454.63	2,12,277.60
FY 2020-21	6,276.07	45,934.28	15,942.58	1,28,766.31	22,218.65	1,74,700.59	1,96,919.24

The data for FY 2020-21 and FY 2021-22 has been corrected based on certain errors identified in the previous report.

Direct non-renewable energy consumption is 140% higher compared to the consumption previously reported

**11,884.28 GJ**

Total direct renewable energy consumption in FY 2022-23

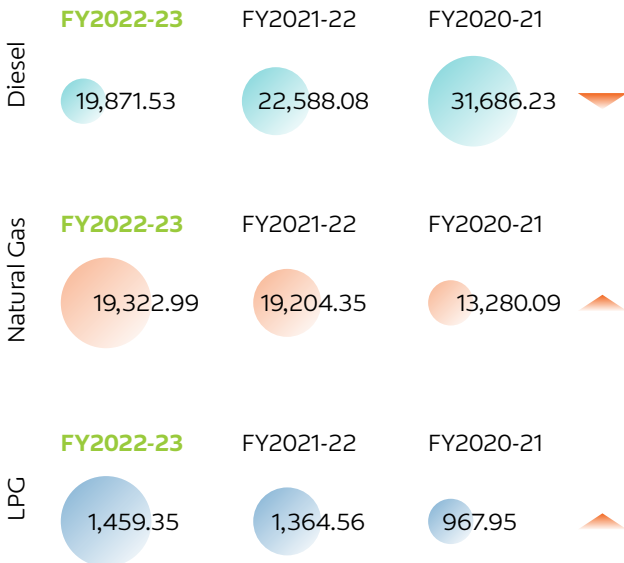
**23,843.84 GJ**

Total energy consumption in FY 2022-23

<sup>22</sup>GRI 302-1

<sup>23</sup>GRI 302-1, GRI 2-4

### Fuel Consumption (in GJ)



### Energy Intensity<sup>24</sup> (GJ/ tonne of production)

	FY 2022-23	FY 2021-22	FY 2020-21
Energy Intensity (GJ/ tonne of production)	1.74*	1.57	1.39

Note: We have included our Head Office, Mumbai in this year's report to provide a more comprehensive overview of our sustainability performance, as a result of this change, year-on-year data is not directly comparable.

### Smart automation in manufacturing

In order to establish a smart factory in Goa, we incorporated Digital Twin Technology into our operations for sophisticated analysis and decision-making capabilities. By implementing this technology, we were able to enhance the Batch Cycle Time for Ayurvedic formula (SVS) by 25%, thereby boosting our annual capacity.

Encouraged by the favorable outcome of this endeavor, we are in the process of introducing this technology to our other plants as well.

<sup>24</sup>GRI 302-3



### Green Buildings

We have remained steadfast to achieving 'USGBC Leadership in Energy and Environmental Design (LEED) Certification' for all our new construction projects. Recently, two of our newest manufacturing facilities situated in Sri City, Andhra Pradesh, and Sanand, Gujarat, have successfully obtained the LEED - Gold Certification.

### GHG Emissions<sup>25</sup>

CPIL has prioritized climate action as a significant area of focus under its ESG initiatives. Our aim is to achieve net-zero carbon emissions by the year 2040, and our strategy to accomplish this is centered on reducing greenhouse gas (GHG) emissions from our operations.

However, in the fiscal year 2022-2023, we observed a 4% increase in our carbon emissions, reporting 35,138 tCO<sub>2</sub>e, which can be attributed primarily to expanding our reporting boundary and monitoring of fugitive emissions caused by the use of refrigerants.

The table below illustrates the changes in our Scope 1 and 2 emissions, as well as our GHG intensity, over the last three years.

The table below illustrates the changes in our Scope 1 and 2 emissions, as well as our GHG intensity, over the last three years.

Description	Unit	GHG emissions <sup>26</sup>		
		FY 2022-23	FY 2021-22	FY 2020-21
Scope 1	tCO <sub>2</sub> e	3,378.20	2,837.24	3,154.04
Scope 2	tCO <sub>2</sub> e	31,760.45	31,006.98	28,257.05
<b>Total (Scope 1+Scope 2)</b>	tCO <sub>2</sub> e	<b>35,138.65</b>	<b>33,844.22</b>	<b>31,411.09</b>
<b>Total GHG emission intensity</b>	tCO <sub>2</sub> e/tonne of production	<b>0.27</b>	<b>0.25</b>	

The data for FY 2020-21 and FY 2021-22 has been corrected based on certain errors identified in previous report. Scope 1 emissions are 120% higher compared to the level of emissions previously reported

<sup>25</sup>GRI 305-1, GRI 305-2, GRI 305-4

<sup>26</sup>GRI 2-4



### SPOTLIGHT

The United States Environmental Protection Agency (US EPA) has acknowledged our Sanand manufacturing facility for promoting energy efficiency by conferring upon it the Energy Star award. Furthermore, the facility is keeping up with Industry 4.0 requirements by embracing cutting-edge technologies. We are continually striving for operational excellence by introducing Cobots, Digital Twins, Predictive Analytics, Automated & Digital Laboratories, and other advanced operations in accordance with the smart factory initiative.



## Air Emissions<sup>27</sup>

We strongly believe in taking responsibility for minimizing our emissions to ensure healthy air quality in the communities where we operate. To achieve this, we closely monitor our stack emissions, which include SO<sub>x</sub>, NO<sub>x</sub>, and particulate matter (PM). Moreover, we adhere to the Air Quality Standards established by the Central and/or State Pollution Control Boards to comply with regulatory requirements for ambient air quality.

We have installed advanced air pollution control equipment at all our manufacturing facilities and the head office to keep our emissions within the permissible limits. Besides monitoring GHG emissions, we also keep track of fugitive emissions that result from the use of refrigerants.

In the fiscal year 2022-2023, our consumption of CFC-11 eq. Ozone Depleting Substances (ODS) was 0.157 MT. We are planning to adopt the latest pollution control equipment to ensure higher energy efficiency and reduce fugitive emissions.

### Air Emissions (in MT)

Description	NO <sub>x</sub>	SO <sub>x</sub>	PM
<b>FY 2022-23</b>	2.23	0.91	1.79
FY 2021-22	2.31	0.70	1.69
FY 2020-21	2.20	3.42	1.94



We are taking actions to reduce the negative impact on the ozone layer and the environment from our operations. We are well within the threshold of defined norms related to this.

### ODS in FY 2022-23 (MT of CFC-11 eq)

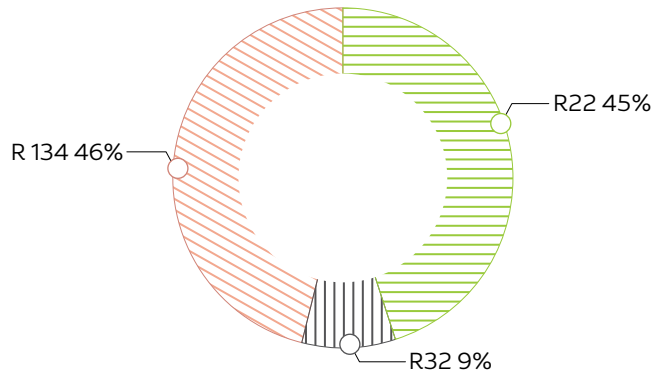


Figure: ODS Substances consumed in FY 2022-2023

R 134 - Refrigeration systems with positive displacement compressors and direct evaporation. It is classified in safety class A1 according to ISO / ASHRAE

R 22 - Refrigerant that is often used in air- conditioning equipment

R32 - Refrigerant belongs to the HFC family of refrigerants. These hydrofluorocarbons do not contribute to depletion of the ozone layer.



<sup>27</sup>GRI 305-6, GRI 305-7

# Lead with Zero Waste Facilities

## Waste Management

**Colgate-Palmolive (India) recognizes waste management as a crucial issue in India alongside its water management efforts. The rising population and changing consumer habits have led to a surge in waste generation, including packaging materials and product residues.**

As an FMCG company, Colgate-Palmolive (India) acknowledges its role in waste generation and the environmental impact it has. To combat this issue, the company strives for zero waste to landfill in all its operations through measures such as resource optimization and sustainable packaging materials.

Most of the waste generated by CPIL comes from manufacturing activities and discarded consumer packages. Waste generation can result from product or raw material contamination, machine defects, quality issues, and other factors during the manufacturing process.

To optimize resources, all our manufacturing facilities in India are TRUE® certified to the Platinum level\*\* certified sites. Additionally, we have implemented an effective waste monitoring system to track waste generation, sources, and disposal mechanisms, identifying areas for potential waste reduction. By keeping meticulous records and manifests at each site, we can analyze trends and implement measures to reduce our waste footprint. Colgate-Palmolive (India)'s efforts contribute to responsible waste management and a sustainable future<sup>28</sup>.



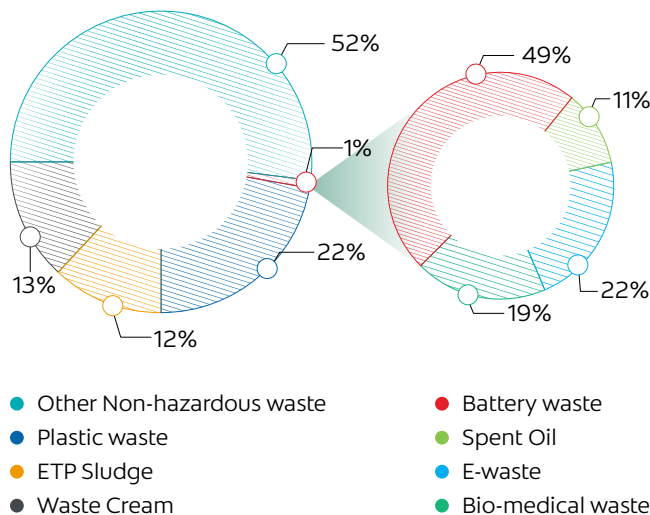
All **04** industrial sites are TRUE® certified for Zero Waste

\*\*TRUE: Total Resource Use and Efficiency  
USGBCI: US - Green Building Council

## Waste Generation<sup>29</sup>

During the FY 2022-23, we generated a total of approximately 4348 metric tons of waste, comprising hazardous, non-hazardous, and electronic waste. Our approach to waste management involves identifying the source of waste, and we accomplish this by categorizing and segregating waste materials by type and nature at our facilities. The composition of the waste generated is depicted in the graph below.

### Composition of Waste for FY 2022-23



<sup>28</sup>GRI 3-3  
<sup>29</sup>GRI 306-3

There has been a 4.06% increase in waste generation within the Company compared to FY 2021-22, primarily due to a change in the reporting boundary. However, we remain committed to reducing our waste footprint and have implemented various measures to achieve this goal.

Table presents the categories of waste generation over the past three years, and we will continue to monitor and improve our waste management practices to reduce our

environmental impact. The increase in plastic waste and bio-medical waste, is attributed to the changes in waste categorization as per the local rules and regulations. Our manufacturing facility at Sanand underwent changing of lighting which contributed to 74% of the total e-waste generated in FY 2022-2023. We also observed an increase in ETP sludge due to the periodic maintenance of ETP at our manufacturing facility located in Baddi.

**Waste generation by category<sup>30</sup>**  
(in MT)

Description (in MT)	FY 2022-23	FY 2021-22	FY 2020-21
Plastic waste	974.64	710.99	636.90
E-waste	10.89	3.10	1.24
Bio-medical waste	9.42	2.90	3.38
Construction and demolition waste	-	-	-
Battery waste	24.78	27.82	3.11
Radioactive waste	-	-	-
Other Hazardous Waste - ETP Sludge	519.28	368.48	356.52
Spent Oil	5.41	2.01	0.78
Waste Cream	559.02	673.97	863.33
Other Non-hazardous waste	2,245.03	2,389.44	2,205.79
<b>Total</b>	<b>4,348.47</b>	<b>4,178.71</b>	<b>4,071.05</b>



<sup>30</sup>GRI 306-3

### Waste diverted from disposal<sup>31</sup>

We prioritize waste segregation at the source as a crucial step towards increasing recycling and reusing rates. We believe in the importance of responsible waste management. Listed here is the detailed breakdown of each type of waste that was successfully diverted from disposal.

#### Hazardous waste diverted (in MT)

Description	FY 2022-23	FY 2021-22	FY 2020-21
Recycled	832.82	757.63	739.89
Re-used	-	-	-
Other recovery operations	-	-	-
<b>Total</b>	<b>832.82</b>	<b>757.63</b>	<b>739.89</b>

#### E-waste diverted (in MT)

Description	FY 2022-23	FY 2021-22	FY 2020-21
Recycled	10.89	3.10	1.24
Re-used	-	-	-
Other recovery operations	-	-	-
<b>Total</b>	<b>10.89</b>	<b>3.10</b>	<b>1.24</b>

#### Non-hazardous waste diverted (in MT)

Description	FY 2022-23	FY 2021-22	FY 2020-21
Recycled	3,156.28	3,159.67	3,145.00
Re-used	334.97	921.62	914.99
Other recovery operations	-	-	-
<b>Total</b>	<b>3,491.25</b>	<b>4,081.29</b>	<b>4,059.99</b>

Note: The waste cream generated at the Sanand facility is disposed as hazardous waste in accordance with the Consent to Operate, unlike the waste cream generated at Baddi and Goa.

Our dedication to this process has led to successful diversion of **4,334.96 MT** of waste, with 92.3% being recycled and 7.3% being reused

### Waste directed to disposal<sup>32</sup>

We focus on recycling and reusing the waste generated at our facilities. In FY 2022-23, we successfully recycled a significant amount of waste, and disposed only a small fraction of it.

Table depicts the trend in our waste disposal over the past few years.

#### Hazardous waste directed to disposal (in MT)

Description	FY 2022-23	FY 2021-22	FY 2020-21
Incineration	9.42	2.82	3.23
Landfilling	-	-	-
Other disposal operations	-	-	-

#### Non-hazardous waste directed to disposal (in MT)

Description	FY 2022-23	FY 2021-22	FY 2020-21
Incineration	-	0.3	-
Landfilling	9.5	17.63	12.28
Other disposal operations	-	-	-

We only disposed

**2%**

of our overall waste, which included both hazardous and non-hazardous elements

**We remain committed to reducing our waste footprint and have implemented various measures to achieve this goal.**

<sup>31</sup>GRI 306-4

<sup>32</sup>GRI 306-5



# Eliminate Plastic Waste

## Sustainable Packaging

Colgate-Palmolive (India) is committed to achieving zero waste to landfill by 2025 and recognizes the crucial role of addressing packaging waste in the FMCG industry. To achieve this, the company invests in recyclable packaging materials that are also made of recycled material. This aligns with consumer demand for non-polluting options and helps minimize the impact of packaging waste on the environment. We have an effective waste monitoring system that tracks waste generation and disposal, enabling it to identify potential areas for waste reduction and minimize post-consumer packaging waste.

Colgate-Palmolive (India) has been promoting a circular economy for over a decade, prioritizing the use of recycled and recyclable materials during the design phase of its products.

We aim to eliminate one-third of our new (virgin) plastics and make all of our plastic packaging recyclable, reusable or compostable by 2025. During FY 2022-2023, 73% of the Company's packaging materials were made from renewable sources, and 80% of the total packaging\* by weight was recyclable.

**70%**  
of the packaging materials used in our manufacturing units in FY 2022-23 is from renewable sources

**80%**  
of the total packaging\* by weight was recyclable in FY 2022-23.

We have reduced our reliance on virgin materials and transitioned its packaging choices over the years.

This demonstrates the Company's commitment to sustainability and driving the implementation of innovative packaging initiatives.

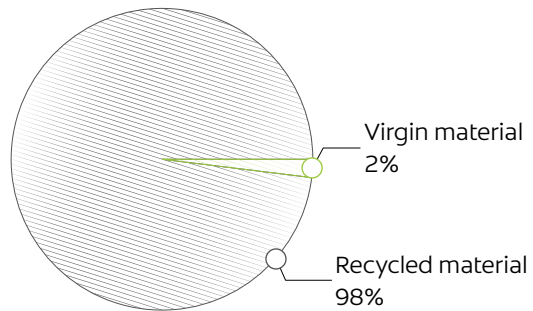
Table represents the composition of packaging material consumed in our oral care products for FY 2022-23<sup>33</sup>.

### Volume of packaging material consumed in FY 2022-23 (in MT)

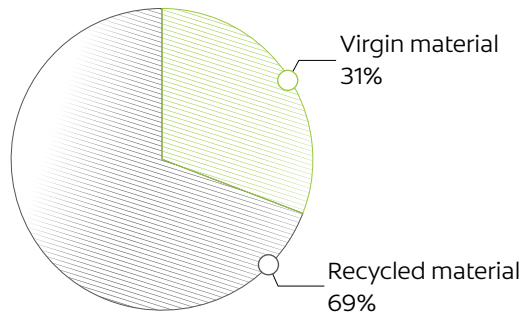
Packaging material	Toothpaste	Toothbrush
Virgin material	9,997.72	44.94
Recycled material	21,921.46	2,245.05
<b>Total</b>	<b>31,919.18</b>	<b>2,289.99</b>

These graphs represent the percentage of packaging materials based on source.

### Composition of packaging in Toothbrush



### Composition of packaging in Toothpaste



<sup>33</sup>GRI 301-1, GRI 301-2  
\*Primary and Secondary Packaging

## Key highlights of our sustainable packaging initiatives

Toothbrush blisters made up of

**80% rPET**

Reduced consumption of virgin PET (Plastics) material has led to the reduction of industrial and consumer waste (PCR).

Ensured Plastic Positivity of

**~120%**

across our portfolio by collecting more plastic than what was introduced into the market.

**100%**

of our toothpaste and toothbrushes are shipped in recycled kraft paper. Usage of recycled shipper considerably reduces dependence on plant-based virgin pulp

**100%**

of our BOPP films used for bundling of cartons in toothpaste are made of mono-material. Usage of mono-material with increased thickness enables easy recovery and recycling at the end of its life cycle, thereby reducing waste to landfill and preventing contamination of water bodies.

### Extended Producer Responsibility (EPR)<sup>34</sup>

In India, EPR promotes a circular economy, which encourages companies to recycle and reuse waste. As a responsible producer, we take ownership of the plastic waste generated by our products and ensure its proper collection and recycling.

We are registered with the Central Pollution Control Board (CPCB) as a brand owner and collaborate with authorized recyclers for the recycling and co-processing of post-consumer packaging material.

Under EPR, we collected 13,428.20 MT of plastic, of which 28% was recycled, and 72% was used for energy recovery or co-processing.



<sup>34</sup>GRI 301-3

# Water Stewardship

Colgate-Palmolive (India) strives to build a sustainable future by adopting a water conservation culture and promoting resource efficiency. We monitor our resource consumption closely and encourage innovation to minimize our dependence on natural resources.

Our advanced data monitoring systems enable us to track water levels and consumption patterns, allowing us to make informed decisions for effective water management. To forecast future usage and identify water stress, we utilize the World Resource Institute’s (WRI) Aqueduct tool.

Recognizing water as a shared resource, we have taken measures to ensure its availability for the communities surrounding our operations. Our focus is on freshwater conservation, efficient effluent treatment, discharge, and recycling.

We are water positive in our Goa and Sri City industrial facilities through various rainwater harvesting initiatives that recharge the aquifers and groundwater tables at

regular intervals. In FY 2022-23, we replenished over 6,000 KL of rainwater from all our operational locations. Our efforts are directed towards creating a sustainable future and ensuring responsible water stewardship.<sup>35</sup>

The diverse sources of water used by CPIL include

Groundwater

Municipal water supply

Rainwater



**350 Million Litres**

Water replenished by Colgate-Palmolive (India) in the states of Maharashtra & Rajasthan in the last 9 years, via various CSR programs

<sup>35</sup>GRI 3-3, GRI 303-1, GRI 303-2

### Water withdrawal and consumption

The diverse sources of water used by Colgate-Palmolive (India) include ground-water, municipal water supply, industrial corporation and rainwater. Our manufacturing facilities located in Sri City (Andhra Pradesh), Sanand (Gujarat), and Baddi (Himachal Pradesh) are identified as water-stressed regions using the World Resources Institute (WRI) aqueduct tool. We ensure to maintain a comprehensive record of water usage across all our locations, including the source and category of water withdrawn, consumed and discharged.

Refer to the table and graphs for details<sup>36</sup>

#### Total water withdrawal (in ML)

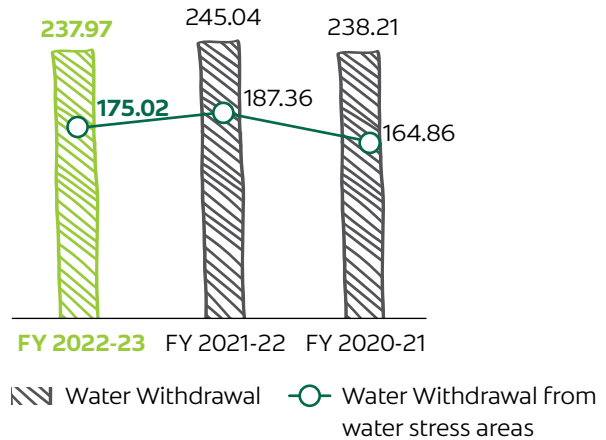
Sources of water withdrawal	FY 2022-23	FY 2021-22	FY 2020-21
Surface water	-	-	-
Groundwater	95.88	114.02	117.54
Sea water	-	-	-
Third-Party water (Industrial Corporation + Tankers + Municipal Corporations)	133.88	121.49	107.13
Rainwater collected directly and stored by the Company	8.21	9.53	13.54
<b>Total water consumption</b>	<b>237.97</b>	<b>245.04</b>	<b>238.21</b>

#### Water withdrawal from water stressed areas (in ML)<sup>37</sup>

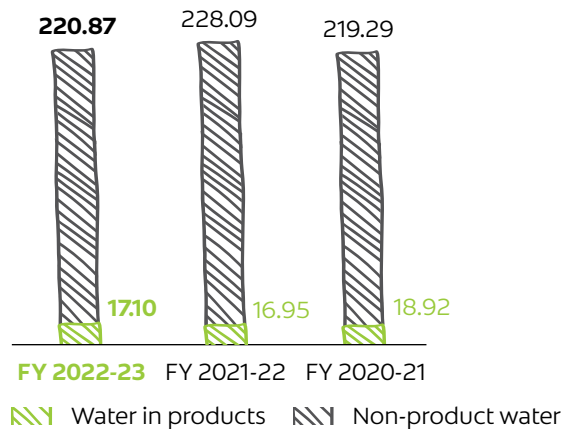
Sources of water withdrawal	FY 2022-23	FY 2021-22	FY 2020-21
Surface water	-	-	-
Groundwater	70.70	82.26	67.55
Third-Party water	104.31	105.10	97.32
Sea water/ desalinated water	-	-	-
Others	-	-	-
<b>Total water consumption</b>	<b>175.01</b>	<b>187.36</b>	<b>164.87</b>



#### Water withdrawal (in ML)



#### Water consumption (in ML)



**CPI's water withdrawal is almost equal to its water consumption<sup>38</sup>**

<sup>36</sup>GRI 303-3, GRI 303-5

<sup>37</sup>GRI 303-3, GRI 303-5

<sup>38</sup>GRI 303-5

### Reducing our Water Footprint<sup>39</sup>

To minimize the impact of wastewater on water bodies, Colgate-Palmolive (India) employs reliable and efficient technologies to monitor various quality parameters continuously. Our manufacturing facilities are equipped with 3-stage water treatment plants that consist of equalization tanks, primary clarifiers, flash mixers, aeration tanks, secondary clarifiers, collection tanks, pressurized sand bed filters, and carbon bed filters.

We evaluate the quality of wastewater by measuring various parameters like pH, Biological Oxygen Demand (BOD), Chemical Oxygen Demand (COD), color, fluorides, and Total Soluble Solids (TSS). Our aim is to ensure that the treated water meets the standards set by Central and/or State Pollution Control Boards. The treated water is used as make-up for cooling towers or boilers and for gardening purposes.

In FY 2022-23, we discharged a total of 136 ML of water, of which 50% was utilized for irrigation within our premises. Our industrial facilities in Sri City and Baddi are required to send water to a common ETP, as per the conditions mentioned in the Consent to Operate by the Pollution Control Boards.

Following tables and graphs indicate the total water discharged and its end use.

#### Water discharged (in ML)

	FY 2022-23	FY 2021-22	FY 2020-21
Treated water	119.55	77.04	81.99
No treatment	17.07	8.22	8.09

#### Water discharged in water stress areas (in ML)

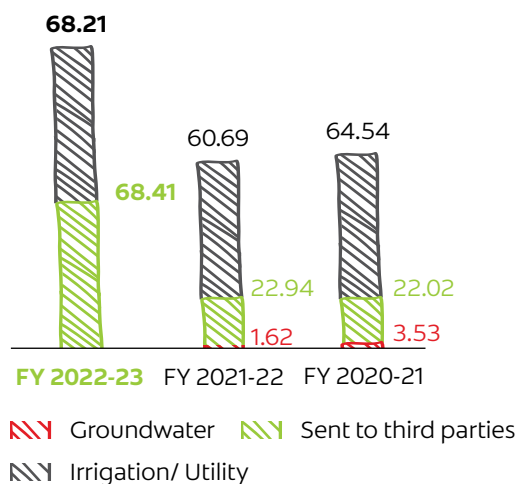
	FY 2022-23	FY 2021-22	FY 2020-21
Treated water	91.63	47.81	51.14
No treatment	9.07	8.22	8.09

In FY 2022-2023, we effectively replenished more than

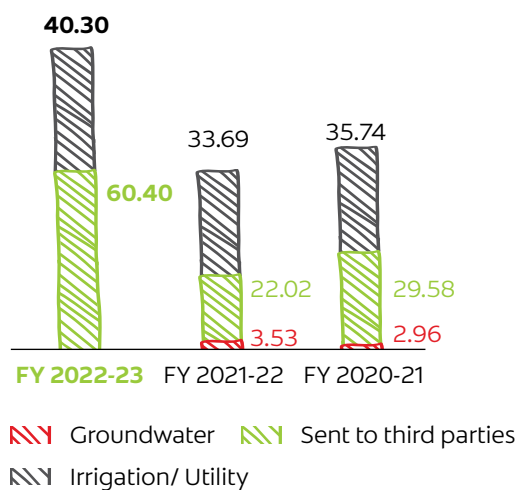
**6,000 KL**

of rainwater from all our operational locations.

### Total water discharged (in ML)



### Water discharged in water stress areas (in ML)



### Promoting water conservation<sup>40</sup>

Our approach to water management relies on a collaborative effort to substantially decrease our water usage. Our global and on-site teams work hand in hand to pinpoint ways to reduce our dependence on freshwater. We organize open forums (Virtual & In-person) to inspire our employees to share diverse ideas for water conservation throughout our operations. We also commemorate World Water Day and educate our suppliers on water conservation to raise awareness among all stakeholders.

<sup>39</sup>GRI 303-2, GRI 303-4

<sup>40</sup>GRI 303-1

# Sustainable Sourcing

## Responsible sourcing and supply chain management

Colgate-Palmolive (India) has demonstrated its dedication to responsible supply chain management, recognizing its crucial role in enabling delivery of sustainable and safe products to consumers across the value chain. We collaborate with a vast network of suppliers ranging from small-scale producers to multinational corporations.

To minimize our environmental impact, currency exposure, and lead times, we prioritize local suppliers wherever possible, ¾ of our direct suppliers are local<sup>41</sup>. By reducing the carbon footprint generated from transporting goods over longer distances, we contribute to environmental sustainability. Supporting local businesses also promotes job creation and strengthens the local economy, leading to a positive social impact<sup>42</sup>.

We have collaborated with over

**2,200**

suppliers for raw materials, packaging materials, logistic support, marketing, and a multitude of other offerings.

## Our approach to responsible sourcing



<sup>41</sup>GRI 204-1

<sup>42</sup>GRI 3-3

## Traceability & Transparency: Assessing supply chain sustainability

Our unyielding commitment to promoting sustainable practices throughout our supply chain enables us to ensure environmental responsibility, enhance operational efficiency, mitigate risks, and meet the growing demand from consumers for ethical and sustainable products and services.

The 'Supplier Responsible Sourcing Assessment (SRSA)' tool was introduced in 2012 and has four pillars that evaluate suppliers through a self-assessment form focusing on ethical, social and environmental parameters.

We use either internal or third-party audits to assess our suppliers, vendors (raw material, packaging), contract manufacturers, co-packaging facilities, warehouse operations, and third-party vendors.

### Our 4 pillars of SRSA



#### Labour Standards

Hiring process, employee classification, child or forced labor, working hours, wages and benefits, working conditions, etc.



#### Health and Safety

Workplace hazards, Safety policies and protocols, Incident reporting system, Safety equipment, Training and education, etc.



#### Environmental Management

Material traceability, Environment Management Systems, Energy efficiency, Water management, Waste disposal, Pollution control, Environmental Performance Indicators, etc.



#### Business Integrity including compliances

Policies, Processes, Certifications, Trainings, Capacity management, BCP, Regulatory compliance, Data management, Internal Controls, etc.

As a member of the Supplier Ethical Data Exchange (SEDEX), we use the SEDEX Members Ethical Trade Audit (SMETA) to assess our suppliers' compliance with legal requirements. We are also part of AIM-PROGRESS, a global industry forum dedicated to promoting responsible sourcing practices and production systems.

The forum aims to reduce audit redundancy through mutual recognition of assessments, where manufacturing companies that share the same suppliers use the non-competitive audit provided by common suppliers. This

approach enhances efficiency and reduces costs along the value chain, in line with best practices.

In the FY 2022-23, we evaluated 37 suppliers who contributed to 65% of our total spend based on environmental and social criteria, including child labor, forced labor, discrimination, sexual harassment, working conditions, employee health and safety, and compliance with applicable environmental regulations. We are pleased to report that all the suppliers were found to be compliant, and no environmental or social impacts were identified<sup>43</sup>.



Zero cases of child Labour



Zero cases of forced or compulsory labour



Zero cases of violations of collective bargaining



No environmental and social impacts identified

<sup>43</sup>GRI 406-1, GRI 407-1, GRI 408-1, GRI 409-1, GRI 414-2, GRI 308-2



**Social**



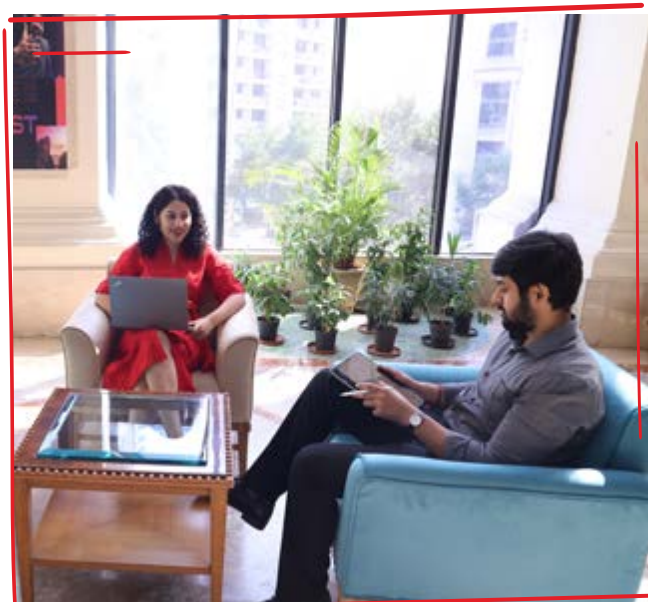
# Driving Social Impact

**At Colgate-Palmolive (India), sustainable and inclusive growth takes precedence, with a focus on employee well-being, safety, and development. We acknowledge that every employee’s distinctive abilities are vital to our continued growth, making our workforce both the foundation of our strategy and a critical distinguishing factor.**

Our goal is to foster an environment that empowers our employees to achieve their aspirations and reach their full potential. We leverage our collective reserves of knowledge, skills, competency, technical expertise, experience and innovative culture to drive organizational objectives and optimize stakeholder value. A key focus area for us is on engaging, committing and aligning our workforce with CPIL’s fundamental values and vision. Together, our people drive our innovation, creativity, and passion for delivering exceptional products to our customers.

Our people are our greatest assets, and we strive to strengthen our engagement with them to build a resilient, innovative, and future-fit workforce. We nurture a work culture that encourages creativity and employee-driven innovation, advancing the Company’s purpose of ‘reimagining a better future for the people and the planet.’ Through our inclusive human resource policies and practices, we make conscious efforts to maintain a safe and supportive work environment for our employees and the extended workforce.

We inspire trust by promoting authentic conversations and treating our people with fairness, dignity and respect. We also aim to provide our people with fair and competitive remuneration, meaningful benefits, learning and career growth opportunities, as well as flexible work policies, so as to attract, engage and retain the best people.



**Our people are our greatest assets, and we strive to strengthen our engagement with them to build a resilient, innovative, and future-fit workforce.**

## UN SDGs in focus



## Investing in Talent Development

To meet the expectations of our stakeholders and promote innovation, we recognize the importance of bringing out the best from our top talent. Our talent management practices prioritize impact on the job and are built around our culture of integrity, curiosity, courage, and inclusiveness.

Our goal for talent development is to foster a learning culture, supported by a technology ecosystem, where Colgate People have a growth mindset, have access to, and feel inspired to continuously learn new skills, thereby realizing their full potential, their personal ambitions resulting in sustainable personal & professional growth, as well as business growth for Colgate today & tomorrow.

Our learning strategy is focused on creating a continuous learning environment, upskilling our team, utilizing digital tools, and measuring results using data analysis. To continually develop and enhance their skills, we provide employees with opportunities for effective learning and development through programs like “Leadership Experiences & Advancement Program” (LEAP) which is focused on building transformative capability through layered experiences.

We launched ‘Evolve’ which is an internal talent marketplace. It provides employees an opportunity to opt for on the job experiences in the form of projects to build new age skills. In the process, it also enhances talent readiness for possible future roles. Using digital tools & technology has been central to our talent development efforts. In line with this, we offer personalized skill-building opportunities through our AI-enabled portal, ‘MindSpark,’ which co-opts e-learning and multi-disciplinary modules.

We also provide financial assistance to our employees through our ‘Self Development Policy’ to support their self-development and upskilling through external educational courses.

## Snapshot of few learning programs<sup>44</sup>



### Gurukul Analytics Academy

Digital program that aims to upskill managers on Data Analytics training and develop internal coaches who can help others build digital skills



### Gurukul Rise

A self-paced learning, assessment and capability building intervention along with real time action learning projects which is available to employees to upskill themselves for future roles



### Data Literacy & Analytics Academy

Equips cross-functional team members and practitioners with AI courses, awareness sessions and learning activities to increase proficiency in data analytics for better decision-making



### Digital Bootcamp - Digital IQ

Focuses on augmenting employee skills needed for digital transformation. It consists of a development tool, Digital: IQ Assessment, which evaluates the existing employee’s digital skills and suggests training modules based on identified strengths and opportunities



### Better up Coaching

Our parent company globally undertakes coaching sessions through its partner BetterUp, to provide Colgate leaders with personalized leadership training to accelerate their individual effectiveness and development. The participants experience high-quality coaching and, in many cases, become champions of coaching within Colgate-Palmolive (India)



### Potential Development Centre (PDC)

When our Customer Development Officers (CDOs) are ready for the next level, talent assessment for the next role is carried out through a 2-day ‘Potential Development Centre (PDC)’ to select talent for Area Manager roles

<sup>44</sup> GRI 404-2

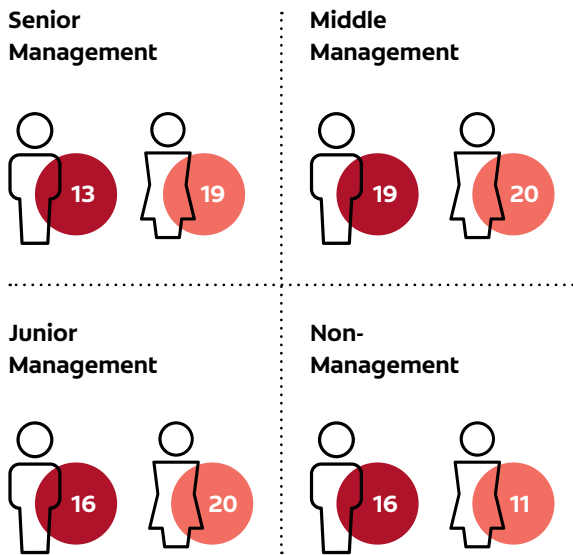
We undertake regular career development reviews and evaluations to monitor the performance of our employees. This exercise aids their personal development and further enhances employee satisfaction and improves organizational performance. We regularly invest in skill management and development of human capital to foster innovation. 100% of our employees have the opportunity to undergo a regular performance and career development review<sup>45</sup>.

We have associated with a leading counseling partner and Wysa application to provide employee assistance. This can be availed by employees who are close to retirement so that they can get help and tips on how to manage their post-retirement life. We also provide outplacement services to employees on a case-to-case basis as well as retirement benefits to retirees<sup>46</sup>.

Building empowered & agile teams can help to greatly enhance innovation & growth. In our effort to build greater empowerment, we conceptualized and ran empowerment & psychological safety workshops to build leadership capability & commitment. We introduced decision-making matrices for key processes across functions. As a result, we were able to improve and sustain the empowerment index across teams.



**Average training hours of employees<sup>47\*\*</sup>**



\*\*Excludes specific offline functional learning sessions & workshops

● Male ● Female



<sup>45</sup> GRI 404-3

<sup>46</sup> GRI 404-2

<sup>47</sup> GRI 404-1

# Fostering a Culture of Care

## Promoting holistic well-being<sup>48</sup>

**At Colgate-Palmolive (India), we've always maintained holistic wellness as a top priority because we believe that happier and healthier employees bring their best and most productive selves to work. By investing in our employees' well-being, we are investing in the long-term success of our company. Our 'Colgate Cares' ideology comprises people-focused benefits covering financial, physical & mental well being as well as promoting work-life integration.**

### Financial Well-Being

Our comprehensive rewards package includes competitive pay, health and savings benefits, and time-off programs. Our Remuneration Policy aims to attract and retain high potential talent by rewarding performance. We have an incentive compensation plan that links variable pay to diverse individual & Company level performance parameters, including operating and strategic KPIs.

The leadership team and senior executives receive fixed pay, variable pay, and equity. The value of the stock grant is based on individual performance<sup>49</sup>. For employees not covered under collective bargaining agreements, compensation revision happens annually and is based on

various factors, including a benchmarking of the external market. Currently, 29% of the permanent workers are covered under associations and unions<sup>50</sup>.

### Physical Well-Being

We value the efforts of our people and focus on taking care of them at all life stages. Through their employment with us, team members have access to annual health check - ups, hospitalization insurance for self & family, life insurance & accident insurance cover for self. Our comprehensive retirement benefits provide support to all employees even after they transition towards a post retired life.



<sup>48</sup> GRI 401-2

<sup>49</sup> GRI 2-19, GRI 2-20

<sup>50</sup> GRI 2-30

## Enhanced focus on mental well-being

For many years now, we have been associated with a leading counseling services partner to provide our employees and their families with 24/7 counseling access in multiple languages. Additionally, last year we offered our employees access to an artificial intelligence based mental wellness app where they can sign up to get practical tips on managing their day to day stresses, and also at times to feel lighter by simply sharing their thoughts and feelings.



### Financial Well-Being

Fair and competitive remuneration

Education assistance

Transportation / Commute support

Retirement benefits

Performance based bonus

Loans and subsidies



### Health & Well-Being

Medical insurance

Life insurance

Accident insurance

Health check-ups

Doctor consultation

Seasonal flu vaccine

Employee assistance program

Tech-enabled counseling support

## Promoting work life integration

To ensure better work life integration , we launched a hybrid working policy called 'Blend In' which provides employees the flexibility to choose 2 days in a week where they would want to work from home. Based on a recent survey done internally, most employees as well as managers agreed that the policy helped impact employee motivation and productivity positively.

**A hybrid working policy called 'Blend In' provides employees the flexibility to work from home 2 days a week.**



### Work-life Balance

Primary & Secondary Caregiver Leaves

Care & Compassion Leave

Flexi Festive Leave

Give Back Leave - Volunteering

Personal Milestone Leave

Policy - BlendIn

Creche/day care



# Creating a more Inclusive World

**We inspire our people to make a difference**

**At Colgate-Palmolive (India), achieving our purpose starts with our people—ensuring our workforce represents the people and communities we serve has helped bring in greater diversity in thought thereby fuelling innovation. Being an equal opportunity employer has also helped us create an environment where all our people feel like they can learn, contribute and grow<sup>51</sup>.**

Valuing the differences and unique contributions of each of our team members is part of who we are and we continue to build on that.

Our commitment towards diversity is showcased through our ‘Diversity, Equity, & Inclusion’ (DE&I) strategy which guides our everyday interactions with internal and external stakeholders. The DE&I approach reflects our ethos of respect and trust, while also ensuring an equitable and safe workplace in which every employee may thrive. In accordance with our strategy, we are constantly incorporating diversity, equality, and inclusion efforts into our policies and recruiting practices.

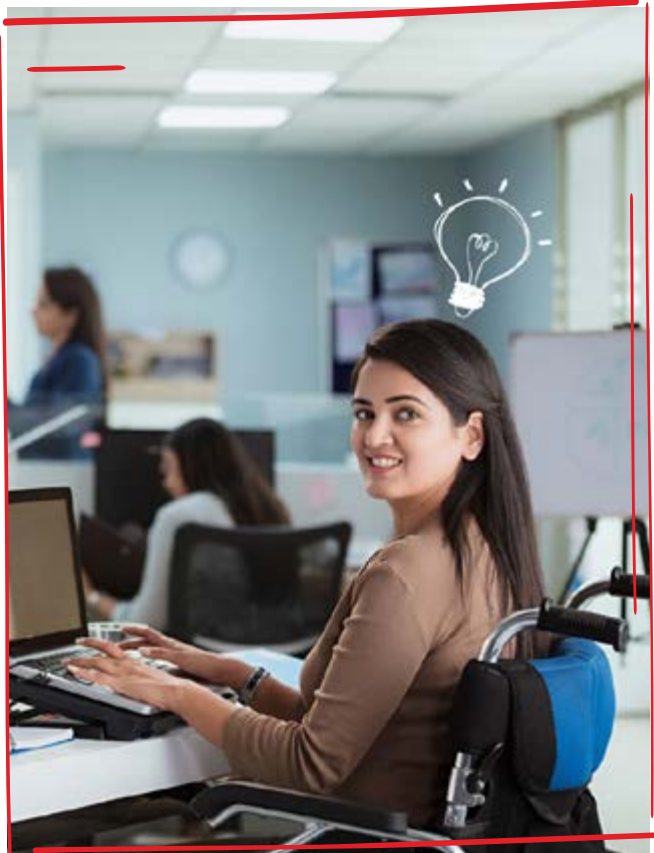
## Progressive policies to enhance Inclusion & Representation

At our Company, we recognize the importance of implementing HR policies that foster an inclusive work culture. We believe that creating an Inclusive environment is critical to attract, engage and retain employees from diverse backgrounds, but more importantly to enable them to be their authentic selves and contribute to the diversity of thought that will help us make better business decisions. To this end, we prioritize creating an employee-friendly approach in all our HR practices to encourage a sense of belonging and purpose among our workforce.

### 2025 India Goals



- To enhance women representation across functions, levels & roles
- To welcome, encourage and empower CPIL people from under-represented groups
- To ensure processes & policies for unbiased performance management, development & growth for all
- Set & drive standards of language, behaviour, communication & infrastructure
- Equip People Managers to manage diverse teams & drive an inclusive workplace



<sup>51</sup>GRI 3-3

1

**WIN (Workplace Inclusivity for new and expectant parents) Policy**

We believe that becoming a parent can be a challenging and exciting time, hence aim to provide employees with the resources they need to balance their work and family responsibilities. The WIN (Workplace Inclusivity for new and expectant parents) Policy aims to provide flexibility at work, collaborate, innovate and perform to the best of their abilities, while seamlessly balancing their personal duties as a caregiver

**Our parental leave includes:**

Primary caregivers: to new mothers or new fathers

Extended parental leave policies to supporting caregivers regardless of their gender or sexual orientation

Adoption leave for adopting and commissioning mothers/single fathers as well as same sex partners.

2

**Gender affirmation surgery coverage**

With the aim of making our policies more inclusive, we introduced gender affirmation surgery coverage under our medical insurance policy. This coverage has been introduced with the intent to provide financial support to transgender individuals to go through their transition process as a means to express themselves and feel comfortable in their own skin. The policy covers surgery related in-patient & out patient expenses.

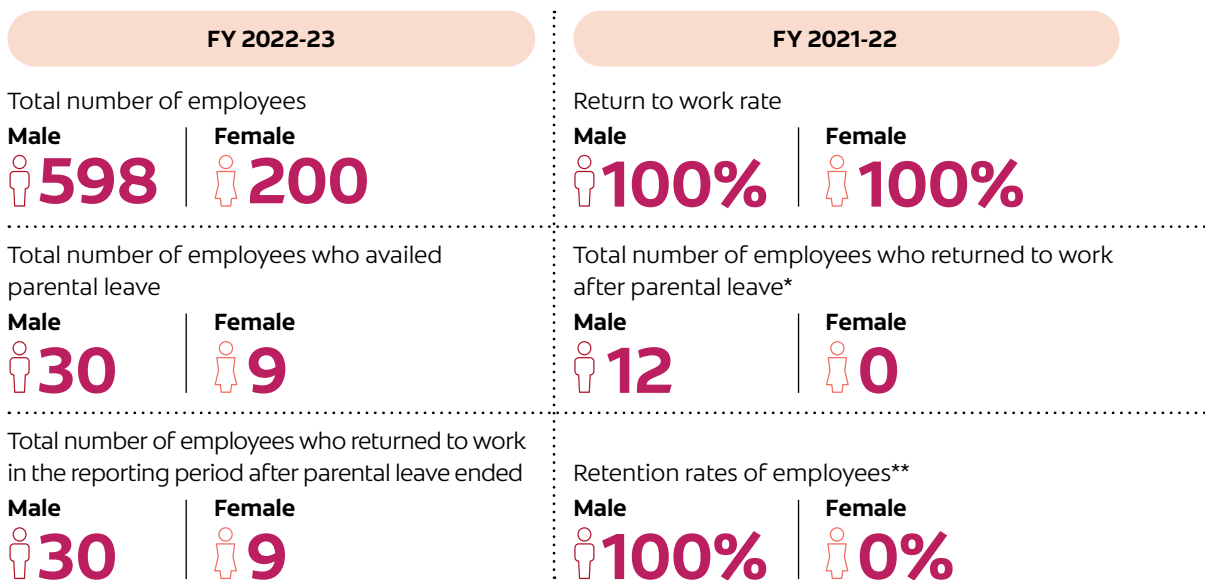
3

**Gender neutral POSH policy**

We have amended our POSH policy to make it gender neutral by going above and beyond the legal requirements. Our current policy covers all the complaints of sexual harassment irrespective of the gender/ gender identity of the aggrieved person. This helps us in creating a work environment that enables all the employees to work without fear of prejudice, gender bias and sexual harassment.

**Parental leave<sup>52</sup>**

At CPIL, we have always put our people first. We regularly revise our policies in their best interests and parental leave is no exception.



<sup>52</sup>GRI 401-3

\*taken in FY 2021-22 and were still employed (12 months after their return to work)

\*\*who returned to work after parental leave taken in FY 2021-22 and were still employed (12 months after their return to work)

## 4

**Therapy benefits for kids with special needs**

With an aim to support our employees and their families better, we have introduced therapy benefits for employee's children with special needs. We now provide a defined OPD support to cover the therapy costs.

94%

trainings covered of our employees across the country.

**Creating a sense of belonging**

We believe in a culture of belonging. By belonging, we mean that every Colgate person feels accepted being their authentic self while having confidence that their ability to impact the business and advance within the organization is an outcome of their capability, not their identity.

In our endeavor to create an environment where all Colgate people feel like we belong and can be their authentic selves, we launched two ERGs (Employee Resource Groups) in 2022 - the Colgate Women's Network (CWN) and the Pride Ally Network (PAN). ERGs are voluntary, employee-led communities of people who organize around a particular dimension of diversity, identity and / or background. ERGs help create a safe, supportive space for employees who share a common identity or feel passionately about a common cause. Our mission across both the ERGs is to help create an inclusive community of individuals with common identities, interests and allies, committed to drive change internally and externally by empowering individuals of the community and inculcating a sense of belonging.

To ensure greater sensitization around underrepresented groups, we conducted theater based learning workshops across our Head Office, Plants & branches. The workshop touched upon unconscious bias, role of actionable allyship and Inclusion for all as main themes. This engaging and interactive form of learning helped participants speak up about their personal stories and also commit to becoming allies, not only at the workplace but also in their personal lives. This training covered 94% of our employees across the country.

**Working towards access for ALL**

We have partnered with key Agencies to conduct PWD (People With Disabilities) Job Mapping as well as the Facility Access Audit. The purpose of this exercise is to establish linkage between the type and level of Disability to any position or role at CPIL. The Access Audit helps understand workplace modifications that might upgrade the infrastructure fitting to the needs of a PwD individual.

All roles at Colgate-Palmolive (India) have been evaluated for suitability of PwD recruitment against the 21 disabilities recognized by the Rights of Persons with Disabilities (RPwD) Act, 2016. Based on the comprehensive recommendations from the agency, a strategy would be formulated to make the workplace more inclusive for PwD

**Accelerating our efforts on diversity**

As an inclusive organization, we continue to foster a work environment where diverse employees can bring their best self to work. This philosophy defines who we are and guides all actions, starting from the hiring stage. In FY 2022-23, women constituted 33% of the entire new hires. Our people-friendly policies and inclusive practices have further ensured a steady increase in women representation in management level to 25%.

The organization also leverages an extended workforce to provide non-core services such as merchandising, housekeeping, cafeteria, security, gardening, loading and unloading, civil maintenance, engineering etc.

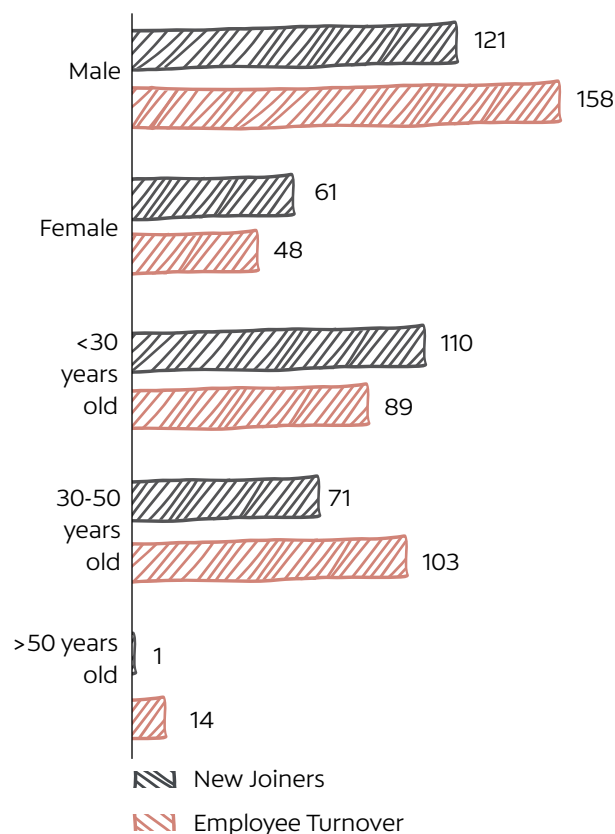


**Colgate Palmolive (India)'s workforce<sup>53</sup>**

Employee Category	<30 years	30-50 years	>50 years	Male	Female
Senior Management	-	7	3	7	3
Middle Management	52	269	43	258	106
Junior Management	127	283	14	333	91
Non-management	568	909	43	1464	56
<b>Total</b>	<b>747</b>	<b>1468</b>	<b>103</b>	<b>2616</b>	<b>368</b>

Among contractual employees, there are 554 males and 130 females

**New joinees and employee turnover matrix FY2022-23<sup>54</sup>**



**Ratio of basic salary of women to men<sup>55\*\*</sup>**



\*Ratios are influenced by various factors including nature of role, years of experience, time in grade etc. A Gender Pay parity study done in this period showed no disparity between genders.

**Highlights<sup>56</sup>**

**39**

is our annual total compensation ratio between highest paid individual and other employees

**0.44**

increase in the annual total compensation ratio between highest paid individual and other employees

<sup>53</sup> GRI 2-7, GRI 2-8, GRI 405-1

<sup>54</sup> GRI 401-1

<sup>55</sup> GRI 405-2

<sup>56</sup> GRI 2-21

## DE&I: Key Highlights

# 26%

Women representation across STEM

# 44%

Women representation across Customer Development (Sales) leadership team

# 25%

Women representation across all management levels

# 33%

Of new joiners are women

## Gender pay parity study

Conducted in 2022, did not receive any major findings of difference in pay amongst genders

## Best Workplaces for Women

The Economic Times

## IDEAs in Action

is a DE&I focused newsletter to share updates on strides we are making in the space of Inclusion, Diversity, Equity and Access. Helps ensure there is greater awareness and sensitization amongst our teams, thereby creating an environment where every individual feels like they belong



# Upholding Human Rights

**Colgate-Palmolive (India) strongly opposes modern slavery and is committed to the fundamentals of human rights and its implementation across all operations to safeguard the dignity and respect of our people. We believe that every employee should have freedom of movement and no employee should be indebted or coerced to work.**

CPIL is dedicated to upholding universal human rights and supporting internationally recognized standards. We endorse the United Nations Universal Declaration on Human Rights, the International Labour Organization (ILO) Core Labour Standards, and the UN Global Compact Principles on Human Rights, Labour, Environment, and Anti-corruption. As a member of the Consumer Goods Forum (CGF), our parent company contributes to CGF’s Social Resolution on Forced Labor and corresponding Priority Industry Principles.

In line with this, we designed a Human Rights policy for CPIL which reflects our commitment to the various Human Rights elements.

## Human rights policy

### Our commitment<sup>57</sup>

Adherence to national and international laws on safeguarding human rights

### Our human rights elements

Freedom of Association

Health & safety Discrimination & harassment

Diversity & inclusion

Child Labour

Forced Labour

Wages & Working hours

### Policy implementation

Applicability

Defining human rights focal point

We also conducted Human rights training across all our business operations which covered 100% of our employees, workers & security personnel to ensure awareness on human rights and the overall governance mechanism supporting Human Rights.

We are committed to eradicating forced labor from our supply and value chains. Furthermore, Colgate-Palmolive (India) strictly adheres to its policy of not engaging with any suppliers or contractors that are known to engage in forced labor. The company does not condone the use of forced labor in any of its operations and is committed to eliminating it from its supply and value chains. Keeping this in mind, we conducted human rights training sessions for India based suppliers.

To ensure that issues or complaints regarding human rights are promptly and effectively addressed, CPIL has implemented a comprehensive and efficient grievance system with a clear escalation matrix.

The Leadership Team at Colgate-Palmolive (India) ensures effective monitoring of human rights compliance, with a centrally nominated Human Rights Leader responsible for addressing potential violations by the company, partners, or suppliers. On the ground, Human Rights Champions consolidate and communicate information to enable informed decisions and promote human rights compliance throughout the company. CPIL has also implemented a human rights due diligence process based on UN Guiding Principles on Business & Human Rights, ILO’s labor standards, and its own disclosure statement on Human Rights and Labour Rights, in addition to its grievance mechanism structure.

During FY 2022-23, Colgate-Palmolive (India) conducted Human Rights Due Diligence for 100% of its direct business operations, such as manufacturing plants, sales branch offices and the Head Office. The company’s SRSA program assesses various risks, including those related to

<sup>57</sup>GRI 2-23

human rights, health and safety, ethics, and legal aspects, for its suppliers and third-party vendors.

Our human rights due diligence process is a four-step approach that evaluates risks related to various aspects

such as freedom of association, health and safety, child labor, forced labor, discrimination and harassment, diversity and inclusion, and wages and working hours. This allows us to proactively identify and mitigate any potential negative impacts on human rights.

### Human rights due diligence process



#### Identify

Identify and assess human rights risks across our operations and supply chain

Engage in risk assessments and utilise third-party audits to ensure compliance

Implementation of corrective actions, based on assessment outcomes

Gauge effectiveness of mechanisms through evaluating supplier assessments, audit frequency, nature of grievances and their resolution time



#### Prevent

Complete the Code of Conduct (CoC) training that is mandatory for all employees, apprising Colgate-Palmolive (India)'s commitment towards human rights and fair labour practices

Engage with senior management and key internal stakeholders to raise awareness on human rights issues

Design and participate in supplier capacity building sessions through the AIM-PROGRESS forum to improve their social and environmental footprint



#### Mitigate

Implemented Colgate Ethics Line as a grievance platform for providing guidance to employees and tracking incidents of violations against the CoC

Foster a safe and open culture where our people can share their concerns without fear of retaliation

Diverse formal and informal channels such as dedicated email, web tool, internal helpline and CP mobile app available to report potential incidents to the manager, Human Resources, Global Ethics and Compliance or the Global Legal Organisation

Appropriate remedial action undertaken in case of any confirmed incident after thorough investigations<sup>7</sup>



#### Communicate

Inspire collective action towards cultivating a safe, inclusive and respectful workplace through regular and transparent reporting

Engage with thought leaders and industry forums to strengthen our endeavours towards upholding human rights

Cascade global best practices across our operations

### Key highlights<sup>58</sup>

**100%**

Employees & workers underwent Human Rights Training

**ZERO**

Supplier operations identified as significant risk for Human Rights violations

**100%**

CPIL security personnel trained for Human Rights

**ZERO**

Reported Incidents of child labour, freedom of association and violations against indigenous people

<sup>58</sup>GRI 407-1, GRI 408-1, GRI 409-1, GRI 410-1, GRI 411-1

# Ensuring health and safety of our people

Colgate-Palmolive (India) prioritizes the holistic well-being of its employees as an organizational goal. We strive for our workforce to be their best selves daily, reflecting our company’s purpose of fostering a caring and innovative culture in pursuit of a healthier future for all. Our commitment to improving people’s lives through healthier and happier living reflects the values of care and innovation at the heart of our company.

We understand that our employees’ well-being requires a comprehensive approach. We are developing a nurturing culture and a range of purposeful programs and services that cater to the distinct needs of our staff, while offering personalized solutions for individual circumstances.

Our definition of well-being transcends mere physical health, as we recognize its pivotal role in achieving our business objectives. To empower our employees to perform at their best, we must address their well-being across numerous interconnected facets.

As the Colgate-Palmolive (India) brand becomes synonymous with good health, we use the same principles to ensure employees safety. Our Environment, Health and Safety (EHS) Management System acts as a guidance for ensuring a work culture which continuously mitigates health and safety risks and promotes good safety practices across our focus areas. The EHS Management System is applicable to the US Colgate-Palmolive company’s subsidiaries including factories, warehouses, offices, and technology centers<sup>59</sup>.

Our Health and Safety Policy demonstrates our commitment to proactive health and safety practices. Our approach to safety standards, tasks, and responsibilities is outlined in our EHS policy, which has been approved by the Board of Directors. We have implemented the CPIL’s specific safety standards which help us maintain compliance with all the required national and international standards including OHSAS 18001, ISO 45001, British Safety Council’s 5 Star System, ILO-OSH 2001, and ANSI/ AIHA Z10.

## Health & safety management system



<sup>59</sup> GRI 3-3, GRI 403-1, GRI 403-8

## Risk management and prevention of EHS impacts<sup>60</sup>

In order to prevent safety issues, we adopt a proactive approach to identify and minimize risks. We have established robust procedures in all our plants for both routine and non-routine operations, including labor, machinery, behavior, and process hazards. Our locations conduct regular risk assessments and hazard analyses to identify all existing and potential hazards. These inspections cover a range of risks, such as chemical hazards, machine guarding, and ergonomics.

At our company, we take a proactive approach to identifying and addressing any potential issues that could have negative consequences. Our Quality Assurance team regularly evaluates the chemicals used in manufacturing, as well as the methods used to ensure their safe use. The engineering team is responsible for creating safe working environments, manufacturing facilities, and procedures for handling processes and chemicals. We use our control hierarchy to eliminate or mitigate all risks, resulting in a safer work environment<sup>61</sup>.

## Incident reporting<sup>62</sup>

We have implemented an IT-enabled portal to facilitate a simplified incident reporting process, providing quick access to all EHS information and escalation procedures. Our incident reporting system follows a three-step approach of investigation, analysis, and prevention to address safety-related incidents. We encourage our employees to identify and report any unsafe situations, hazardous work conditions or behaviours, and potential work-related hazards. Upon receiving a complaint through formal or informal channels, our dedicated team promptly takes action to resolve the issue.

With<sup>63</sup>

**1:1**

management and non-management or workers' representatives, our Safety Committee is responsible for cascading and implementing safety practices through monthly meetings.

## Accelerating workplace safety<sup>64</sup>

At Colgate-Palmolive (India), we recognise the importance of creating a healthy and safe workplace for all our employees. We commit to the highest standards of safety as we nurture a safe and healthy working environment.

Engage and communicate our EHS expectations through **regular trainings**

**Periodic** internal and external assessments conducted across all sites to continuously improve our EHS performance

Designing and implementing **innovative** programmes to protect health and safety

**Effective controls** in place to account for errors

Safety decisions driven by **operational, emotional, behavioural**, and other safety contextual factors

## Embedding a safety culture among our workforce

**100%**

qualified and trained medical staff is stationed on site whose services are accessible to all workers/staff during fixed working hours at plants (except Baddi).

Plant tie-ups with local medical service providers/ doctor who are located nearby from the factory and office premises to ensure accessibility is less than

**2 minutes**

**Privacy**

of employees and workers is safeguarded through private consultations with records being maintained with strict confidentiality.

<sup>60</sup> GRI 403-2

<sup>61</sup> GRI 403-7

<sup>62</sup> GRI 403-7

<sup>63</sup> GRI 403-4

<sup>64</sup> GRI 403-3, GRI 403-6

### Increasing awareness<sup>65</sup>

Our employees and workforce are the first responders to any untoward incident; hence we need to be well-equipped to effectively mitigate such situations and prevent any catastrophic outcomes. We conduct safety initiatives and EHS training sessions for our employees and workforce, through internal experts and external industry representatives, to share the best practices. In FY 2022-23, EHS training sessions across our four plants covered more than 1,700 employees through 25,236 man-hours of training.

#### Snippet of the key health and safety topics covered in our trainings

Machine Guarding	Application of Job Safety Analysis Tool
EHS Guidelines and Application	First Aid Training
Basics of Ergonomics	Lockout Tagout
Electrical Safety Guide	Incident Response Plan
Waste Management	PPE Training
Electrical Safety Guide	Hazard Identification and Communication

### Snapshot of our health and safety performance<sup>66</sup>

Our robust technology and infrastructural control measure, aligned with national and international standards, are at the foundation of workplace safety.

Categories	Employees	Workers
Recordable work-related injuries	-	2
Fatalities	-	-
High-consequence work-related injuries	-	-
Number of hours worked	12,06,168	29,54,562
Rate of recordable work-related injuries	-	0.67
Recordable cases of work-related ill health	-	-
Fatalities as a result of work-related ill health	-	-

Note: Based on the data provided for all plants till March 2023



<sup>65</sup>GRI 403-5

<sup>66</sup>GRI 403-9, GRI 403-10

# Helping Children, Young people and Communities thrive

**At Colgate-Palmolive (India), we are committed to building lasting relationships with our local communities. Reflecting upon our corporate values of caring, teamwork and continuous improvement, we constantly leverage our expertise, synergies, and innovation-centric approach to empower the underserved communities.**

All CSR initiatives are aligned to our 2025 Sustainability and Social Impact Strategy. CSR Committee has the onus to identify impact areas, evaluate programs, review modalities of funds utilized vis-à-vis the implemented activities and formulation of an annual action plan<sup>67</sup>. Our Board approved CSR policy outlines CPIL's dedication to serving communities through projects which bring meaningful and measurable social impact, in line with national requirements and the United Nations Sustainable Development Goals (UN SDGs).

We look forward to collaborating with like-minded organizations and encourage stakeholder participation to promote shared goals on future proofing Oral Health initiatives.

As a socially conscious company, we ensure consistent improvement across our CSR programs and translate our promise of 'Giving India Reasons to Smile' into a shared value creation approach that helps to generate long term employment and facilitate good health. For the reporting period, we are humbled to state that none of our operations have contributed or caused any negative impact on local communities<sup>68</sup>.

## Thematic areas



**Oral Healthcare Education & Elevation**



**Women Empowerment**



**Promoting Education**



**Water Access and Augmentation**

## UN SDGs in focus



**1 NO POVERTY**



**3 GOOD HEALTH AND WELL-BEING**



**4 QUALITY EDUCATION**



**5 GENDER EQUALITY**



**6 CLEAN WATER AND SANITATION**



<sup>67</sup>GRI 3-3, GRI 413-1

<sup>68</sup>GRI 413-2



# 1 Colgate Bright Smiles, Bright Futures®



As a leading oral care company, we are focussed on enabling oral healthcare awareness and education through our Flagship program Colgate Bright Smiles, Bright Futures®, since 1976. Through this program we focus on instilling good oral care habits, right brushing techniques, healthy eating habits and avoiding tobacco. We have impacted 171 million children till date.

In FY 2022-23 we implemented the program in the state of Andhra Pradesh, collaborating with the National Health Mission and the Indian Dental Association.

## Impact in FY 2022-23

**2,517**

Schools covered

**1,03,812**

Children covered

### Infrastructure support

**2**

Dental Mobile Vans donated

**29**

Dental equipment donated

# 2 Smile for Life

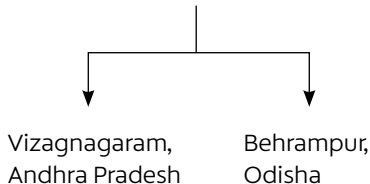
Every year, in India, approximately 35,000 children are born with cleft. Due to lack of resources for treatment, they suffer from issues like malnourishment, speech problem, societal acceptance, thereby losing out on opportunities to lead a fulfilling life. To address this issue we are running a program on cleft surgeries in 09 states catering to underprivileged children suffering from cleft deformity, through this program we aim to create a lifetime impact through a comprehensive care model.

## Impact in FY 2022-23



**12** Districts,  
**9** States

**2** Aspirational Districts



**1,071**

surgeries completed

# 3 Keep India Smiling

We launched the Keep India Smiling Foundational Scholarship program 4 years ago. This program shows great promise to be the wind beneath the wings of our young scholars. Community help is a unique category of scholarship which has a multiplier impact. Each community scholar further empowers groups of children or individuals. In FY 2022-23, we extended the program to include Dental Scholarships. Along with the financial support, a LMS based mentorship program support is designed to groom people.

## Impact in FY 2022-23

**70 BDS**

Scholarships awarded

**1,000+**

Scholars selected

**56%**

gender diversity

**1,250**

people impacted through 10 community scholars

## 4 Water Access, Augmentation for Livelihoods & Women Empowerment

Water scarcity, in terms of year-round inaccessibility to clean and good-quality water, adversely impacts millions of lives and livelihood. With women at the fulcrum of this issue, our feasibility study in 2016-17 across 9 tribal villages in Udaipur (Rajasthan) unearthed specific needs in this area. It brought to light the challenges of low income families, under-representation of women in economic earnings, low yield crops, and higher interest loans. With these insights and assessment of potential opportunities, a holistic program with an integrated approach was developed to support Water Augmentation through Livelihoods and Women Empowerment.

In FY 2022-23, Water Conservation Literacy Program was launched to augment awareness and inculcate sustainable habits at the grassroot levels to facilitate efficient use of water for irrigation and agriculture.

Additionally, the Digital and Financial Literacy program was designed to enable women to learn financial management, leading to informed financial and entrepreneurial choices. As a first step in the program, Digital Smile Sakhis were trained, who further offer assistance to other women in Self Help groups. Till date, we have imparted training to over 30,000 women and aspire to train 60,000 women by 2030.

### Impact in FY 2022-23

14

new villages added to the program

47

Women accountants in SHG

130

Smile Sakhis trained

20,000

Women skilled for Digital/Financial Literacy

## 5 Water access for Communities

We are recognized for our leadership and innovation in promoting sustainability and community well-being. We promote water recycling, reuse and zero discharge as well as water conservation and sensitization towards the cause of 'Save Water'.

Four years ago, we launched a water program for rural and tribal villages in the Amravati district of Maharashtra, where the focus was on a comprehensive water management approach based on an in-depth feasibility assessment. The multistakeholder approach has helped improve the scale of the program and its alignment with India's JalShakti and Jal Jeevan Mission.

In FY 2022-23, Water Conservation Literacy Program was launched to augment awareness and inculcate sustainable habits at the grassroot levels to facilitate efficient use of water for irrigation and agriculture.

### Impact in FY 2022-23

10

new villages added to the program

25,000

Beneficiaries reached

2,035

Children covered under WASH

Water availability

27

Schools and Anganwadis

## Annexure I

# Impacts<sup>69</sup>

**Our impact-based materiality assessment helps us understand the effect we have on the economy, environment, people, including human rights. The identified and prioritized positive as well as negative impacts have been the guiding force for determining the top material topics.**

Material Topic	Impacts
Product Stewardship and Consumer Health and Safety	<ol style="list-style-type: none"> <li>1. Access to oral healthcare to all parts of the society through preferential pricing can lead to a healthier workforce.</li> <li>2. Improvements in health, hygiene, and safety of community (especially personal health care) and consumers.</li> <li>3. Non-compliance with labelling and marketing regulations or voluntary codes such as Bureau of Indian Standards (BIS), Food and Drug Administration (FDA), Legal Metrology may lead to financial and reputational damage.</li> </ol>
Energy and emissions	<ol style="list-style-type: none"> <li>1. Create balance between business growth and responsibility towards the environment.</li> <li>2. Increased energy consumption from non-renewable sources can result in an increase of Greenhouse Gas (GHG) emissions.</li> <li>3. Increased costs from implementing efficient processes/technology.</li> <li>4. Uncontrolled emissions from Chlorofluorocarbon (CFCs) would result in ozone layer depletion and contribute to climate change.</li> <li>5. Reputational damage caused by non-compliance to applicable rules and regulations.</li> </ol>
Waste Management	<ol style="list-style-type: none"> <li>1. Consumption of plastic in the form of raw material as well as packaging leading to increase of plastic waste in the environment.</li> <li>2. Instances of non-compliance with applicable waste management rules compliance may lead to fines and penalties which can adversely affect the operating costs.</li> </ol>
Sustainable Packaging	<ol style="list-style-type: none"> <li>1. Increasing consumption of recycled content in the packaging thereby reducing dependency on virgin materials.</li> <li>2. Reducing waste to landfill by making recyclable packaging.</li> </ol>
Water Stewardship	<ol style="list-style-type: none"> <li>1. Water consumption from water-stressed areas can lead to the unavailability of water to local communities.</li> <li>2. Water unavailability can lead to disruption in business operations.</li> <li>3. Reputational and financial damage caused due to non-compliance of applicable rules and regulations.</li> <li>4. Discharge of untreated effluent to nearby waterbodies leading to pollution and non-compliance.</li> </ol>

<sup>69</sup>GRI 3-1, GRI 3-3

Material Topic	Impacts
Sustainable Sourcing	<ol style="list-style-type: none"> <li>1. Economic development of local suppliers by creating indirect employment opportunities.</li> <li>2. Stringent timelines for suppliers can cause human rights violations.</li> <li>3. Production delays as result of supplier's plant shutdown due to non-compliance on environmental regulations.</li> <li>4. Disruption in inventory management due to production delays and can also disrupt operations and damage brand image.</li> </ol>
Diversity and Inclusion	<ol style="list-style-type: none"> <li>1. Diversity and inclusion increases productivity and employee motivation.</li> <li>2. A diverse workforce can enhance brand reputation.</li> <li>3. Bringing inclusivity in hiring can lead to economic and social upliftment of underrepresented groups.</li> <li>4. Equality in pay can lead to reduced gender inequalities and economic upliftment of women.</li> </ol>
Human Rights	<ol style="list-style-type: none"> <li>1. Stringent supplier timelines can lead to human rights violations.</li> <li>2. Any new activity (either acquisition, construction, or operation) can give rise to impact on indigenous peoples' lands rights.</li> <li>3. Robust supplier assessment can identify operations at risk of forced labour, child labour, discrimination, freedom of association, and help mitigate any actual or potential human rights violations.</li> <li>4. Failure to cultivate an inclusive and safe environment (free from harassment, discrimination, safety hazards) can cause mental distress.</li> <li>5. Robust human rights policy, mechanisms, and training can enhance awareness and safeguard company's reputation.</li> </ol>
Health and Safety of our People	<ol style="list-style-type: none"> <li>1. Non-compliance with health and safety norms can lead to hazardous work environment.</li> <li>2. Unsafe work environment can cause reputational and financial damages.</li> <li>3. Good safety practices increase employee morale, productivity and efficiency.</li> <li>4. Effective training and safety management systems can help achieve zero fatalities across all plants.</li> </ol>
Community Development	<ol style="list-style-type: none"> <li>1. Company's social responsibility activities lead to social and economic upliftment of marginalized and underserved communities while providing infrastructural support.</li> <li>2. Regular and robust trainings can inculcate sustainable habits among communities across social and environmental aspects.</li> <li>3. Failure in proper resettlement of community in case of new operations can garner reputational damages.</li> <li>4. Company is bringing generational changes through its programs by enhancing livelihood opportunities.</li> </ol>

# Notice

## COLGATE-PALMOLIVE (INDIA) LIMITED

Registered Office :  
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 Main Street, Hiranandani Gardens, Powai,  
 Mumbai 400 076.  
 CIN : L24200MH1937PLC002700  
 Email : [investors\\_grievance@colpal.com](mailto:investors_grievance@colpal.com)  
 Website : <https://www.colgatepalmolive.co.in/>  
 Tel. No. : 022 6709 5050  
 Fax No. : 022 2570 5088

**NOTICE** is hereby given that the Eighty-Second (82<sup>nd</sup>) Annual General Meeting of COLGATE-PALMOLIVE (INDIA) LIMITED will be held on **Thursday, July 27, 2023 at 11.00 a.m.** (IST) through Video-Conferencing / Other Audio-Visual Means to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jacob Sebastian Madukkakuzy (DIN: 07645510), who retires by rotation and, being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

3. **To re-appoint Ms. Sukanya Kripalu (DIN: 06994202) as an Independent Director of the Company.**

To consider and, if thought fit, to pass, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152, 161 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), (including any statutory modification(s) or re-enactment thereof for the time being in force), and upon recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. Sukanya Kripalu (DIN: 06994202), who was appointed as an Additional Director designated as Non-Executive Independent Director with effect from

June 1, 2023, and who is eligible for re-appointment and meets the criteria for independence as provided under Section 149 (6) of the Act along with the Rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing her candidature for office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years commencing from June 1, 2023 to May 31, 2028.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution, without being required to seek any further consent or approval of the Members of the Company.

By Order of the Board of Directors  
 For **Colgate-Palmolive (India) Limited**

**Surender Sharma**  
 Whole-time Director - Legal &  
 Company Secretary  
 (DIN: 02731373)

Place: Mumbai  
 Date : May 12, 2023

### NOTES:

1. Pursuant to the Circular No. 14/2020 dated April 8, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, and various other circulars issued by the Ministry of Corporate Affairs and SEBI and in reference to the recent Circular No. 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs and SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (‘hereinafter collectively referred to as Circulars’), the Annual General Meeting (‘AGM/ Meeting’) of the Company will be held through Video Conferencing (‘VC’) or Other Audio-Video Means (‘OAVM’) where physical attendance of the Members at the AGM venue is not required. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the provisions of the Companies Act, 2013 (“the Act”), a Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this Meeting will be held through VC/OAVM, in accordance with the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. The attendance of the Members attending the AGM through VC/OAVM will be considered for the purpose of reckoning the quorum under Section 103 of the Act.
4. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted is annexed hereto.
5. Members can join AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 Members on a first-come-first-served-basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of Audit Committee, Nomination and Remuneration Committee and Stakeholders’ Relationship Committee, Auditors, etc. who are allowed to attend the AGM without any restriction on account of first-come- first-served basis.
6. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, (“the SEBI Listing Regulations”) as amended, and the aforesaid Circulars, the Company is providing a facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has engaged the services of National Securities Depository Limited (“NSDL”) for facilitating voting through electronic means. The facility of casting votes by a Member using a remote e-Voting system as well as e-Voting during the AGM will be provided by NSDL.
7. The Notice of the AGM has been uploaded on the website of the Company at <https://www.colgatepalmolive.co.in/>. The Notice can also be accessed from the websites of the Stock Exchanges where the shares of the Company are Listed i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and is also available on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
8. Since the AGM will be held only through the VC/OAVM facility, the route map is not annexed to this Notice.
9. The additional details of Director retiring by rotation and seeking re-appointment, pursuant to Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standards issued by the Institute of Company Secretaries of India, is annexed as **Annexure I** and forms part of this Notice.
10. In compliance with the Circulars, the Notice of the 82<sup>nd</sup> AGM and the Annual Report for the Financial Year 2022-23 are being sent only by email to the Members whose email address is registered with the Company/ Depositories.
11. Members who have not yet registered their email addresses are requested to register the same with their Depository Participants in case the shares are held by them in electronic mode and with the Registrar & Share Transfer Agent (RTA) of the Company in case the shares are held by them in physical form. However, for limited purposes like receiving the Notice of the forthcoming AGM and related documents, Members holding shares in electronic mode may register their email address with the RTA as per the process given under General Guidelines for shareholders in the e-Voting instructions of the notes to this Notice.
12. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, July 21, 2023 to Thursday, July 27, 2023 (both days inclusive).
13. In case of joint holders attending the Meeting, the joint holder who is highest in the order of names will be entitled to vote at the Meeting.
14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM. All documents referred to in this Notice will also be available for electronic inspection by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [cpilagm@colpal.com](mailto:cpilagm@colpal.com).
15. Members are requested to send all communications relating to shares, unclaimed dividends, change of address, etc. to the RTA of the Company, at their address - M/s. Link Intime India Private Limited, C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400 083 or email at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

16. Members are requested to notify immediately any change in their addresses to the RTA of the Company at the above address, if shares are held in physical form and to the respective Depository Participants, if shares are held in electronic mode.
17. In terms of the SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from April 1, 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.
18. SEBI vide its Circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 stated that all the listed companies shall intimate its securities holders holding in physical mode to comply with the requirements of registration/updation of valid PAN, KYC details and Nomination with them/their RTAs for the folios wherein the details are missing and are not registered. As per the Circular any request/complaint from the holder/claimant shall be entertained only after the folio is fully KYC compliant as per the Circular. Further the folios wherein any one of the document/details are not available on or after October 1, 2023, shall be frozen by the RTA. Accordingly, the Company had sent an intimation letter to all the shareholders holding shares in physical form at their registered address requesting them to comply with the provisions of the aforesaid SEBI Circular. The forms for updating the aforesaid details are available on the RTA's website <https://www.linkintime.co.in> and also available on the website of the Company. You are kindly requested to update your KYC details by writing and submitting the necessary documents with the Company on [investors\\_grievance@colpal.com](mailto:investors_grievance@colpal.com) or to RTA at the email address [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
19. Members are also requested to ensure that the above mentioned KYC details are kept upto date as and when there is a change in order to receive all important shareholder communications and corporate benefits in a timely manner. Members holding shares in electronic mode may update the KYC details with their respective Depository Participants.
20. 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 Member as soon as possible. Members are requested not to leave their demat account dormant for long. Periodic statements of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
21. Electronic Clearing Service ('ECS') enables quick receipt of dividend without the potential for loss or delay in postal transit. Members who are not already enrolled in ECS are requested to fill in the ECS form which is available either on the Company's website or RTA's website and forward the same alongwith a cancelled cheque leaf to the Company's RTA if the shares are held in physical form and to the applicable Depository Participant if the shares are held in dematerialized form.
22. Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandated that dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of the Members. Pursuant to the above, Tax will be deducted at Source (TDS) by the Company at the time of dividend payment. In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961 within the time prescribed by the Company. Members are also requested to ensure that their PAN and Bank details are registered with the RTA for the purpose of dividend.
23. During the Financial Year 2022-23, the amounts unpaid/unclaimed of interim dividends declared for the Financial Years 2014-15 and 2015-16 in the amounts of ₹ 71,39,528/-, ₹ 75,33,000/- and ₹ 62,94,685/- have been transferred to the Investor Education and Protection Fund ('IEPF') on May 24, 2022, December 21, 2022 and January 23, 2023 respectively.
 

Pursuant to the provisions of Section 124(6) of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any amendment thereto or re-enactment thereof for the time being in force), all equity shares in respect of which dividend has not been paid or claimed by the Member(s) for seven consecutive years or more are required to be transferred to the IEPF Authority, a Fund constituted by the Government of India under Section 125 of the Act. The Company has communicated individually to the concerned Members to claim their unpaid/ unclaimed dividend amount(s) and that failure to claim the same would lead to their equity shares being transferred to the IEPF Authority without any further notice. In accordance with the aforesaid IEPF Rules, during the Financial Year 2022-23, the Company has transferred shares pertaining to interim dividends which remained unpaid/unclaimed, and declared for the Financial Years 2014-15 and 2015-16 to the IEPF Authority.

The unclaimed dividends and corresponding shares including all benefits accruing on such shares, if any, once transferred to the IEPF Authority can only be claimed back from the IEPF Authority, for which details are available at [www.iepf.gov.in](http://www.iepf.gov.in).

The details of Members whose dividends have remained unpaid/unclaimed for seven consecutive years have been placed on the website of the Company. Members are requested to refer to the 'Investors' section on the website of the Company at <http://www.colgateinvestors.co.in/shareholder-information/unclaimed-dividends>.

24. The Company has designated an exclusive email address called [investors\\_grievance@colpal.com](mailto:investors_grievance@colpal.com) to redress Shareholders' complaints/grievances. In case you have any queries/complaints, then please write to us at [investors\\_grievance@colpal.com](mailto:investors_grievance@colpal.com). The Company has nominated Mr. Surender Sharma, Whole-time Director - Legal & Company Secretary, as its Nodal Officer for the purpose of coordination with the IEPF Authority and the contact details of the Nodal Officer is available on Company's website.
25. Members desirous of obtaining any information/clarification(s), intending to raise any query concerning the Financial Statements/Annual Report of the Company, are requested to send the same at least 2 working days before the AGM mentioning their name, demat account number/folio number, email address, mobile number at [cpilagm@colpal.com](mailto:cpilagm@colpal.com) so that the same may be replied to suitably.

### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-

Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Regulation 44 of the Securities and Exchange Board of

India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by National Securities Depository Limited (NSDL) on all the resolutions set forth in this Notice.

The remote e-voting period begins on Sunday, July 23, 2023 at 8:00 a.m. IST and ends on Wednesday, July 26, 2023 at 5:00 p.m. IST. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Thursday, July 20, 2023, may cast their vote electronically. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the said cut-off date.

#### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

##### Step 1: Access to NSDL e-Voting system

#### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.



Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under <b>‘IDeAS’</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see the e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to the e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, an option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select <b>“Register Online for IDeAS Portal”</b> or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon <b>“Login”</b> which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to the NSDL Depository site wherein you can see the e-Voting page. Click on Company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to the e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download the NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center; margin-top: 10px;"> <p><b>NSDL Mobile App is available on</b></p>  <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Existing users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing Myeasi username &amp; password.</li> <li>2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also be able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see the e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see the e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to the e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

[Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.](#)

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.

## B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

### How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open a web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using the NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
  - (i) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- a) Click on **“Forgot User Details/Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

**Step 2: Cast your vote electronically and join the General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join the General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of the Company for which you wish to cast your vote during the remote e-Voting period and cast your vote during the General Meeting. For joining the virtual meeting, you need to click on the “VC/OAVM” link placed under “Join Meeting”.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [scrutinizer@snaco.net](mailto:scrutinizer@snaco.net) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on: 022 - 4886 7000 and 022 - 2499 7000 or send a request to (Ms. Prajakta Pawle) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cpilagm@colpal.com](mailto:cpilagm@colpal.com).

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cpilagm@colpal.com](mailto:cpilagm@colpal.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is the same as the instructions mentioned above for remote e-Voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see a link of “VC/OAVM” placed under the “Join meeting” menu against the Company name. You are requested to click on the VC/

OAVM link placed under the Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of the Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at [cpilagm@colpal.com](mailto:cpilagm@colpal.com). The same will be replied by the Company suitably.
6. Those Members who have pre-registered themselves as a speaker with the Company between Tuesday, July 18, 2023 (8.00 a.m. IST) to Friday, July 21, 2023 (5.00 p.m. IST), will be allowed to express their views/ask questions during the Meeting.
7. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

### General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [scrutinizer@snaco.net](mailto:scrutinizer@snaco.net) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Prajakta Pawle at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Name, Folio No., share certificate number, PAN, mobile number and e-mail address and also upload the image of share certificate in PDF or JPEG format (upto 1 MB) at [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) on the RTA website i.e. [www.linkintime.co.in](http://www.linkintime.co.in) in the Investor Services tab.
2. In case shares are held in demat mode, please provide Name, DP ID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), PAN, mobile number and email address at [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) on the RTA website i.e. [www.linkintime.co.in](http://www.linkintime.co.in) in the Investor Services tab.
3. Alternatively, shareholder/members may send an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for obtaining User ID and Password by providing the below mentioned details and documents:
  - i. In case shares are held in physical mode - Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card).
  - ii. In case shares are held in demat mode - DP ID + CL ID (16 digit DP ID + CL ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card).

If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1(A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is the same as the instructions mentioned above for remote e-Voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.
5. Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker and should send their request mentioning their name, demat account number/folio number, email id, mobile number at [cpilagm@colpal.com](mailto:cpilagm@colpal.com)
6. Those Members who have pre-registered themselves as a speaker with the Company between Tuesday, July 18, 2023 (8.00 a.m. IST) to Friday, July 21, 2023 (5.00 p.m. IST), will be allowed to express their views/ ask questions during the Meeting.
7. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

#### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE /AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for access to NSDL e-Voting system. After successful login, you can see a link of "VC/OAVM link" placed under "Join General meeting" menu against the Company name. You are requested to click on the VC/OAVM link placed under the Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of the Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- A. Any person holding shares in physical form and non-individual shareholders who acquires shares of the Company after sending the Notice of 82<sup>nd</sup> AGM and holding shares as of the cut-off date i.e. Thursday, July 20, 2023, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto: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" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 4430. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Thursday, July 20, 2023 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
- B. The e-Voting period commences on Sunday, July 23, 2023 at 8:00 a.m. IST and ends on Wednesday, July 26, 2023 at 5:00 p.m. IST. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote by e-Voting. The e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. e-Voting shall not be allowed beyond the said date and time.
- C. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date.
- D. Mr. S. N. Ananthasubramanian, Practicing Company Secretary (Membership No. FCS-4206) or failing him, Mr. S. N. Viswanathan, (Membership No. ACS: 61955) has been appointed to act as the Scrutinizer for the 82<sup>nd</sup> AGM.

The scrutinizer will ensure that the e-Voting process is conducted in a fair and transparent manner.

- E. The Scrutinizer shall, immediately after the conclusion of the voting at the AGM, first count the votes cast at the AGM and thereafter unblock the votes cast through e-Voting and make within two working days from the conclusion of the AGM, a consolidated Scrutinizers' Report of the total votes cast in favour or against, on each resolution, to the Chairman, or an authorized person by him, of the Company.
- F. The results shall be declared after receiving the consolidated Scrutinizers' Report from the Scrutinizer. The results declared along with the Scrutinizers' Report shall be placed on the Company's website [www.colgatepalmolive.co.in](http://www.colgatepalmolive.co.in) and on the websites of Stock Exchanges and NSDL.
- G. The resolutions 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 the e-Voting held at the AGM).

**THE EXPLANATORY STATEMENT SETTING OUT ALL MATERIAL FACTS CONCERNING EACH OF THE BUSINESS(ES) TO BE TRANSACTED AT THE 82ND ANNUAL GENERAL MEETING AS STATED IN THE NOTICE DATED MAY 12, 2023: [Pursuant to Section 102 of the Companies Act, 2013 and Secretarial Standard-2 ]**

#### **Item No. 2: Ordinary Resolution**

Mr. Jacob Sebastian Madukkakuzy joined Colgate-Palmolive (India) Limited in 1995 in the Continuous Improvement Group. During his tenure of over 28 years at Colgate, Mr. Jacob served through leadership roles in Finance at Colgate-Palmolive Company's subsidiaries in Thailand, Vietnam and Malaysia as well as at the Asia Pacific Division Headquartered at Hong Kong. Prior to joining Colgate-Palmolive, India as Whole-time Director and CFO, his last assignment was as the Finance Director of Colgate-Palmolive, Malaysia. As the Chief Financial Officer of Colgate-Palmolive (India) Limited, Mr. Jacob provides overall financial leadership including on Investor Relations matters.

Mr. Jacob Sebastian Madukkakuzy was re-appointed as the Whole-time Director & CFO of the Company for a term of 5 (five) consecutive years commencing from October 28, 2021.

As per the terms of his appointment, he is liable to retire by rotation and being eligible, is seeking re-appointment.

Considering his rich experience and invaluable contribution to the Board, the Nomination and Remuneration Committee and the Board of Directors have recommended his re-appointment to the Members of the Company.

Brief details of Mr. Jacob Sebastian Madukkakuzy pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard - 2 are as provided in **Annexure I**.

#### **Item No. 3: Special Resolution**

In terms of the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 and Rules framed thereunder ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended ("the SEBI Listing Regulations"), the Members of the Company, at the Seventy-Seventh Annual General Meeting held on July 26, 2018 appointed Ms. Sukanya Kripalu (DIN: 06994202) as an Independent Director of the Company for a period of 5 (five) consecutive years effective June 1, 2018 upto May 31, 2023.

The Board of Directors, upon the recommendation of the Nomination and Remuneration Committee and considering the expertise, experience and contribution made by Ms. Sukanya Kripalu during her first term and based on her positive performance evaluation, approved her appointment as an Additional Director designated as Non-Executive Independent Director for a second term of 5 (five) consecutive years effective June 1, 2023 till May 31, 2028, subject to the approval of the Members of the Company.

Ms. Kripalu has granted the consent for her re-appointment as an Independent Director. Further, the Company has received declarations from her confirming that she continues to meet the criteria of Independence prescribed under sub-section (6) of Section 149 of the Act, Rules framed thereunder read with Schedule IV of the Act and the SEBI Listing Regulations. Also, she is not disqualified from being re-appointed as Director in terms of Section 164 of the Act.

The Company has received a notice in writing from a Member in terms of Section 160 of the Act, proposing the candidature of Ms. Kripalu for the office of a Director. In the opinion of the Nomination and Remuneration Committee and the Board, Ms. Kripalu is independent of the Management.

A brief profile of Ms. Sukanya Kripalu is set-out below:

Ms. Sukanya Kripalu is a graduate of St. Xavier's College and an alumni of the Indian Institute of Management, Kolkata. She is a Consultant in the fields of marketing, strategy,

advertising, and market research. She has a rich and varied work experience with leading corporates like Nestle India Limited, Cadbury India Limited and Kellogg's India. She was also the Chief Executive Officer of Quadra Advisory, a WPP group Company. She was appointed as a Director on the Board of the Company in June 2018.

Ms. Kripalu is the Member of the Audit, Stakeholders' Relationship and Nomination and Remuneration Committees of the Board of the Company.

The additional details of Ms. Kripalu as required under Regulation 36(3) of the Listing Regulations and the Secretarial Standard - 2 issued by the Institute of Company Secretaries of India are set out in the **Annexure I** forming part of this Notice. Ms. Kripalu does not hold any shares in the Company.

The letter of re-appointment of Ms. Kripalu containing terms of her re-appointment, is available for inspection by Members on the website of the Company at [www.colgatepalmolive.co.in](http://www.colgatepalmolive.co.in).

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Ms. Sukanya Kripalu, is concerned or interested, financially or otherwise, in the resolution at item No. 3 of this Notice.

The Board considers that Ms. Kripalu's continued association would immensely benefit the Company and recommends the Resolution at item No. 3 for the approval of Members as a Special Resolution.



**Annexure I**

<b>Name of the Director</b>	<b>Mr. Jacob Sebastian Madukkakuzy</b>	<b>Ms. Sukanya Kripalu</b>
DIN	07645510	06994202
Date of Birth	June 17, 1969	October 30, 1960
Nationality	Indian	Indian
Qualification	Commerce graduate from Bombay University and Chartered Accountant from the Institute of Chartered Accountants of India.	Ms. Sukanya Kripalu is a graduate from St. Xavier's College and the Indian Institute of Management, Calcutta.
Expertise in specific areas	Mr. Jacob Sebastian Madukkakuzy has experience of more than 28 years and has served through leadership roles in Finance at Colgate-Palmolive Company's subsidiaries.	Ms. Sukanya Kripalu is a consultant in the fields of marketing, strategy, advertising and market research. Her experience includes working with leading corporations like Nestle India Limited, Cadbury India Limited and Kellogg's India. She was also the CEO of Quadra Advisory, a WPP group Company.
Date of first appointment	October 28, 2016	June 1, 2018
Number of shares held in Colgate-Palmolive (India) Limited	Nil	Nil
Name of other companies in which he/she holds Directorship	Nil	<ol style="list-style-type: none"> <li>1. Aditya Birla Fashion &amp; Retail Limited</li> <li>2. Ultratech Cement Limited</li> <li>3. Aditya Birla Health Insurance Co. Limited</li> <li>4. Entertainment Network (India) Limited</li> <li>5. Indivinity Clothing Retail Private Limited</li> <li>6. Avanti Finance Private Limited</li> </ol>
Chairman/Member of the Committee(s) of Board of Directors of other Companies in which he/she is a Director	Nil	Aditya Birla Fashion & Retail Limited - Nomination and Remuneration Committee (Chairperson), Audit Committee (Member), Stakeholders' Relationship Committee (Member)  Ultratech Cement Limited - Stakeholders' Relationship Committee (Member), Corporate Social Responsibility Committee (Member)  Aditya Birla Health Insurance Co. Limited -Nomination and Remuneration Committee (Chairperson), Audit Committee (Member)  Indivinity Clothing Retail Private Limited- Nomination and Remuneration Committee (Chairperson), Audit Committee (Member)  Entertainment Network (India) Limited - Nomination and Remuneration Committee (Member), Audit Committee (Member)

Name of the Director	Mr. Jacob Sebastian Madukkakuzy	Ms. Sukanya Kripalu
Relationship between Directors inter-se	There is no inter-se relationship between Mr. Jacob Sebastian Madukkakuzy, other Members of the Board and Key Managerial Personnel of the Company.	There is no inter-se relationship between Ms. Sukanya Kripalu, other Members of the Board and Key Managerial Personnel of the Company.
Terms of Appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	Appointed as Whole-time Director of the Company for a term of 5 (five) consecutive years effective October 28, 2016 liable to retire by rotation, on terms and conditions as approved by the Members at their 76 <sup>th</sup> AGM held on August 3, 2017, and further re-appointment in the 80 <sup>th</sup> AGM for a term of 5 (five) consecutive years effective October 28, 2021. The details of last drawn remuneration is available in the Corporate Governance Report which forms part of Board's Report. As per the provisions of Section 152 of the Companies Act, 2013, he retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.	Second term of 5 (five) consecutive years i.e. June 1, 2023 to May 31, 2028.  Independent directors are entitled to sitting fees for attending meetings of the Board & Committees thereof and also commission as provided under the Act.
Number of Board meetings attended	6 (FY 2022-23)	6 (FY 2022-23)

By Order of the Board of Directors  
For **Colgate-Palmolive (India) Limited**

**Surender Sharma**

Whole-time Director - Legal &  
Company Secretary  
(DIN: 02731373)

Place: Mumbai  
Date : May 12, 2023

# Report of the Directors

To,  
The Members,  
Colgate-Palmolive (India) Limited

Your Directors are pleased to present their 82<sup>nd</sup> Report and Audited Financial Statements of the Company for the Financial Year ended March 31, 2023.

## Financial Highlights

	(₹ in crores)	
	FY 2022-23	FY 2021-22
Total Revenue (a+b+c)	5,279.77	5,126.05
Sales (a)	5,187.86	5,066.46
Other Operating Revenue (b)	38.33	33.33
Other Income (c)	53.58	26.26
Profit before Tax and exceptional items and Tax	1,420.88	1,409.01
Profit before Taxation	1,409.67	1,409.01
Tax Expense	362.53	330.69
Profit for the year	1,047.14	1,078.32
Other Comprehensive Income (net of Tax)(gain)	4.89	(4.67)
Total Comprehensive Income	1,042.26	1,082.99
Balance brought forward	1,308.08	741.86
Profit available for appropriation	2,350.34	1,824.85
Balance transferred to Retained Earnings from Share Options Outstanding Account	6.93	-
Appropriation :		
Dividend	(1,060.74)	(516.77)
Dividend Distribution Tax	-	-
Balance carried forward	1,296.53	1,308.08

## Business Performance

Reported Net Sales for the Financial Year 2022-23 stood at ₹ 5,187.86 crores against ₹ 5,066.46 crores of previous year. Net Sales increased by 2.4% in comparison to the previous year. Reported Net Profit after tax for the Financial Year 2022-23 was ₹ 1,047.14 crores, a decrease of 2.9% over the previous year.

Despite the challenging business and economic environment, your Company continues to sustain its leadership position in both the Toothpaste and Toothbrush categories during the Financial Year 2022-23.

### Dividend

The Board of Directors of the Company has declared two interim dividends, aggregating to ₹ 39/- per share, for the Financial Year 2022-23. The first interim dividend of ₹ 18/- per share was declared on October 20, 2022 and paid

on and from November 16, 2022 and the second interim dividend of ₹ 21/- per share was declared on May 12, 2023, to be paid on and from June 8, 2023. Considering the declaration of two interim dividends for the Financial Year 2022-23, the Board of Directors has not recommended a final dividend for the Financial Year 2022-23.

### Transfer to Reserves

During the year, no amount was transferred to the general reserves.

### Focus on Innovation and New Launches / Campaign

Your Company is focused on delivering insight-driven innovation that provides value-added new products across all price points. In the Financial Year 2022-23, the following products were launched/re-launched:

## Toothpaste

**Relaunch of Colgate Strong Teeth :** In 2022, Colgate Strong Teeth (CST) underwent a relaunch with a renewed focus on highlighting the importance of strong teeth as a foundation for good nutrition. The brand aimed to establish a connection between healthy teeth and better nutrient absorption through effective chewing.

The new proposition centered on promoting stronger teeth, which ensure better chewing and, in turn, leads to better nutrient absorption. This proposition was supported by a 'Calcium Boost' and 'Amino Shakti', which were activated across all touchpoints. This activation was designed to elevate CST to an advanced and contemporary brand.

To promote this message, the brand brought two popular celebrities, Shahid Kapoor and Rana Daggubati, who led the campaign nationwide. Notably, this was the first time that fathers led CST messaging in a campaign. The campaign included multiple films aimed at increasing awareness and consideration of the CST. These films depicted the dads reinstating the association of stronger teeth with a stronger self, using varied imagery aimed at children.

**Colgate Max-Fresh Charcoal :** The Company introduced a novel variant belonging to its Max-Fresh product line, which incorporates a distinctive blend of bamboo charcoal, wintergreen mint, and cooling crystals. This toothpaste provides an invigorating burst of freshness that contributes to sustaining oral hygiene while also delivering an unparalleled revitalising awakening experience.

**Colgate Active Salt :** The Company has re-introduced Colgate Active Salt, now equipped with enhanced "Anti Germ Properties" that combat up to 99.9% of germs, effectively preventing dental problems.

**Colgate PerioGard :** The all new Colgate PerioGard, formulated with a potent zinc citrate composition that effectively targets anaerobic bacteria, aiding in the treatment of various gum issues, such as bleeding, inflammation and halitosis.

## Toothbrushes

**KEEP toothbrush:** One of the Company's latest introductions, the KEEP toothbrush, aims to assist customers in making eco-friendly decisions. The toothbrush has a reusable metal handle that can stand upright, and it comes with a replaceable soft-bristled head that has a tongue scraper. By eliminating the use of plastic in the entire handle, the toothbrush reduces plastic consumption by 80%\*. **KEEP the handle, replace the brush head-it's that simple!**

**Advanced electric toothbrush :** The smart electric toothbrush offers a personalised brushing encounter, enabling users to

choose the combination that suits them best and delivering immediate feedback to ensure proper use. It is equipped with 33 unique combinations, 4 modes, a smart pressure sensor, and a 30-second pacer to deliver a sophisticated cleaning experience. Additionally, the sleek, fashionable design and ergonomic curves of the handle facilitate a stylish and comfortable brushing experience.

**Super Flexi Toothbrush :** For the first time in a decade, India's best-selling toothbrush brand underwent a massive relaunch. Featuring a contemporary appearance, the toothbrush handle is offered in four vibrant color options. The updated material includes wave trim bristles, which offer an enhanced brushing experience and, the bristles themselves are more durable.

**Visible White O<sub>2</sub> Toothbrush :** A premium toothbrush with unique 360 degree wraparound spiral bristles with stain removal capabilities. The toothbrush is launched as an extension to the Visible White O<sub>2</sub> brand regimen, known for superior technology and assured results on teeth whitening.

**Baby Teether :** This product is a multifunctional device that serves both as a Training Toothbrush and Teether, specifically designed to alleviate discomfort during the teething stage with its soft and delicate silicone bristles. It has undergone comprehensive safety testing and is approved for use by infants aged 0 to 12 months. The toothbrush is free of Bisphenol A (BPA) and is entirely composed of 100% food-grade silicone. The malleable handles are designed to accommodate the dimensions and grip of small hands.

## Change(s) in the nature of Business

During the Financial Year under review there were no material changes with regard to the nature of business of the Company.

## Details of Subsidiary, Joint Venture and Associate Company

Your Company does not have any Subsidiary or Joint Venture or Associate Company.

## ESG & BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

As a leading oral care company in India, Colgate-Palmolive (India) Limited continues to champion optimism and amplify ESG efforts to 'reimagine a healthier future for all its people and the planet.' We are steadfast in bringing to life our strategy and plans to create shared and sustainable value for all our stakeholders. We continue to remain unwavering in our commitment to responsible and shared growth as well as building a sustainable future. The Company's flagship programs such as 'Colgate Bright Smiles, Bright Futures®', Keep India Smiling Scholarship programs and several other initiatives around Oral Health, Water Conservation, Women empowerment have been instrumental in driving social impact, preserving the environment and reaching millions

\*compared to similarly - sized Colgate Toothbrushes

of People. We continuously rebuild and realign our practices to innovate for good as ‘everyone deserves a future to smile about.’ In our endeavor to inspire trust and transparency, this is the second year of publishing our Environmental, Social and Governance (ESG) Report and Business Responsibility and Sustainability Report (BRSR). The BRSR showcases our ESG progress and empowers stakeholders to make informed decisions.

**Environment :** Our Company is committed to ensuring that our consumers enjoy a range of advantages from using our sustainable products. Our product development process is validated by consumer feedback received through various channels on improving our processes and systems. Valuable insights received through our customer satisfaction surveys coupled with enhanced employee skill-sets fuel our product innovations. The Company has also implemented a follow-up monitoring mechanism to ensure corrective actions are undertaken to provide safe, sustainable and high-quality products to all our consumers.

To achieve the goal of delivering innovative and sustainable products, we are focused on the following priority areas:

- Usage of recycled content,
- Eliminate usage of plastics in packaging.

**Social :** Our people are our asset, and we strive to strengthen relationships with them to build a resilient, innovative and future-fit workforce. The Company breaks the mold and nurtures a work culture which bolsters creativity and encourages employee driven innovation, furthering Company’s purpose of ‘reimagining a better future for the people and the planet.’ Through our inclusive human resource policies and practices, we make conscious efforts to maintain a safe and a supportive work environment for our employees and the extended workforce. We inspire trust by providing our people with fair and competitive remuneration, rewards and benefits, learning opportunities, career growth, and work flexibility which help retain and attract new employees and workers with similar values.

Additionally through our Corporate Social Responsibility initiatives we endeavour to create a meaningful impact on the millions of lives we touch. Our focus areas include, Oral Health Elevation, Water Access and Augmentation, Women Empowerment and Education. Through these programs we focus on providing communities with access to safe drinking water, water for sanitation, water availability for agriculture and farm based activities, empowering women through livelihoods, financial and digital literacy and enlightening school children through oral health education and tobacco prevention sensitization, we are also impacting smiles for life for children suffering from cleft and palate deformities.

**Governance :** Colgate-Palmolive (India) champions the long-term value creation for all stakeholders through robust and fair governance mechanisms. Our governance structures, that are built on the pillars of integrity and transparency, ensure that ethical standards are cascaded across the business. Behaving ethically is a business imperative as we strive to meet regulatory compliances with all applicable laws while conducting business across geographies. We are guided by a highly engaged board and management that ascertains that sustainability is closely integrated with our governance mechanisms.

Our 2025 Sustainability and Social Impact Strategy guides our approach on ESG through three important pillars of S-MIL-E: Driving Social Impact, Helping Millions of Homes and Preserving our Environment. Our focus on the People to Promoting healthier lives, Contributing to the Communities where we live and work, Performance to Growing the business with innovative, more sustainable products that make the lives of consumers healthier and more enjoyable and on our Planet to conserve Earth’s finite resources, addressing climate change and maintaining the well-being of our planet for generations to come; is ever increasing and is driving all our plans and actions.

The Company has received TRUE® certification for Zero Waste (Platinum level) in 2019, for all its four manufacturing sites in India, from Green Business Certification Inc. (GBCI), the premier organization independently recognizing excellence in green business industry performance and practice globally. The GBCI administers TRUE® certification for Zero Waste, a program for businesses to assess performance in reducing waste and maximizing resource efficiency. Facilities earn TRUE® certification by achieving minimum program requirements and attaining points; the program operates on a ranking system, with ‘Platinum’ being the highest certification level. We continue to maintain the certification as our Diversion Rating at more than 99% as per the requirements. The Company is the first in India to receive such certification.

### **Business Responsibility and Sustainability Reporting :**

Pursuant to the Securities & Exchange Board of India (SEBI) vide its circular no. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, your Company took a proactive approach in adopting Business Responsibility and Sustainability Reporting (BRSR) for the Financial Year 2021-22, a year in advance of the mandatory requirements. This report ensures that our investors have access to relevant information and disclosures with regard to our performance on Environmental, Social and Governance (ESG) parameters. Your Company believes in conducting its business activities in a responsible and sustainable manner.

This report illustrates the Company's efforts towards creating a long term value for all stakeholders in a responsible manner and your Company has always been steadfast in embedding ESG across the Company. To showcase our commitment towards sustainable development your Company has incorporated transparent reporting practices with regard to ESG responsibilities. The BRSR for Financial Year 2022-23 forms an integral part of this Report and is attached as **Annexure 6**.

## Corporate Social Responsibility

The Company is committed to ensure the well-being of the community and environment in which it operates. Corporate Social Responsibility (CSR) forms an integral part of our business activities. Company's CSR Policy also reflects the Company's commitment towards society and environment. The CSR initiatives are carried out by the Company through a variety of effective programs in accordance with the requirements of Schedule VII of the Companies Act, 2013, in partnership with reputed NGOs and agencies.

The ESG and Corporate Social Responsibility Committee and the Board of Directors closely review and monitor, from time to time, the various CSR activities undertaken by the Company.

The key CSR programs undertaken by your Company during the Financial Year 2022-23 are :

1. Colgate Bright Smiles, Bright Futures®;
2. Water Augmentation for Livelihoods & Women Empowerment - with Seva Mandir
3. Water accessibility program - with Water For People India Trust
4. Keep India Smiling Foundational Scholarship & Mentorship Program – with Shikshadaan
5. Smiles For Life - Program on Cleft Surgeries & Care with MissionSmile
6. Empowering children with Computers and Language skills - With Action Aid
7. Positive Step Program - with NTP+

As per the requirements of Section 135 of the Companies Act, 2013, the Company was required to spend an amount of ₹ 25,35,12,330.44 (Rupees Twenty Five Crore Thirty Five Lakhs Twelve Thousand Three Hundred and Thirty and Forty Four Paise Only). The ESG and Corporate Social Responsibility Committee approved an amount of ₹ 25,38,00,000 (Rupees Twenty Five Crore Thirty Eight Lakhs Only) as CSR Spend for the FY 2022-23.

However, since the Company was in the process of redesigning Colgate Bright Smiles, Bright Futures® Program and the same was re-launched in January, 2023. Considering the same, the Company could not spend the

entire CSR Funds allocated for the said project, during the Financial Year. An amount of ₹ 5,53,19,859.36 (Rupees Five Crore Fifty Three Lakhs Nineteen Thousand Eight Hundred Fifty Nine and Thirty Six Paise Only) remaining unspent was transferred to “Colgate-Palmolive (India) Limited - Corporate Social Responsibility Unspent Account (BSBF) - 2022-23” as per the statutory timelines and the same will be spent on the said project within 3 Financial Years.

A detailed description of the above programs/ activities is contained in the Annual CSR Report which forms an integral part of this Report and is annexed as **Annexure 2**.

The contents of the CSR Policy as well as the CSR programs undertaken by the Company are available on the Company's website at <https://www.colgatepalmolive.co.in/community-impact>

## Directors Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, your Company's Directors, based on the representations received from the Management, confirm that:

- in the preparation of the Annual Accounts for the Financial Year ended March 31, 2023, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- they have selected such accounting policies and 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 as at March 31, 2023 and of the profit and loss of the Company for that period;
- 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;
- the Annual Accounts have been prepared on a 'going concern' basis;
- they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## Employee Relations

The Employee Relations in the Company continued to remain healthy, cordial and progressive in the Financial Year 2022-23.

At Colgate-Palmolive (India), we consider every employee as one of the most valuable resources contributing towards the long term success of the Company. Our employees are committed to acting with compassion, integrity, honesty and high ethics in all situations. As per the Company's core values, all employees are treated with equality and fairness and are provided with opportunities to develop their career and meet their aspirations while working with the Company in India and, wherever possible, outside of India on assignments with group companies of Colgate-Palmolive.

Your Company also recognizes and follows “Managing with Respect Principles” which are applicable not only within Colgate-Palmolive but also while its employees are dealing with its customers, suppliers, vendors etc. Managing with Respect is the way Colgate-Palmolive (India) people put our values into action. It is creating an environment where people feel free to offer suggestions, contribute ideas and resources and help grow the business. Managing with Respect creates an environment where people genuinely care about each other and work well together to reach their full potential.

The detailed description of the Employee Initiatives taken by the Company are included in the Management Discussion and Analysis. Kindly refer page no. 148.

### Prevention of Sexual Harassment at workplace

Your Company has zero tolerance towards any kind of harassment, including sexual harassment, or discrimination. An Internal Complaints Committee (ICC) has been constituted to investigate and resolve sexual harassment complaints. Employees are encouraged to speak up and report any such incidences to the ICC. A Policy on Prevention of Sexual Harassment is put in place, which is reviewed by the ICC at regular intervals. Any complaint made to the ICC is treated fairly and confidentially and the Company does not tolerate any kind of retaliation towards the employees who make complaints to ICC.

An online training is rolled out on the subject and it is mandatory for all the employees of the Company to complete and obtain an online certification. The said training is also mandated for the new joinees as a part of their onboarding process.

During the Financial Year 2022-23, 2 complaints were received, investigated and appropriately resolved by the ICC.

### Particulars of Employees

Information as per Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in **Annexure 4** to this Report.

The statement containing the names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the aforementioned Rules will be made available on request sent to the dedicated email address of the Company at [cpilagm@colpal.com](mailto:cpilagm@colpal.com)

### Trade Relations

Your Directors wish to record appreciation of the continued, unstinted support and cooperation 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 and trade associates.

### 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 attached as **Annexure 3** to this Report.

### Corporate Governance

A separate report on Corporate Governance laying down the Company Philosophy on the Corporate Governance as well as all the disclosures as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”) along with the Auditors’ Certificate on its compliance with the corporate governance requirements under the SEBI Listing Regulations forms an integral part of this Report and is annexed as **Annexure 1**.

### Directors and Key Managerial Personnel

Since April 1, 2022 till the date of this Report, the following changes took place in the Board of Directors and the Key Managerial Personnel (in the order of their occurrence):

- Resignation of Mr. Ram Raghavan (DIN : 08511606) as the Managing Director of the Company effective close of business hours on April 15, 2022 and effective that date he also ceased to be a Key Managerial Personnel of the Company.
- Resignation of Mr. Chandrasekar Meenakshi Sundaram (DIN : 07667965) as the Whole-time Director effective close of business hours on June 30, 2022.
- Appointment of Ms. Prabha Narasimhan (DIN : 08822860) as the Managing Director & Chief Executive Officer of the Company for 5 (five) consecutive years w.e.f. September 1, 2022. In line with the provisions of Section 203 of the Companies Act, 2013. Prabha is also designated as a Key Managerial Personnel effective that date.

- Re-appointment of Ms. Sukanya Kripalu (DIN : 06994202) as an Additional Director designated as Non-Executive Independent Director of the Company for a second term of 5 (five) consecutive years w.e.f. June 1, 2023.

Based on the declarations provided by Ms. Kripalu, she is Independent of the Management. Considering the rich and vast experience of Ms. Sukanya Kripalu and the contributions made by her during her tenure, the Board recommends the re-appointment of Ms. Sukanya Kripalu as a Non-Executive, Independent Director.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Jacob Sebastian Madukkakuzy (DIN: 07645510), Whole-time Director & Chief Financial Officer, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. Based on the recommendation of the Nomination and Remuneration Committee, the Board recommends his re-appointment.

A detailed profile of all the Directors of your Company is available on the Company website at <https://www.colgatepalmolive.co.in/who-we-are/board-of-directors>.

#### Declaration of Independence :

The Company has received the necessary disclosures under the Companies Act, 2013 and the SEBI Listing Regulations including declarations from all Independent Directors that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management. Further, the Independent Directors possess integrity and necessary expertise and experience (including the proficiency) which bring tremendous value to the Board and to the Company.

#### Directors and Officers Liability Insurance Policy

The Company has a Directors and Officers Liability Insurance Policy which protects Directors and Officers of the Company for any breach of fiduciary duty.

#### Familiarization Program

The Company conducts familiarization programs for Independent Directors with regard to their roles, rights, responsibilities towards the Company, the business operations of the Company, etc. Detailed presentations are made to the Board and its committees from time to time.

Details of the familiarization programs extended to the Independent Directors during the Financial Year are disclosed on the Company website from time to time at <http://www.colgateinvestors.co.in/policies>

Gist of Familiarization programs conducted during the Financial Year 2022-23 are as follows:

Sr. No.	Program/Presentation
1.	Update on Business operations
2.	Regulatory update
3.	ESG Framework
4.	ESG & BRSR
5.	Update on Project - Smile Store
6.	Red Zone Risk Matrix
7.	Succession Planning/Talent Retention
8.	Supplier Related Risk
9.	Update on Shareholder Matters
10.	Insider trading tool
11.	Amendments in the provisions of RPT
12.	ESG Update

#### Policies

The Board of Directors of your Company, from time to time, has framed and revised various Policies as per the applicable Acts, Rules and Regulations and Standards of better governance and administration of your Company. Overview of the key policies, as approved by the Board of Directors is as follows :

**Nomination and Remuneration Policy:** This Policy sets the objective, terms of reference, functions and scope of the Nomination and 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.

**Corporate Social Responsibility ('CSR') Policy:** This Policy sets out the role of the CSR Committee of the Board of Directors, which includes 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.

**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.

**Related Party Transactions Policy:** This Policy regulates the entry into transactions between the Company and its related



parties and the required corporate approvals as per the laws and regulations applicable to the Company from time to time.

**Policy on Determination of Materiality of Event or Information:** This Policy lays down the criteria for determining the materiality of an event or information of the Company for purposes of making required disclosures to the stock exchanges pursuant to the SEBI Listing Regulations.

**Records Management Policy:** This Policy establishes general guidelines for retaining, preserving and archiving important documents and information.

**Code of Conduct for dealing in the Company's Securities:** Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has framed a Code of Conduct on prohibition of insider trading.

**Dividend Distribution Policy:** This Policy describes the circumstances under which a Member may or may not expect a dividend and the financial parameters and internal and external factors which are considered by the Board of Directors for declaration of dividend.

**Policy on Retirement of Directors:** This Policy lays down the age criteria for retirement of Directors on the Board of the Company. The criterion for age is desirable to allow smooth retirement for the purpose of succession planning and further to induct requisite skills and competencies on the Board of the Company with appropriate continuity.

**Public Policy Advocacy:** This Policy deals with laying down of standardized approach while making interactions and /or representations to the Government / Regulatory Authorities. The Company may offer opinions and recommendations to governments on particular issues to support its business goals and needs.

**Board Diversity Policy:** The Company recognizes the importance and benefits of having a diverse Board to enhance the quality of its performance. Diversity encompasses diversity of perspective, experience, skills, education, background, ethnicity, gender and personal attributes. This policy ensures that we have optimum composition of Board Members with diverse experience and skill sets to achieve the objectives of the organization.

The aforesaid Policies are available in the Investors Section on the website of the Company at <https://www.colgateinvestors.co.in/policies>.

## Number of Board Meetings

During the Financial Year 2022-23, 6 (six) Board meetings were held on April 28, 2022; May 26, 2022; July 27, 2022; October 20, 2022; January 24, 2023; and March 24, 2023. The details of which are provided in the Corporate Governance Report that forms an integral part of the Board's Report.

## Committees

The Board of Directors of the Company has established various Board committees to assist in discharging their duties. These include Audit Committee, Stakeholders' Relationship Committee, ESG and Corporate Social Responsibility Committee, Risk Management Committee and Nomination and Remuneration Committee. The Board has approved the terms of reference for each of these committees. All the committees of the Board hold their meetings at regular intervals and make their recommendations to the Board from time to time as per the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The broad terms of reference of the said Committees are stated in the Corporate Governance Report that forms an integral part of the Board's Report.

## Annual Performance Evaluation by the Board<sup>70</sup>

Pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Board has carried out an Annual Performance Evaluation of its own performance, as well as the performance of its Committees, its Members including Independent Directors and the Chairperson. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report that forms part of the Board's Report.

The Annual Performance Evaluation process has been designed in such a manner which helps to measure effectiveness of the entire Board, its Committees, Chairperson and Individual Directors. Such processes help in ensuring overall performance of the Board and demonstrates a high level of corporate governance standards. There are various key performance areas and evaluation criterias which are measured and analyzed during the process, few of them are in the table:

<sup>70</sup>GRI 2-18

Sr. No.	Particulars	Key performance areas/evaluation criteria
1.	For Independent Directors	<ul style="list-style-type: none"> <li>• Suitable business knowledge and understanding of the industry in which the Company operates.</li> <li>• Exercises his/her own judgement and voices opinion freely without any influence.</li> <li>• Understands governance, regulatory, financial, fiduciary and ethical requirements of the Board/ Committee.</li> </ul>
2.	For Executive Directors	<ul style="list-style-type: none"> <li>• Good understanding and knowledge of the Company and the sector it operates in and stays abreast of issues, trends, risks, opportunities and competition affecting the Company and uses this information to assess and guide the Company's performance.</li> <li>• Understands duties, responsibilities, qualifications, disqualifications and liabilities as a director.</li> <li>• Ensures best Corporate Governance practices and compliance with the applicable laws and regulations.</li> </ul>
3.	For the Chairperson	<ul style="list-style-type: none"> <li>• Provides guidance to the Board on delineation of roles of the Board and Management.</li> <li>• Provides direction to the Board on aspects that are critical/of strategic significance to the Company.</li> <li>• Creates a cohesive environment to allow open and fair discussion.</li> </ul>
4.	For Committees	<ul style="list-style-type: none"> <li>• Committee effectively performs the responsibilities as outlined in the charter and applicable laws and regulations.</li> <li>• Committee's composition in terms of size, skills/expertise and experience is appropriate to perform its responsibilities.</li> <li>• Committee meetings are conducted effectively with sufficient time spent on significant or emerging issues.</li> </ul>
5.	For the Board	<ul style="list-style-type: none"> <li>• Proper mix of competencies to conduct its affairs effectively.</li> <li>• Appropriate mix of independent and non-independent directors.</li> <li>• Number and frequency of Board meetings is adequate to perform its duties effectively.</li> </ul>

## Vigil Mechanism<sup>71</sup>

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 the Company's standard for appropriate behavior and living corporate values. The Code of Conduct applies to all Colgate people, including Directors, Officers, and all employees of the Company. Even the Company's vendors and suppliers are subject to the Third Party Code of Conduct requirements and adherence to the same and it is a prerequisite for conducting business with the Company. The Code of Conduct Hotline is available on the Company website to report any concerns about unethical behavior, any actual or suspected fraud or violation of the Company's Code of Conduct. No adverse action will be taken against anyone for complaining about, reporting, participating or assisting in the investigation of a suspected violation of the Code

of Conduct, unless the allegation made or information provided is found to be intentionally false. The Company conducts various training and awareness sessions on Code of Conduct on a continuous basis during town halls, meetings or through creative mailers to all employees. Senior Leadership Members at various occasions emphasize the importance of adherence to the Company's Code of Conduct and its ethical ways of working.

The Code of Conduct can be accessed at <https://www.colgatepalmolive.com/en-us/who-we-are/governance/code-of-conduct>

## Public Deposits

During the Financial Year 2022-23, your Company has not accepted any Public Deposits under Chapter V of the Companies Act, 2013.

<sup>71</sup>GRI 2-25

## Unpaid/Unclaimed Dividend

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, ₹ 2.10 crores of unpaid/unclaimed dividends were transferred during the Financial Year to the Investor Education and Protection Fund (IEPF).

The due dates for transfer of unpaid dividend to IEPF for subsequent years is provided in the Corporate Governance Report annexed as **Annexure 1** to this Report.

## 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 Note No. 4 and 11 to the Financial Statements.

## Related Party Contracts & Arrangements

All related party transactions done by the Company during the Financial Year 2022-23 were at arm's length and in the ordinary course of business. All related party transactions were reviewed and approved by the Audit Committee. During the Financial Year 2022-23, the Company has not entered into any material related party transaction as per the SEBI Listing Regulations with any of its related parties. Disclosures pursuant to the Accounting Standards on related party transactions have been made in the notes to the Financial Statements. To regulate related party transactions, the Company has also framed a Policy on Related Party Transactions and the same is available on the Company's website at <https://www.colgateinvestors.co.in/policies>

As there were no related party transactions which were not in the ordinary course of the business or not on arm's length basis and also since there was no material related party transaction as stated above, disclosure under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. For more details on Related Party Transactions which are in ordinary course of business and on arm's length basis, please refer to Note No. 37 of Financial Statements.

## Auditors

M/s. S R B C & CO LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 324982E/ E300003), were appointed as Statutory Auditors of the Company for a second term at the 81<sup>st</sup> Annual General Meeting (AGM) of the Company held on July 28, 2022, for a period of 5 (five) consecutive years from the conclusion of the 81<sup>st</sup> AGM till the conclusion of the 86<sup>th</sup> AGM.

The Audit report for the Financial Year 2022-23 does not contain any qualification, reservation or adverse remarks. Further, during the Financial Year 2022-23, the Statutory Auditors have not reported any instances of fraud to the

Audit Committee or Board as per Section 143(12) of the Companies Act, 2013.

## Secretarial Auditor & Secretarial Audit Report

The Board had, in its meeting held on May 26, 2022 appointed M/s. S. N. Ananthasubramanian & Co., Company Secretaries in practice, (ICSI Unique Code: P1991MH040400, FCS No. 4206, COP No. 1774) to carry out the Secretarial Audit for the Financial Year 2022-23 under the provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report in Form MR-3 is attached as **Annexure 5** to this Report. The Secretarial Audit Report for the Financial Year 2022-23 does not contain any qualification, reservation or adverse remarks.

In view of the good governance practice, the Board of Directors at its Meeting held on May 12, 2023, approved the rotation of the Secretarial Auditors and appointed M/s. Dholakia & Associates LLP (ICSI Unique Code: P2014MH034700, FCS No. 10032, COP No. 12884) as the Secretarial Auditors of the Company for the Financial Year 2023-24.

## Cost Auditor and Cost Records

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148 of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

## Annual Return

The Annual Return of the Company has been placed on the website of the Company and can be accessed at <https://www.colgateinvestors.co.in/annual-report>

## Significant and Material Orders passed by the Regulators or Courts

During the Financial Year 2022-23, there were no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company in the future.

## Material changes affecting the Company

There have been no material changes and commitments affecting the financial position of the Company between the end of the Financial Year and date of this report.

## Compliance with Secretarial Standards

Your Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings.

## Adequacy of Internal Financial Controls

Your Company has an adequate and talented team of internal auditors that oversees the internal financial processes, policies, and recommends robust internal financial controls from time to time. These internal financial controls help to put in place checks on the implementation of the internal financial controls, policies & procedures that are adopted by the Company for ensuring an orderly and efficient conduct of its business. These internal financial controls help in safeguarding assets, prevention & detection of frauds and/or errors, maintaining the accuracy and completeness of the accounting & financial records. These controls help in the timely preparation of transparent, complete and accurate financial information and statements as per the accounting standards and principles laid down. The Audit Committee of your Company evaluates the internal financial controls system periodically.

## Awards and Accolades

The Company received the following awards and accolades during the Financial Year:

- FMCG ASIA AWARDS-Product launch of the Year (2022) Colgate Visible White O2 launch in India & ESG initiative of the Year.
- INDIASTAR 2022- The National Awards for Excellence in Packaging.

## Acknowledgements

Your Directors wish to convey their deepest appreciation for the unstinted dedication, professionalism, commitment and resilience displayed by the Company's employees at all levels and business partners, customers, vendors etc. Your Directors also wish to express their gratitude towards the Shareholders for their continued trust, support and confidence.

- The Economic Times Employee Excellence Awards 2022- Recognized as one of the "Excellent Employers of India".
- Best Compliance Team 2022 - At the Annual Compliance Symposium 10/10 hosted by Legasis.
- Jury Award for Best Tax Compliant - In the category ₹ 500 cr to ₹ 5000 cr turnover.
- Palmolive - GRAZIA MOST LOVED BRANDS 2022.
- The Economic Times - Best Organisations For Women 2023.
- ET Digiplus Awards Gold - Best use of branded content 'Smile Karo Aur Shuru Ho Jaao' campaign 2022 & Best use of Integrated Strategy 2022.
- EMVIES Bronze - Best Media Buying Team of the Year 'Sweat Behind the Smile' 2022.
- Indian Digital Awards Gold - Best use of Video 'Smile Karo Aur Shuru Ho Jaao' campaign 2022.
- Indian Digital Awards Silver - Best use of Content Marketing 'Smile Karo Aur Shuru Ho Jaao' campaign 2022.
- Indian Digital Awards Bronze - Best use of YouTube 2022.
- ICSI National Awards - Certificate of Recognition for Excellence in Corporate Governance.

For **Colgate-Palmolive (India) Limited**

Place: Mumbai  
Date: May 12, 2023

**Prabha Narasimhan**  
Managing Director &  
Chief Executive Officer  
(DIN : 08822860)

**M. S. Jacob**  
Whole-time Director &  
Chief Financial Officer  
(DIN : 07645510)

# Corporate Governance Report

The Company has a strong foundation that reflects Colgate’s values and established standards governing our ethical behavior. The Company continues to lay great emphasis on the principles of Corporate Governance and demonstrate them in our day-to-day actions. Our pursuit towards achieving good governance is an on-going process. The Board of Directors, our management and all Colgate people believe that good Corporate Governance accompanies and greatly aids our long-term business success. The Company, not only in letters but also in spirit, complies with the requirements of the applicable provisions relating to Corporate Governance including but not limited to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”).

## Company’s philosophy on Code of Governance

Over the years, the Company has consistently strengthened, promoted and demonstrated the highest standards of Corporate Governance culture. Good Corporate Governance is at the forefront of what we do, every day. The Company believes that good Corporate Governance is essential for achieving long- term corporate goals and enhancing stakeholder value. At the core of the Company’s philosophy on Corporate Governance is a strong emphasis on transparency, accountability and integrity. The Company has set the highest standards of ethical behavior driving sustainable business practices by fully integrating ethics and integrity in the ongoing business relationships and decision making at each level of management. Reflecting its commitment to continuous improvement, the Board reviews its governance practices on an ongoing basis.

Corporate Governance is a philosophy at Colgate which centers around how we operate. It helps enhance transparency, disclosure as well as accountability.

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. The Company has an effective and diverse Board that sets the principles which guides us in our everyday operations. The Company has proper systems and procedures in place for ensuring the best practices.

## Governance Structure

The Company has a well defined Governance Structure. Starting from the Board of Directors, its Committees

and the Management team, the Company’s governance structure ensures that it remains a champion of compliance, governance and accountability.

**Board of Directors :** The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company’s management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures. The Board also formulates the policies and procedures of the Organisation and also governs the effective implementation of the same.

**Committees of the Board :** The Board has entrusted the specific tasks to the various Committees in line with their charter. The Company has an Audit Committee, Nomination and Remuneration Committee, Stakeholders’ Relationship Committee, Risk Management Committee, ESG and Corporate Social Responsibility Committee and a Committee of Independent Directors. There are set terms of reference for each of these committees as detailed subsequently and they operate in line with the same and also perform any other tasks or responsibilities entrusted to them by the Board.

**Chairman :** The Non-Executive Chairman of the Board brings the leadership to the Board processes and approval mechanism. He provides the direction and guidance to the Board for arriving at effective decision making. He provides direction to the Board on aspects that are critical/of strategic significance to the Company. He is responsible, inter-alia, for the effective working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board.

**Managing Director :** The main role of the Managing Director is to have vision for the Company and to take the business to the newer heights within the overall guidance and superintendence of the Chairman as well as the Board. The Managing Director provides guidance to the Senior Leadership Team to enable them to make effective decisions and drive the innovation, transformation and enhancements to achieve the goals of the Company. She assumes overall responsibility for strategic management of business and corporate functions including its governance processes and top management effectiveness.

**Non-Executive Independent Directors :** Non-Executive Independent Directors play a critical role in balancing

the functioning of the Board by providing independent judgements on various issues raised in the Board meetings like formulation of business strategies, monitoring of performances, etc. They bring in the external perspective and help the Company adopt Industry Best practices.

**Senior Management Team :** The Senior Management team comprises the leaders from different functions of the Company, is spearheaded by the Managing Director. The main function of the Senior Leadership team is strategic management of the Company's business within the framework approved and provided by the Board, ensuring that effective systems are in place for appropriate reporting to the Board on important matters. The Senior Management team acts as an enabler for the key and important decisions made at the Board level and also look into the management of the day-to-day affairs of the Company.

## Board of Directors

### Composition of the Board :

The Board of Directors of the Company ("Board") has an optimum combination of Executive, Non-Executive & Independent Directors including Women Directors in conformity with the SEBI Listing Regulations.

All the Executive Directors are liable to retire by rotation. Chairman and Independent Directors of the Company are not liable to retire by rotation. There is no inter-se relationship between the Directors of the Company.

As on March 31, 2023, the composition of the Board is as follows :

Particulars	No.	%
Executive Directors	3	30%
Non-Executive, Non-Independent Directors	1	10%
Non-Executive, Independent Directors	6	60%

The Board, as on March 31, 2023 comprises 50% Women Directors.

### Board Processes and the flow of information :

The Company adheres to the relevant provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder, Secretarial Standards on Board Meetings and the requirements of the SEBI Listing Regulations.

The Board and Committee Meetings are pre-scheduled and a tentative annual calendar is aligned with the Directors before the start of the year to ensure their participation. In case of urgent matters, the Resolutions are passed through circulation in between the Meetings.

The Meetings during the Financial Year 2022-23 were conducted through physical mode as well as Video-conferencing and the same were in compliance with the requirements laid down by the law.

The Board is apprised of all the key matters and there is a proper channel for flow of information between management and the Board. The strategic plans, plant and operational matters, supply chain topics, governance and compliance matters, Human Resources and labor related matters, financial results, internal controls are all placed before the Committees, as per their roles and before the Board for deliberations. The Board makes elaborate discussions on these matters and seeks clarifications, wherever required before approving any item. The Committee makes necessary recommendations to the Board which are relevant from the business, statutory and compliance standpoint and the Board takes into account such suggestions and recommendations before approving/noting the matter placed before them. The action items arising out of the Board and Committee meetings are duly acted upon and a report on the status of the same is placed before the subsequent meetings of the Committees and the Board.

The Company Secretary is responsible for collation, review and distribution of all the papers and information to be presented to the Board and the Committees thereof. The notice of the Board and Committee Meetings coupled with Agenda notes and relevant attachments is circulated well in advance. The Company Secretary also attends all the Board and Committee Meetings except the Independent Directors' meeting, and prepares and circulates the Minutes as per the statutory timelines and finalizes the same after incorporating the comments, if any, from the Directors.

In view of maintaining confidentiality and for ease of transmission, the board notes and agenda papers are circulated to the Board through a web-based application. All the requisite information is placed before the Board as per the requirements of Schedule II Part A of the SEBI Listing Regulations. The management makes conscious efforts to update the Board from time to time, with the required information for effective decision making.

The Board shares the dynamics which facilitate rich and open discussions thereby enabling effective decision making.

### Board Appointments and Tenure of the Board Members<sup>72</sup>:

The Company has a well set process for appointment of Directors on the Board of the Company as listed down in the Nomination and Remuneration Policy of the Company enumerating the skill set, qualifications, experience and positive attributes required for the appointment. The robust succession planning is in place and which is presented before the Nomination and Remuneration Committee and the Board of Directors.

<sup>72</sup>GRI 2-10

The Nomination and Remuneration Committee evaluates the candidature basis the requirement of knowledge, experience, skill set, positive attributes and the dynamics of the Board besides ensuring to have the statutorily compliant Board composition. The Nomination and Remuneration Committee also recommends the Board on extension and continuation of the Independent Directors basis the Performance Evaluation.

Pursuant to Regulation 30 of the SEBI Listing Regulations, the necessary intimations and disclosures are made to the stock exchanges where the shares of the Company are listed, and are also uploaded under the Investor section on the website of the Company at <https://www.colgatepalmolive.co.in/>

The composition of the Board of Directors, their attendance at the Board Meetings held during the Financial Year under review and at the last Annual General Meeting along with the number of other directorships, memberships and chairmanships held before in various committees of other companies, as on the date of this Report are given in the table below :

Name of the Director	Category/ Designation	No. of the Board Meetings during the Financial Year 2022-23		Attendance at Last AGM (July 28, 2022 - Held Virtually)	No. of Directorships in other companies <sup>1</sup>	No. of Memberships of other Company Board Committees <sup>2</sup>	No. of other Company Board Committees of which the Director is a Chairperson
		Held	Attended				
Mr. Mukul Deoras	Non Executive & Non-Independent	6	6	Yes	-	-	-
Mr. Vikram Singh Mehta	Non Executive & Independent	6	6	Yes	6	5	1
Dr. (Ms.) Indu Shahani	Non Executive & Independent	6	6	Yes	3	5	1
Ms. Shyamala Gopinath	Non Executive & Independent	6	6	Yes	6	4	2
Ms. Sukanya Kripalu	Non Executive & Independent	6	6	Yes	4	5	-
Mr. Sekhar Natarajan	Non Executive & Independent	6	6	Yes	2	2	2
Ms. Gopika Pant	Non Executive & Independent	6	6	Yes	1	2	1
Ms. Prabha <sup>^</sup> Narasimhan	Executive, Managing Director & CEO	6	3	N.A.	-	-	-
Mr. M. S. Jacob	Executive, Whole-time Director & CFO	6	6	Yes	-	-	-
Mr. Surender Sharma	Executive, Whole-time Director-Legal & Company Secretary	6	6	Yes	-	-	-
Mr. Ram Raghavan <sup>*</sup>	Executive, Managing Director	6	N.A.	N.A.	-	-	-
Mr. Meenakshi Chandrasekar <sup>**</sup>	Executive, Whole-time Director & Executive Vice-President-Customer Development	6	2	N.A.	-	-	-

<sup>^</sup>appointed effective September 1, 2022.

<sup>\*</sup>resigned effective close of business hours on April 15, 2022.

<sup>\*\*</sup>resigned effective close of business hours on June 30, 2022.

<sup>1</sup> excludes directorships in private companies, foreign companies, bodies corporate

<sup>2</sup> Includes the memberships/chairmanships of the Audit Committee and Stakeholders' Relationship Committee. Committee Membership(s) includes Chairmanship(s).

#### Notes :

- None of the Directors hold office as a Director in more than twenty companies at the same time. None of them has directorships in more than ten public companies. As per declarations received, none of the Directors serves as a Director/ Independent Director in more than seven equity listed companies. Further, the Managing Director and Executive Director of the Company does not serve as an Independent Director in any other Company.

- None of the Director was a member in more than ten committees, nor a chairperson in more than five committees across all companies in which he/she was a Director.

#### Number of Board Meetings held during the Financial Year:

During the Financial Year, six (6) Board Meetings were held on the following dates through Physical and Video-Conferencing/ Other Audio-Visual Means:

April 28, 2022, May 26, 2022, July 27, 2022, October 20, 2022, January 24, 2023 and March 24, 2023.

The attendance of the Directors at the Board and Committee Meetings was 100%.

#### Other Company Directorships :

As on March 31, 2023, the Directors of the Company have the following directorships in other listed companies:

1. Mr. Vikram Singh Mehta: Acts as an Independent Director on the Board of Mahindra & Mahindra Limited, Larsen & Toubro Limited, Apollo Tyres Limited, Jubilant FoodWorks Limited, Interglobe Aviation Limited, Global Health Limited
2. Dr. (Ms.) Indu. Shahani: Acts as an Independent Director on the Board of Bajaj Electricals Limited, Heubach Colorants India Ltd and United Spirits Limited.
3. Ms. Shyamala Gopinath: Acts as an Independent Director on the Board of Tata Elxsi Limited, BASF India Limited and CRISIL Limited and acts as a Non- Executive and Non-Independent Director on the Board of CMS Info Systems Limited
4. Ms. Sukanya Kripalu: Acts as an Independent Director on the Board of Ultratech Cement Limited, Entertainment Network (India) Limited and Aditya Birla Fashion and Retail Limited
5. Mr. Sekhar Natarajan: Acts as an Independent Director on the Board of Bayer Cropscience Limited and Ingersoll-Rand (India) Limited .
6. Ms. Gopika Pant : Acts as an Independent Director on the Board of ABB India Limited.

#### D&O Insurance for Directors

The Company has taken Directors and Officers Insurance (D&O) for all its Directors and Members of the Senior Management for such quantum and for such risks as determined by the Board.

#### Skills/Expertise/Competencies:

In terms of requirements of the SEBI Listing Regulations, the Board of Directors have, based on the recommendation of the Nomination and Remuneration Committee, identified the following core skills/expertise/competencies of Directors as required in the context of the Company's business and industry for it to function effectively:

- a. Knowledge of the industry in which the Company operates;
- b. Knowledge on Company's businesses & major risks;
- c. Behavioral skills - attributes & competencies to use their knowledge and skills to contribute effectively to the growth of the Company;
- d. Understanding of socio-political, economic and Legal & Regulatory environment;
- e. Corporate Social Responsibility;
- f. Business Strategy, Sales & Marketing;
- g. Corporate Governance, Administration;
- h. Financial Control, Risk Management; and
- i. Multiple Expertise.



The table below highlights the core skills / expertise / competencies available with each Director:

<b>SKILLS/EXPERTISE/COMPETENCIES IDENTIFIED BY THE BOARD</b>	<b>M. Deoras</b>	<b>V.S. Mehta</b>	<b>I. Shahani</b>	<b>S. Gopinath</b>	<b>S. Kripalu</b>	<b>S. Natarajan</b>	<b>G. Pant</b>	<b>P. Narasimhan</b>	<b>M.S. Jacob</b>	<b>S. Sharma</b>	<b>BOARD AS A WHOLE</b>
Knowledge of the industry in which the Company operates	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Knowledge on Company's businesses & major risks	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Behavioural skills - attributes & competencies to use their knowledge and skills to contribute effectively to the growth of the Company	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Understanding of socio- political, economic and legal & regulatory environment	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Corporate Social Responsibility	-	Y	Y	-	Y	Y	Y	Y	Y	Y	Y
Business Strategy, Sales & Marketing	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	Y
Corporate Governance, Administration	Y	Y	Y	Y	-	Y	Y	Y	Y	Y	Y
Financial Control, Risk Management	Y	Y	Y	Y	-	Y	Y	Y	Y	Y	Y
Multiple Expertise	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

#### Independent Directors :

The Independent Directors of the Company fulfill the conditions as specified in the SEBI Listing Regulations and the Act and are independent of the management. None of the Independent Directors serve as Independent Directors in more than seven equity listed companies or as Whole-time Directors in any listed entity.

#### A Certificate confirming that none of the Directors are debarred or disqualified :

In line with the SEBI Listing Regulations, the Company has obtained a certificate from Mr. S. N. Ananthasubramanian,

Partner M/s. S. N. Ananthasubramanian & Co, Practicing Company Secretaries (Firm Registration number: P1991MH040400) confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority. The said Certificate is attached as **Annexure CG-A** to this Report.

Further, based on the confirmations/disclosures received from the Independent Directors and a certificate from Mr. S. N. Ananthasubramanian, Partner - M/s. S. N. Ananthasubramanian & Co, Practicing Company Secretaries in terms of Regulation

25(9) of the SEBI Listing Regulations, the Board is of the opinion that the Independent Directors fulfill the criteria or conditions specified under the Act and the SEBI Listing Regulations and are independent from the management.

#### **Meeting of Independent Directors :**

As per the requirements of the Act and the SEBI Listing Regulations, the Independent Directors are required to meet at least once a year to:

- a) review the performance of non-independent directors and the Board as a whole;
- b) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- c) assess the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Independent Sessions with Statutory Auditors, Internal Auditor, Chairman and Legal Director were conducted.

The Meeting of Independent Directors was conducted twice in the Financial Year 2022-23 on May 26, 2022 and March 24, 2023 in compliance with the requirements of the Act, Rules framed thereunder and Regulation 25(3) of the SEBI Listing Regulations. The said Meetings were attended by all the Independent Directors.

The Independent Directors at their Meeting inter alia, reviewed the performance of Non-Independent Directors and the Board as a whole and the performance of the Chairperson, considering the views of Executive Directors and Non-Executive Directors. They also assessed the quality, quantity and timeliness of flow of information between the Management and the Board of Directors that helps the Board in effective decision making.

#### **Familiarization Program :**

The Company conducts familiarization programs for Independent Directors with regard to their roles, rights, responsibilities towards the Company, the business operations of the Company, etc. Detailed presentations are made to the Board and its Committees from time to time on various matters such as Business update, Regulatory update, strategic plans, key product launches, litigation status update, plant

update, ESG Framework, CSR update, etc. The Functional heads are invited from time to time to present before the Board on key matters pertaining to their area of expertise.

As and when a new director is inducted on the Company's Board he /she is apprised of the philosophy, vision, working, operations and functioning of the Company. They are made aware of the various policies, procedures and codes adopted by the Company. They are also provided with an opportunity to interact with the leadership team to gain insights.

Apart from the above, the Directors are regularly briefed and updated on the Company's policies and procedures, business model, the industry and operating environment that the Company operates in. The detailed induction program involving the briefing on the Company's philosophy on Governance, Ethics and Compliance coupled with the Company's policies and interactions with the leadership team is in place.

Details of the familiarization programs extended to the Independent Directors during the Financial Year are disclosed in detail in the Board's Report and is available on the Company's website at <https://www.colgateinvestors.co.in/policies>

## **Committees of the Board**

### **i) Audit Committee**

The composition and terms of reference of the Audit Committee (AC) is in line with the requirements of the SEBI Listing Regulations.

The AC consists of six Members, all of whom are Independent Directors of the Company. The Members of the Committee are well versed in finance matters, accounts, Company law and general business practices.

During the Financial Year 2022-23, five (5) AC Meetings were held through physical and Video-Conferencing / Other Audio-Visual Means on April 28, 2022, May 26, 2022, July 27, 2022, October 20, 2022 and January 24, 2023.

The constitution and attendance details of the AC as on March 31, 2023 are as under:

Name of the Director	Category	AC Meetings held during Financial Year 2022-23	
		Entitled to attend	Attended
Ms. Shyamala Gopinath Chairperson	Non-Executive, Independent Director	5	5
Mr. Vikram Singh Mehta	Non-Executive, Independent Director	5	5
Dr. (Ms.) Indu Shahani	Non-Executive, Independent Director	5	5
Ms. Sukanya Kripalu	Non-Executive, Independent Director	5	5
Mr. Sekhar Natarajan	Non-Executive, Independent Director	5	5
Ms. Gopika Pant	Non-Executive, Independent Director	5	5

Mr. Surender Sharma, Whole-time Director-Legal and Company Secretary acts as a Secretary to the Committee.

The Chairman of the Board, Managing Director, Whole-time Directors & Chief Financial Officer, Internal Auditor and the Statutory Auditors are regular invitees to the Committee Meetings.

Ms. Shyamala Gopinath, Chairperson of the Committee, attended the Annual General Meeting held on July 28, 2022 in compliance with the requirements of Regulation 18 (1) (d) of the SEBI Listing Regulations.

The Role/Charter of the Audit Committee in line with the regulatory requirements includes:

1. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's

report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  6. reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8. approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the Company, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to check whether there are any qualifications made in the draft Auditors' Report;
18. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. to review the functioning of the whistle blower mechanism;
20. approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
21. carrying out any other function as is mentioned in the terms of reference of the audit Committee;
22. reviewing the utilization of loans and/or advances from/ investment by the holding Company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments existing as on the date of coming into force of this provision;
23. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
24. any other item as may be assigned by the Board of Directors, from time to time.

## ii) Nomination and Remuneration Committee

The composition and terms of reference of the Nomination and Remuneration Committee (NRC) is in line with the requirements of the SEBI Listing Regulations.

The NRC consists of four Members of which three are Independent Directors and one Non-Executive Director.

During the Financial Year 2022-23, two (2) NRC Meetings were held through Video-Conferencing / Other Audio-Visual Means on May 25, 2022 and March 24, 2023. The constitution and attendance details of the NRC as on the date of this Report are as under:

Name of the Director	Category	NRC Meetings held during the Financial Year 2022-23	
		Entitled to attend	Attended
Mr. Vikram Singh Mehta Chairperson	Non-Executive, Independent Director	2	2
Dr. (Ms.) Indu Shahani	Non-Executive, Independent Director	2	2
Ms. Sukanya Kripalu	Non-Executive, Independent Director	2	2
Mr. Mukul Deoras	Non-Executive Director	2	2

Mr. Surender Sharma, Whole-time Director-Legal & Company Secretary acts as a Secretary to the Committee.

Mr. Vikram Singh Mehta, Chairperson of the Committee, attended the Annual General Meeting held on July 28, 2022 in compliance with the requirements of Regulation 19(3) of the SEBI Listing Regulations.

The Committee has adopted a Policy relating to the Nomination and Remuneration for the Directors, Key Managerial Personnel and Senior Management employees. The Policy can be accessed at the Company's website at <https://www.colgateinvestors.co.in/leadership-team>.

The Role/Charter of Nomination and Remuneration Committee in line with the regulatory requirements, is given as under:

1. Review the structure, size and composition of the Board and make recommendations to the Board with regard to any changes that are deemed necessary;
2. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
3. Developing criteria for selection of candidates for the Board in the context of the Board's existing composition and structure;
4. To devise a policy on diversity of board of directors;
5. Identify and nominate for the approval of the Board, candidates to fill Board Vacancies as and when they arise;
6. Ensure that the appointment of a new director, key managerial personnel and senior management employees are made on the basis of core competencies, characteristics, independence, experience, and qualifications etc. The Committee before appointment may consider candidates:
  - (i) from a wide range of backgrounds; and
  - (ii) on merit and based on the objective criteria, taking care that appointees have enough time available to devote to the position;
7. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
8. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
9. Assess and undertake an annual performance evaluation of all the Members of the Board by adopting various approaches such as, accomplishment of assigned goals, professional contributions towards the Company, self-evaluation etc,
10. To develop a succession plan for the Board and Senior Management and to regularly review the plan;
11. Review and where appropriate, recommend to the Board, the appropriate policies and programs for compensation and benefits, including compensation to the directors, Key Managerial Personnel, senior management and other employees, with the aim of aligning such policies and programs with the Company's annual and long term goals and the interests of shareholders. The Committee shall consider following elements of compensation for remuneration to be paid to the Executive Directors, Key Managerial Personnel and other senior management namely:
  - (i) Base salary (the Committee shall also consider the pension consequences if basic salary increases);
  - (ii) Bonuses and performance-related payments (including profit-sharing schemes);
  - (iii) Discretionary payments;
  - (iv) Pension contributions;
  - (v) Benefits in kind; and
  - (vi) Share options and their equivalents.
12. Recommend to the Board remuneration of the Executive Directors including Key Managerial Personnel of the Company;
13. To consider the following factors while determining the remuneration for the Non-executive directors:
  - (i) Experience;
  - (ii) Expertise; and
  - (iii) Professional contribution.

The Non-executive directors would be entitled to Sitting fees for attending each meeting(s) of the Board and Committees thereof as prescribed under the applicable laws/regulation and as approved by the Board from time to time. The Non-executive directors would also be entitled to commission and other benefits as prescribed under the applicable laws/regulation and as approved by the Board and/or shareholders, as the case may be;

14. Recommend to the board, all remuneration, in whatever form, payable to senior management;
15. Review and, where appropriate, recommend to the Board, the Company's incentive compensation and equity based plans as and when required, establishing performance goals;
16. Oversee regulatory compliance with respect to compensation to the directors;
17. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provisions of the law and their service contract;
18. Identifying and recommending Directors who are to be considered for retirement by rotation;
19. The Committee or any Member of the Committee may at the discretion of the Chairman of the Committee, conduct an exit interview with Key Managerial Personnel and Senior management on resignation/ termination of service. The same would be subject to the Guidance Note on the process as approved by the Committee;
20. To ensure that professional indemnity and liability insurance for Directors and senior management is availed off;
21. Perform other activities related to this Policy as requested by the Board of Directors or to address issues related to any significant subject within its terms of reference; and
22. Making available its terms of reference and review annually those terms of reference and its own effectiveness and recommend any necessary changes to the Board.
23. Delegating any of its powers to one or more of its members or the Secretary of the Committee;

### iii) Risk Management Committee

The composition and terms of reference of the Risk Management Committee (RMC) is in line with the requirements of the SEBI Listing Regulations.

The RMC consists of seven members of which three are Independent Directors, three are Executive Directors and one is a Senior Managerial Personnel.

During the Financial Year 2022-23, three (3) RMC Meetings were held on July 27, 2022, October 20, 2022 and March 24, 2023 through physical and video conferencing/ other audio-visual means.

The constitution and attendance details of the RMC as on the date of this Report are as under:

Name of the Director	Category	RMC Meetings held during the Financial Year 2022-23	
		Entitled to attend	Attended
Mr. Vikram Singh Mehta Chairperson	Non-Executive, Independent Director	3	3
Ms. Shyamala Gopinath	Non-Executive, Independent Director	3	3
Ms. Gopika Pant	Non-Executive, Independent Director	3	3
Ms. Prabha Narasimhan <sup>^</sup>	Executive, Managing Director & CEO	2	2
Mr. M. S. Jacob	Executive, Whole-time Director & CFO	3	3
Mr. Surender Sharma	Executive, Whole-time Director- Legal & Company Secretary	3	3
Mr. Balaji Sreenivasan	Senior Management Personnel	3	3
Mr. Ram Raghavan <sup>*</sup>	Executive, Managing Director	N.A.	N.A.

<sup>^</sup>appointed effective September 1, 2022.

<sup>\*</sup>resigned effective April 15, 2022.

Mr. Surender Sharma, Whole-time Director-legal and Company Secretary acts as a Secretary to the Committee.

The Board of Directors have adopted a Risk Management Policy and Enterprise Risk Management Framework to identify, assess and determine the risks and potential threats to the Company and to put in place the mitigation plans. The Company has also formed an Enterprise Risk Management Sub-Committee which reports to the RMC. The risk refresh is done annually and the Board is updated on the same.

The Role/Charter of Risk Management Committee in line with the regulatory requirements is given as under:

1. To formulate a detailed risk management policy which shall include:
  - a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information or any other risk as may be determined by the Committee;
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks;
  - c. Business continuity plan.
2. 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;
3. 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;
4. To appoint sub-committee(s) comprising of members from various functions like Finance, Human Resources, Legal, Regulatory, Customer Development, etc. which shall be responsible for coordinating and updating the Risk Management Committee;
5. To periodically review the Company's performance against the identified risks of the Company;
6. 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 at least once in two years considering the changing industry dynamics and evolving complexity;
7. Regularly review the Risk Management Framework for the operations of the Company that are deemed necessary;
8. To monitor & review Cyber Security;
9. To review Disaster Management;
10. To review systems of Internal Controls and business contingency plans;
11. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
12. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
13. 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; and
14. Perform such other roles and responsibilities as prescribed under the SEBI Listing Regulations from time to time.

#### iv) Stakeholders' Relationship Committee

The Composition and terms of reference of the Stakeholders' Relationship Committee (SRC) is in line with the requirements of the Act and the SEBI Listing Regulations.

The SRC comprises five members of which three are Independent Directors and two are Executive Directors.

During the Financial Year 2022-23, three (3) SRC Meetings were held on April 28, 2022, October 20, 2022 and March 24, 2023 through physical and Video-Conferencing/ Other Audio-Visual Means.

The constitution and attendance details of the SRC as on the date of this Report are as under:

Name of the Director	Category	SRC Meeting held during the Financial Year 2022-23	
		Entitled to attend	Attended
Ms. Shyamala Gopinath Chairperson	Non-Executive, Independent Director	3	3
Ms. Sukanya Kripalu	Non-Executive, Independent Director	3	3
Mr. Sekhar Natarajan <sup>#</sup>	Non-Executive, Independent Director	2	2
Ms. Prabha Narasimhan <sup>^</sup>	Executive, Managing Director & CEO	2	2
Mr. M. S. Jacob	Executive, Whole-time Director & CFO	3	3
Mr. Ram Raghavan <sup>*</sup>	Executive, Managing Director	N.A.	N.A.

<sup>#</sup>appointed as Member effective April 28, 2022.

<sup>^</sup>appointed effective September 1, 2022.

<sup>\*</sup>resigned effective close of business hours on April 15, 2022.

Mr. Surender Sharma, Whole-time Director-Legal and Company Secretary acts as a Secretary to the Committee.

Ms. Shyamala Gopinath, Chairperson of the Committee, attended the Annual General Meeting of the Company held on July 28, 2022 in compliance with the requirements of Regulation 20(3) of the SEBI Listing Regulations.

The Role/Charter of Stakeholders' Relationship Committee is as under which is in line with the regulatory requirements:

- 1) To note the minutes of the Share Transfer Committee Meetings;
- 2) To note the synopsis of the complaints received and redressed;
- 3) To approve allotment of shares, if any;
- 4) To consider and resolve the grievances of the security holders;
- 5) Review of measures taken for effective exercise of voting rights by shareholders;
- 6) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- 7) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company;
- 8) To address other important issues related to shareholders; and
- 9) Any other matter as may be assigned by the Board of Directors from time to time.

#### Shareholder's Grievances :

During the Financial Year 2022-23, complaints were received from Investors, the details of which are as under:

Sr. No.	Particulars	No. of Complaints
1	Investor Complaints pending at the beginning of the Financial Year	02
2	Investor Complaints received during the Financial Year	124
3	Investor Complaints resolved during the Financial Year	122
4	Remaining unresolved at the end of the Financial Year	04

The break up of the above complaints data as on March 31, 2023 is as given below :

Nature of Complaints	Number of Complaints Received	Number of Complaints Redressed	Number of Complaints in Process
Non-receipt of Dividends / Interest / Redemption Warrant*	32	32	-
Non receipt of Share Certificate(s) - Transfer / Exchange / Bonus	63	62	01
Others*	31	28	03
<b>Total</b>	<b>126</b>	<b>122</b>	<b>04</b>

\*Two Complaints (1 under Non-receipt of Dividends / Interest / Redemption Warrant and 1 under Others) are of Financial Year 2021-22, which were resolved during the Financial Year 2022-23

As on the date of this report, only one complaint is pending and the rest of the complaints have been resolved to the satisfaction of the complainants. The Company's RTA is seeking necessary guidance from the regulator to close the said pending complaint. Further, the disputed cases and sub-judice matters, will get resolved upon final disposal by the Courts or by authorities before whom they are pending.

#### Share Transfer Committee :

The Share Transfer Committee (STC) meets at regular intervals to approve the transfer of shares and related activities and the matters approved by the STC are placed before and ratified by SRC.

#### v) ESG & Corporate Social Responsibility Committee

The composition and terms of reference of the ESG and Corporate Social Responsibility Committee (ECC) is in line with the requirements of the Act and the SEBI Listing Regulations.



The Company had embarked on its ESG journey with the vigor to achieve an ESG leadership position and made ESG initiatives as part of the role of the CSR committee of the Board. In view of the same, the CSR Committee had been renamed to ESG and CSR Committee (ECC) and Ms. Gopika Pant had also been inducted on the Committee effective April 28, 2022.

The ECC Comprises of four Directors of which three are Independent Directors and one Executive Director.

During the Financial Year 2022-23, three (3) ECC Meetings were held on April 27, 2022, May 25, 2022 and January 24, 2023 through physical and video conferencing/ other audio-visual means.

The constitution and attendance details of the ECC as on the date of this Report are as under:

Name of the Director	Category	ECC Meetings held during the Financial Year 2022-23	
		Entitled to attend	Attended
Dr. (Ms.) Indu Shahani Chairperson	Non-Executive, Independent Director	3	3
Mr. Sekhar Natarajan	Non-Executive, Independent Director	3	3
Ms. Gopika Pant <sup>#</sup>	Non-Executive, Independent Director	2	2
Ms. Prabha Narasimhan <sup>^</sup>	Executive, Managing Director & CEO	1	1
Mr. Ram Raghavan <sup>*</sup>	Executive, Managing Director	N.A.	N.A.
Mr. Meenakshi Chandrasekar <sup>**</sup>	Whole-time Director & Executive Vice-President - Customer Development	2	2

<sup>#</sup>appointed as Member effective April 28, 2022.

<sup>^</sup>appointed effective September 1, 2022.

<sup>\*</sup>resigned effective April 15, 2022.

<sup>\*\*</sup>resigned effective June 30, 2022.

Mr. Surender Sharma, Whole-time Director-Legal and Company Secretary acts as a Secretary to the Committee.

The Role/Charter of the ECC in line with the regulatory requirements is as under:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII;
2. To identify and recommend to the Board, the programs to be carried out during the Financial Year;
3. To carry out evaluation of the CSR activities;
4. To review and monitor the CSR programs undertaken by the Company;
5. To recommend the amount of expenditure to be incurred on the activities;
6. To review and monitor the spending on the CSR activities;
7. To give inputs to enhance quality of the CSR activities;
8. To develop new areas for CSR activities;
9. To seek advice from external experts or consultants on CSR related matters; and

10. To monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Company’s CSR Policy can be accessed at the Company’s website at <https://www.colgateinvestors.co.in/policies> and the CSR Report for the Financial Year 2022-23 forms part of the Board’s Report.

**ESG Related:**

1. To develop relevant ESG policies that support the Company’s E SG vision;
2. To oversee and review Company’s strategy and policies in line with the macro-developments happening in the ESG space;
3. To identify and assess significant ESG and climate-related risks that might impact long- term business performance, prioritize the sustainability issues;
4. To develop a risk appetite and tolerance level for each ESG goals and targets, within the Company and across the value chain;
5. To develop comprehensive and robust Key Performance Indicators (KPIs);
6. To establish robust monitoring mechanism to ensure periodic and effective progress against established KPIs, along with identified risks that could hinder the achievement of ESG goals and targets;

7. To develop and review stakeholder engagement plan to enhance long-term value creation for internal and external stakeholders and to incorporate stakeholders' insights into Company's ESG strategy and action plans;
8. To enhance stakeholder interaction across ESG-related parameters to allow for increased opportunities for strategic innovation and trust building;
9. To ensure compliance with ESG regulations/ mandates and augment voluntary adoption of global sustainability frameworks; and
10. To integrate and review ESG parameters in the internal audit process as well as ensure review of ESG data by an independent third party (external auditor).

## Remuneration of Directors

### a) Executive Directors

The Nomination and Remuneration Policy of the Company is directed towards rewarding performance. It is aimed at attracting and retaining high potential talent. The Company has an incentive compensation plan which is linked to performance and achievement of the Company's objectives. The Executive Directors of the Company are paid remuneration in accordance with the requirements and within the limits specified under the Act. The Nomination and Remuneration Committee recommends the remuneration for the members of the Board and Senior Management, which is then approved by the Board of Directors. The stock options of the Parent Company i.e. Colgate-Palmolive Company, USA has been allotted to a certain class of employees. Refer Note no. 38 to the Financial Statements, for more information on share-based compensation.

### Key Matrix for arriving at the Remuneration payable to the Executive Directors

The total remuneration for the Executive Directors consists of Fixed Pay, Short Term Incentives, Long Term Incentives and the Benefits Offerings.

We take part in multiple external compensation and benefits surveys to understand the relevant market data and ensure that our Fixed pay and benefits are competitive with regards to the market.

The short-term and long-term incentives are governed by the Global policies of Colgate-Palmolive.

The short-term incentive payable to the Managing Director and Whole-time Directors is covered under the Company's annual bonus plan for senior executives called Executive Compensation Plan (EICP). The EICP payout is based on achievement against performance parameters including Organic Sales Growth (OSG), NPAT, Individual Performance and Strategic KPIs, subject to change from time to time based on Company priorities.

The long term incentive plan for the Whole-time Directors include Employee Stock Options (ESOPs) and Restricted Stock Units (RSUs) of the Global parent Company, typically vesting in 3 years time. The stock grant quantum are discretionary and vary every year.

The long term incentive plan of the Managing Director, in addition to the above, also includes the grants and are also linked to multiple performance parameters including our Parent Company i.e. Colgate-Palmolive Company's (US Company) performance, Cash flow productivity, Relative Organic Sales Growth, Relative Net Income growth, etc.

Details of remuneration paid/payable to the Executive Directors of the Company during the Financial Year ended March 31, 2023 are given below:

Sr. No	Particulars of Remuneration	Name of MD/WTD					Total Amount (₹ in Lakhs)
		Mr. Ram Raghavan**	Ms. Prabha Narasimhan^	Mr. M. S. Jacob	Mr. Meenakshi Chandrasekar#	Mr. Surender Sharma	
1.	Gross Salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15.03	96.44	129.27	33.76	83.74	358.24
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	2.65	311.39	126.58	25.91	124.84	591.37
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-	-	-
2.	Stock Option*	-	-	82.37	60.60	18.87	161.84
3.	Sweat Equity	-	-	-	-	-	-
4.	Commission						
	- As % of profit						
	- Others specify	168.48	-	136.22	142.18	54.88	501.76
5.	Others, please specify:						
	Employer contribution to Provident Fund and other retiral	0.59	11.57	15.50	4.05	10.04	41.75
	<b>Total</b>	<b>186.75</b>	<b>419.40</b>	<b>489.94</b>	<b>266.50</b>	<b>292.37</b>	<b>1,654.98</b>

The above remuneration is within the limits prescribed under Section 198 of the Companies Act, 2013

\*Includes exercise of stock options and of restricted stock awards in the current Financial Year, which were granted in prior years by Colgate-Palmolive Company, USA, the Parent Company, pursuant to its incentive compensation plan.

\*\*resigned effective close of business hours on April 15, 2022.

#resigned effective close of business hours on June 30, 2022.

^ appointed effective September 1, 2022.

#### Notes:

- None of the Directors hold any shares in the Company except Mr. Meenakshi Chandrasekar, who resigned on June 30, 2022, holds 200 equity shares.
- The appointment of each of the Executive Directors is as per the employment agreement executed between the Executive Directors and the Company. As per the said agreement, either party shall be entitled to terminate the agreement at any time by giving three months' advance notice in writing to the other party without the necessity of showing any cause, and in case of the Company, by payment of three months' salary as compensation in lieu of such notice.

#### b) Non-executive & Independent Directors

The Company has no pecuniary relationship or transaction with any of its Non-executive & Independent Directors other than payment of sitting fees to them for attending the meetings of the Board, the Committees, including meetings of Independent Directors and payment of commission. Each Independent Director was paid an amount not exceeding ₹ 15 lakhs per annum as Commission as approved by the Members at their Annual General Meeting held on August 28, 2019 for a period of three years, for the invaluable contribution made by them to the Board. The Board at its meeting held on May 26, 2022 and the Shareholders at their meeting held on July 28, 2022, revised the amount of Commission payable to each Independent Director of the Company from ₹ 15 lakhs per annum to ₹ 20 lakhs per annum with effect from April 1, 2022.

Details of the sitting fees and commission to the Non-Executive & Independent Directors in the Financial Year 2022-23 are as under:

		(₹ in lakhs)						
Sr. No.	Particulars	Mr. V.S. Mehta	Ms. I. Shahani	Ms. S. Gopinath	Ms. S. Kripalu	Mr. S. Natarajan	Ms. G. Pant	Total
a)	Sitting Fees	14.50	14.50	15.00	14.50	14.50	14.50	87.50
b)	Commission*	15.00	15.00	15.00	15.00	15.00	15.00	90.00
	<b>Total</b>	<b>29.50</b>	<b>29.50</b>	<b>30.00</b>	<b>29.50</b>	<b>29.50</b>	<b>29.50</b>	<b>177.50</b>

\*Paid for the Financial Year 2021-22.

Note - The revised Commission amounting to ₹ 20 Lakhs per annum payable to each Independent Director of the Company with effect from April 1, 2022 shall be paid in the Financial Year 2023-24.

### Annual Performance Evaluation

Pursuant to provisions of the Act and Regulation 17(10) of the SEBI Listing Regulations, the Board has carried out the annual evaluation of its own performance, as well as the performance of its Committees, its Members including independent Directors and the Chairperson.

The performance evaluation of the Board and the Committees was done on the basis of parameters such as composition and board processes and procedures and its effectiveness, Board Diversity, clarity on and fulfillment of Roles and Responsibilities, participation by the members, relationship with the Management, board culture and dynamics, integrity, ethics and compliance, presentation of important strategic matters and business and regulatory matters, appraisal in a timely manner by the management of important developments affecting the Company, etc.

The performance evaluation of the Committees was done on the basis of parameters such as composition, terms of reference, clarity on and fulfillment of roles and responsibilities, frequency of meetings of the Committee, etc. A structured questionnaire was prepared covering

the above areas of competencies and feedback was sought on the same.

An evaluation of performance of Individual Directors was also carried out on the basis of parameters such as contribution of the Individual Director to the Board and Committee meetings, skill set, experience and knowledge of the Director, preparedness on the issues to be discussed, constructive contribution and inputs in meetings, understanding and knowledge of the Company and industry, participation and attendance at the meetings, etc. The performance evaluation of the Chairperson was also carried out on the basis of effective leadership, effectiveness in conducting the Board Meetings. The Director being evaluated did not participate in his/her own evaluation process.

All the evaluations were conducted through an automated tool with anonymous responses, which were then recorded and reported to the Nomination and Remuneration Committee as well as the Board.

All the responses were evaluated by the Nomination and Remuneration Committee as well as by the Board of Directors and the results reflected highly satisfactory performance. The specific discussions and feedback were discussed by the Chairman with each of the individual directors. The feedback for each of the committees/ Board was discussed at the Meetings of Nomination and Remuneration Committee and Board.

## General Body Meetings

- a) A brief summary of the last three Annual General Meetings (AGM) held and Special resolutions passed, if any, is given below:

Financial Year	Date	Location of the Meeting	Time(IST)	No. of Special Resolution(s) passed at the AGM
2021-22	July 28, 2022	Held through Video-Conferencing	3.30 p.m.	1 (Revision in payment of Commission to each Non-Executive Independent Directors of the Company, not exceeding ₹ 20 lakhs per annum)
2020-21	July 29, 2021	Held through Video-Conferencing	3.30 p.m.	-
2019-20	July 29, 2020	Held through Video-Conferencing	3.30 p.m.	1 (Re-appointment of Ms. Shyamala Gopinath (DIN: 02362921) as an Independent Director for a second term from July 30, 2020 to May 31, 2024)

No Special Resolution through postal ballot was passed during the Financial Year 2021-22. However, the following ordinary resolution was passed by way of Postal Ballot through remote voting in the Financial Year 2021-22:

Resolution	No. of Votes polled	No. of Votes cast in favor	%	No. of Votes cast against	%
Re-appointment of Mr. Chandrasekar Meenakshi Sundaram (DIN : 07667965) as Whole-time Director	20,15,78,887	17,32,34,975	85.94	2,83,43,922	14.06

Mr. S. N. Ananthasubramanian (FCS 4206 and COP 1774) of M/s. S. N. Ananthasubramanian & Co. Company Secretaries (Firm Registration number P1991MH040400) was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means (remote e-voting) only in a fair and transparent manner. The results of the postal ballot were declared on December 3, 2021.

As of the date of this Report, no Special Resolution is proposed to be conducted through the Postal Ballot.

### Procedure for postal ballot:

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020, 17/2020

and 02/2021 dated April 8, 2020, April 13, 2020 and January 13, 2021 respectively issued by the Ministry of Corporate Affairs.

## Means of Communication

### a) Publication of quarterly results

Quarterly, half-yearly and annual Financial Results of the Company are published in widely circulated national newspapers such as the Financial Express and Loksatta in vernacular language as required under Regulation 47 of the SEBI Listing Regulations.

The highlights of the aforesaid Financial Results are sent to the Members whose email addresses are registered with the Company/Depositories once the said results are filed with the Stock Exchanges.

**b) Website**

The Company's website contains a separate dedicated section 'Investors' which provides comprehensive information sought by shareholders like copies of the Annual Reports, ESG Reports quarterly, half-yearly and Annual Financial Results, Stock Exchange filings such as Shareholding Pattern, Corporate Governance and Notification to Stock Exchanges such as details of loss of share certificate/duplicate certificate, transcript of Analyst Conference Call, Intimation of Closure of Trading Window, etc., Press releases, applicable Corporate Governance policies such as CSR Policy, Human Rights Policy, Related Party Transactions Policy, Colgate-Insider Trading Code of Conduct, Dividend Distribution Policy, Code of Conduct, etc and details about the Company, the Board of Directors, Management and Company's

Registrar & Share Transfer Agent. To access the aforesaid details members may visit the website at [www.colgatepalmolive.co.in](http://www.colgatepalmolive.co.in)

**c) Filing with Stock Exchange**

All periodical compliances required to be filed with the Stock Exchanges, such as the Corporate Governance Report, Shareholding Pattern and other corporate announcements are filed electronically with the BSE Limited and National Stock Exchange of India Limited.

**d) Presentation(s) to Analysts and Institutional Investors**

All the presentations made to analysts and institutional investors are displayed on the Company's website at <https://www.colgatepalmolive.co.in/>

**GENERAL SHAREHOLDER INFORMATION:****a) 82<sup>nd</sup> Annual General Meeting**

Day, Date and Time	Thursday, July 27, 2023 at 11.00 a.m. (IST)
Venue	The Company is conducting the meeting through VC / OAVM pursuant to the MCA Circulars and other applicable regulatory circulars and as such there is no requirement to have a venue for the AGM.
Record Date	Not Applicable
Date of Book Closure	Friday, July 21, 2023 to Thursday, July 27, 2023 (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 within 45 days from the end of the quarter except for the last quarter, for which the results are declared within 60 days from the end of the Financial Year i.e. on or before May 30 as permitted under the SEBI Listing Regulations.
e-Voting period	Sunday, July 23, 2023 (8.00 a.m. IST) to Wednesday, July 26, 2023 (5.00 p.m. IST)

**b) Financial year: April 1 to March 31****c) (i) Dividend Payment Dates**

For the Financial Year 2022-23, the Company declared the following two interim dividends as detailed below:

Dividend for the FY 2022-23	Payment Date	Dividend Per Share (₹)
First Interim	On and from November 16, 2022	18/-
Second Interim	On and from June 8, 2023	21/-*

\*approved at Board Meeting held on May 12, 2023

**(ii) Unclaimed Dividends**

During the Financial Year 2022-23, ₹ 2.10 crores of unpaid/unclaimed dividends were transferred to the Investor Education and Protection Fund.

The following dividends are transferred/due for transfer to the IEPF in the Financial Year 2023-24, Shareholders are requested to claim their unclaimed dividends, if any, pertaining to the below years:

Financial Year	Dividend	Transferred/Due for transfer
2015-16	Third Interim	April 29, 2023*
2016-17	First Interim	November 29, 2023
2016-17	Second Interim	January 9, 2024

\*Transferred within statutory timelines.

Shareholders may write to the Company's Registrar and Share Transfer Agent M/s. Link Intime India Private Limited on their dedicated email id [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) to know the process of claiming their unclaimed dividends from the IEPF.

**d) Listing on Stock Exchanges**

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

Name and address of the Stock Exchange	Stock Code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	500830
National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400051	COLPAL

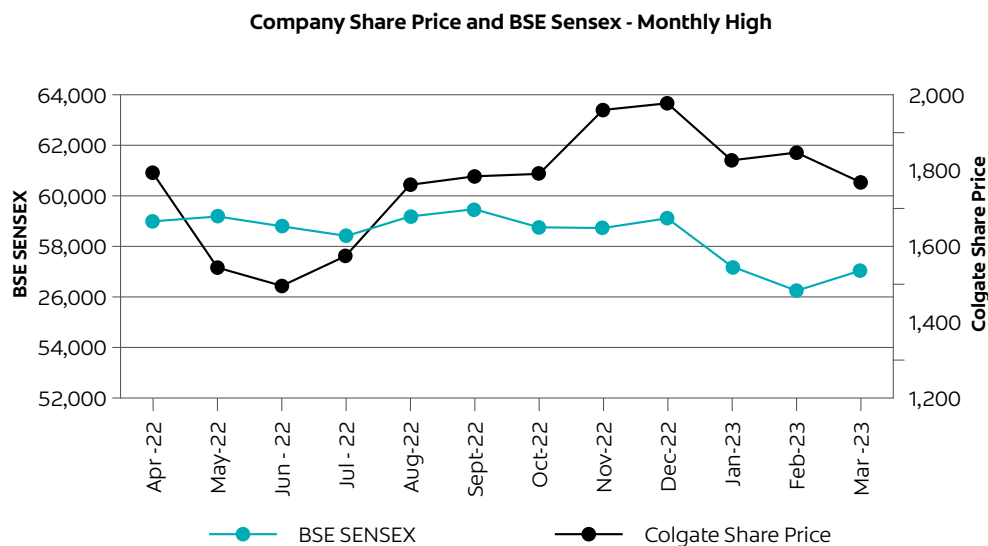
The Company has paid the Annual Listing fees for the Financial Year 2022-23 to both the Stock Exchanges.

**e) International Securities Identification Number (ISIN) - INE259A01022**
**f) Market Price Data**

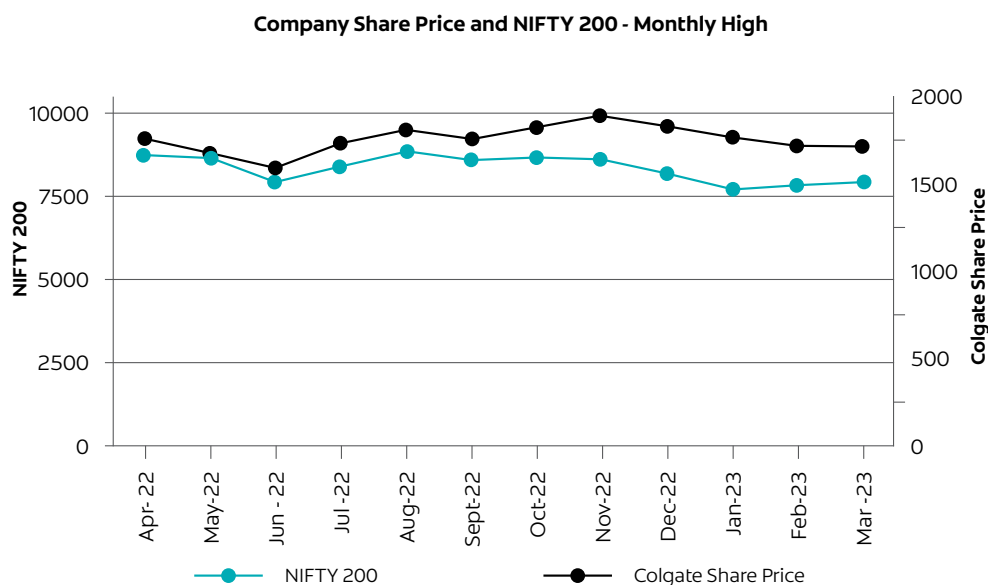
The monthly high and low quotations of the Company's shares traded on the BSE Limited and National Stock Exchange of India Limited are as follows:

Month	(Amount in ₹)			
	BSE Limited		National Stock Exchange of India Limited	
	High	Low	High	Low
April 2022	1,666.50	1,486.95	1,667.00	1,486.00
May 2022	1,675.00	1,543.00	1,672.00	1,542.15
June 2022	1,649.00	1,470.45	1,649.70	1,470.00
July 2022	1,623.20	1,474.60	1,622.80	1,484.35
August 2022	1,679.00	1,547.25	1,679.90	1,547.05
September 2022	1,695.00	1,541.45	1,695.95	1,553.00
October 2022	1,646.00	1,534.00	1,646.90	1,532.00
November 2022	1,645.40	1,555.25	1,646.00	1,555.00
December 2022	1,668.45	1,532.65	1,669.95	1,532.05
January 2023	1,543.45	1,434.60	1,543.10	1,434.60
February 2023	1,481.45	1,437.00	1,482.00	1,436.10
March 2023	1,529.95	1,468.50	1,528.90	1,472.25

## Performance in comparison to BSE Sensex



## Performance in comparison to NIFTY 200



### g) Registrar and Share Transfer Agents

The Company's share transfer and other related transactions are operated through its Registrar and Share Transfer Agent (RTA) i.e. M/s. Link Intime India Private Limited having their Office at the following address:

M/s. Link Intime India Private Limited

C-101, 247 Park,

L.B.S Marg, Vikhroli (West) Mumbai- 400 083.

Tel : 8108116767

Fax : 0224918 6060

E-mail : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)



For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares, please write to our RTA at the aforesaid registered address.

An exclusive e-mail ID i.e. [investors\\_grievance@colpal.com](mailto:investors_grievance@colpal.com) is available for redressal of investor complaints and the same is available on the Company's website.

Shareholders holding physical shares may visit the website of our Registrar & Transfer Agent to register/ update their email id and bank details at- [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html)

Shareholders holding shares in electronic/demat mode may register/update their email id and bank details with their Depository Participant.

For the benefit of shareholders, documents will also be accepted at the registered office of the Company during working hours from Monday to Friday (9:00 a.m. to 5:00 p.m.), except public holidays:

Colgate-Palmolive (India) Limited

CIN: L24200MH1937PLC002700

Colgate Research Centre, Main Street,

Hiranandani Gardens, Powai, Mumbai - 400 076

Tel : 91-22-6709 5050

Website : [www.colgatepalmolive.co.in](http://www.colgatepalmolive.co.in)

For the convenience of our investors, in addition to the above mentioned registered office address, our RTA will accept the share transfer documents and other related documents at the following locations:

Location	Address
Ahmedabad	5 <sup>th</sup> Floor, 506 to 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off CG Road, , Ellisbridge, Ahmedabad – 380006. Tel : 079-2646 5179 Fax: 079-2646 5179 E-mail : <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a>
Coimbatore	Surya 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore 641 028. Tel : 0422-2314792 Fax: 0422-2314792 E-mail : <a href="mailto:coimbatore@linkintime.co.in">coimbatore@linkintime.co.in</a>
Kolkata	Vaishno Chamber, 5 <sup>th</sup> Floor, Flat Nos-502 & 503, 6, Brabourne Road, Kolkata - 700 001 Tel : 033-40049728/ 033-40731698 Fax: 033-40731698 E-mail : <a href="mailto:kolkata@linkintime.co.in">kolkata@linkintime.co.in</a>
New Delhi	Noble Heights, 1 <sup>st</sup> floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110058 Tel : 011-41410592/93/94 Fax: 011-41410592/93/94 E-mail : <a href="mailto:delhi@linkintime.co.in">delhi@linkintime.co.in</a>
Pune	Block No. 202, 2 <sup>nd</sup> Floor, Akshay Complex, Near Ganesh Temple, Off: Dhole Patil Road, Pune - 411 001. Tel : 020-26161629/26160084 Fax: 020 -26163503 E-mail : <a href="mailto:pune@linkintime.co.in">pune@linkintime.co.in</a>
Vadodara	B-102 & 103 Shangrila Complex, 1 <sup>st</sup> Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390 020 Tel : 0265-2356573 Fax: 0265-2356791 E-mail : <a href="mailto:vadodara@linkintime.co.in">vadodara@linkintime.co.in</a>

## h) Share Transfer System

In terms of the SEBI Listing Regulations equity shares of the Company can only be transferred in dematerialized form. Requests for dematerialization of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), within the statutory time limit from the date of receipt of share certificates/letter of confirmation after due verification.

Shares held in the dematerialized form are electronically traded through the Depositories. The Registrar & Share Transfer Agent of the Company periodically receives updated beneficiary holdings from the Depositories so as to enable them to update their records and send corporate communications, dividend warrants and other documents to beneficiaries.

Requests for dematerialization of physical shares are processed and completed within the statutory timelines, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the Members.

## i) Shareholding Pattern (as at March 31, 2023)

Category of Shareholders	Number of Shares	% of Total Shares
Promoter and Promoter Group (A)	13,87,12,672	51.00
Public Shareholding		
Mutual Funds/UTI	42,98,496	1.58
Alternate Investment Funds	1,31,671	0.05
Banks	12,13,624	0.45
Central Government/State Government	10,978	0.00
Insurance Companies	1,34,42,781	4.95
Provident Funds/Pension Funds	8,61,587	0.32
Sovereign Wealth Funds	7,63,804	0.28
NBFC registered with RBI	330	0.00
Foreign Banks	400	0.00
Foreign Institutional Investor	600	0.00
Foreign Portfolio Investor	5,84,82,048	21.50
Investor Education and Protection Fund (IEPF)	9,29,419	0.34
Individuals	4,85,82,703	17.86
Non-Resident Indians	17,52,401	0.64
Foreign Nationals	6,918	0.00
Bodies Corporate	15,30,457	0.56
Any Other (comprises following categories)		
- Trust		
- Hindu Undivided Family	12,64,745	0.47
- Clearing Member		
- Limited Liability Partnership		
Total Public Shareholding (B)	13,32,72,962	49.00
Total Shareholding (A+B)	27,19,85,634	100.00

**Distribution of Shareholding (as at March 31, 2023)**

Description	Holders			
	No. of Shareholders	%	Shares	%
1 - 500	2,54,959	92.45	1,42,01,180	5.22
501 - 1000	8,732	3.17	64,84,124	2.38
1001 - 2000	5,877	2.13	84,57,535	3.11
2001 - 3000	3,038	1.10	77,92,450	2.87
3001 - 4000	769	0.28	26,98,988	0.99
4001 - 5000	570	0.20	25,83,250	0.95
5001 - 10000	1,151	0.42	72,95,472	2.68
10001 & above	683	0.25	22,24,72,635	81.80
<b>Total</b>	<b>2,75,779</b>	<b>100</b>	<b>27,19,85,634</b>	<b>100</b>

**j) Dematerialization of shares and liquidity (as at March 31, 2023)**

Particulars of Equity Holding	Equity Shares of Re. 1/- each	
	Number	% of Total
Dematerialized form:		
-NSDL	25,67,00,089	94.38
-CDSL	1,22,83,037	4.52
<b>Sub-total</b>	<b>26,89,83,126</b>	<b>98.90</b>
Physical form	30,02,508	1.10
<b>Total</b>	<b>27,19,85,634</b>	<b>100</b>

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

**k) Outstanding GDRs/ADRs/Warrants or any convertible instruments**

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as at March 31, 2023.

**l) Commodity Price Risk or Foreign Exchange Risk & Hedging activities**

Please refer Note No. 40 of the Notes to the Financial Statements.

**m) Plant Locations : The Company has four plant locations, the details of which are as given below:**

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
Sri City, Andhra Pradesh	6000 Central Expressway, Sricity, Satyavedu, Chittoor District, Andhra Pradesh 517 588.

## Management Discussion and Analysis Report

The Management Discussion and Analysis Report is appended to this report, as **Annexure CG-C**.

### Disclosures:

#### a) Policy on Dividend Distribution

Pursuant to Regulation 43A of the SEBI Listing Regulations, the Company has formulated a Policy on dividend distribution which is placed on the Company's website <http://www.colgateinvestors.co.in/policies>

#### b) Policy on materially significant Related Party Transactions

During the Financial Year, there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large. Refer to Note No. 37 to the Financial Statements for disclosure of related parties.

The Company has formulated a Policy on dealing with Related Party Transactions. This Policy is placed on the Company's website <http://www.colgateinvestors.co.in/policies>

#### c) Policy on determination of Materiality of event and information

In accordance with the requirements of the SEBI Listing Regulations, the Company has formulated a Policy on determination of materiality of event or information which is placed on the Company's website <http://www.colgateinvestors.co.in/policies>. This Policy prescribes 'Quantitative' and 'Qualitative' criteria for determining the materiality of an event along with its disclosure requirements.

#### d) Records Management Policy

The Company has framed a 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 the Records Management Policy is placed on the Company's website <http://www.colgateinvestors.co.in/policies>

#### e) Insider Trading Code of Conduct

In line with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted an Insider Trading Code of Conduct. The objective of the Policy is to ensure the prohibition of insider trading practices in the Company. Mr. Surender Sharma, Whole-time Director

- Legal & Company Secretary is the Compliance Officer for the purpose of this Policy. This Policy has been placed on the Company's website <http://www.colgateinvestors.co.in/policies>

#### f) Code of Conduct

The Company has adopted a Code of Conduct for its Directors, Senior Management and Employees. The Code of Conduct of the Company serves as a guide for daily business interactions, reflecting the Company's standards for appropriate behavior and its corporate values. The Code of Conduct has been communicated to the Company's Directors, Senior Management and Employees and each of them have affirmed compliance with the same. A certificate from Ms. Prabha Narasimhan, Managing Director & CEO, to this effect has been obtained and is annexed. The Code of Conduct has been placed on the Company's website <http://www.colgateinvestors.co.in/policies>

#### g) Vigil Mechanism

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 the Company's standard for appropriate behavior and living Corporate Values. The Colgate-Palmolive Ethics Line phone number and email address are available on the Company's website at <http://www.colgateinvestors.co.in/policies> to report any genuine concerns about unethical behavior, any actual or suspected conduct, fraud or violation of the law, or activities in conflict with the Company's Code of Conduct. Further it is affirmed that no personnel has been denied access to the Audit Committee.

#### h) Policy for determining 'material' subsidiaries

The Company does not have any material subsidiaries or affiliates hence the Company does not have a Policy for determining 'material' subsidiaries.

i) 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.

j) During the Financial Year 2022-23, the Board of Directors accepted all recommendations of the Committees of the Board of Directors.

k) The total fees for all services paid by the Company to the Statutory Auditor and all entities in the member firm including network firm/network entity of which the Statutory Auditor is a part for the Financial Year 2022-23 is ₹ 148.32 lakhs.

- l)** Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the Financial Year 2022-23 is as under:

Sr. No.	Particulars	No. of Complaints
a.	Number of complaints filed during the Financial Year	2
b.	Number of complaints disposed of during the Financial Year	2
c.	Number of complaints pending as on end of the Financial Year	-

- m)** Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: The Company does not have subsidiaries and has not given loans and advances in the nature of loans to firms/companies in which directors are interested.
- n)** Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:  
The Company does not have any subsidiaries.
- o)** Independent Auditor's Report on Compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is annexed herewith as **Annexure CG-B**

## COMPLIANCE WITH DISCRETIONARY REQUIREMENTS

The Company has complied with the mandatory requirements of the SEBI Listing Regulations. The Company has also adopted the following discretionary requirements as provided in the SEBI Listing Regulations:

1. The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director.
2. The Internal auditors of the Company make quarterly presentations to the Audit Committee on their reports.
3. The Financial Statements of the Company are with unmodified audit opinion.
4. The highlights of the quarterly Financial Results are circulated to all the shareholders through email whose email addresses are registered with the Company/Depositories.

## CHIEF FINANCIAL OFFICER (CFO) AND CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION

As required under Regulation 17(8) of the SEBI Listing Regulations, the CFO and CEO of the Company has certified the accuracy of the Financial Statements, the Cash Flow Statement and adequacy of Internal Control Systems for financial reporting for the Financial Year ended March 31, 2023.

### 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 SEBI Listing Regulations.

For **Colgate-Palmolive (India) Limited**

**Prabha Narasimhan**  
Managing Director  
& Chief Executive Officer  
(DIN: 08822860)

**M.S.Jacob**  
Whole-time Director  
& Chief Financial Officer  
(DIN: 07645510)

Place: Mumbai  
Date: May 12, 2023

## Declaration

Based on the declarations received from all the members of the Board and Senior Management team of the Company, I hereby confirm that they are in compliance with the Company's Code of Conduct for the Financial Year ended March 31, 2023.

For **Colgate-Palmolive (India) Limited**

**Prabha Narasimhan**  
Managing Director &  
Chief Executive Officer  
(DIN:08822860)

Place: Mumbai  
Date: May 12, 2023

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

We have examined the following documents:

- i) Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 (“the Act”);
- ii) Disclosure of concern or interests as required under Section 184 of the Act;

(Hereinafter referred to as ‘relevant documents’)

as submitted by the Directors of **Colgate-Palmolive (India) Limited** (“the Company”) having its registered office at Colgate Research Centre, Main Street, Hiranandani Gardens Powai, Mumbai – 400 076, to the Board of Directors of the Company (“the Board”) for the **Financial Year 2022 – 2023 and Financial Year 2023 – 2024** and relevant registers, records, forms and returns maintained by the Company and as made available to us for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with

Schedule V Para C Clause 10(i) of SEBI (LODR) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory/ Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the **Financial Year ending 31<sup>st</sup> March, 2023** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
01.	Mr. Vikram S. Mehta	00041197	25/10/2001	N.A.
02.	Ms. Indu R. Shahani	00112289	23/01/2012	N.A.
03.	Ms. Shyamala Gopinath	02362921	19/05/2015	N.A.
04.	Mr. Jacob Sebastian Madukkakuzy	07645510	28/10/2016	N.A.
05.	Mr. Chandrasekar M. Sundaram	07667965	02/01/2017	30/06/2022
06.	Ms. Sukanya Kripalu	06994202	01/06/2018	N.A.
07.	Mr. Mukul V Deoras	02869422	01/09/2018	N.A.
08.	Mr. Ram Raghavan	08511606	01/08/2019	15/04/2022
09.	Mr. Sekhar Natarajan	01031445	21/05/2020	N.A.
10.	Ms. Gopika Pant	00388675	21/05/2020	N.A.
11.	Mr. Surender Sharma	02731373	21/05/2020	N.A.
12.	Ms. Prabha Narasimhan	08822860	01/09/2022	N.A.

This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31<sup>st</sup> March, 2023.

**For S. N. ANANTHASUBRAMANIAN & Co.**

Company Secretaries  
 ICSI Unique Code P1991MH040400  
 Peer Review Cert. No.: 606/2019

**S. N. Ananthasubramanian**

Partner  
 FCS : 4206  
 COP No. : 1774  
 ICSI UDIN : F004206E000291702  
 11<sup>th</sup> May 2023 | Thane

**Annexure CG-B**

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED**

The Members of  
**Colgate-Palmolive (India) Limited**  
 Colgate Research Centre,  
 Main Street, Hiranandani Gardens,  
 Powai, Mumbai - 400076

1. The Corporate Governance Report prepared by Colgate-Palmolive (India) Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) 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) Regulations, 2015, as amended ("the Listing Regulations") ("Applicable criteria") for the year ended March 31, 2023 as required by the Company for annual submission to the Stock exchange.

**Management's Responsibility**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**Auditor's Responsibility**

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
- i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
  - iii. Obtained and read the Register of Directors as on March 31, 2023 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
  - iv. Obtained and read the minutes of the following committee meetings / other meetings held April 01, 2022 to March 31, 2023:
    - (a) Board of Directors;
    - (b) Audit Committee;
    - (c) Annual General Meeting (AGM);
    - (d) Nomination and Remuneration Committee;
    - (e) Stakeholders Relationship Committee;
    - (f) Corporate Social Responsibility Committee;
    - (g) Risk Management Committee
  - v. Obtained necessary declarations from the directors of the Company.
  - vi. Obtained and read the policy adopted by the Company for related party transactions.
  - vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
  - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

## Opinion

8. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2023, referred to in paragraph 4 above.

## Other matters and Restriction on Use

9. This report 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.
10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S R B C & CO LLP**  
Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Pritesh Maheshwari**

Partner

Membership Number: 118746

UDIN: 23118746BGYNUK3494

Place of Signature: Mumbai

Date: May 12, 2023



# Management Discussion and Analysis

## Indian Economy

India's growth continues to be resilient despite some signs of moderation in growth, says the World Bank. A conducive domestic policy environment and the Government's sustained focus on structural reforms have kept India's economic activity robust despite global headwinds. Emerging as a beacon of resilience in the global economy, despite a drop in growth rate projections, India continues to be the world's fastest-growing economy in the world, as reported by the World Economic Outlook report by the International Monetary Fund (IMF).

India is expected to maintain its position as one of the fastest growing G-20 nations in the foreseeable forthcoming years. Stabilizing inflation trajectory, rising disposable income and the Government's growing investment in capital expenditure will augur well for India's sustainable development and long term growth. India's efforts in leveraging digitalization to overcome the challenges posed by the pandemic, has not only helped the country weather the storm but also created new opportunities for growth and employment.

Overall, demand circumstances in India remain favorable for economic growth. India enters the new fiscal year with optimism bolstered by underlying and overall macroeconomic stability.

Source: <https://www.worldbank.org/en/news/press-release/2023/04/04/indian-economy-continues-to-show-resilience-amid-global-uncertainties#:~:text=The%20>

## INDUSTRY OVERVIEW

Colgate-Palmolive (India) is committed to improving Oral Health in the country. Oral health issues are becoming more prevalent around the world and in India, as a result of rapid changes in lifestyles, living standards, and an increase in sugar-rich diets. Post the pandemic, there has been a rise in awareness of Oral hygiene, however, there is still work to be done. Per capita usage of toothpaste remains low in India and driving this represents an opportunity for category growth. A more detailed analysis reveals that approximately only 20% of Urban consumers brush the recommended, twice a day and around 55% of rural households do not brush daily.

The industry is also expanding as a result of increased premiumisation, customer demand for more tailored solutions, and a growing number of active practicing dentists. India adds about 25,000 qualified dentists a year.

There is also an opportunity for premium and innovative products in metros and urban cities in the space of family health, therapeutic toothpaste and oral beauty. There is also significant room to expand the penetration of oral care adjuncts like Floss and mouthwash.

Outside of Oral Care, the company sees opportunity in Skin Care, Hair Care, Bath & Shower products, that have the largest market size within the beauty & personal care segment. Rising incomes, rising aspiration and the democratization of availability through e-commerce has led to rapid growth in these categories.

## GOVERNMENT INITIATIVES

The Government of India has placed significant emphasis on driving Oral Health in the nation. In order to deliver comprehensive and integrated oral healthcare services, the Indian government has established the National Oral Health Programme (NOHP). This aims to enhance oral health determinants, decrease morbidity associated with oral diseases, integrate oral health promotion and preventive services into the overall healthcare system, and foster public-private partnerships (PPP) to achieve improved oral health outcomes.

To accomplish these goals, the Indian government has provided assistance to state governments in delivering dental care alongside other existing health programs at different levels of the primary healthcare system.

## COMPANY OVERVIEW

Colgate-Palmolive (India), is a caring, innovative growth company that is reimagining a healthier future for all people and the planet. The Company has steadfastly nurtured the culture of oral care in India for decades, which has made it India's most preferred oral care brand and India's most penetrated FMCG brand, reaching nine out of ten households.

The product line of the Company comprises a oral care range of toothpastes, toothbrushes, mouth washes, and personal care items such as hand washes and shower gels. The company's products reach over 1.7 million stores, 95% of which are active every quarter.

The Company believes in science-led innovation across all areas of its business and has a vast team of specialists

including scientists, engineers, innovators, technologists, regulatory experts and data scientists. The Company recognizes India as a key part of its global Research and Development (R&D) agenda. With over 85 years of presence in India, the Company has established a state-of-the-art R&D center in Mumbai, which is one of its largest R&D facilities globally.

The Company has a rich experience in the oral care & personal care industry and with support from external partners, on a global level has developed a wealth of patents and proprietary technologies, enabling the company to develop some of the most effective products for the Indian market. Some of the recent product introductions include, Colgate Max-Fresh Charcoal Toothpaste, Colgate PerioGard Toothpaste, KEEP Toothbrush, Visible White O<sub>2</sub> Toothpaste, advanced Electric Toothbrush, Super Flexi Toothbrush, etc.

The detailed update on the same is provided in the Director's Report on Page No 110.

The Company is also committed to building a strong personal care portfolio leveraging the high recall of the brand name 'Palmolive' as well as considering relevant opportunities from the Colgate-Palmolive global portfolio. The product portfolio includes premium body wash and hand wash.

The Company is committed to ethical and responsible business practices and is well-positioned to achieve continuous growth by leveraging its strategic market position. Apart from decades-long vendor relationships, the Company has great partnerships with all key modern trade customers and e-commerce. This offers a huge opportunity, as these channels will grow rapidly in the coming years.

## BUSINESS OVERVIEW

### Digital Transformation

The Company is continuing its digital transformation to enhance its operations and customer experience. It has been able to effectively simplify and optimize supply chain, manufacturing operations and boost marketing initiatives. The digitized supply chain provides improved control and visibility over inventories and logistics. It has also employed artificial intelligence (AI) and machine learning (ML) technologies to estimate demand and optimize production, resulting in increased efficiency and cost optimisation.

To increase consumer reach and brand awareness, the Company has been effectively using digital marketing strategies and social media channels. It continues to build customized promotional campaigns using data analytics to gain a better understanding of consumer behavior and preferences.

Colgate-Palmolive has introduced an AI-based image recognition tool that allows for in-store aided merchandising, resulting in zero in-store display gaps. This substantial advancement has eliminated manual input monitoring in favor of a one-click solution, providing real-time surveillance of crucial in-store merchandising features such as availability, planogram adherence, and element purity. The app provides live insights and suggests corrective action within 30 seconds, minimizing manual intervention. With just one image, the Company can track various in-store efficiency parameters such as on-shelf availability, planogram compliance, assets utilization, competition presence, and share of shelf. Real-time dashboards facilitate on-the-go monitoring and corrections, adding to the app's versatility. This game-changing solution enhances the Company's efficiency and ensures seamless in-store operations.

### Risk Management

This is integral to the Company's strategy and attainment of its long-term goals. The Company's success lies in its ability to identify the opportunities generated by the business and the markets it operates in. The primary objective of the Company's risk management framework is to guarantee timely and effective identification and mitigation of potential risks, while also enabling flexibility in adapting a risk-conscious business strategy that can tap into new opportunities.

The Company implemented a comprehensive risk management system that protects its stakeholders' interests by detecting, scrutinizing and managing significant business risks. This entails various strategies such as risk identification surveys, environmental business analysis, and gathering feedback from internal and external stakeholders.

The Company has formulated an Enterprise Risk Management Committee and the members meet periodically to efficiently identify upcoming risks and work on the mitigation plans. The risks are rated to various parameters, such as probability of occurrence, severity of impact and Company's preparedness to mitigate such risks. The risks identified are placed on a matrix to depict the potential staging and monitoring of the same. The assessment considers both short and long-term risks, including how these risks are changing, together with emerging risk areas. These are assessed on an ongoing basis and officially at least once a year by the Risk Management Committee and the Board.

### Opportunities

Colgate-Palmolive is perhaps the only oral care company that has the full portfolio of oral care products in India – toothpastes for varied benefits and from basic toothbrushes to premium electric toothbrushes.

With its current reach and extensive product portfolio, Colgate-Palmolive has the opportunity to drive premiumisation. The

equity of Palmolive is under-served at the moment and there is clearly an opportunity to build a robust personal care business, as the brand has a 60-65% awareness level, which is difficult to build in a fragmented market. Additionally, ~55% of rural India does not brush daily so there lies an opportunity to get the other 45% to start brushing every day. Only 20% of urban India brushes twice a day and moving the remaining 80% to brush twice a day adds another opportunity to drive growth.

The detailed explanation and outcome of each of these risks and opportunities is given in the Business Responsibility and Sustainability Report, forming part of the Board's Report.

### Health and Well-being

The Company is committed to supporting the physical and mental well-being of its human capital. It has prioritized providing healthcare benefits to its workforce, which encompasses medical, dental, and vision coverage, in addition to wellness programmes and mental health support. The Company also supports a healthy work-life balance by providing flexible work arrangements and paid time off. It also offers career development prospects and training programmes to facilitate the professional growth of its employees.

### Flexi-work Policy

Post COVID-19, the Company introduced a hybrid work policy known as 'BlendIn'. This allows employees to choose two days in a week to work from home, while requiring them to work from the office for three days, with flexible working hours, except during the core hours.

### Diversity, Equity and Inclusion

The Company is committed to creating an inclusive workplace that promotes diversity, equity, and inclusion (DEI). The Company recognises the value of a diverse workforce and is dedicated to providing equal opportunities for all employees regardless of their race, ethnicity, gender, sexual orientation, or any other characteristic. The Company's DEI initiatives include training and education programmes for employees, creating an inclusive culture and implementing policies that ensure fairness and equality for all. The Company regularly monitors and evaluates its progress towards its DEI goals and takes action to address any issues that might arise.

### New Initiatives

The Company introduced a new Parental Support Policy named WIN (Workplace INclusivity for new and expectant parents). The policy offers equal opportunities for parental leave to all employees regardless of their gender or sexual orientation. In addition, the policy offers greater flexibility and support to new and expectant parents, including extended remote working options and financial assistance in the

form of childcare allowance and creche reimbursements. The Company has also collaborated with creche facilities to provide additional support to parents.

### Leave/ Parental Support Policies

The Company has modified its leave policy to be more inclusive, which now includes Flexi Festival Leaves, which allow employees of different religions & communities to choose and celebrate as per their preference. Additionally, the Care & Compassion Leave policy allows employees to take time off to care for a sick partner, spouse, child, parent, or pet.

### Gender affirmation surgery coverage

The Company has developed a new medical insurance policy for its transgender employees that covers both outpatient and surgical charges for gender affirmation operations.

### Sustainability

The Company places a significant emphasis on sustainability as a core focus area. It is committed to integrating sustainable practices throughout its operations, ensuring responsible and ethical business conduct. One key aspect of Colgate-Palmolive (India)'s sustainability efforts is its commitment to environmental conservation. The Company strives to minimize its ecological footprint by implementing initiatives that reduce waste, conserve water, and optimize energy usage. To meet these objectives, it has established clear and quantifiable targets ESG goals for 2025, which are governed by strong practices.

The Company continues to align its business practices with sustainable principles, focusing on - Environmental Stewardship, Social Impact, and Governance Excellence. As part of its efforts to inspire trust and transparency, this is the second year of publishing its Environmental, Social and Governance (ESG) Report.

Circularity represents a transformative shift in the way the Company approaches resource utilization, waste management, and product life cycles. It is about designing out waste and pollution, keeping materials in use for longer, and regenerating natural systems. By embracing circular principles, Colgate-Palmolive is committed to minimizing its environmental footprint while maximizing positive social impact. The Company's patented, first-ever recyclable tubes are a great example for circular economy.

The Company is also working towards reducing energy usage and increasing the use of renewable energy. It has employed the Internet of Things to transition from preventive to predictive maintenance, in addition to reducing waste and protecting the environment.

Colgate-Palmolive (India) also prioritizes community engagement and social responsibility. The Company actively participates in community development initiatives, supporting oral healthcare awareness, education, women empowerment and water augmentation, etc.

## KEY FINANCIAL RATIOS

Details of changes in key financial ratios as compared to immediate previous financial year.

Particulars	FY 2022-23	FY 2021-22
Debtors Turnover	27.16	29.65
Inventory Turnover	5.18	4.81
Interest Coverage Ratio <sup>*</sup>	281.82	236.30
Current Ratio	1.43	1.37
Debt Equity Ratio <sup>*</sup>	0.04	0.05
Return on Capital Employed	84%	82%
Operating Profit Margin (%)	26%	27%
Net Profit Margin (%) (after tax)	20%	21%

<sup>\*</sup>Interest expenses appearing in the Financial Statements for the current year relate to the lease liability as per Ind AS 116.

<sup>\*</sup>Debt mainly pertains to lease liabilities as per Ind AS 116 which are on reducing balance.

A comprehensive analysis of the Company's financial performance, including operational performance, adequacy of internal control systems, product-wise performance, and the use of innovation & technology, is included in the Board's Report.

## INTERNAL CONTROL SYSTEMS

The Company has a highly skilled team of internal auditors who are entrusted with the responsibility of overseeing internal financial processes, policies, and providing recommendations for effective financial controls. The implementation of these robust internal financial controls serves to uphold compliance with the Company's adopted policies and procedures, thereby fostering seamless and efficient operations.

These internal financial controls play a pivotal role in safeguarding assets, detecting and preventing instances of fraud or errors, and ensuring the accuracy and completeness of accounting and financial records. Furthermore, they contribute to the timely preparation of transparent, comprehensive, and accurate financial information and statements, aligning with the prescribed accounting standards and principles.

To ensure the continual relevance and adequacy of the internal financial control system, the Company's Audit Committee conducts periodic assessments and evaluations, scrutinizing its effectiveness.

## OUR APPROACH

The investments required to support growth are developed through ongoing, company-wide initiatives aimed at improving realizations, reducing costs, and enhancing asset utilization. These initiatives, referred to as the company's revenue growth management and growth funding initiatives, aim to make the company more efficient across its operations.

These initiatives also focus on cost reduction in areas such as direct materials, indirect expenses, distribution and logistics, advertising and promotions. They encompass a wide range of projects, including raw material substitution, formulation simplification, reduced packaging, supplier consolidation to leverage volume, and increase manufacturing efficiency through SKU optimization.

The macroeconomic conditions are expected to remain volatile in the near future given tremendous uncertainty in the global economic outlook. However, the company believes it is well-prepared to face challenges due to its strong financial condition, experience in operating under difficult circumstances, and ongoing focus on key priorities.

The priorities include increasing sales through improved consumer engagement, delivering world-class innovation, collaborating with distributors and retail partners. The company aims to drive efficiency across all aspects of its income statement to boost margins. It also strives to generate strong cash flow performance and utilize that cash effectively to enhance shareholder returns. Lastly, the company aims to win by staying true to its organizational culture and prioritizing its stakeholders.

# Annual CSR Report

## 1. Brief outline on CSR Policy of the Company:

Founded in 1937, Colgate-Palmolive (India) Limited ('Colgate-Palmolive') has always focused on 'Building a Future to Smile About'. Colgate continues to make great strides towards this long-standing commitment, through various programs and partnerships that bring our brands and values to life, across the nation.

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

Colgate-Palmolive ensures that all its stakeholders, including customers, shareholders, employees, business partners and the national community, are cared for. We work towards protecting the environment, as well as continually improving and enhancing the quality of life of individuals and communities through a multitude of partnerships and associations.

The Colgate-Palmolive family is committed to working together across the country not only to achieve sustained profitable growth but also to bring about a positive impact in the lives of many underserved communities.

At Colgate-Palmolive, our priority and objective is to remain focused on delivering innovations, enhancing effectiveness and efficiency and giving back to the communities where we live and work, in line with our core values.

An overview of the Company's CSR programs/projects are available on the Company's website at <http://www.colgateinvestors.co.in/policies> and appended hereto.

## 2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. (Ms.) Indu Shahani	Chairperson - Independent Director	3	3
2.	Mr. Sekhar Natarajan	Member-Independent Director	3	3
3.	Ms. Gopika Pant <sup>#</sup>	Member-Independent Director	3	2
4.	Ms. Prabha Narasimhan <sup>^</sup>	Member-Executive Director	3	1
5.	Mr. Ram Raghavan <sup>*</sup>	Member-Executive Director	3	N.A.
6.	Mr. Meenakshi Chandrasekar <sup>**</sup>	Member-Executive Director	3	2

<sup>#</sup>appointed as Member effective April 28, 2022

<sup>\*</sup>resigned effective close of business hours on April 15, 2022.

<sup>\*\*</sup>resigned effective close of business hours on June 30, 2022.

<sup>^</sup>appointed as Member effective September 1, 2022.

- Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company. - <https://www.colgateinvestors.co.in/pdf/csr-policy.pdf>
- Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. - <https://www.colgateinvestors.co.in/shareholder-information/social-impact-assessment-reports>
- (a) Average net profit of the Company as per sub-section (5) of section 135 - ₹ 12,67.56 Cr.  
(b) Two percent of average net profit of the Company as per sub-section (5) of section 135 - ₹ 25.35 Cr.

- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous Financial Years - N.A.
- (d) Amount required to be set-off for the Financial Year, if any - N.A.
- (e) Total CSR obligation for the Financial Year (b)+(c)-(d) - ₹ 25.35 Cr.
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - ₹ 19.45 Cr.
- (b) Amount spent in Administrative Overheads - ₹ 0.16 Cr.
- (c) Amount spent on Impact Assessment, if applicable - ₹ 0.24 Cr.
- (d) Total amount spent for the Financial Year (a)+(b)+(c) - ₹ 19.85 Cr.
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹ Cr.)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount (in ₹ Cr.)	Date of transfer	Name of the Fund	Amount (in ₹ Cr.)	
19.85	5.53	26.04.2023	-	-	-

- (f) Excess amount for set-off, if any:

Sr. No.	Particulars	Amount (in ₹ Cr.)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	25.35
(ii)	Total amount spent for the Financial Year	19.85
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	N.A.
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	N.A.
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	N.A.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer	
				N.A.			

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year - Yes

If Yes, enter the number of Capital assets created/ acquired

In our Ongoing CSR programs, the structures made/repared are handed over to local community lead, self help groups or village level institutions/user committees by partner NGO's. Additionally, this year we have supported 03 Government Dental Colleges/Hospitals with Dental Equipments and Mobile Dental Van's details as given in the table below.

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s)[including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (In ₹ Cr.)	Details of entity/ Authority/ beneficiary of the registered owner		
					(6)		
(1)	(2)	(3)	(4)	(5)	CSR Registration Number, if applicable	Name	Registered address
1	Water Program in Amravati - Pipelines, supporting water structures for household or community or village water accessibility and availability program	Amravati, Maharashtra	N.A.	1.36	CSR00000892	Water for People India Trust	26/1/1, 1 <sup>st</sup> floor, Gariahat Road (South), Kolkata - 700031
2	Water Augmentation for livelihoods and Women Empowerment - New water tanks made for community level water availability	Rajasthan, Udaipur	N.A.	0.21	CSR00000288	Seva Mandir	Old Fatehpura, Udaipur, Rajasthan, India 313004
3	Colgate Bright Smiles, Bright Futures® Program: Supporting Government Dental Hospital/ colleges in 03 Districts with Dental Chairs and related medical equipments	Government Dental College and Hospital, Kadapa, Puttampalli, Andhra Pradesh 516002 Government Dental College and Hospital, Beside NTR University of Health Sciences, Gunadala, Vijayawada-520004 Andhra Medical College, Visakhapatnam, Maharanipeta, Andhra Pradesh 530002	N.A.	1.05	N.A.	Direct	N.A.

Sr. No.	Short particulars of the property or asset(s)[including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (In ₹ Cr.)	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
4	Colgate Bright Smiles, Bright Futures® Program: Supporting Government Dental Hospital/ colleges in 02 Districts with Mobile Dental Vans	Government Dental College and Hospital, Kadapa, Puttampalli, Andhra Pradesh 516002 Government Dental College and Hospital, Beside NTR University of Health Sciences, Gunadala, Vijayawada-520004	N.A.	0.85	N.A.	Direct	N.A.
<b>Total</b>				<b>3.47</b>			

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

During the current year, the Company was in process of redesigning the Colgate Bright Smiles, Bright Futures® Program and the same was re-launched in January, 2023. Considering the same, the Company could not spend the entire CSR Funds allocated for the said project, during the Financial Year. An amount of ₹ 5.53 Crores remaining unspent was transferred to “Colgate-Palmolive (India) Limited - Corporate Social Responsibility Unspent Account (BSBF) - 2022-23” as per the statutory timelines.

For **Colgate-Palmolive (India) Limited**

Place: Mumbai  
Date : May 12, 2023

**Indu.Shahani**  
Chairperson of ESG &  
CSR Committee  
(DIN: 00112289)

**Prabha Narasimhan**  
Managing Director &  
Chief Executive Officer  
(DIN: 08822860)



## Thematic Area: Access to Water, Water Augmentation for Livelihoods & Women Empowerment

Water is one of the key pillars of Colgate's sustainability initiatives. To build a culture of Save Water many initiatives have been carried out within Colgate's manufacturing facilities and offices across India, which has helped not only in the recycling, reuse and zero discharge of water but also in water conservation and sensitization towards the cause of Save Water.

### 1. Water Augmentation for Livelihoods & Women Empowerment Program with Seva Mandir :

Our Program with NGO Partner Seva Mandir focuses on the Economic and Social Empowerment of communities, specifically women from 09 tribal villages in Udaipur, Rajasthan. It has multiple dimensions like formation and strengthening of women self-help groups, training these self-help groups on resolving day to day issues, creating habits of savings, exposure trips and technical training for livelihood options like backyard poultry, floriculture and agriculture enhancement. Field teams of Seva Mandir make efforts on consistent engagements of stakeholders to support the SHGs, Village-level collaborations and institutionalization of processes, helping create ownership. The program was formally launched in Year 2018, in one of the tribal villages of Alsigarh block, Udaipur, Rajasthan.

The program framework also defined long term impact goals and milestone impact outcomes. So far the program has helped replenish more than 193 million Liters of water and helped enhance income levels to 22% of the baseline. Today, the program has reached more than 44 Villages, benefitting 45,000+ villagers through enhanced agricultural livelihood, 1965+ women beneficiaries through livelihoods. So far, Water Augmentation work has helped restore 50 anicuts, 60 wells, which has further helped 300+ wells recharge, also 53 Water Tanks have been constructed. By this Financial Year about 57% of villagers have started cultivating 2-3 crops rather than a single crop, which has helped increase their income levels. Most of the months have witnessed water availability throughout the year through recharged wells.

To enable the program beneficiaries (Women) further program on Digital & Financial literacy program was designed, which will enable the women to learn financial management and help them make informed financial and entrepreneurial choices and enable them a better future for their families and children

confidently. As a first step in the program, Digital Smile Sakhi's were trained, who have further trained women in self-help groups and from different tribal and rural villages of Udaipur in all modules of Digital and Financial Literacy. So far the program has developed 130 Smile Sakhi's who have imparted training to 30,000 women, the plan is to train 60,000 women in the near future from tribal, rural, urban areas & from less privileged backgrounds. In FY 2022-23, water augmentation work has helped restore 18 anicuts, 17 wells, and constructed 17 water tanks. We also launched a new initiative "Water Conservation Literacy Program" aimed at increasing awareness among communities on efficient use of water for irrigation and agriculture. 30 new Smile Sakhi's were Trained and 20,000 women underwent Digital and Financial literacy training.

### 2. Water program for Communities with Water for People, India Trust:

Water is one of the key pillars of Colgate's sustainability initiatives. To build a culture of Save Water many initiatives have been carried out within Colgate's manufacturing facilities and offices across India, which has helped not only in the recycling, reuse and zero discharge of water but also in water conservation and sensitization towards the cause of Save Water.

To strengthen our commitment towards water and to support communities, Colgate has expanded its partnership with Water for People, India Trust (an NGO) and launched a Water program for rural and tribal villages in the Amravati district in Maharashtra.

The program started with an aim to support projected cumulative coverage to 36 Villages by 2022. The key components of this program are water availability, accessibility, quality of water, rain water harvesting and support in sanitation (in schools/communities area as per plan), education on hygiene and conservation of water through the WASH program based on prioritization, sustainability, partnership of local communities and stakeholders and building capacities. Lot of emphasis is given to positively impact social behavior change in order to understand the importance of saving water and to ensure ownership through Water user committees, safety and security plans with local Panchayats, Enterprise promotion and work with village level institutions. The approach has helped sustainability of the program and meeting Sustainable Development Goals (SDGs) guidelines in alignment with JalShakti and Jal Jeevan Mission.

So far 53 villages are reached with community water availability and water supply schemes, including 50 schools, 50 anganwadis and 05 ashram shalas, covering more than 10,996 children under WASH. The program has been able to replenish 168 mn liters of water since the inception. Travel drudgery to fetch water is reduced by 2 hours daily, impacting the lives of women and girls positively. In FY 2022-23 we have added 11 new villages, 14 schools, 13 anganwadi's.

## Thematic Area : Help Young People in Our Communities Thrive through education & other career building opportunities

### 1. Keep India Smiling Foundational Scholarship & Mentorship Program:

In 2019, Colgate India under the aegis of Keep India Smiling Mission launched the Keep India Smiling Foundational Scholarship program. The program is run in partnership with the ShikshaDaan Foundation and Technology supported by Buddy4Study. The program offers financial support to deserving candidates across Urban and Rural India, who are meritorious but due to financial constraints lose the opportunity to enhance education or future employability aspects. The scholarships are provided in the areas of Education, Sports and for Community betterment.

Along with the financial support, a LMS based Mentorship program support is also designed as part of the program, which will enable candidates to have more exposure to their personality grooming, improve language skills and understand various career opportunities available. While LMS-based mentorship is available to 100% of the scholars, one on one mentorship by panel members and their representatives is done for about 20% of scholars.

So far 2700 Scholars have reaped the benefits of this scholarship program. 83% of scholars come from families having an income of less than 1 lakh per annum, Diversity Ratio is at 55%, 63% scholars come from Rural regions. While the education scholars continue to excel in their academics, Most of our sports scholars are winning many medals at state and national level. The program shows great promise to be the wind beneath the wings of these young scholars. In FY 2022-23, 1007 unique scholarships were awarded.

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

At Colgate, we recognize the seriousness of HIV/AIDS and its overall impact on the workplace and on society. Our HR policy focuses on non-discrimination and confidentiality, prevention, access to treatment, partnerships with third parties and providing proactive organizational support. We work to limit the impact of HIV/AIDS and maintain an environment at Colgate that is open and conducive to acceptance. Colgate initiated 'A Positive Step', a program in collaboration with 'Network In Thane By People Living With HIV' (NTP+), a non-governmental organization promoting education for HIV infected and affected children. The program supports education, nutrition and the overall personality grooming and professional development of the infected and affected children with the help of NGO partners. The program that started with a handful of children has grown to support 70+ children. Currently 7 young adolescents are covered under the Mentorship Program, where Colgate employees mentors them with professional and educational inputs. 10 Young Adults are currently employed in part time/full time capacity. Over the years the program has strengthened the abilities of the children and helped them gain confidence. In FY 2022-23, we continued to support 72 HIV infected/affected children with nutrition and education support.

### 3. Education Program with Action Aid:

This program aims to impact the lives of the children from low income group families by empowering them with computer-literacy, communication skills and personality grooming. Efforts are made to encourage enrollment of girl children in the program.

The program started in 09 Government schools & a Community center in and around Baddi, Himachal Pradesh. We have seen positive differences in learning and confidence building, acknowledged by the parents as well as community stakeholders. In FY 2021-22, the program was expanded to 03 government schools in Sri City, Andhra Pradesh. Based on initial assessment, elements of building drinking water and water availability for sanitation were added as part of the program. Employee Volunteers from Sri City & Baddi factories engage with children in spreading Oral

Health Awareness, various competitions & celebrations and participate in other initiatives. We completed our interventions on education and infrastructure in FY 2022-23 and impacted 500+ children.

## Thematic Area : Promoting healthcare

### 1. Colgate Bright Smiles, Bright Futures® Program (BSBF):

As India's leader in oral care, Colgate is committed to improving children's oral health and considers it as the Company's responsibility to bring healthy, bright smiles to the children of India through oral health awareness and education. BSBF is a flagship program of Colgate since 1976, through this program we have so far reached 170 mn school children.

In FY 2022-23, for the first time Colgate India has ventured into the public health domain in partnership with Andhra Pradesh Government supporting state project Dr. YSR Chirunavvu. For the project Colgate has collaborated with AP State Government, National Health Mission and Dental Council, for designing the program and developing relevant collaterals. The objective of this program is "Education and Awareness on Good Oral Health Habits and Tobacco Prevention Sensitization". In FY 2022-23, we have covered 2,517 Government schools in Nellore District impacting 1,03,812 Children. Through this program the plan is to cover 4 million students in the next couple of years.

We have also extended support in terms of developing Dental Medical Infrastructure in 03 Government Dental Hospital/Colleges in Andhra Pradesh State in 03 Districts i.e. Visakhapatnam, Vijayawada & Kadapa.

### 2. Program on Cleft Surgeries:

In November 2021, we launched a new Social Impact Program on Cleft surgeries and comprehensive care for the children coming from low income-families, in partnership with NGO Mission Smile.

Every year In India, about 35,000 children are born with cleft, and due to lack of resources for treatment, suffer from issues like malnourishment, speech problem, societal acceptance and lose many opportunities in life.

In line with our Keep India Smiling Mission, this program is an effort to create long term impact in the lives of these children and families. The program encompasses a comprehensive care model comprising, mobilization of children and their families, collaboration with surgery experts and local Health Departments, logistics, pre & post treatment and care. We have scaled the program this year to cover 09 States. So far 1300+ children have already undergone successful surgeries since program launch.

In FY 2022-23, 1,071 children benefitted through cleft surgeries. We aim to cover 1,000 children each year under this program.

## 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 and Water:

Your Company continues its endeavor to improve energy & water conservation and utilization. Some of the steps taken by the Company for conservation of energy & water at its manufacturing plants during the Financial Year 2022- 23 are outlined below:

#### Sanand Plant

- Conservation of Energy:
  - The Company is having high priority focus on energy saving, through 360 degree energy conservation program including Lighting, Energy efficiency methods, Analytics to monitor and reduce energy consumption, etc. At regular intervals Plant conducts a workshop viz. 'Energy Treasure Hunt' to encourage ideas on energy conservation from its employees. The ideas generated for energy conservation are being implemented, which has generated savings of 0.3% on per MT of production, quantified to 170,954 KWH of energy saving in the year.
  - During the year, the site received ENERGY STAR award from the US EPA-Environmental Protection Agency for conserving Energy 14.6% for a period from 2018 to 2021.
  - The Company has signed a Power Purchase Agreement for Hybrid Power generation. In addition, the Company has set up a Solar Energy plant at site. In 2022 out of total power consumption the Company used 24% green energy (In house Solar plus Hybrid Energy).
  - During the year, the plant has invested ₹ 1.76 crores on identified projects which will save additional 882,000 KWH of energy on an annual basis.
- Conservation of Water:
  - Company is having a 360 degree program to conserve water through Reducing consumption, Reusing the water & Harvesting the Rainwater. Through different projects 3.5% non-product water was less consumed per MT of production, quantified to 257 Cubic Meters (Cu M) water saving in 2022.
  - Net Zero Water - last year Plant had harvested about 11,553 Cubic Meter of rain water, based on 2022 rainfall data. Further, Plant reuses 29,601

Cubic Meter waste water after treating it in the Effluent Treatment Plant for gardening. Plant has reused and recycled 9,109 Cubic Meter of water viz. water of online quality monitoring, Boiler condensate, etc. In total, the Plant had saved and harvested 50,263 Cubic Meter of water which is 88% of total non-product water consumed by the site (57,070 Cubic Meter) from GIDC.

#### Goa Plant

- Conservation of Energy:
  - Twelve Nos. of the conventional type belt driven Air Handling Unit (AHU) blowers were converted with Low power and high efficiency Axial Fans (IE5). This enabled energy savings of 45~50%, on the units consumed by these equipments, thus, reducing the fixed load.
  - Site converted DG engines to run on CNG by installing the OptiBlend system without any internal engine modifications. Plant shall achieve significant reduction in NOx and CO2 emissions. The system allows 50~70% diesel displacement with cheap natural gas. This feature will be enabled in Q2'2023, once NG is supplied by GAIL.
- Conservation of Water:
  - Goa Site has achieved Net Zero Water for Year 2021 and 2022. In 2022, the site has used 16,151 Cubic Meter of alternative water and 27,956 Cubic Meter of water returned to the environment through infiltration and irrigation, which is 6% more than the water consumed by the site.
  - Recovered additional Boiler condensate water of 1,600 Cubic Meter per annum through the newly installed moisture separators.

#### Baddi Plant

- Conservation of Energy:
  - Converted Mercury lamp to LED lights which led to approximate saving of 30 KWH/day.
  - Electronically Commuted blower installation on a few AHU which lead to approximate saving of 249 KWH/day.

- Chiller Installation for Heating Ventilation and Air Conditioning (HVAC) system- has resulted in approximate savings of 700 KWH/day.
- Motion sensors in non-manned area (canteen, DBS room, SWT, Corridor area) has resulted in approximate savings of 3 KWH/day.
- Compressed air leakage arrest using fluke device has resulted in approximate savings of 80 KWH/Day.
- Conservation of Water:
  - Usage of 1<sup>st</sup> Reverse Osmosis (RO) rejected water into raw water tank as a feed to 2<sup>nd</sup> RO led to approximate savings of 45 KL/day.
  - Chlorine sensor water recovery from a water pre-treatment plant has resulted in approximate savings of 1 KL/day.
  - Ozone sensor water recovery from secondary water treatment plants has resulted in approximate savings of 1 KL/day.
  - Usage of Multi Grade Filter (MGF) backwash into toilets has resulted in approximate savings of 6KL/day.
  - Reuse of MouthWash (MW) reject water for domestic purpose has resulted in approximate savings of 3 KL/day.

**Sri City Plant**

- Conservation of Energy:
  - Through our in-house 1.788 MW solar plant we saved on 1800 MWH units from the electricity board.
  - 500 Nos. of LED lights with 72 Watts capacity are replaced with 36 Watts and resulted into saving of 131 MWH.
  - With Fluke air leak study 204 air leakage points have been identified, with correction resulting in savings of 295 MWH.
  - Renewal of power purchase agreement done with Sri City Solar Farm and additional power purchase agreement executed with another re-generator for next 3 years, thereby enhancing our utility green power consumption to 74%.
  - Chiller plant integrated in closed loop system with demand flow algorithm, has resulted in savings of 361 MWH Air Handling Units.
  - BLDC EC fans replacement in 3 Nos. of AHUs resulted in savings of 78 MWH annually.
- Conservation of Water:
  - Usage of RO Plant’s reject water in domestic flushing a savings of 280 KL has been achieved.

- Water efficient Aerators fixed for taps in the Washrooms & Kitchen resulted in a savings of 300 KL.
- 5,454 KL of Rainwater harvested in 2022-23 from Roof resulted in savings of purchased water from Sri City Authority.

**B) Technology Absorption:**

The Company continues its efforts on various Research & Development (R&D) activities using technology received from Colgate-Palmolive Company, U.S.A., for development and manufacture of oral care and personal care products. The technology received by the Company is being absorbed and adapted to the demands of the local market.

The following are some R&D and technology absorption efforts made by the Company during the year:

1. Adapted technology for products using both local and/or imported raw materials and flavors.
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 product formulations, process and product quality specifications.
7. Identified alternate local raw material vendors.
8. Reviewed and approved product claims and provided clinical documentation support.
9. Worked in partnership with the Research & Innovation and Product Development partners in the U.S. to bring new actives/ingredients into the oral and personal care formulations.
10. Worked with the cross category research team in the U.S. on highly advanced instrumentation techniques.
11. Worked in partnership with global clinical gr to conduct clinical Research on various oral and Skin care formulations.

New technologies imported, allowed the Company to have a strong presence in key benefit segments of the Oral Care market viz., Cavity Protection, Gum Health, Tooth Pain Relief, Anti-Sensitivity, Natural Protection and Freshness and Personal Care market i.e. Shampoos, Shower Gels and Liquid Hand Soap.

The details of technology imported by the Company during the last three Financial 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
Colgate Active salt Relaunch	2022-23	Yes	Not applicable
Colgate Maxfresh Charcoal	2022-23	Yes	Not applicable
Colgate PerioGard Toothpaste	2022-23	Yes	Not applicable
Colgate Strong Teeth Relaunch	2022-23	Yes	Not applicable
Colgate Vedshakti Toothpaste Relaunch	2021-22	Yes	Not applicable
Colgate Visible White O2 Toothpaste	2021-22	Yes	Not applicable
Colgate Gum Expert Toothpaste	2021-22	Yes	Not Applicable
Colgate Maxfresh Limited Edition	2021-22	Yes	Not applicable
Toothpaste for Diabetics	2020-21	Yes	Not Applicable
Colgate Vedshakti Mouth Spray	2020-21	Yes	Not Applicable
Visible White Instant Toothpaste	2020-21	Yes	Not Applicable
Palmolive Face Foam Wash	2021-22	Yes	Not applicable
Palmolive Face Cleansing Gel	2021-22	Yes	Not applicable
Palmolive Face Masque	2021-22	Yes	Not applicable
Palmolive Face Souffle Scrub	2021-22	Yes	Not applicable
Palmolive Shower Gel	2020-21	Yes	Not Applicable
Palmolive Liquid Hand Wash	2020-21	Yes	Not Applicable
Ajax Wipes	2020-21	Yes	Not Applicable
Palmolive Mint and Charcoal Shower Gel	2020-21	Yes	Not Applicable
Halo Shampoo Relaunch	2020-21	No	Product commercialized

Details of expenditure on R&D are given below:

Expenditure on R&D	Financial Year 2022-23 (₹ in Lakhs)
Capital	413.81
Recurring	811.02
Total	1,224.83

### C) Foreign Exchange Earnings and Outgo:

During the Financial Year, the Company was able to generate export earnings of ₹ 22,876.14 Lakhs and the Foreign exchange outgo was ₹ 73,795.58 Lakhs.

For Colgate-Palmolive (India) Limited

Place: Mumbai  
Date: May 12, 2023

**Prabha Narasimhan**  
Managing Director &  
Chief Executive Officer  
(DIN : 08822860)

**M. S. Jacob**  
Whole-time Director &  
Chief Financial Officer  
(DIN : 07645510)

Annexure 4

**DISCLOSURE PURSUANT TO SECTION 197 (12) 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:**

Sr. No.	Name of the Executive Director	Ratio*
1.	Ms. Prabha Narasimhan <sup>#</sup>	38.92
2.	Mr. M.S. Jacob	26.52
3.	Mr. Surender Sharma	15.8
4.	Mr. Ram Raghavan*	85.47
5.	Mr. M. Chandrasekar**	57.7

+ considered the annualized salaries for the purpose of calculating the ratios.

<sup>#</sup>appointed with effect from September 1, 2022.

\*resigned effective close of business hours on April 15, 2022.

\*\*resigned effective close of business hours on June 30, 2022.

Employees for the above purpose include all employees as on March 31, 2023 excluding Associates at the manufacturing locations of the Company.

**Non-Executive Directors:**

The Non-Executive Independent Directors of the Company are paid 'Sitting fees' for attending the Meetings of the Board, the Committees including meetings of Independent Directors. They are also paid a fixed Commission as per the members approval. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report. The Non-Executive Non-Independent Director of the Company does not receive any remuneration from the Company.

**2. The percentage increase in remuneration of each Executive Director and Key Managerial Personnel in the Financial Year is as follows:**

Sr. No.	Name of the Executive Director	Approx increase in percentage in the Financial Year 2022-23 as compared to the Financial Year 2021-22 (without earnings from exercise of ESOPs)*
1.	Ms. Prabha Narasimhan <sup>^</sup>	N.A.
2.	Mr. M.S. Jacob Whole-time Director & CFO	5%
3.	Mr. Surender Sharma Whole-time Director - Legal and Company Secretary	28%
4.	Mr. Ram Raghavan <sup>#</sup> Managing Director	N.A.
5.	Mr. M. Chandrasekar <sup>\$</sup> Whole-time Director	N.A.

+ considered the annualized salary for the directors.

<sup>^</sup>appointed with effect from September 1, 2022

<sup>#</sup>resigned effective close of business hours on April 15, 2022.

<sup>\$</sup>resigned effective close of business hours on June 30, 2022.

**3. The percentage increase in the median remuneration of employees in the Financial Year:**

The percentage change in the median remuneration of all the Salaried & Clerical (S&C) employees in the Financial Year 2022-23 was 8%.

**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, 2023 is 2,318.

**5. 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 the Financial Year 2022-23 there is an average increase of 11% in the fixed remuneration of all the employees\* (other than the managerial personnel) as compared to an increase of 17% in the fixed remuneration of all the Executive Directors.

\*Employees for the above purpose include all employees excluding Associates at the manufacturing locations of the Company.

**6. Affirmation:**

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

For **Colgate-Palmolive (India) Limited**

**Prabha Narasimhan**

Managing Director &  
Chief Executive Officer  
(DIN : 08822860)

**M. S. Jacob**

Whole-time Director &  
Chief Financial Officer  
(DIN : 07645510)

Place: Mumbai  
Date: May 12, 2023



**Form No. MR-3**
**SECRETARIAL AUDIT REPORT**
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2023**

[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') for the Financial Year ended 31<sup>st</sup> March 2023. 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 31<sup>st</sup> March, 2023**, 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 **31<sup>st</sup> March, 2023** according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made thereunder;
- 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 - **Not applicable to the extent of Overseas Direct Investment and External Commercial Borrowings as there was no reportable event during the Financial Year under review.**
- 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 (Listing Obligations & Disclosure Requirements) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable as the Company has not issued any shares during the year under review;**
  - e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not Applicable as the Company has not issued any shares / options to directors / employees under the said regulations during the Financial Year under review;**
  - f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not Applicable as the Company has not issued and listed debt securities during the Financial Year under review;**
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 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;**
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable as the Company has not delisted/proposed to delist its equity shares from any Stock Exchanges during the Financial Year under review;**

- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **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 Company has identified and confirmed the following laws as being specifically applicable to the Company:
1. The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 ;
  2. Factories Act, 1948;
  3. The Drugs and Cosmetics Act, 1940;
  4. The Legal Metrology Act, 2009;
  5. Plastic Waste Management Rules, 2016;
  6. The Legal Metrology (Packaged Commodities) Rules, 2011 as amended;
  7. Local laws as applicable to various offices and plants.

We have also examined compliance with the applicable Clauses / Regulations of the following:

- (i) Secretarial Standards with regard to Meetings of Board of Directors ('SS-1') and General Meetings ('SS-2') issued by The Institute of Company Secretaries of India;
- (ii) the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Acts, 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 including Women 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 to schedule Board /Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except where consent of directors was received for circulation of the agenda and notes on agenda at a shorter notice 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.
- All decisions of the Board and Committees thereof were carried out with requisite majority.

**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 Whole-time Director - Legal and taken on record by the Board of Directors at their meeting(s), we are of the opinion that Management has adequate systems and processes placed in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, no event/ action having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. have taken place.

This report is to be read with our letter of even date which is annexed as **Annexure "A"** and forms an integral part of this report.

**For S. N. ANANTHASUBRAMANIAN & CO.**

Company Secretaries  
ICSI Unique Code: P1991MH040400  
Peer Review Cert No.: 606/2019

**S. N. Ananthasubramanian**

Partner

FCS: 4206 | COP No.: 1774  
ICSI UDIN: F004206E000293981  
12<sup>th</sup> May 2023 | Thane

**Annexure - A**

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

**Management’s Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor’s Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Company’s management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.

6. Wherever required, we have obtained the management’s representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
8. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For **S. N. ANANTHASUBRAMANIAN & CO.**  
 Company Secretaries  
 ICSI Unique Code: P1991MH040400  
 Peer Review Cert No.: 606/2019

**S. N. Ananthasubramanian**  
 Partner  
 FCS: 4206 | COP No.: 1774  
 ICSI UDIN: F004206E000293981  
 12<sup>th</sup> May 2023 | Thane

# Business Responsibility and Sustainability Report

## Introduction

As a leading oral care Company in India, Colgate-Palmolive (India) continues to champion optimism and amplify ESG efforts to 'reimagine a healthier future for all its people and the planet.' We remain steadfast in bringing our strategy and plans to life to create shared and sustainable value for all stakeholders. We remain unwavering in our commitment to responsible and shared growth, as well as to building a sustainable future.

We champion long-term value creation for all stakeholders through robust and fair governance mechanisms. Our governance structures, which are built on the pillars of integrity and transparency, ensure that ethical standards are cascaded across the business. Our people are our assets, and we strive to strengthen relationships with them to build a resilient, innovative, and future-fit workforce. Colgate-Palmolive (India) breaks the mold and nurtures a work culture that bolsters creativity and encourages employee-driven innovation.

We ensure that our consumers enjoy a range of advantages from using our sustainable products. Our product development process is validated by consumer feedback received through various channels to improve our processes and systems. The Company's initiatives across Colgate Bright Smiles, Bright Futures®, Keep India Smiling Scholarship programs, Oral Health, Water Conservation, and Women's Empowerment have been instrumental in driving social impact, preserving the environment, and reaching millions of people. We continuously rebuild and realign our practices to innovate for good, as 'everyone deserves a future to smile about.'

In our endeavour to inspire trust and transparency, this is the second year of publishing our Business Responsibility and Sustainability Report (BRSR), showcasing our ESG progress and empowering stakeholders to make informed decisions.

## Section A: General Disclosures

### I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L24200MH1937PLC002700
2. Name of the Listed Entity	Colgate-Palmolive (India) Limited
3. Year of incorporation	1937
4. Registered office address	Colgate Research Centre, Main Street, Hiranandani Gardens, Powai, Mumbai – 400 076, Maharashtra, India
5. Corporate address	Colgate Research Centre, Main Street, Hiranandani Gardens, Powai, Mumbai – 400 076, Maharashtra, India
6. E-mail	<a href="mailto:investors_grievance@colpal.com">investors_grievance@colpal.com</a>
7. Telephone	91-22-6709 5050
8. Website	<a href="http://www.colgatepalmolive.co.in">www.colgatepalmolive.co.in</a>
9. Financial year for Reporting	April 1, 2022 - March 31, 2023
10. Name and contact details ( <i>telephone, email address</i> ) of the person who may be contacted in case of any queries on the BRSR report	<b>Name:</b> Ms. Prabha Narasimhan <b>Telephone:</b> +(91) 22-6709 5050 <b>Email address:</b> <a href="mailto:investors_grievance@colpal.com">investors_grievance@colpal.com</a>
11. Reporting boundary	Disclosures made in this report are on a standalone basis and pertain only to Colgate-Palmolive (India) Limited
12. Name of the Stock Exchange(s) where shares are listed	1. BSE Limited (BSE) 2. National Stock Exchange of India Limited (NSE)
13. Paid-up Capital (₹)	2,719.86 lakhs

**II. Products/services<sup>73</sup>**
**14. Details of business activities (accounting for 90% of the turnover)**

Description of the main activity	Description of business activity	% of turnover of the entity
Manufacturing	Personal Care (including oral care)	98.01%

**15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)**

Product/Service	NIC Code	% of total Turnover contributed
Toothpaste and toothbrush	Group 202	96.86%

**III. Operations<sup>74</sup>**
**16. Number of locations where plants and/or operations/offices of the entity are situated**

	Number of plants	Number of offices	Total
National	4	4	8
International	Nil	Nil	Nil

**17. Markets served by the entity<sup>75</sup>**
**a. Number of locations**

Locations	Number
National (No. of States)	28 States and 8 UTs
International (No. of Countries)	18

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

4%

**c. A brief on types of customers**

Colgate-Palmolive (India) caters to a wide range of oral care needs that consumers may have. To ensure that all the products are easily accessible to customers, the Company collaborates through its distributors network or otherwise with a wide network of diverse wholesalers, modern trade stores and other retailers. The Company's end users belong to all age groups, diverse geographical locations (urban and rural), and households of varying sizes and types.

**IV. Employees**
**18. Details as at the end of Financial Year**
**a. Employees and workers (including differently abled)**

Particulars	Total	Male		Female	
	(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Employees</b>					
Permanent (D)	798	598	75%	200	25%
Other than permanent (E)	1382	1070	77%	312	23%
<b>Total employees (D + E)</b>	<b>2180</b>	<b>1668</b>	<b>77%</b>	<b>512</b>	<b>23%</b>
<b>Workers</b>					
Permanent (F)	1520	1464	96%	56	4%
Other than permanent (G)	684	554	81%	130	19%
<b>Total workers (F + G)</b>	<b>2204</b>	<b>2018</b>	<b>92%</b>	<b>186</b>	<b>8%</b>

<sup>73</sup>GRI 2-6

<sup>74</sup>GRI 2-6

<sup>75</sup>GRI 2-6

## b. Differently abled employees and workers

Particulars	Total	Male		Female	
	(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Differently Abled Employees</b>					
Permanent (D)	1	1	100%	Nil	-
Other than permanent (E)	-	-	100%	Nil	-
<b>Total differently abled employees (D + E)</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>Nil</b>	<b>-</b>
<b>Differently Abled Workers</b>					
Permanent (F)	6	6	100%	Nil	-
Other than permanent (G)	2	2	100%	Nil	-
<b>Total differently abled workers (F + G)</b>	<b>8</b>	<b>8</b>	<b>100%</b>	<b>Nil</b>	<b>-</b>

## 19. Participation/Inclusion/Representation of women

Particulars	Total	No. and percentage of Females	
	(A)	No. (B)	% (B/A)
Board of Directors	10	5	50%
Key Management Personnel	3	1	33%

## 20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Particulars	Turnover rate								
	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total*	Male	Female	Total*
Permanent employees	19%	19%	<b>19%</b>	15%	21%	<b>17%</b>	6%	11%	<b>13.40%</b>
Permanent workers	3%	16%	<b>3%</b>	3%	11%	<b>3.80%</b>	3%	3%	<b>3.10%</b>

\* Total turnover rate for the FY 2021-22 and FY 2020-21 has been revised based on error identified in the previous report

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

## 21. Names of holding / subsidiary / associate companies / joint ventures

Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Colgate-Palmolive Co., USA	Holding	Nil	No
Colgate-Palmolive (Asia) Pte. Ltd.	Holding	Nil	No
Norwood International Incorporated	Holding	Nil	No

## VI. CSR Details

## 22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No) : Yes

(ii) Turnover (in ₹ lakhs) : 5,18,786.36

(iii) Net worth (in ₹ lakhs) : 1,72,089.55

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  (If yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, <a href="https://www.colgatepalmolive.co.in/contact-us">https://www.colgatepalmolive.co.in/contact-us</a>	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes, <a href="https://www.colgateinvestors.co.in/investor-contacts">https://www.colgateinvestors.co.in/investor-contacts</a>	124	4	All pending complaints except one as on March 31, 2023 were subsequently resolved. The Company's RTA is seeking necessary guidance from the regulator to close the said pending complaint.	121	2	All pending complaints as on March 31, 2022 were subsequently resolved
Investors (Other than shareholders)	N.A.	-	-	-	-	-	-
Employee & Workers	Yes, (Available on Intranet)	6	1	3 not substantiated, 2 substantiated, 1 investigation underway	3	Nil	-
Consumers	Yes, <a href="https://www.colgatepalmolive.co.in/contact-us">https://www.colgatepalmolive.co.in/contact-us</a>	3587	Nil	Consumers reach out to the Company to report product related experiences that could vary from manufacturing, pricing, preference, and adverse event complaints. These grievances are addressed in a timely manner in accordance with the Colgate-Palmolive (India)'s Consumer Satisfaction Policy.	3739	Nil	Consumers contact the Company to report product related experiences that could vary from manufacturing, pricing, preference, and adverse event complaints. These grievances are addressed in a timely manner in accordance with Colgate-Palmolive (India)'s Consumer Satisfaction Policy.
Value Chain Partners	Yes, <a href="https://www.colgatepalmolive.com/en-us/who-we-are/governance/third-party-code-of-conduct">https://www.colgatepalmolive.com/en-us/who-we-are/governance/third-party-code-of-conduct</a>	Nil	Nil	-	Nil	Nil	-
Other: NGOs	Yes, <a href="https://www.colgatepalmolive.co.in/contact-us">https://www.colgatepalmolive.co.in/contact-us</a>	Nil	Nil	-	Nil	Nil	-

24. Overview of the entity's material responsible business conduct issues<sup>76</sup>

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Material issue identified	Indicate whether risk or opportunity	Rationale for identifying risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Health and safety of our people	Risk and opportunity	<b>Risk:</b> Occupational health and safety is a critical aspect for ensuring employee	i. Implementation of a Company-wide robust EHS management system	Incidents of occupational health and safety management system may

<sup>76</sup>GRI 2-25

Material issue identified	Indicate whether risk or opportunity	Rationale for identifying risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
		<p>welfare. Non-compliance with appropriate safety standards can attract high frequency of health and safety incidents</p> <p><b>Opportunity:</b> A robust EHS management system with appropriate hazard identification, mitigation plan and root cause analysis will showcase Company's commitments towards employee safety, increased productivity and motivation</p>	<ul style="list-style-type: none"> <li>ii. Ensuring periodic internal and external audits</li> <li>iii. Training all employees and workers on safe working practices</li> <li>iv. Investigation of each reported case and preparation of remedial plan</li> </ul>	<p>cause loss in man-days and further impact productivity of operations. It can also demoralize employees and workers which can reduce motivation and productivity</p>
Human rights	Risk	<p>Instances of human rights violation or non-compliance of statutory norms can lead to adverse financial and reputational implications and deteriorate employee morale &amp; retention</p>	<ul style="list-style-type: none"> <li>i. Comprehensive Human Rights Policy and procedures</li> <li>ii. Human Rights Due Diligence carried out to avoid workforce discrimination, sexual harassment, child labour, and forced labour, amongst others</li> </ul>	<p>Company's reputation and relationships with stakeholders can be adversely affected in case of any instances of non-compliance</p>
Diversity and inclusion	Opportunity	<p>Fostering a culture which is inclusive and integrates diversity, employee well being, training and development will strengthen the culture, performance and will attract &amp; retain employees</p>	<ul style="list-style-type: none"> <li>i. Diversity inclusion policy and training</li> <li>ii. Employee and worker skill development training programs</li> <li>iii. Utilization of digital platforms such as WYSA and Employee Assistance Programs (EAP) for improving mental well-being</li> </ul>	<p>Investing in human capital has the ability to improve employee productivity, spur innovation and attract employees with similar organizational value</p>
Community development	Opportunity	<p>Aligning CSR initiatives with the needs of the community can create a positive impact which can unlock goodwill and social license to operate</p>	<p>The Company has undertaken several voluntary CSR initiatives for overall development of the community in the field of preventive healthcare, promotion of education, water augmentation &amp; livelihoods, women empowerment and conservation of natural resources</p>	<p>Being a responsible corporate citizen, community upliftment is a critical aspect for elevating brand value among local bodies and communities which in turn can increase the demand of Company's products</p>
Consumer health and safety Product stewardship	Risk	<p>Consumer health and safety is critical for gaining consumer trust and for transparency. Non-compliance regarding product information and labeling as well as marketing and communications can have adverse effects</p>	<ul style="list-style-type: none"> <li>i. Robust protocols for design, packaging and consumer safety at product development stages</li> <li>ii. Implementation of Quality Management System (QMS)</li> <li>iii. Effective product recall management</li> <li>iv. Transparent communication</li> </ul>	<p>Any health and safety incident can reduce customer trust and adversely impact the demand of products. Moreover, instances of non-compliance with product marketing and labeling can attract monetary fines/punishments</p>



Material issue identified	Indicate whether risk or opportunity	Rationale for identifying risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Water stewardship	Risk	Unavailability of surface water during summer can adversely hamper operations. Mismanagement of wastewater can attract legal complications	<ul style="list-style-type: none"> <li>i. Implementation of Zero Liquid Discharge facility at all four sites</li> <li>ii. Water saving initiatives in the supply chain</li> <li>iii. Water access, augmentation and conservation programs for communities in water stressed regions</li> </ul>	Shortage of water can slow down plant productivity. Incidents of non-compliance regarding wastewater can lead to monetary loss in terms of fines and penalties
Energy and emissions management	Opportunity	Enhancing and utilizing green energy to reduce carbon footprint of the organization	<ul style="list-style-type: none"> <li>i. Transition towards greener options such as onsite solar projects, hydroelectricity, and wind energy</li> <li>ii. Minimization of emissions throughout the value chain through greener alternatives such as utilization of CNG based trucks and multimodal shipments</li> </ul>	Increasing self-reliance on sustainable and green energy can reduce Company costs and attract investment opportunities
Waste management	Risk	Poor waste management can lead to non-compliance with legal requirements for waste disposal	Implementation of robust waste management system incorporating initiatives that ensure hazardous waste management and responsible disposal to ensure adherence with zero waste to landfill program	Non-compliance with regulatory norms on waste management can lead to fines and penalties and adversely affect the operating costs of the Company
Sustainable packaging	Opportunity	Switching to renewable and increasing reused packing materials reduces dependence on virgin materials thereby, reducing consumption of non-renewable raw materials.	<ul style="list-style-type: none"> <li>i. Transition towards renewable materials reduces the waste going to landfill</li> <li>ii. Increasing usage of reused materials has reduced the dependency on virgin materials</li> </ul> <p>This has an ability to implement a circular economy within the Company.</p>	Switching to sustainable packaging has enhanced circular economy and helped reduce overall carbon footprint of the Company
Responsible supply chain	Risk	Adverse events across the supply chain can hamper the Company's reputation as a responsible business	Implementation of Supplier Responsible Sourcing Assessment (SRSA). Suppliers are assessed on four ESG parameters (labor standards, health and safety, ethics and integrity and environment). In case of any deviation, the suppliers are asked to take necessary corrective actions	Adverse events such as non-compliance of environmental regulations, and violation of human rights at suppliers' end can disrupt the supply chain and damage brand image and brand value

Material issue identified	Indicate whether risk or opportunity	Rationale for identifying risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Business ethics, governance and transparency	Risk	Building a culture of integrity and transparency is linked with fulfillment of mandates as well as strengthening relationships with stakeholders	<ul style="list-style-type: none"> <li>i. Development and training on Code of Conduct</li> <li>ii. Development of policies, programs and mechanisms for avoiding workplace discrimination, harassment, and corruption, among others</li> </ul>	Any instances of unethical practices have the risk of tarnishing Company reputation and attracting fines/penalty which can in turn affect business continuity

## Section B: Management and Process Disclosures

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs (MCA) advocates nine principles referred as P1-P9. Through the existence of various policies and procedures, Colgate-Palmolive (India) aims to provide robust governance around the given nine NGRBC Principles and Core Elements.

### Principle 1

Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable

### Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe

### Principle 3

Businesses should respect and promote the wellbeing of all employees, including those in their value chain

### Principle 4

Businesses should respect the interests of and be responsive to all its stakeholders

### Principle 5

Businesses should respect and promote human rights

### Principle 6

Businesses should respect and make efforts to protect and restore the environment

### Principle 7

Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

### Principle 8

Businesses should promote inclusive growth and equitable development

### Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8
<b>Policy and Management Processes</b>								
1. a. Whether your entity’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Colgate-Palmolive (India)’s sustainability policies can be accessed at: <a href="https://www.colgatepalmolive.com/en-us/sustainability">https://www.colgatepalmolive.com/en-us/sustainability</a>							
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusted) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Colgate-Palmolive (India) has developed Environment, Health and Safety standards in line with OHSAS and EPA for all the owned manufacturing sites. All the sites continue to be TRUE® certified for Zero Waste (Platinum level) by the Green Business Certification Inc. Additionally, the manufacturing site in Sri City is ISO 9000 certified and Sri City Phase 1 & 2 are LEED - Gold certified							
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has defined 2025 Sustainability and Social Impact Strategy which has specific goals and targets covering aspects of the nine principles. For more information, please refer to Page No. 45 ‘2025 Sustainability and Social Impact Strategy’ section of this report.							
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	Please refer to Page No. 46 ‘2025 Sustainability and Social Impact Strategy’ section of this report.							
<b>Governance, leadership, and oversight</b>								
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	I am pleased to present our second edition of (Business Responsibility and Sustainability Report (BRSR), which showcases our ESG progress and empowers stakeholders to make informed decisions. For more information please refer Page No. 04 ‘From the MD & CEO’ section of this report.							
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Prabha Narasimhan Managing Director and Chief Executive Officer DIN: 08822860							
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Company has formed an ESG and CSR Committee (ECC) which is responsible for the decision making on sustainability related issues. For more details on the ECC please refer to the ‘ESG-Our Governance Approach’ section of the Annual and ESG Report for FY 2022-23.							

## 10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Performance against above policies and follow up action	The policies are reviewed internally on a periodic basis.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Colgate-Palmolive (India) is in compliance with all applicable statutory requirements.																	

Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The policies are reviewed internally on a periodic basis. No independent assessment/evaluation review is conducted through external partners.								

## 12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated

Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	N.A.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

## Section C: Principle Wise Performance Disclosure

### Ethics and Integrity

**Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable**

#### Essential Indicators

**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year 2022-23**

Segment	Total number of training and awareness programs held	Topics/ principles covered under the training and its impacts	% of persons in respective category covered by the awareness programmes
Board of Directors	14	Principles covered include safe and sustainable provision of goods, employee well-being, human rights, stakeholder inclusion, environment stewardship, equitable and inclusive growth	100%
Key Managerial Personnel	19	Curated training programs covering wide gamut of topics such as safe and sustainable provision of goods, employee well-being, stakeholder inclusion, environment stewardship, equitable and inclusive growth, Code of Conduct, anti-bribery and corruption, human rights and prevention of sexual harassment (POSH).	100%
Employees other than BoD and KMPs	5	Curated training programs covering wide gamut of topics such as Code of Conduct, anti-bribery and corruption, human rights and prevention of sexual harassment (POSH).	100%
Workers	4	Training and awareness programs conducted on human rights, Minimum Safe Behaviour, Plant Floor Operator Micro Awareness and Code of Conduct Acknowledgment.	100%

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the Financial Year 2022-23<sup>77</sup>**

Particulars	Monetary				Has an appeal been preferred? (Yes / No)
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institution	Amount (in ₹)	Brief of the case	
Penalty/ Fine	1	Enforcement Officer, Maharashtra*	26,000	Overweight consignment	No
	1	Himachal Pradesh Value Added Tax and Central Sales Tax Authorities*	42,110	E-way bill reconciliation	No
	1	Tamil Nadu Value Added Tax Authority*	3,58,500	E-way bill discrepancy	Yes
	1	Punjab Value Added Tax and Central Sales Tax Authorities*	9,000	As a part of VAT assessment	No
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	9	Legal Metrology Authority, Etah, Uttar Pradesh	1,00,000	Non-compliance of product declaration as per Legal Metrology Rules	No

\*None of these penalties were material in terms of the requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Particulars	Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institution	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes / No)
Imprisonment Punishment			Nil		

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
E-way bill discrepancy	Tamil Nadu Value Added Tax Authority

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a weblink to the policy.<sup>78</sup>**

Yes, Colgate-Palmolive (India) has an anti-bribery policy which recognizes and adheres to the local anti-bribery laws in all the countries where it does business. Through the policy, the Company prohibits its employees and any third parties acting on its behalf or in connection with the business, from offering anything of value, either directly or indirectly, to any government officials or private individuals/parties with the aim of achieving prompt service or business advantage.

The policy reflects Colgate-Palmolive (India)'s ethos of maintaining high ethical standards and regular compliance with all applicable laws. The Company ensures strict adherence by its people and provides them online training on the policy, its expectations and reporting mechanism on an annual basis. Colgate-Palmolive (India) expects all third parties to reinforce compliance of anti-bribery policy among their employees and subcontractors.

Colgate-Palmolive (India) has a robust anti-bribery due diligence process for its vendors, suppliers and other stakeholders dealing with any 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. Failure to comply with any listed anti-bribery laws can lead to termination of employment or business relationship.

To know further, the policy can be accessed at <https://www.colgatepalmolive.com/en-us/who-we-are/our-policies/anti-bribery-policy>

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption<sup>79</sup>**

Particulars	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs		
Employees		
Workers		

**6. Details of complaints with regard to conflict of interest**

Particulars	FY 2022-23	FY 2021-22
Number of complaints received in relation to issues of Conflict of Interest of the directors	Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	

<sup>78</sup>GRI 205-1, GRI 205-2

<sup>79</sup>GRI 205-3

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institution on cases of corruption and conflicts of interest. N.A.

**Leadership Indicators**

1. Awareness programmes conducted for value chain partners on any of the principles during the Financial Year

Total number of awareness programmes held	Topics / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Human Rights Training/ webcast for all suppliers	Local India based suppliers participated
2	ESG sensitization including key elements of principles for NGO partners and teams	3 of main 4 NGO partners for larger programs

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, directors do not participate in agenda items at the Board/ Committee Meetings in which they are an interested or deemed to be interested party. Disclosures are also made by Directors regarding their Directorship/ Committeeship/ Shareholding/ Association on a timely basis.

**Sustainable Business**

**Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	17%	Not tracked	The R&D investments are intended to improve the overall consumer experience of oral health products, both in terms of flavor and overall protection. This includes the development of new technologies such as Periogard for gum health and visible white for whitening.
Capex	12.6%	8.6%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, Colgate-Palmolive (India) has procedures in place for sustainable sourcing. The Company selects its suppliers through strictly laid down procedures and engages with them according to the business standards described in the Third Party Code of Conduct.

In 2012, the Company launched 4-pillar audit and risk assessment tool, “Supplier Responsible Sourcing Assessment (SRSA)” to evaluate suppliers through a self-assessment form focusing on ethical, social and environmental parameters. All direct raw material suppliers are required to fill in a detailed questionnaire prior to onboarding. The self-assessment forms cover the aspects of Business Integrity, Human Rights (labor standards), Health and Safety, Environmental management, production processes, purchasing procedures and material traceability. The

self-assessment evaluation is audited either internally or through a third party to validate the information. The Company also ensures continuous third-party audits of the onboarded suppliers with SEDEX and charts out the required improvement plan and remediation/mitigation measures, if required.

**b. If yes, what percentage of inputs were sourced sustainably?**

100% of the inputs sourced from assessed suppliers (37 suppliers contributing to 65% of spend) were sourced sustainably

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**

**a. Plastics (including packaging)**

All the pre-consumer plastic waste generated at the manufacturing site is sent for responsible recycling through an authorized waste handler only. The Company has partnered with authorized waste management service providers for responsible collection, sorting, and recycling/co-processing of the uncontaminated post-consumer plastic packaging.

**b. E-waste**

The Company disposes all e-waste through a government approved e-waste recycler.

**c. Hazardous waste**

Each type of hazardous waste is disposed off in line with the stipulated guidelines through authorized vendors and requisite Annual returns are filed with respective SPCB.

**d. Other waste**

All the plants (4 manufacturing sites) and head office generate more of non-hazardous waste (including plastic waste, paper waste, metal waste, etc.) and majority of which is segregated at the source and sent for responsible recycling or co-processing.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

— **If yes whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?**

— **If not provide steps taken to address the same.**

Yes, Colgate-Palmolive (India) is registered as PIBO with Central Pollution Control Board (CPCB) and the EPR activities are managed centrally.

The Company has partnered with five Waste Management Agencies (WMAs) to collect all the Post Consumer Multi-Layered Plastics (MLPs) generated from sale of products. The Company has achieved plastic positivity in 2022 by collecting ~120% of the Category I, II and III\* type of plastic that was introduced in the market.

\* Category - I refers to Rigid plastic packaging, Category-II refers to flexible plastic packaging of single layer or multilayer (more than one layer with different types of plastic) and Category-III refers to multilayered plastic packaging (at least one layer of plastic and at least one layer of material other than plastic)

**Leadership Indicators**

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of product / service	% Of total turnover contributed	Boundary for which the life cycle perspective / assessment was conducted	Whether conducted by independent external agency	Results communicated in public domain (Yes/No) If yes, provide the web-link
			Nil		



2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/ concern	Action taken
N.A.		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Re-grinded PP Material	0.06%	5%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format

Particulars	FY 2022-23			FY 2021- 22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	3790	9638	Not reported		
E-waste	-	-	-			
Hazardous waste	-	-	-			
Other waste	-	-	-			

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Oral care, toothbrushes and personal care	120%

## Employee Wellbeing

**Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**  
**Essential Indicators**

1. a. Details of measures for the well-being of employees

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent employees</b>											
Male	598	598	100%	598	100%	Nil	-	598	100%	598	100%
Female	200	200	100%	200	100%	200	100%	Nil	-	200	100%

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Total</b>	<b>798</b>	<b>798</b>	<b>100%</b>	<b>798</b>	<b>100%</b>	<b>200</b>	<b>25%</b>	<b>598</b>	<b>75%</b>	<b>798</b>	<b>100%</b>
<b>Other than Permanent employees</b>											
Male	1070	1070	100%	1070	100%	Nil	-	Nil	-	Nil	-
Female	312	312	100%	312	100%	312	100%	Nil	-	Nil	-
<b>Total</b>	<b>1382</b>	<b>1382</b>	<b>100%</b>	<b>1382</b>	<b>100%</b>	<b>312</b>	<b>23%</b>	<b>Nil</b>	<b>-</b>	<b>Nil</b>	<b>-</b>

b. Details of measures for the well-being of workers

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent workers</b>											
Male	1464	1464	100%	1464	100%	Nil	-	1464	100%	Nil	-
Female	56	56	100%	56	100%	56	100%	Nil	-	56	100%
<b>Total</b>	<b>1520</b>	<b>1520</b>	<b>100%</b>	<b>1520</b>	<b>100%</b>	<b>56</b>	<b>4%</b>	<b>1464</b>	<b>96%</b>	<b>56</b>	<b>4%</b>
<b>Other than permanent workers</b>											
Male	554	554	100%	554	100%	Nil	-	Nil	-	Nil	-
Female	130	130	100%	130	100%	130	100%	Nil	-	111	85%
<b>Total</b>	<b>684</b>	<b>684</b>	<b>100%</b>	<b>684</b>	<b>100%</b>	<b>130</b>	<b>19%</b>	<b>Nil</b>	<b>-</b>	<b>111</b>	<b>16%</b>

2. Details of retirement benefits, for FY 2022-23 and FY 2021-22

Benefits	FY 2022- 23			FY 2021- 22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	N.A.	22%	Y	N.A.	33%*	Y
Other:Life Insurance / Death Benefits	100%	100%	Y	100%	100%	Y

\*Percentage of workers covered in ESI has been corrected for the FY 2021-22 based on the error identified in the previous report

3. Accessibility of workplaces

Are the premises/ offices of the entity accessible to differently abled employees and workers as per the requirements of the Rights of Persons with Disabilities Act 2016? (Yes/ No)

Yes, the Company's DE&I Council partnered with key agencies to conduct PwD job mapping as well as facility access audit to facilitate a comfortable work environment for all. The Company has already modified several locations with disabled-accessible infrastructure including ramps, furniture, washrooms and other installations. It is also currently in the process of incorporating similar measures across all locations.

If not, whether any steps are being taken by the entity in this regard.

N.A.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? (Yes/ No)**

Yes, the Company has an equal opportunity policy which fosters an environment where all our people feel like they can learn, contribute and grow. It is the policy and practice of Colgate-Palmolive (India) to comply with all applicable fair employment practices in line with Right of Persons with Disabilities Act, 2016. The Company does not indulge in discrimination of any employee or applicant for employment on the basis of race, color, religion, sex, national origin, ethnicity, age, disability, veteran status, marital status, sexual orientation, gender identity, or any other characteristic protected by law.

If so, provide a web link to the policy.

<https://www.colgatepalmolive.com/en-us/who-we-are/our-policies/equal-opportunity-employer-info>

**5. Return to work and retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	Nil	100%	100%
<b>Total</b>	<b>100%</b>	<b>86%</b>	<b>100%</b>	<b>100%</b>

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Particulars	Yes/No
	<i>(If yes, then give details of the mechanism in brief)</i>
<b>Permanent Workers Other than Permanent Workers</b>	Colgate-Palmolive (India) believes in ensuring a strong connect with all its employees and addressing their issues in a timely manner through regular one-on-one connects. All employees can also utilize the HR Chatbot which is available 24X7 to answer queries.
<b>Permanent Employees Other than Permanent Employees</b>	<p>The Company also encourages all employees and workers to raise concerns and feedback through key forums, like the quarterly townhall, where they can interact with the leadership team and get answers to their concerns and queries.</p> <p>Global Ethics and Compliance helpline is implemented for employees to report concerns. The case once raised is assessed by a trained investigator and basis that a timely and fair resolution is provided. Colgate-Palmolive (India) further has a zero-retaliation policy in order to ensure zero adverse actions against the complainant.</p> <p>For workers, plant lead or the Human Resource lead is the nodal point of contact to clarify questions and raise concerns.</p>

**7. Membership of employees and worker in association(s) or unions recognized by the listed entity**

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>						
Male						
Female						

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Workers</b>	<b>1520</b>	<b>443</b>	<b>29%</b>	<b>1559</b>	<b>444</b>	<b>28%</b>
Male	1464	443	30%	1496	444	30%
Female	56	Nil	-	63	Nil	-

## 8. Details of training given to employees and workers

Category	FY 2022- 23					FY 2021- 22				
	Total (A)	On Health Safety measures		On Skill Upgradation		Total (D)	On Health Safety measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees*</b>										
Male	598	598	100%	574	95.9%	612	612	100%	593	97%
Female	200	200	100%	171	85.5%	192	192	100%	180	94%
<b>Total</b>	<b>798*</b>	<b>798</b>	<b>100%</b>	<b>745</b>	<b>93.3%</b>	<b>804*</b>	<b>804</b>	<b>100%</b>	<b>773</b>	<b>96%</b>
<b>Workers*</b>										
Male	1464	1464	100%	1464	100%	1496	1496	100%	1496	100%
Female	56	56	100%	56	100%	63	63	100%	63	100%
<b>Total</b>	<b>1520</b>	<b>1520</b>	<b>100%</b>	<b>1520</b>	<b>100%</b>	<b>1559</b>	<b>1559</b>	<b>100%</b>	<b>1559</b>	<b>100%</b>

\* This data does not include 'other than permanent employees/workers'

## 9. Details of performance and career development reviews of employees and worker

Benefits	FY 2022- 23			FY 2021- 22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	598	598	100%	612	612	100%
Female	200	200	100%	192	192	100%
<b>Total</b>	<b>798</b>	<b>798</b>	<b>100%</b>	<b>804</b>	<b>804</b>	<b>100%</b>
<b>Workers*</b>						
Male	1464	1021	69.7%	1496	1035 <sup>#</sup>	69% <sup>#</sup>
Female	56	56	100%	63	57	90%
<b>Total</b>	<b>1520</b>	<b>1077</b>	<b>71%</b>	<b>1559</b>	<b>1092<sup>#</sup></b>	<b>70%<sup>#</sup></b>

\* Workers at Goa manufacturing facility aren't covered in performance and career development reviews

<sup>#</sup> Data for the FY 2021-22 has been corrected based on error identified in the previous report

## 10. Health and Safety Management System

<b>a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).</b>	Yes, Colgate-Palmolive (India) has a robust EHS program covers review of compliance in accordance with regulations, internal standards, minimum safety behaviour programs, visible leadership programs, performance recognition initiatives, labour practices, regulatory requirements and compliances, inspections and self-assessments, audits (internal & external), employee engagement and training, emergency response plan and channels of reporting.
<b>If yes, the coverage such system?</b>	All Colgate-Palmolive (India) plants and offices including warehouses, offices and technology centres are covered.

<b>b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?</b>	The Company maintains a proactive approach towards risk identification and mitigation to avoid any unwarranted safety situations. We have implemented robust procedures across the plants pertaining to work, machinery, behaviour, and process related risks which cover all routine and non-routine activities. Our sites conduct risk assessments and job hazard analysis at regular intervals to identify all current and potential risks. The scope of these assessments also includes chemical hazard, machine guarding, ergonomic, among others.
<b>c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)</b>	Yes, all employees, visitors and contractors are encouraged to report situations, behaviours, and conditions that are perceived to be of risk or have hazardous elements. Such situations can be brought to notice through both formal and informal processes. The Company has also implemented several programs which require employees to report “unsafe conditions and unsafe behaviour.”
<b>d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)</b>	Yes, the Company has a medical officer/physician visiting the plant where each and every employee can consult the doctor for all personal medical illnesses. All employees are also covered under a medical insurance.

**11. Details of safety related incidents, in the following format**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
<b>Lost Time Injury Frequency Rate (LTIFR)</b> (per one million-person hours worked)	Employees	Nil	Nil
	Workers	0.67	Nil
<b>Total recordable work-related injuries</b>	Employees	Nil	Nil
	Workers	2	1
<b>Number of fatalities</b>	Employees	Nil	Nil
	Workers	Nil	Nil
<b>High consequence work-related injury or ill-health</b> (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

Colgate-Palmolive (India) has laid down Environment Health and Safety Standard Operating Procedures (SOPs) highlighting the roles and responsibilities of individuals, groups, and committees along with do’s and don’ts. Regular job hazard analysis is performed along with other safety related risk assessment exercises to identify potential safety challenges. Internal and external safety audits are carried out as planned to ensure compliance, identify areas of improvement, and implement appropriate actions, as required to strengthen the safety measures at the workplace. The Company engages and communicates all EHS expectations through periodic trainings.

**13. Number of Complaints on the following made by employees and workers**

Particulars	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

**14. Assessments for the year**

Particulars	% Of your plants and offices that were assessed. (by entity or statutory authorities or third parties)
<b>Health and safety practices</b>	50%*
<b>Working Conditions</b>	50%*

\* 100% of the manufacturing facilities underwent an assessment for the working conditions and health and safety practices

**15. Provide details of any corrective action taken or underway to address safety related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

The Company has robust systems in place to proactively address any actual or potential concerns which have the ability to cause an adverse impact. Colgate-Palmolive (India) has a dedicated process to identify unsafe work conditions and behaviour. The Company encourages its employees and workers to report near miss incidents, all first aid cases, recordable accidents, and other work-related illness openly and in a timely manner. These complaints (if any) are thoroughly investigated using tools like root cause analysis to gauge the level and intensity of the concern. Based on the findings, appropriate forward action plan is prepared.

As a good practice, the Company focuses on timely closure of the gaps with appropriate actions and follow ups. Colgate-Palmolive (India) takes a step further to systematically close all the identified gaps.

### Leadership Indicators

**1. Does the entity extend any life insurance or any compensatory package in the event of death of: (Y/N)?**

A) Employees	Yes
B) Workers	Yes

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Compliance with statutory dues is tracked during routine assessments of suppliers. Currently, there are no pending complaints of statutory dues not being paid by the suppliers as corroborated by the assessment done by an independent third-party audit agency.

**3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment**

Particulars	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment	
	FY 2022- 23	FY 2021- 22	FY 2022- 23	FY 2021- 22
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes. The Company has associated with a leading counseling partner and WYSA application to provide employee assistance. This can be availed by employees who are close to retirement so that they can get help and tips on how to manage their post retirement life. We also provide outplacement services to employees on a case to case basis as well as retirement benefits to retirees.

**5. Details on assessment of value chain partners**

Particulars	% Of value chain partners that were assessed: (By value of business done with such partners)
Health and safety practices Working Conditions	37 suppliers which contribute to 65% of the spends were assessed

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

In collaboration with respective suppliers, a detailed action plan is being designed on the SEDEX assessment. The Company diligently tracks actions and publishes corresponding reports to ensure 100% adherence.

**Stakeholder Inclusiveness**

**Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

Colgate-Palmolive (India) believes in collaborative growth while ensuring value creation for its stakeholders. As a result, the Company extensively engages with its stakeholders on a regular basis to understand their concerns, complaints, suggestions and incorporates them into the decision-making process. Stakeholder groups are identified on the basis of the impact created by and on them. Having identified such groups, the Company has further prioritized the stakeholders’ basis their criticality to business in terms of the level of influence, responsibility, and dependence.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder group	Whether identified as vulnerable & marginalized group. (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Newsletters, reminder letters, newspaper publications, emails, annual reports	Quarterly and Annually	Communication on financial performance, growth perspective and any other material information
Employees	No	Email, townhall, departmental meetings, conferences	Monthly and Quarterly	Communicate on occupational health and safety, human rights, new products, Company strategy, policy changes, among others
Contractual workers	Yes <i>(Women and low economic status)</i>	Meetings, notice board	Quarterly	Communication on materials, services, pricing and commodities’ trends
Vendors and suppliers	No <i>(However, we do have certain MSME supply partners)</i>	Emails and meetings	Need based	Communication on materials, services, pricing and commodities’ trends
Retailers (Direct, Indirect, Online & Offline)	No	SMS, newspaper, advertisements, pamphlets	Monthly	Communication on new launches, schemes and retailer engagement programs
Community	Yes <i>(Tribal, rural, women, low economic status)</i>	NGO network and focus group discussions	Program based	Understand challenges, testimonials, and scope for improvements
NGOs	No	Review meetings reports, and sharing impact stories	Based on program size and need	Understand challenges, testimonials, and scope for improvements

## Leadership Indicators

### 1. Provide the processes for consultation between stakeholders and the Board on Economic, Environmental and Social topics or if consultation is delegate how is feedback from such consultations provided to the Board.

The Company firmly believes that stakeholder engagement is critical for building long-term relationships and identifying potential risks and opportunities. Colgate-Palmolive (India) has established various channels to engage with the identified stakeholders on issues pertaining to Economic, Environmental, and Social topics. The relevant information is shared with the board level ESG and Corporate Social Responsibility Committee (ECC) on a regular basis.

The Committee is responsible for recognizing and addressing all ESG risks and impacts, reviewing policies to improve processes and accelerating communication channels to balance the interests of key stakeholders.

### 2. (a) Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No).

### (b) If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

The stakeholder consultation and materiality assessment exercise is leveraged to identify the impacts of business activities, operations and external environment on the economy, environment and stakeholders. It enables the Company to enhance its understanding of the relative significance of various impacts and their influence over Colgate-Palmolive (India)'s value creation business model. The materiality assessment, guided by the GRI 2021 standards, is a systematic 5-step approach that provides a holistic overview of prioritized material topics and reflects the Company's efforts to ensure stakeholder inclusivity in decision-making.

For more details, please refer 'Stakeholder-inclusive Materiality Assessment' section of the Annual and ESG Report for FY 2022-23.

### 3. Provide details of instances of engagement with and actions taken to address the concerns of vulnerable/ marginalized stakeholder groups.

In FY 2022-23, Colgate-Palmolive (India)'s water augmentation and livelihoods programmes reached the stage of maturity. Understanding this, the Company launched Water Conservation Literacy program to educate the communities and increase awareness about water conservation among local communities. New villages have been added to this program after a thorough feasibility assessment exercise and need identification.

## Human Rights

### Principle 5: Businesses should respect and promote human rights

#### Essential Indicators

### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. employees/ workers covered (B)	% (B/A)	Total (C)	No. employees/ workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	798	798	100%	804	804	100%
Other than permanent	1382	1382	100%	1166	1166	100%
<b>Total Employees</b>	<b>2180</b>	<b>2180</b>	<b>100%</b>	<b>1970</b>	<b>1970</b>	<b>100%</b>
<b>Workers</b>						
Permanent	1520	1520	100%	1559	1559	100%
Other than permanent	684	684	100%	568	568	100%
<b>Total workers</b>	<b>2204</b>	<b>2204</b>	<b>100%</b>	<b>2127</b>	<b>2127</b>	<b>100%</b>



**2. Details of minimum wages paid to employees and workers, in the following format**

Category	FY 2022- 23					FY 2021- 22				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Permanent employees</b>										
Male	598	Nil	-	598	100%	612	Nil	-	612	100%
Female	200	Nil	-	200	100%	192	Nil	-	192	100%
<b>Total</b>	<b>798</b>	<b>Nil</b>	<b>-</b>	<b>798</b>	<b>100%</b>	<b>804</b>	<b>Nil</b>	<b>-</b>	<b>804</b>	<b>100%</b>
<b>Other than permanent employees</b>										
Male	1070	Nil	-	1070	100%	Nil	Nil	-	-	-
Female	312	Nil	-	312	100%	Nil	Nil	-	-	-
<b>Total</b>	<b>1382</b>	<b>Nil</b>	<b>-</b>	<b>1382</b>	<b>100%</b>	<b>1166*</b>	<b>Nil</b>	<b>-</b>	<b>1166</b>	<b>100%</b>
<b>Permanent workers</b>										
Male	1464	Nil	-	1464	100%	1496	Nil	-	1496	100%
Female	56	Nil	-	56	100%	63	Nil	-	63	100%
<b>Total</b>	<b>1520</b>	<b>Nil</b>	<b>-</b>	<b>1520</b>	<b>100%</b>	<b>1559</b>	<b>Nil</b>	<b>-</b>	<b>1559</b>	<b>100%</b>
<b>Other than permanent workers</b>										
Male	554	Nil	-	554	100%	484	Nil	-	484	100%
Female	130	Nil	-	130	100%	84	Nil	-	84	100%
<b>Total</b>	<b>684</b>	<b>Nil</b>	<b>-</b>	<b>684</b>	<b>100%</b>	<b>568</b>	<b>Nil</b>	<b>-</b>	<b>568</b>	<b>100%</b>

\* We were in the process of implementing appropriate provisions to track the gender bifurcation in FY 2021-22

**3. Details of remuneration/salary/wages, in the following format**

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹)	Number	Median remuneration/ salary/ wages of respective category (₹)
<b>Board of Directors (BoD)**</b>	2	3,91,16,220	1	7,18,97,388
<b>Key Managerial Personnel (KMP)*</b>	2	3,91,16,220	1	7,18,97,388
<b>Employees other than BoD and KMP</b>	596	18,00,576	199	21,11,712
<b>Workers</b>	1,464	4,79,951	56	2,39,999

\*Only the BoD on Company's payroll are considered

# Median remuneration calculated basis the annualised salaries/wages

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, the Company has instituted a robust and efficient grievance mechanism with a defined escalation matrix. At the apex, we have the Leadership Team, comprising of functional heads, which ensures efficacious oversight of human rights compliance. In order to further propel the agenda, a Human Rights Leader is constituted who is centrally responsible for addressing potential violations and issues caused or contributed by the Company/partners/suppliers. The on-ground implementation is driven by Human Rights Champions who consolidate and communicate information which enable informed decisions that focus on cascading human rights compliance across the Company's length and width.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Colgate-Palmolive (India) encourages all employees to raise concerns and report any situation which they deem is in contravention to the Code of Conduct or the law. Diverse formal and informal channels such as dedicated email, web tool, internal helpline and Colgate-Palmolive (India) mobile app are available to report potential incidents to the manager, Human Resources, Global Ethics and Compliance or the Global Legal Organization

Additionally, manufacturing facilities are equipped with employee engagement initiatives and platforms such as workers committee meetings which encourage employees and workers to share ideas, grievances through plant performance reviews and suggestion schemes including employee welfare.

The Company has also established an Ethics & Compliance Helpline where individuals can raise complaints. The concern is assigned to an internally trained investigator who conducts an extensive investigation. Based on the outcome of the investigation, appropriate actions are taken for any alleged violations. At a local level, the GM, Legal Director and HR director are key points of contact for the Global ethics team and the investigator.

Colgate-Palmolive (India) has an Internal Committee (IC) which overlooks Prevention of Sexual Harassment and has representation from all different plants and branches. Any case that is raised is thoroughly and confidentially investigated. If found guilty, appropriate action is taken against the accused.

## 6. Number of Complaints on the following made by employees and workers

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
<b>Sexual Harassment</b>	2	Nil	-	3	Nil	-
<b>Discrimination at workplace</b>	Nil	N.A.	-	Nil	N.A.	-
<b>Child Labour</b>	Nil	N.A.	-	Nil	N.A.	-
<b>Forced/ Involuntary Labour</b>	Nil	N.A.	-	Nil	N.A.	-
<b>Wages</b>	Nil	N.A.	-	Nil	N.A.	-
<b>Other human rights related issues</b>	1	N.A.	-	Nil	N.A.	-

## 7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Colgate-Palmolive (India) upholds the values of trust, transparency and respect across all internal and external interactions. The Company safeguards the privacy of all discrimination and harassment cases through a stringent zero-retaliation policy which ensures no adverse action is taken against an individual for complaining, reporting, participating or assisting in an investigation. We strongly believe that individuals should be able to raise concerns without the fear of retaliation. Any violations against the policy are investigated by the relevant committee and appropriate remedial action is undertaken. We ensure regular communication to increase awareness regarding ethics and compliance issues, relevant policies and available mechanisms that can be availed to raise concerns on retaliation.

## 8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, our Human Rights Policy is an integral component of all agreements and contracts that are entered by the Company.

## 9. Assessments for the year

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

## 10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

During the assessment there were no concerns observed

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

Although no instances were observed that required modification of the existing process, we continually monitor and remain vigilant for any potential need of modification.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

Human Rights Due Diligence is carried out for all direct business operations including manufacturing plants, sales branch offices and Head Office. Our due diligence process assess human rights risks in freedom of association, health & safety, child labor, forced labor, discrimination & harassment, diversity & inclusion and wages & working hours. For suppliers and third-party vendors, Colgate-Palmolive (India)'s SRSA program assesses risks across human rights, health and safety, ethics, and legal aspects.

**3. Is the premise/office of the entity accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

The Company has undertaken an access audit to determine level of modifications required for upgrading infrastructure in line with the needs of PwD individuals. In certain locations of Colgate-Palmolive (India), office premises and infrastructure are modified to enable a comfortable working environment for differently abled visitors and employees.

**4. Details on assessment of value chain partners**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	65%
Discrimination at workplace	65%
Child Labour	65%
Forced Labour/Involuntary Labour	65%
Wages	65%
Others – please specify	65%

Note: 37 suppliers, which contribute to 65% of spends, have been assessed as per the SRSA Standard

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

All assessments are supported with the follow up action plan and compliance, which are updated on the SEDEX website. Adherence to the closure of all plans and compliances are monitored regularly by the Colgate-Palmolive (India) Central team based out of the US office of the parent Company.

## Environment Sustainability

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

#### Essential Indicators

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format

Parameter	FY 2022-23 <sup>#</sup>	FY 2021-22
Total electricity consumption (GJ)	1,84,882.74	1,69,120.61
Total fuel consumption (GJ)	40,653.86	43,156.98*
Energy consumption through other sources (GJ)	Nil	Nil
<b>Total energy consumption (GJ)</b>	<b>2,25,536.60</b>	<b>2,12,277.59</b>
Energy intensity per rupee of turnover (GJ/₹ Lakhs) (Total energy consumption/ turnover in rupees)	0.43	0.41*

\*Fuel consumption and energy intensity have been corrected based on error identified in total fuel consumption in the previous report

<sup>#</sup>Reporting boundary for FY 2022-23 was expanded to include the Head Office, Mumbai and hence the data is not directly comparable to the previous year.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency. No

#### 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance Achieve and Trade (PAT) Scheme of the Government of India? No

If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved provide the remedial action taken if any. N.A.

#### 3. Provide details of the following disclosures related to water, in the following format

Parameter	FY 2022-23 <sup>#</sup>	FY 2021-22
<b>Water Withdrawn by the source (KL)</b>		
i) Surface Water	Nil	Nil
ii) Ground Water	95,876	1,14,024
iii) Third Party Water	1,33,884	1,21,489
iv) Seawater/ desalinated water	Nil	Nil
v) Other sources	8,209	9,531
<b>Total Vol of Water Withdrawn (i + ii + iii + iv + v)</b>	<b>2,37,969</b>	<b>2,45,044</b>
<b>Total Vol of Water Consumed (KL)</b>	<b>2,37,969</b>	<b>2,45,044</b>
<b>Water intensity per rupee of turnover (KL/₹ Lakhs)</b> (Water consumed/turnover)	<b>0.46</b>	<b>0.48</b>

<sup>#</sup>Reporting boundary for FY 2022-23 was expanded to include the Head Office, Mumbai and hence the data is not directly comparable to the previous year.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

#### 4. Has the entity implemented a mechanism for Zero Liquid Discharge? (Yes/ No)

The manufacturing sites located at Sanand and Goa recycles and reuses 100% of the wastewater generated within the premises. The treated water is used for gardening, toilet flushing and in utilities.

The Baddi manufacturing site treats 100% of the wastewater, which is further sent to a common industrial wastewater treatment plant as per the mandatory requirement in its consent to operate

The Sri City manufacturing site and Head office recycles some water as per the norms stipulated by the local government. The recycled water is used for gardening purposes.

**If yes, Provide details of its coverage and implementation.**

All sites of the Company are covered to showcase its efforts towards ensuring zero liquid discharge outside the site boundary.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format**

Parameter	Please specify unit of measurement (UoM)	FY 2022-23 #	FY 2021-22
NOx	Kg	2,229.74	2,306.78
SOx	Kg	905.98	692.65*
Particulate matter (PM)	Kg	1,789.23	1,686.09
Persistent organic pollutants (POP)		Nil	Nil
Volatile organic compounds (VOC)		Nil	Nil
Hazardous air pollutants (HAP)		Nil	Nil
Others - please specify		Nil	Nil

\* The reduction in SOx emissions was a result of fuel change in boiler operations from Diesel to Natural Gas

#Reporting boundary for FY 2022-23 was expanded to include the Head Office, Mumbai and hence the data is not directly comparable to the previous year.

**Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency**

Yes, government authorized agencies carry out monitoring in every state as per SPCB norms

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format**

Parameter	Unit	FY 2022-23#	FY 2021-22
<b>Total Scope 1 emissions</b> <i>(Break-up of the GHG into CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, if available)</i>	<i>Metric tonnes of CO<sub>2</sub> equivalent</i>	3,378.20	2,837.24*
<b>Total Scope 2 emissions</b> <i>Break-up of the GHG into CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, if available)</i>	<i>Metric tonnes of CO<sub>2</sub> equivalent</i>	31,760.45	31,006.98
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover (Metric tonnes of CO<sub>2</sub> equivalent/₹ Lakhs)</b>		0.07	0.07*

\*Total Scope 1 emissions and emission intensity have been corrected based on error identified in the total fuel consumption in the previous report

#Reporting boundary for FY 2022-23 was expanded to include the Head Office, Mumbai and hence the data is not directly comparable to the previous year.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No**

**7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

Green energy is procured from Hydroelectric power stations at Baddi Manufacturing site which reduce dependency on fossil fuels and thereby reducing CO<sub>2</sub> emissions. The Company utilizes the CNG piped gas for its boilers at Goa and Sanand sites. The manufacturing sites in Sri City and Sanand use power generated through renewable sources namely as viz. wind and solar. Additionally, all the sites use environment-friendly refrigerants. The Company ensures that all new machines and equipment are energy efficient, thereby optimizing energy usage and strives to reduce the carbon footprint of the product.

8. Provide details related to waste management by the entity, in the following format

Parameter	FY 2022-23 <sup>#</sup>	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	974.64	710.99
E-waste (B)	10.89	3.10
Bio-medical waste (C)	9.42	2.90
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	24.78	27.82
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G) <i>ETP Sludge</i>	519.28	368.48
Other Non-hazardous waste generated (H): <i>Spent oil</i>	5.41	2.01
Other Non-hazardous waste generated (H): <i>Waste cream</i>	559.02	673.97*
Other Non-hazardous waste generated (H): <i>Other</i>	2,245.03	2,389.45*
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>4,348.47</b>	<b>4,178.71</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of Waste</b>		
(i) Recycled	3,999.99	3,920.40*
(ii) Re-used	334.97	921.62
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	<b>4,334.96</b>	<b>4,842.02*</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of disposal Method</b>		
(i) Incineration	9.42	3.111
(ii) Landfilling	9.50	17.626
(iii) Other disposal operations	Nil	Nil
<b>Total</b>	<b>18.92</b>	<b>20.737</b>

\*Quantities of waste cream, other non-hazardous waste and total waste recycled have been corrected based on error identified in the previous report

<sup>#</sup>Reporting boundary for FY 2022-23 was expanded to include the Head Office, Mumbai and hence the data is not directly comparable to the previous year.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No**

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company disposes all the hazardous waste only to government approved waste management agencies. All batteries are sent to pollution control board authorized manufacturers only as part of the buy-back program. Colgate-Palmolive (India) endeavors to optimize the product development process and decrease the use of raw materials which are then disposed of as hazardous waste. Additionally, to reduce dependence on chemicals the Company has installed efficient equipment for laboratory testing.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	Nil	

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web link
Nil					

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format**

Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts.	Corrective action taken, if any
All the Colgate- Palmolive (India) manufacturing sites are compliant to all the mentioned norms			

**Leadership Indicators**

**1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format**

Parameter	FY 2022-23 <sup>#</sup>	FY 2021-22
<b>From Renewable Sources (GJ)</b>		
Total electricity consumption (A)	23,843.84	27,822.96
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>23,843.84</b>	<b>27,822.96</b>
<b>From Non-Renewable Sources (GJ)</b>		
Total electricity consumption (D)	1,61,038.90	1,41,297.65
Total fuel consumption (E)	40,653.86	43,156.98*
Energy consumption through other sources (F)	Nil	Nil
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>2,01,692.76</b>	<b>1,84,454.63*</b>

\*Fuel consumption and total energy consumption has been corrected based on error identified in the previous report

<sup>#</sup>Reporting boundary for FY 2022-23 was expanded to include the Head Office, Mumbai and hence the data is not directly comparable to the previous year.

**2. Provide the following details related to water discharged**

Parameter	FY 2022-23 <sup>#</sup>	FY 2021-22
<b>Water discharge by destination and level of treatment (KL)</b>		
<b>(i) To Surface Water</b>		
- No treatment	Nil	Nil
- With treatment (please specify level of treatment)	Nil	Nil
<b>(ii) To Groundwater</b>		
- No treatment	Nil	Nil
- With treatment (please specify level of treatment)	Nil	1,624
<b>(iii) To Seawater</b>		
- No treatment	Nil	Nil
- With treatment (please specify level of treatment)	Nil	Nil
<b>(iv) Sent to third parties</b>		
- No treatment	17,071	8,215
- With treatment (please specify level of treatment)	51,335	14,729

Parameter	FY 2022-23 <sup>#</sup>	FY 2021-22
<b>(v) Others</b>		
- No treatment	Nil	Nil
- With treatment ( <i>please specify level of treatment</i> )	68,212.7	60,686
<b>Total Water discharged (KL)</b>	<b>1,36,618.7</b>	<b>85,254</b>

<sup>#</sup>Reporting boundary for FY 2022-23 was expanded to include the Head Office, Mumbai and hence the data is not directly comparable to the previous year.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.** No

### 3. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters)

For each facility / plant located in areas of water stress, provide the following information

(i) **Name of the area:** Sri City (Andhra Pradesh), Sanand (Gujarat), and Baddi (Himachal Pradesh)

These areas have been identified as water stress areas based on World Resources Institute (WRI) aqueduct tool

(ii) **Nature of operations:** Manufacturing

(iii) **Water withdrawal, consumption and discharge in the following format**

Parameter	FY 2022-23 <sup>#</sup>	FY 2021-22
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	Nil	Nil
(ii) Groundwater	70,703	82,262
(iii) Third party water	1,04,312	1,05,102
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
<b>Total volume of water withdrawal (KL)</b>	<b>1,75,015</b>	<b>1,87,364</b>
<b>Total volume of water consumption (KL)</b>	<b>1,75,015</b>	<b>1,87,364</b>
<b>Water intensity per rupee of turnover (KL/₹ Lakhs)</b> (Water consumed / turnover)	<b>0.34</b>	<b>0.37</b>
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
<b>(i) Into Surface water</b>		
- No treatment	Nil	Nil
- With treatment ( <i>please specify level of treatment</i> )	Nil	Nil
<b>(ii) Into Groundwater</b>		
- No treatment	Nil	Nil
- With treatment ( <i>please specify level of treatment</i> )	Nil	1,624
<b>(iii) Into Seawater</b>		
- No treatment	Nil	Nil
- With treatment ( <i>please specify level of treatment</i> )	Nil	Nil
<b>(iv) Sent to third-parties</b>		
- No treatment	9,069	8,215
- With treatment ( <i>please specify level of treatment</i> )	51,335	14,729
<b>(v) Others</b>		
- No treatment	Nil	Nil
- With treatment ( <i>please specify level of treatment</i> )	40,295.7	31,456
<b>Total water discharged (KL)</b>	<b>1,00,699.7</b>	<b>56,024</b>

<sup>#</sup>Reporting boundary for FY 2022-23 was expanded to include the Head Office, Mumbai and hence the data is not directly comparable to the previous year.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.** No



**4. Please provide details of total Scope 3 emissions & its intensity, in the following format**

Colgate-Palmolive (India) is currently in the process of setting up a system to record and quantify its Scope 3 emissions and will report on it in the upcoming years.

Parameter	Unit	FY 2022-23	FY 2021-22
<b>Total Scope 3 emissions</b> <i>(Break-up of the GHG into CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, if available)</i>	Metric tonnes of CO <sub>2</sub> equivalent	-	-
<b>Total Scope 3 emissions per rupee of turnover</b>		-	-
<b>Total Scope 3 emission intensity</b> <i>(optional) – the relevant metric may be selected by the entity</i>		-	-

**5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.**

N.A.

**6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format**

Initiative undertaken	Details of the initiative <i>(web-link, if any, may be provided along-with summary)</i>	Outcome of the initiative
Installation of EC blowers at Baddi Manufacturing Site	Replaced the conventional blowers of AHUS with EC type blowers	The replacement of conventional blowers with EC has resulted in energy reduction by ~10000 KWH per month
HVAC chiller replacement at Baddi Manufacturing Site	Replaced screw type chiller with centrifugal type chiller	The replacement of conventional blowers with EC has resulted in energy reduction by ~29000 KWH per month
IR burners installation	IR burners installed at kitchen stoves to reduce LPG consumption for cooking	Installation of IR burners has resulted in LPG reduction by ~40%

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes, all manufacturing sites have a comprehensive Business Continuity Plan (BCP) and disaster management plan to effectively manage any emergency, disaster and crisis. The identified risks and the corresponding remedial actions are covered in the plan. A line of command and procedure to be followed is established. The resilience of these plans under different disruption scenarios are tested on an on-going basis. The Company has also ensured that each site can also produce products from other locations in case of any production delay, disruption, or local disaster.

**8. Disclose any significant adverse impact to the environment arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

No adverse impacts are identified to the environment arising from the value chain. The Company has Enhanced Supplier Management (ESM) processes in place. ESM is the Company’s global audit and risk assessment process to identify potential risks and ensure preventive and mitigation measures to ensure minimal damage.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

37 suppliers which contribute to 65% of the spends

## Responsible Public Advocacy

**Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

### Essential Indicators

**1. (a) Number of affiliations with trade and industry chambers/ associations.**

Eight

**(b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to<sup>80</sup>.**

Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
The Advertising Standards Council of India - ASCI	National
Indian Beauty & Hygiene Association - IBHA	National
The Associated Chambers of Commerce and Industry of India - ASSOCHAM	National
American Chamber of Commerce in India - AMCHAM	National
Confederation of Indian Industry – CII WESTERN REGION	National
Federation of Indian Chambers of Commerce and Industry – FICCI	National
Bombay Chamber of Commerce and Industry - BCCI	State
Ayurvedic Drug Manufacturer's Association - ADMA	National

**2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
	Nil	

### Leadership Indicators

**1. Details of public policy positions advocated by the entity**

Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes / No)	Frequency of review by board (Annually/ Half yearly/ Quarterly / Others - please specify)	Web link if available
Colgate-Palmolive (India) pursues its advocacy agenda independently and also through trade associations such as CII, FICCI and IBHA. The topics covered under these initiatives include notifications and circulars under Data Privacy Laws, Drugs & Cosmetics Act, Legal Metrology Laws, Bureau Of Indian Standards etc.	The Company makes written submissions and participates in meetings (virtually and in person) through delegations as per the requirements for better expression of concerns and viewpoints	Yes	Annual	<a href="https://www.colgateinvestors.co.in/media/2938/public-policy-advocacy.pdf">https://www.colgateinvestors.co.in/media/2938/public-policy-advocacy.pdf</a>

<sup>80</sup>GRI 2-28

## Inclusive & Equitable Development

### Principle 8: Businesses should promote inclusive growth and equitable development

#### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency? (Yes / No)	Results communicated in public domain? (Yes / No)	Relevant web link
COVID -19 pandemic	-	-	Yes	Yes	

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format

Name of Project for which R&R is ongoing	State & District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
		N.A.		

3. Describe the mechanisms to receive and redress grievances of the community.

The Company extensively engages with the community on a regular basis during annual program review, community meetings, and focused group discussions. These exercises provide a platform for any individual or groups to raise their concerns. All meetings between the CSR representatives and teams along with NGOs and communities are recorded in a structured manner to gauge impacts, strengths, challengers and scope for improvement.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

Particulars	FY 2022 - 23	FY 2021 - 22
Directly sourced from MSMEs/ small producers	8.38%	7.43%
Sourced directly from within the district and neighboring districts	39%	35%

#### Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)

Details of negative social impact identified	Corrective Actions Taken
No negative impacts have been identified	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies

State	Aspirational District	Amount spent (₹)
Andhra Pradesh	Kadapa, Visakhapatnam, Vizianagaram	1,77,50,083
Assam	Baksa, Barpeta, Darrang, Hailakandi	1,30,000
Bihar	Banka, Begusarai, Gaya, Muzaffarpur, Sitamarhi	1,30,000

State	Aspirational District	Amount spent (₹)
Chhattisgarh	Korba	20,000
Himachal Pradesh	Chamba	20,000
Jharkhand	Bokaro, East Singhbhum, Giridih, Gumla, Hazaribag, Pakur, Palamu, Ranchi, West Singhbhum	6,30,000
Karnataka	Bijapur, Gadag	2,00,000
Madhya Pradesh	Damoh, Guna, Vidisha	1,40,000
Maharashtra	Aurangabad, Gadchiroli, Jalgaon, Nandurbar, Osmanabad	6,60,000
Odisha	Behrampur, Dhenkanal, Rayagada	5,34,844
Rajasthan	Sirohi	40,000
Telangana	Adilabad, Khammam	40,000
Uttar Pradesh	Fatehpur, Siddharthnagar	40,000
Uttarakhand	Haridwar, Udham Singh Nagar	80,000
West Bengal	Krishnagar (Nadia), Birbhum	31,10,538

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) : No
- b. From which marginalized /vulnerable groups do you procure? : None
- c. What percentage of total procurement (by value) does it constitute? : N.A.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
N.A.			

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved

Name of authority	Brief of the Case	Corrective action taken
Nil		

6. Details of beneficiaries of CSR Projects

Particulars	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Access to Water, Water Augmentation for Livelihoods & Women Empowerment (Amravati & Southern Rajasthan)	1,48,833	Through its diverse programs, the Company plans to reach larger number of beneficiaries belonging from vulnerable and marginalized groups. Currently, more than 95% of the beneficiaries include children, youth, women and men belonging from tribal, rural, semi-urban and urban communities who are economically marginalized and underserved. The Company has initiatives in areas with lack of access to natural resources like water.
Help Young People in Our Communities Thrive	4,171	
Oral Health Elevation	1,05,158	

## Consumer Wellbeing

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

### Essential Indicators

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Colgate-Palmolive (India) follows a consumer-first approach and believes that close communication is the key to building long term relationships. The Company has established several channels of communication for the consumer to communicate their grievance/ concerns to the Company. This includes various social media platforms and formal contact details (phone number and email ID) on the product label. The complaints are addressed by a dedicated team which ensures that all the complaints are resolved in an efficient and timely manner. The Company has a robust system to document all the recorded complaints/concerns using the Complaint Data Management System. Any instance of consumer dissatisfaction is further handled in accordance with the Company’s consumer satisfaction policy.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about**

Colgate-Palmolive (India) is committed to ensuring information regarding various environmental, safety and social aspects is provided to its consumers through all its products. These aspects are covered on its packaging across the portfolio.

Particulars	As a percentage to total turnover
Environmental product and social parameters relevant to the Product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

**3. Number of consumer complaints in respect of the following**

Category	FY 2022 - 23		Remark	FY 2021 - 22		Remark
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	-	The Company receives and resolves all consumer queries in a timely and efficient manner. In FY 2022-23 there were no complaints reported in respect of the identified matters.	Nil	-	-
Advertising	Nil	-		Nil	-	-
Cyber-security	Nil	-		Nil	-	-
Delivery of essential services	Nil	-		Nil	-	-
Restrictive Trade Practices	Nil	-		Nil	-	-
Unfair Trade Practices	Nil	-		Nil	-	-
Other	Nil	-		Nil	-	-

**4. Details of instances of product recalls on account of safety issues**

Particulars	Number	Reason for recall
Voluntary Recall	Nil	N.A.
Forced Recall	Nil	N.A.

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)**

Yes, the Company has a global cybersecurity policy which is available on the intranet to all its employees. The policy establishes a well-defined escalation process that employees can follow in case of suspicious behaviour.

The Company also places the utmost priority on safeguarding customer privacy as reflected in the consumer privacy policy. This policy outlines responsible practices related to customer data, their rights, and privacy mechanisms.

**If available, provide a web-link of the policy.**

<https://www.colgatepalmolive.co.in/legal-privacy-policy>

This policy is implemented to protect the privacy of the Company's customers and consumers.

- 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services - N.A.**

#### Leadership Indicators

- 1. Channels / platforms where information on products and services of the entity can be accessed (provide web link if available).**

Information regarding all products of Colgate-Palmolive (India) is available on the Company's website and can be accessed at [www.colgate.com/en-in](http://www.colgate.com/en-in). Additionally, the Company publishes product information on several social media and e-commerce platforms.

- 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Colgate-Palmolive (India) ensures safe and responsible usage of the products through informative labeling. The packaging provides information regarding safe usage and disposal for the majority of products including tubes, cartons, brush packets, bottle labels, among others. The Company's labeling and packaging also includes information and symbols related to its initiatives to promote recycling and water conservation. Additionally, product information is also available on the Company website and e-commerce sites.

- 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

In case of any adverse scenario, the Company can leverage various mass media tools such as live TV, radio, print, social media platforms, e-commerce pages, and brand stores for communication. Additionally, the Company can send out emails and SMS to consumers who have opted for regular communication from Colgate-Palmolive (India).

- 4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable). If yes, provide details in brief.**

Yes, the Company has a proactive approach towards providing information on usage directions including information on the recommended quantity to be used and age limits, which are over and above the current regulatory requirements.

**Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, Colgate-Palmolive (India) regularly conducts consumer satisfaction surveys to gauge consumer satisfaction in collaboration with the services of an independent provider. The scores of the surveys are thoroughly analyzed for identifying areas of improvement. This feedback provides valuable insights into enhancing processes, systems, and employee skill capacity. To ensure that the corrective actions are undertaken efficiently, the Company has also implemented a follow-up monitoring mechanism

- 5. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

- a. Number of instances of data breaches along-with impact : Nil**
- b. Percentage of data breaches involving personally identifiable information of customers : Nil**

For Colgate-Palmolive (India) Limited

Place: Mumbai  
Date: May 12, 2023

**Prabha Narasimhan**  
Managing Director and  
Chief Executive Officer  
(DIN: 08822860)

**M.S. Jacob**  
Whole-time Director &  
Chief Financial Officer  
(DIN: 07645510)

# Independent Auditor’s Report

To the Members of **Colgate-Palmolive (India) Limited**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of Colgate-Palmolive (India) Limited (“the Company”), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013, as amended (“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, 2023, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Financial Statements’ section of our report. We are independent of the Company in accordance with the ‘Code

of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. 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.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the ‘Auditor’s responsibilities for the audit of the Financial Statements’ section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

**Key audit matters****How our audit addressed the key audit matter****(a) Revenue recognition (as described in note 25 of the financial statements)**

Revenue from the sale of goods is measured net off discounts and rebates that are given to the customers (i.e, to the Wholesale traders and Retail traders) as a part of sales promotion, comprising of primary and secondary schemes.

Of the total discounts and rebates passed on to the customers, certain discounts and rebates are passed on to the customers only on secondary sale made by wholesale trader to retail trader i.e., secondary schemes.

Significant judgement is required in estimating accruals relating to secondary schemes recognized, based on sales made during the year.

Our audit procedures included the following:

- Our audit procedures included, amongst others, assessing the appropriateness of the Company's revenue recognition accounting policies including those relating to discounts and rebates for primary and secondary sales.
- Obtained an understanding, assessed and tested the operating effectiveness of internal control relating to the identification, recognition and measurement of discounts and rebates for secondary schemes
- Tested on sample basis, the underlying documentation and assumptions, for discount and rebate provisions accrued during the year in relation to secondary sales.
- Tested on sample basis, the subsequent claims accounted by the company, to assess the adequacy of accruals outstanding as at year end.
- Performed an analysis between historical accrual and actual expenses incurred for the previous periods.
- Obtained reasons from management to ascertain reasonableness in relation to ageing of outstanding accruals and verified subsequent settlement of provisions.
- We assessed the adequacy of the disclosures in respect of revenue to be disclosed as per Ind AS 115.

**(b) Contingent liabilities / provisions in relation to Tax Litigations (as described in note 24(A), note 31(e) and note 32 of the financial statements)**

The Company has received various demand orders and notices under various tax laws which the Company is contesting. In cases where the outflow of resources embodying economic benefits is probable, the company has made provision and in cases where outflow of resources embodying economic benefits is possible, then such items are disclosed as contingent liabilities.

Significant judgements and estimates are required to assess impact of these litigations on the financial position, results of operations and cash flows.

Our audit procedures included the following:

- Obtained an understanding, assessed and tested the internal control environment relating to the identification, recognition and measurement of provisions for disputes and disclosures of contingent liabilities in relation to tax litigations.
- Obtained details of completed tax assessments and demands issued by tax authorities, from the management
- Read the orders/notices received from tax authorities and held discussion with management to understand management's assessment of the quantification and likelihood of significant exposures and the provision required for specific cases. We engaged tax specialists to evaluate the current status of tax assessments and management's position in relation to on-going disputes with regard to likelihood assessment of exposure done by the management.
- Analysed the management's estimates related to the recognized provisions for disputes and disclosures of contingent liabilities in relation to tax litigations and uncertain tax positions in the financial statements.



## Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue

as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of

the Act, we give in the "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. 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, in electronic mode on servers physically located in India so far as it appears from our examination of those books. Management has represented that the process of taking daily backups is in place, however, we are unable to comment on the same due to absence of backup logs beyond the cyclic period of 10 days at any point in time (Refer note 45 to the financial statements).
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) Our remark relating to maintenance of books of accounts and other related matters connected there with are as stated in paragraph (b) above;
  - (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure II" to this report;
  - (h) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid

/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 32 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no

funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

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**per Pritesh Maheshwari**

Partner

Membership Number: 118746

UDIN: 23118746BGYNUJ4116

Place of Signature: Mumbai

Date: May 12, 2023

# Annexure I

## to the Independent Auditor's Report of even Date on the Financial Statements of Colgate-Palmolive (India) Limited

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) All property, plant and equipment are physically verified by the Management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and the procedure of such verification by the management is appropriate. No material discrepancies of inventory were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2023 and no material discrepancies were noticed in respect of such confirmations.
- (b) The Company has not been sanctioned working capital limits in excess of INR five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has provided loans to companies as follows:

Particulars	Loans (₹ Lakhs)
Aggregate amount provided during the year	2,500
Balance outstanding as at balance sheet date in respect of above cases	625

- (b) During the year the terms and conditions of the grant of all loans to companies are not prejudicial to the Company's interest. During the year the Company has not made investments, provided guarantees, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (c) The Company has granted loan during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, Limited Liability Partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

- (iv) There are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 of the Companies Act, 2013 are applicable and hence not commented upon. Further, according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013 in respect of loans, investments and, guarantees, and security have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of income-tax, goods and services tax, duty of excise, customs, service tax, sales-tax, value added tax and cess on account of any dispute, are as follows:

#### Income Tax

Sr. no.	Name of the Statute	Period to which amount relates	Forum where dispute is pending	Amount (₹ Lakhs)
1	Income Tax Act, 1961	AY 2011-12 to AY 2018-19	Income Tax Appellate Tribunal	1,19,475.09
		AY 2006-07 to AY 2007-08	First Appellate Authority	42.75
		AY 1996-97 to AY 2000-01	High Court	1,100.21
	<b>Total</b>			<b>1,20,618.05</b>

#### Goods & Services Tax

Sr. no.	Name of the Statute	Period to which amount relates	Forum where dispute is pending	Amount (₹ Lakhs)
1	Central Goods & Services Tax Act, 2017	2017-18	Appellate authority upto Commissioner's level	4,861.32
	<b>Total</b>			<b>4,861.32</b>

#### Excise related matters

Sr. no.	Name of the Statute	Period to which amount relates	Forum where dispute is pending	Amount (₹ Lakhs)
1	The Central Excise Act, 1944	Excise duty liability 1994-95, 2005-06 to 2010-11 and Jun'14 - Jun'17	Customs, Excise and Service Tax Appellate Tribunal	1,998.07
		1998-1999 to 2004-05 and 2006-07 to 2016-17	First appellate authorities	803.16
	<b>Total</b>			<b>2,801.23</b>

### Customs Act

Sr. no.	Name of the Statute	Period to which amount relates	Forum where dispute is pending	Amount (₹ Lakhs)
1	Customs Act, 1962	June 2022	Customs, Excise and Service Tax Appellate Tribunal	209.45
<b>Total</b>				<b>209.45</b>

### Service Tax

Sr. no.	Name of the Statute	Period to which amount relates	Forum where dispute is pending	Amount (₹ Lakhs)
1	Service Tax (Finance Act, 1994)	July 2007 to October 2008	Customs, Excise and Service Tax Appellate Tribunal	15.20
		2003 to 2010, 2013 to 2017	First appellate authorities	13.11
<b>Total</b>				<b>28.31</b>

### Sales Tax and Value Added Tax

Sr. no.	Name of the Statute	Period to which amount relates	Forum where dispute is pending	Amount (₹ Lakhs)
1	Statute applicable in Maharashtra, Uttar Pradesh and Kerala	1993-94, 2004-05 and 2016-17	High court	431.97
2	Statute applicable in Maharashtra, Uttar Pradesh, Madhya Pradesh, Andhra Pradesh, Kerala, Rajasthan, Uttaranchal, Delhi, Tripura, West Bengal, Bihar, Odisha, Assam, Gujarat, Karnataka, Jharkhand, Goa, Chandigarh, Haryana	1988-89, 1995-96, 1996-97, 1998-99, 2000-01 to 2017-18 and 2019-20	Assessing authorities and First Appellate Authorities of various states	1,148.44
3	Statute applicable in Maharashtra, Uttar Pradesh, Andhra Pradesh, Kerala, Bihar, Odisha and Karnataka	1987-88, 1990-91, 1995-96 to 1997-98, 1999-00 to 2001-02, 2003-04 and 2013-14	Sales Tax Appellate Tribunal of various States	210.61
<b>Total</b>				<b>1,791.02</b>

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowing or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause 3(ix)(a) of the order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.

- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of further public offer (including debt instruments), hence, the requirement to report on clause 3(x)(a) is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the company or no material fraud on the company has been noticed or reported during the year.
- (b) During the year, no report under sub-section 12 of section 143 of the Companies Act, 2013 has been filed by us in Form ADT- 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. As informed to us by the Company no report under sub-section 12 of section 143 of the Companies Act, 2013 has been filed by secretarial auditor in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) & (c) of the Order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There are no other companies part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current year and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 43 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be

transferred to a fund specified in Schedule VII of the Companies Act, 2013 (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 30(B) to the financial statements.

- (b) All amounts that are unspent under sub section 5 of section 135 of Companies Act, 2013, pursuant to any ongoing project, has been transferred to special account in compliance with provisions of sub section 6 of section 135 of the said Act. This matter has been disclosed in note 30(B) to the financial statements.

- (xxi) The Company is not required to prepare consolidated financial statements since there are no investments in

subsidiaries or associates or joint ventures. Therefore, the requirement to report under clause 3(xxi) of the Order is not applicable to the Company.

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

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**per Pritesh Maheshwari**

Partner

Membership Number: 118746

UDIN: 23118746BGYNUJ4116

Place of Signature: Mumbai

Date: May 12, 2023



# Annexure II

## to the Independent Auditor's Report of even Date on the Financial Statements of Colgate-Palmolive (India) Limited

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Colgate-Palmolive (India) Limited ("the Company") as of March 31, 2023 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

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 the 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 Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to these

financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, 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.

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 with reference to these financial statements.

### Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 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 With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to

financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, 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 issued by the ICAI.

### For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

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### per Pritesh Maheshwari

Partner

Membership Number: 118746

UDIN: 23118746BGYNUJ4116

Place of Signature: Mumbai

Date: May 12, 2023

# Balance Sheet

as at March 31, 2023

	Note	As at March 31, 2023 ₹ Lakhs	As at March 31, 2022 ₹ Lakhs
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3(A)	86,179.92	96,297.14
Capital Work-in-Progress	3(B)	11,407.68	12,184.42
<b>Financial Assets</b>			
(i) Loans	4	92.02	133.88
(ii) Others	5	1,853.97	1,703.29
Deferred Tax Assets (Net)	19	2,884.26	1,729.72
Other Non-Current Assets	6	1,303.74	972.62
Current Tax Assets (Net)	31(d)	29,788.98	28,876.36
		<b>1,33,510.57</b>	<b>1,41,897.43</b>
<b>Current Assets</b>			
Inventories	7	33,544.96	35,718.77
<b>Financial Assets</b>			
(i) Trade Receivables	8	15,736.61	22,467.81
(ii) Cash and Cash Equivalents	9	80,605.68	72,406.64
(iii) Bank Balances [other than (ii) above]	10	11,693.84	3,064.63
(iv) Loans	11	8,759.91	10,731.91
(v) Others	12	636.09	701.16
Other Current Assets	13	3,811.27	3,194.79
		<b>1,54,788.36</b>	<b>1,48,285.71</b>
<b>Total Assets</b>		<b>2,88,298.93</b>	<b>2,90,183.14</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	14	2,719.86	2,719.86
Other Equity	15	1,68,918.57	1,70,747.90
<b>Total Equity</b>		<b>1,71,638.43</b>	<b>1,73,467.76</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
(i) Lease liabilities	16	5,674.06	6,901.41
(ii) Other Financial Liabilities	17	123.70	123.70
Provisions	18	2,359.05	1,398.25
Other Non-Current Liabilities	20	40.15	45.12
		<b>8,196.96</b>	<b>8,468.48</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
(i) Lease liabilities	16	1,222.09	1,403.95
(ii) Trade Payables	21		
- Total outstanding dues of micro enterprises and small enterprises		1,269.34	1,556.30
- Total outstanding dues of creditors other than micro enterprises and small enterprises		74,843.06	75,583.15
(iii) Other Financial Liabilities	22	3,773.42	3,519.28
Other Current Liabilities	23	12,788.81	12,266.67
Provisions	24	9,051.11	8,401.83
Current Tax Liabilities (Net)	31(e)	5,515.71	5,515.72
		<b>1,08,463.54</b>	<b>1,08,246.90</b>
<b>Total Liabilities</b>		<b>1,16,660.50</b>	<b>1,16,715.38</b>
<b>Total Equity and Liabilities</b>		<b>2,88,298.93</b>	<b>2,90,183.14</b>
Significant accounting policies	1B		
The accompanying notes are an integral part of these financial statements.			

As per our report of even date.

**For S R B C & CO LLP**

 Chartered Accountants  
 Firm Registration No. 324982E/E300003

**Pritesh Maheshwari**

 Partner  
 Membership Number - 118746

 Place : Mumbai  
 Date : May 12, 2023

**For and on behalf of the Board of Directors of Colgate-Palmolive (India) Limited**
**M. S. Jacob**

 Whole-time Director &  
 Chief Financial Officer  
 (DIN : 07645510)

 Place : Mumbai  
 Date : May 12, 2023

**Prabha Narasimhan**

 Managing Director &  
 Chief Executive Officer  
 (DIN : 08822860)

**Surender Sharma**

 Whole-time Director - Legal  
 & Company Secretary  
 (F-8913)  
 (DIN : 02731373)

# Statement of Profit and Loss

for the year ended March 31, 2023

	Note		Year Ended March 31, 2023 ₹ Lakhs	Year Ended March 31, 2022 ₹ Lakhs
Revenue from Operations	25		5,22,619.71	5,09,978.19
Other Income	26		5,357.59	2,626.30
<b>(A) Total Income</b>			<b>5,27,977.30</b>	<b>5,12,604.49</b>
<b>Expenses</b>				
Cost of Materials Consumed		1,49,249.58		1,36,801.19
Purchases of Stock-in-Trade		29,776.86		29,608.19
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27	391.94		342.71
Employee Benefits Expense	28	37,696.99		38,513.01
Finance Costs	29	491.38		589.49
Depreciation and Amortisation Expense	3A	17,480.37		17,730.33
Other Expenses	30	1,50,802.04		1,48,118.52
<b>(B) Total Expense</b>			<b>3,85,889.16</b>	<b>3,71,703.44</b>
<b>(C) Profit Before Exceptional Item and Tax (A-B)</b>			<b>1,42,088.14</b>	<b>1,40,901.05</b>
<b>(D) Exceptional Items</b>	48		<b>1,120.87</b>	-
<b>(E) Profit Before Tax (C-D)</b>			<b>1,40,967.27</b>	<b>1,40,901.05</b>
<b>Tax Expense:</b>	31			
Current Tax [Net of prior period reversals ₹ Nil (Previous Year: ₹ 3,199 Lakhs)]		37,242.69		34,479.13
Deferred Tax	19	(990.07)		(1,409.95)
<b>(F) Total Tax Expense</b>			<b>36,252.62</b>	<b>33,069.18</b>
<b>(G) Profit for the year (E-F)</b>			<b>1,04,714.65</b>	<b>1,07,831.87</b>
<b>Other Comprehensive Loss/ (Income) (net of Tax)</b>				
Items that will not be reclassified to Profit and Loss				
Re-measurement loss/(gains) on defined benefit plans			653.49	(623.95)
Tax adjustment on above	19		(164.47)	157.04
<b>(H) Re-measurement loss/(gains) on defined benefit plans (Net of tax)</b>			<b>489.02</b>	<b>(466.91)</b>
<b>(I) Total Comprehensive Income (G-H)</b>			<b>1,04,225.63</b>	<b>1,08,298.78</b>
<b>Earnings Per Equity Share attributable to the Owners of the Company (Rupees)</b> (Face Value of ₹ 1 per Equity Share)	36			
Basic and Diluted			38.50	39.65
Significant accounting policies	1B			
The accompanying notes are an integral part of these financial statements.				

As per our report of even date.

#### For SRBC & COLLP

Chartered Accountants  
Firm Registration No. 324982E/E300003

#### Pritesh Maheshwari

Partner  
Membership Number - 118746

Place : Mumbai  
Date : May 12, 2023

For and on behalf of the Board of Directors of Colgate-Palmolive (India) Limited

#### M. S. Jacob

Whole-time Director &  
Chief Financial Officer  
(DIN : 07645510)

Place : Mumbai  
Date : May 12, 2023

#### Prabha Narasimhan

Managing Director &  
Chief Executive Officer  
(DIN : 08822860)

#### Surender Sharma

Whole-time Director - Legal  
& Company Secretary  
(F-8913)  
(DIN : 02731373)

# Statement of Changes in Equity

for the year ended March 31, 2023

## (A) Equity Share Capital (Note 14)

	Number of shares (in lakhs)	Amount (₹ Lakhs)
<b>As at April 1, 2021</b>	<b>2,719.86</b>	<b>2,719.86</b>
Increase / (Decrease) during the year	-	-
<b>As at March 31, 2022</b>	<b>2,719.86</b>	<b>2,719.86</b>
Increase / (Decrease) during the year	-	-
<b>As at March 31, 2023</b>	<b>2,719.86</b>	<b>2,719.86</b>

## (B) Other Equity (Note 15)

Particulars	Reserves and Surplus				Total
	Securities Premium	General Reserve	Share Options Outstanding Account	Retained Earnings	
<b>Balance as at April 1, 2021</b>	<b>1,279.93</b>	<b>38,437.13</b>	<b>(37.65)</b>	<b>74,187.03</b>	<b>1,13,866.44</b>
Profit for the year	-	-	-	1,07,831.87	1,07,831.87
Other Comprehensive Income	-	-	-	623.95	623.95
Tax Adjustment on Other Comprehensive Income	-	-	-	(157.04)	(157.04)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,08,298.78</b>	<b>1,08,298.78</b>
Dividend paid [Refer Note 15 (iv)]	-	-	-	(51,677.27)	(51,677.27)
Employee stock option expense [Refer Note 38 (c)]	-	-	1,253.63	-	1,253.63
Transferred to Retained Earnings for employees transferred during the year	-	-	-	-	-
Payments made against liability created	-	-	(694.33)	-	(694.33)
Amount credited by Group Company	-	-	(400.03)	-	(400.03)
Tax Adjustment on Employee stock option [Refer Note 31 (c)]	-	-	100.68	-	100.68
<b>Balance as at March 31, 2022</b>	<b>1,279.93</b>	<b>38,437.13</b>	<b>222.30</b>	<b>1,30,808.54</b>	<b>1,70,747.90</b>

(₹ in lakhs)

# Statement of Changes in Equity

for the year ended March 31, 2023

## (B) Other Equity (Note 15) (Contd..)

(₹ in lakhs)

Particulars	Reserves and Surplus				Total
	Securities Premium	General Reserve	Share Options Outstanding Account	Retained Earnings	
Profit for the year	-	-	-	1,04,714.65	1,04,714.65
Other Comprehensive Loss	-	-	-	(653.49)	(653.49)
Tax Adjustment on Other Comprehensive Loss	-	-	-	164.47	164.47
Dividend paid [Refer Note 15 (iv)]	-	-	-	(1,06,074.39)	(1,06,074.39)
Employee stock option expense [Refer Note 38 (c)]	-	-	971.91	-	971.91
Transferred from Share Options Outstanding account for employees transferred during the year	-	-	(692.86)	692.86	-
Payments made against liability created	-	-	(750.24)	-	(750.24)
Amount credited by Group Company	-	-	(270.26)	-	(270.26)
Tax Adjustment on Employee stock option [Refer Note 31 (c)]	-	-	68.02	-	68.02
<b>Balance as at March 31, 2023</b>	<b>1,279.93</b>	<b>38,437.13</b>	<b>(451.13)</b>	<b>1,29,652.64</b>	<b>1,68,918.57</b>

Significant accounting policies (Refer Note 1B)

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

As per our report of even date.

### For S R B C & CO LLP

Chartered Accountants  
Firm Registration No. 324982E/E300003

### Pritesh Maheshwari

Partner  
Membership Number - 118746

Place : Mumbai  
Date : May 12, 2023

**For and on behalf of the Board of Directors of Colgate-Palmolive (India) Limited**

### M. S. Jacob

Whole-time Director &  
Chief Financial Officer  
(DIN : 07645510)

Place : Mumbai  
Date : May 12, 2023

### Prabha Narasimhan

Managing Director &  
Chief Executive Officer  
(DIN : 08822860)

### Surender Sharma

Whole-time Director - Legal  
& Company Secretary  
(F-8913)  
(DIN : 02731373)

# Statement of Cash Flow

For year ended March 31, 2023

	Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
<b>Cash flow from Operating Activities:</b>		
<b>Profit before Exceptional items and Tax</b>	<b>1,42,088.14</b>	<b>1,40,901.05</b>
<b>Adjustment for:</b>		
Unrealised Foreign Exchange (Gain) / Loss	41.89	(42.33)
Depreciation and Amortisation Expenses	17,480.37	17,730.33
Lease Rentals received	(248.06)	(248.06)
Net loss / (profit) on disposal of Property, Plant and Equipment	(31.28)	16.38
Interest Income On Financial Assets at Amortized Cost	(3,990.35)	(2,079.44)
Finance Cost	491.38	589.49
Bad Debts Written Off/ Provision for Doubtful Debts	3.29	46.27
Provisions no Longer Required Written Back	(90.65)	-
Interest income from Unwinding of discount on security deposits	(109.91)	(110.97)
Employee share-based payment expense	971.91	1,253.63
<b>Operating Profit before Working Capital Changes</b>	<b>1,56,606.73</b>	<b>1,58,056.35</b>
<b>Adjustment for Increase/Decrease in Working Capital:</b>		
Decrease / (Increase) in Inventories	2,173.81	(2,136.63)
(Increase) / Decrease in Financial Assets	(1,724.85)	43,306.01
(Increase) / Decrease in Other Assets	(601.11)	836.83
(Decrease) / Increase in Financial Liabilities	(1,093.86)	1,100.84
Increase / (Decrease) in Other Liabilities and Provisions	352.89	(1,599.75)
<b>Cash Generated from Operations</b>	<b>1,55,713.61</b>	<b>1,99,563.65</b>
Direct Taxes Paid (Net)	(38,087.29)	(36,990.17)
<b>Net Cash Generated from Operating Activities (A)</b>	<b>1,17,626.32</b>	<b>1,62,573.48</b>
<b>Cash Flow from Investing Activities:</b>		
Purchase of Property, Plant and Equipment	(7,008.94)	(4,962.72)
Proceeds from disposal of Property, Plant and Equipment	59.72	8.30
Purchase of Current Investments / Proceeds from disposal of Current Investments	2,205.59	(10,027.69)
Lease Rentals received	248.06	248.06
Proceeds from disposal of Non-Current Investments	-	1,912.42
Interest Received	3,740.80	2,057.38
<b>Net Cash (used in)/ Cash flow from Investing Activities (B)</b>	<b>(754.77)</b>	<b>(10,764.25)</b>
<b>Cash Flow from Financing Activities:</b>		
Dividends Paid	(1,05,745.18)	(1,05,718.85)
Payment of Lease Liabilities	(1,906.83)	(2,246.67)
Employee share-based payments	(1,020.50)	(1,094.36)
<b>Net Cash used in Financing Activities (C)</b>	<b>(1,08,672.51)</b>	<b>(1,09,059.88)</b>
<b>Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>8,199.04</b>	<b>42,749.35</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>72,406.64</b>	<b>29,657.29</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>80,605.68</b>	<b>72,406.64</b>
<b>Bank Balances in:</b>		
Current Accounts	969.36	1,590.91
Deposit Accounts (with less than 3 months original maturity)	79,636.32	70,815.73
<b>Cash and Cash Equivalents as at March 31, 2023 (Refer Note 9)</b>	<b>80,605.68</b>	<b>72,406.64</b>

# Statement of Cash Flow

for year ended March 31, 2023

	Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
<b>Changes in liabilities arising from Financing Activities:</b>		
<b>1) Dividend</b>		
Unpaid Dividend as at beginning of the year	3,064.63	57,106.21
Dividend Declared	1,06,074.39	51,677.27
Dividend Paid	(1,05,745.18)	(1,05,718.85)
Dividend as at year end (Including unpaid)	<b>3,393.84</b>	<b>3,064.63</b>
<b>2) Lease Liabilities</b>		
Lease Liabilities as at beginning of the year	8,305.36	9,117.58
Additions during the year	6.24	844.96
Finance Charges paid under Lease Liabilities during the year	491.38	589.49
Payment of Lease Liabilities during the year	(1,906.83)	(2,246.67)
Lease Liabilities as at year end	<b>6,896.15</b>	<b>8,305.36</b>

## Notes:

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flows as notified under Companies (Accounts) Rules, 2015.

As per our report of even date.

### For S R B C & CO LLP

Chartered Accountants  
Firm Registration No. 324982E/E300003

### Pritesh Maheshwari

Partner  
Membership Number - 118746

Place : Mumbai  
Date : May 12, 2023

**For and on behalf of the Board of Directors of Colgate-Palmolive (India) Limited**

### M. S. Jacob

Whole-time Director &  
Chief Financial Officer  
(DIN : 07645510)

Place : Mumbai  
Date : May 12, 2023

### Prabha Narasimhan

Managing Director &  
Chief Executive Officer  
(DIN : 08822860)

### Surender Sharma

Whole-time Director - Legal  
& Company Secretary  
(F-8913)  
(DIN : 02731373)



# Notes to Financial Statements

for the year ended March 31, 2023

## 1A. Corporate Information:

Colgate-Palmolive (India) Limited is a subsidiary of Colgate-Palmolive, USA and a Listed Company in India. The Company was incorporated on September 23, 1937 under the provisions of The Companies Act. The registered office of the company is located at Colgate Research Center, Main street, Hiranandani Gardens, Powai, Mumbai - 400076. Its shares are listed on two recognized stock exchanges in India. The Company is engaged in manufacturing/trading of toothpaste, tooth powder, toothbrush, mouthwash and personal care products.

These financial statements for the year ended March 31, 2023 were approved by the Board of Directors on May 12, 2023.

## 1B. Significant Accounting Policies:

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### (a) Basis of preparation

#### i. Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) and Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to financial statements.

The financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

#### ii. Historical Cost Convention

These financial statements have been prepared on a historical cost basis, except as disclosed in the accounting policies below:

- Certain financial assets and liabilities are measured at fair value;

- Defined Benefit Plans - plan assets measured at fair value;
- Share-Based payments; and
- Assets held for sale - measured at lower of cost and fair value less costs to sell

#### iii. Current versus Non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents,

# Notes to Financial Statements

for the year ended March 31, 2023

the Company has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of assets and liabilities.

## (b) Foreign currency translation

### i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Company's functional and presentation currency.

### ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Realized gains and losses on settlement of foreign currency transactions are recognized 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 recognized in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

## (c) Property, Plant and Equipment

Property, Plant and Equipment are stated at historical cost less depreciation and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items including capital spares which are identified as a part of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

### Capital Work-In-Progress

Cost and direct expenses incurred for construction of assets or assets to be acquired, which are not ready to use in the manner intended by the management are disclosed under Capital Work- In-Progress.

### Depreciation methods, estimated useful lives and residual value

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 calculated on a pro-rata basis on the straight line method so as to write-down the cost of property, plant and equipment to its residual value systematically over its estimated useful life based on useful life of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013 except in case of following assets, wherein based on internal assessment and technical evaluation, a different useful life has been determined.

Asset Class	Useful Life
Residential and Office Buildings	40 years
Factory Buildings	20 years
Plant and Equipment	7 to 15 years
Dies and Moulds (included in Plant and Equipment)	3 years
Furniture and Fixtures	5 years
Office Equipment (including Computer Servers)	5 years

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account

# Notes to Financial Statements

for the year ended March 31, 2023

commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

## (d) Leases

### As a Lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the commencement date of a lease, the Company recognizes a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Right-of-use assets are measured at cost, less any accumulated depreciation, impairment losses and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized and lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification or a change in the lease term. The Company separately recognizes the interest expense on the lease liability as finance cost and the depreciation expense on the right-of-use asset.

The Company accounts for a lease modification as a separate lease when both of the following conditions are met:

- The modification increases the scope of the lease by adding the right to use one or more underlying assets.
- The consideration for the lease increases commensurate with the standalone price for the increase in scope and any adjustments to that standalone price reflects the circumstances of the particular contract.

For a lease modification that fully or partially decreases the scope of the lease the Company decreases the carrying amount of the right-of-use asset to reflect partial or full termination of the lease. Any difference between those adjustments is recognized in profit or loss at the effective date of the modification.

The Company has elected to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value which is considered to be ₹ 3.5 Lakhs.

### As a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

# Notes to Financial Statements

for the year ended March 31, 2023

## (e) Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investment properties are depreciated using the straight-line method over their estimated useful lives which are 40 years.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

## (f) Intangible assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment loss, if any.

### Amortization

Intangible assets comprise Goodwill, Trademarks, Copyright and Technical Know-how. Intangible assets (other than Goodwill) are amortized over the useful life of assets, not exceeding 10 years.

The estimated useful life and amortization methods are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Expenditure on research is recognized 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 capitalization have been met by the Company. Development expenditures on an individual project are recognized as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

## (g) Impairment of non-financial assets

At each balance sheet date, the Company reviews whether there is an indication that an asset may be impaired. If any indication exists, the company estimates the recoverable amount of its assets other than inventory and deferred tax. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is determined as higher of the asset's fair value less costs of disposal and value in use. 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 recognized for an asset in the 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 recognized.

## (h) Inventories

Inventories of raw and packing materials, stores, work-in-progress, finished goods and stock in trade are valued at lower of cost or net realizable value.

- Cost is determined using standard cost method that approximates actual cost.
- Cost of work-in-progress and finished goods includes materials, labour and manufacturing overheads and other costs incurred in bringing the inventories to their present location and condition.

# Notes to Financial Statements

for the year ended March 31, 2023

Spares that do not qualify to be recognized as Property, Plant and Equipment are included in stores and spares.

Net realizable 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.

## (i) Trade Receivables

Trade receivables are measured at contracted price and subsequently measured at amortized cost net of any expected credit losses, if any. The company provides for expected credit loss using simplified approach based on the probability of defaults which are possible over the lifetime of assets.

## (j) Cash and Cash equivalents

For the purpose of presentation in the Statement of cash flows, 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 that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## (k) Financial Assets:

### i. Initial recognition and measurement

All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset, except in the case of financial assets not recorded at fair value through profit or loss. Transaction costs of financial assets carried at fair value through profit or loss are expensed through the Statement of Profit and Loss.

#### Subsequent measurement

For purposes of subsequent measurement, the Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

#### Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

#### Fair value through Other Comprehensive Income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement

# Notes to Financial Statements

for the year ended March 31, 2023

of Profit and Loss. Interest income from these financial assets is included in other income using the effective interest rate method.

## Fair value through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through Profit or Loss is recognized in the Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

## ii. Derecognition

### A financial asset is derecognized only when:

- the rights to receive cash flows from the financial asset have expired, or
- the Company has transferred its rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows to one or more recipient

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset. Expected credit losses are recognized for all financial assets subsequent to initial recognition.

## (I) Financial Liabilities

### i. Classification as liability or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements

entered into and the definitions of a financial liability and an equity instrument.

### ii. Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit or loss.

### iii. Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

### iv. Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

### Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are usually unsecured. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at their fair value.

### Provisions

The Company recognizes a provision when there is a present legal or constructive 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.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as an interest expense.

# Notes to Financial Statements

for the year ended March 31, 2023

## Contingent Liability

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 is made.

## (m) Revenue from operations

### i. Sale of goods

The Company's revenue contracts represent a single performance obligation to sell its products to trade customers. Sales are recorded at the time control of the products is transferred to trade customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for the products. Control is the ability of trade customers to direct the use of and obtain the benefit from our products. In evaluating the timing of the transfer of control of products to trade customers, the Company considers transfer of significant risks and rewards of products and the probability of flowing of future economic benefit to the Entity as per the terms of the Contract which usually coincide with the delivery of the goods.

Revenue is measured on the basis of contracted price and reduced by variable consideration. Variable consideration includes sales returns, trade discounts, volume based incentives and cost of promotional programs, indirect taxes as may be applicable.

The Company provides volume based incentives to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Incentives are offset against amounts payable by the customer. To estimate & recognize a liability for the incentives, the Company applies methods which best predicts the amount of incentive and is primarily driven by the number of volume thresholds contained in the contract. The volume incentive is estimated at contract inception and recognized when it is highly probable that significant revenue reversal will not occur.

Company's contracts with trade customers do not have significant financing components or non-cash consideration and the Company does not

have unbilled revenue or significant amounts of prepayments from customers.

The company pays sales commission to its employees for contract that they obtain for sales of goods and immediately expensed out sales commissions (included under employee benefits).

## Contract balances

### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs its obligation to transfer goods or services under the contract.

### ii. Service Income

Service Income is recognized on cost plus basis as per the terms of the contract with customers, as and when the service is performed.

### iii. Interest income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

### iv. Rental income

Rental income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

# Notes to Financial Statements

for the year ended March 31, 2023

## v. Government Grant

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Ind AS 20 permits the grant to be recognized in profit or loss. The Company has chosen to present grants related to an expense item as other operating income in the statement of profit and loss.

## (n) Employee Benefits

### i. Short Term Employee Benefits

Liabilities for salaries, wages and performance incentives including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits obligations in the Balance Sheet.

### ii. Long Term Employee Benefits

- **Defined Contribution Plans**

[Provident Fund, Superannuation Fund and Employee's State Insurance:](#)

The Company has Defined Contribution Plans for its employees such as Provident Fund, Superannuation Fund, Employee's State Insurance etc. and contribution 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.

- **Defined Benefit Plans**

[Gratuity:](#)

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested

employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of profit and loss as past service cost. Remeasurements are not reclassified to Profit or Loss in subsequent periods.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

[Provident Fund:](#)

In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Company. The interest rate payable by the trust to the beneficiaries every year is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest as per the notified rate. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of the year. Measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in Equity and in the Balance Sheet. Changes



# Notes to Financial Statements

for the year ended March 31, 2023

in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of Profit and Loss as past service cost. Remeasurements are not reclassified to Profit or Loss in subsequent periods.

## Pension:

The Company provides for retirement/post-retirement benefits for certain employees in the form of 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. Measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in Equity and in the Balance Sheet. Remeasurements are not reclassified to profit or loss in subsequent periods.

## Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year and are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

## Voluntary Retirement Scheme:

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

## Share based Payments

The Company does not provide any equity-based compensation to its employees. However, the parent Company, Colgate Palmolive Company, U.S.A. ("the grantor") maintains equity incentive plans that provide for the grant of stock-based awards to its executive directors and certain categories of officers and employees. The 2009 Executive Incentive Compensation Plan and 2013 Incentive Compensation Plan ("Incentive Plan") provides for the grant of non-qualified and incentive stock options, as well as restricted stock units which are together referred to as employee stock options. Exercise prices in the case of non-qualified and incentive stock options are not less than the fair value of the underlying common stock of the grantor on the date of grant.

A stock option gives an employee, the right to purchase shares of Colgate Palmolive Company common stock at a fixed price for a specific period of time. Stock options generally have a term of six years and vest over three years.

A restricted stock unit (RSU) provides an employee with a share of Colgate Palmolive Company common stock upon vesting. Restricted stock units vest in annual installments generally over a period of three years. Dividends will accrue with each restricted stock unit award granted subsequent to grant date.

Employee Stock Options (ESOPs) issued by the parent entity are accounted for as equity-settled as the Company has no obligation to settle the share-based payment transaction and also the shares are of parent Company.

Company recognizes the expense over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied, as determined on the grant date, based on the fair value of the options/RSUs. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes

# Notes to Financial Statements

for the year ended March 31, 2023

the impact of the revision to original estimates, if any, in the Statement of Profit and Loss, with a corresponding adjustment to equity.

In case where there is a clear link between the recharge from the parent company and the expense, Company accounts for the recharge as capital distribution even if the amount of recharge is more than the expense recognized over the vesting period (as the recharge is based on the intrinsic value).

In case where the employee has not served the Company during the vesting period and for which they get the debit note from parent, the cost is debited to management recharge expense.

Further, where the management recharge is not expected from the parent entity as the employee has been relocated to another group company i.e. the employee is not expected to render future services to the Company at the time of exercise of option, the Company transfers the proportionate amount of share options outstanding account related to such employees to Retained Earnings, after taking into consideration the probability of employees relocating back to the Company.

## (o) Income Tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with prevailing income tax law. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The Company evaluates whether it has any uncertain tax positions which requires adjustments to provision for current tax. The Company has ongoing disputes with Income Tax Authorities on various matters. In respect of certain allowance/deductions, it is probable that such positions will not be accepted by Tax authorities and hence the same has been considered and adequately provided for while calculating current tax provision of the respective years. In respect of certain allowances/

deductions taken by the Company, it is probable that such disputes will be accepted by Tax authorities and hence the same have been considered and disclosed as a part of Contingent Liability.

### • Current Tax

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

### • Deferred Tax

Deferred tax is recognized for all the deductible temporary differences by using the liability method, 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 realized. 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. At each Balance Sheet date, the Company reassesses unrecognized deferred tax assets, if any.

Deferred tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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 deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

## (p) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (“CODM”). The CODM, who is responsible for allocating resources and assessing performance of the operating segments,

# Notes to Financial Statements

for the year ended March 31, 2023

has been identified as the Managing Director and Chief Financial Officer of the Company. 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.

## (q) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

## (r) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

## (s) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax.

## (t) Earnings Per share

### i. Basic Earnings per Share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year.

### ii. Diluted Earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## 2. Critical accounting estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- Estimation of defined benefit obligation (Note 28)
- Estimation of Useful life of Property, plant and equipment and intangibles (Note 3)
- Estimation of taxes (Note 19 and 31)
- Estimation of impairment of trade receivables (Note 8)
- Estimation of provision and contingent liabilities (Note 24 and 32)
- Estimation of Share based payments to employees (Note 38)
- Estimation of variable consideration in respect of revenue recognition (Refer Note 1B(m) and Note 25)

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 3 (A) (I) : Property, Plant and Equipment

(₹ in lakhs)

Particulars	Gross Carrying Amount				Accumulated Depreciation/Amortisation				Net Carrying Amount
	Cost / Gross carrying value as at April 1, 2022	Additions/ Adjustments	Disposals/ Transfers/ Adjustments	As at March 31, 2023	As at April 1, 2022	Depreciation/ Amortisation for the year	Disposals/ Transfers/ Adjustments	As at March 31, 2023	As at March 31, 2023
Right-of-use assets [Refer 3 (D) (I)]	23,268.06	31.10	-	23,299.16	7,149.48	2,023.69	-	9,173.17	14,125.99
Buildings [Refer Note (ii) and (iv) below]	43,952.01	6.70	13.84	43,944.87	14,725.70	2,354.67	-	17,080.37	26,864.50
Plant and Equipment (Owned)	1,27,847.49	6,229.75	71.93	1,34,005.31	79,433.31	12,173.81	57.21	91,549.91	42,455.40
Furniture and Fixtures	2,092.52	39.47	3.38	2,128.61	2,040.96	51.03	3.38	2,088.60	40.01
Office Equipment	7,875.23	1,084.56	193.31	8,766.48	5,388.72	877.17	193.43	6,072.46	2,694.02
<b>Total Assets</b>	<b>2,05,035.31</b>	<b>7,391.58</b>	<b>282.46</b>	<b>2,12,144.43</b>	<b>1,08,738.17</b>	<b>17,480.37</b>	<b>254.02</b>	<b>1,25,964.51</b>	<b>86,179.92</b>
<b>Capital Work-in-Progress [Refer Note 3 B below]</b>									<b>11,407.68</b>

- (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 Industrial Development Corporation at Goa and Sri city (P) Limited at Sricity, Andhra Pradesh, Gujarat Industrial Development Corporation (GIDC) at Sanand.
- (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. The value of leasehold rights in the said land is ₹ Nil. 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. Further refer Note 33, (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) Refer to Note 34 for disclosures of contractual commitments for the acquisition of Property, Plant and Equipment.
- (iv) Buildings include investment property with net carrying value of ₹ 188.98 Lakhs (March 31, 2022 : ₹ 201.55 Lakhs) and fair value of ₹ 3,260 Lakhs (March 31, 2022 : ₹ 3,213 Lakhs). Fair value is determined based on an annual evaluation performed by an accredited external independent valuer using the sales comparison method of valuation under market approach in which due weightages have been given to factors such as right to sell/transfer the property, demand and prospective buyers for such type of commercial offices etc. The significant unobservable inputs considered includes total of Weighted reconciliation is ₹ 20,700/- per square feet. The rental income and depreciation expense for the year ended March 31, 2023 are ₹ 248.06 Lakhs (March 31, 2022 : ₹ 248.06 Lakhs) and ₹ 12.57 lakhs (March 31, 2022 : ₹ 12.56 Lakhs) respectively (Refer Note 16).



# Notes to Financial Statements

for the year ended March 31, 2023

## Note 3 (A) (II) : Property, Plant and Equipment

Particulars	Gross Carrying Amount				Accumulated Depreciation/Amortisation				Net Carrying Amount
	Cost / Gross carrying value as at April 1, 2021	Additions/ Adjustments	Disposals/ Transfers/ Adjustments	As at March 31, 2022	As at April 1, 2022	Depreciation/ Amortisation for the year	Disposals/ Transfers/ Adjustments	As at March 31, 2022	As at March 31, 2022
	(₹ in lakhs)								
Right-of-use assets [Refer 3 (D) (I)]	22,419.35	848.71	-	23,268.06	4,867.01	2,282.47	-	7,149.48	16,118.58
Buildings [Refer Note (ii) and (iv) above]	43,471.05	486.10	5.14	43,952.01	12,405.04	2,324.28	3.62	14,725.70	29,226.31
Plant and Equipment (Owned)	1,23,773.95	4,585.34	511.80	1,27,847.49	67,937.33	11,998.48	502.50	79,433.31	48,414.18
Furniture and Fixtures	2,111.57	14.31	33.36	2,092.52	2,008.43	66.17	33.64	2,040.96	51.56
Office Equipment	6,538.13	1,646.08	308.98	7,875.23	4,624.63	1,058.93	294.84	5,388.72	2,486.51
<b>Total Assets</b>	<b>1,98,314.05</b>	<b>7,580.54</b>	<b>859.28</b>	<b>2,05,035.31</b>	<b>91,842.44</b>	<b>17,730.33</b>	<b>834.60</b>	<b>1,08,738.17</b>	<b>96,297.14</b>
<b>Capital Work-in-Progress [Refer Note 3 B below]</b>									<b>12,184.42</b>

## Note 3 (B) : Capital Work-in-Progress (CWIP)

### Capital Work-in-Progress movement during the year

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Opening	12,184.42	14,484.96
Add - Addition during the year	6,529.19	4,431.29
Less - Capitalised during the year	7,305.93	6,731.83
<b>Closing</b>	<b>11,407.68</b>	<b>12,184.42</b>

Capital Work-in-Progress includes ₹ 74.08 Lakhs (March 31, 2022 - ₹ 11.98 Lakhs) being salary of ₹ 70.62 Lakhs (March 31, 2022 - ₹ NIL) and other expenses of ₹ 3.46 Lakhs (March 31, 2022 - ₹ 11.98 Lakhs) incurred towards capital projects. Salary and other expenses disclosed in Note 28 and Note 30 respectively are net of amounts included in CWIP.



# Notes to Financial Statements

for the year ended March 31, 2023

## Note 3 (B) : Capital Work-in-Progress (CWIP) (Contd..)

### Capital work in progress ageing schedule

(₹ in lakhs)

As at 31 March, 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,740.85	260.38	266.47	43.13	3,310.83
Projects temporarily suspended	-	-	3.20	8,093.65	8,096.85
<b>Total</b>	<b>2,740.85</b>	<b>260.38</b>	<b>269.67</b>	<b>8,136.78</b>	<b>11,407.68</b>

(₹ in lakhs)

As at 31 March, 2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,056.32	1,798.60	142.67	102.97	4,100.56
Projects temporarily suspended	-	3.20	72.78	8,007.88	8,083.86
<b>Total</b>	<b>2,056.32</b>	<b>1,801.80</b>	<b>215.45</b>	<b>8,110.85</b>	<b>12,184.42</b>

For capital-work-in progress, whose completion is overdue, the project wise details of when the project is expected to be completed is given below as of 31<sup>st</sup> March 2023

(₹ in lakhs)

As at 31 March, 2023	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>CWIP</b>					
<b>Projects temporarily suspended</b>					
Toothpaste Plant Building	-	8,083.86	-	-	8,083.86
<b>Total</b>	<b>-</b>	<b>8,083.86</b>	<b>-</b>	<b>-</b>	<b>8,083.86</b>

For capital-work-in progress, whose completion is overdue, the project wise details of when the project is expected to be completed is given below as of 31<sup>st</sup> March, 2022

(₹ in lakhs)

As at 31 March, 2022	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>CWIP</b>					
<b>Projects temporarily suspended</b>					
Toothpaste Plant Building	-	-	-	8,083.86	8,083.86
<b>Projects in progress</b>					
Toothbrush Machinery	975.34	-	-	-	975.34
<b>Total</b>	<b>975.34</b>	<b>-</b>	<b>-</b>	<b>8,083.86</b>	<b>9,059.20</b>

## Note 3 (C): Other Intangible Assets

The Gross carrying value of intangible assets of ₹ Nil have been fully depreciated and the carrying value as at March 31, 2023 is Nil (March 31, 2022 - Nil). Intangible assets comprise Goodwill, Trademarks, Copyright and Technical Know-how.

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 3 (D) (I): Right-of-use assets recognized and the movements during the year

	Plant and Equipment	Vehicles	IT Equipment	Buildings	Others	Right-of-use assets (excluding land) (A)	Leasehold Land (B)	Total (A+B)
As at April 01, 2022	7,304.29	7.88	9.81	1,197.27	372.76	8,892.01	7,226.57	16,118.58
Addition/Modification	-	-	6.08	25.02	-	31.10	-	31.10
Amortisation	1,093.19	7.88	6.75	516.19	316.57	1,940.57	83.12	2,023.69
Deletion	-	-	-	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>6,211.10</b>	<b>(0.00)</b>	<b>9.14</b>	<b>706.10</b>	<b>56.19</b>	<b>6,982.54</b>	<b>7,143.45</b>	<b>14,125.99</b>

(₹ in lakhs)

## Note 3 (D) (II): Right-of-use assets recognized and the movements for the previous year

	Plant and Equipment	Vehicles	IT Equipment	Buildings	Others	Right-of-use assets (excluding land) (A)	Leasehold Land (B)	Total (A+B)
As at April 01, 2021	8,403.01	38.62	58.06	1,085.03	657.81	10,242.53	7,309.81	17,552.34
Addition/Modification	-	-	12.85	711.58	124.28	848.71	-	848.71
Amortisation	1,098.72	30.74	61.10	599.34	409.33	2,199.23	83.24	2,282.47
Deletion	-	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>7,304.29</b>	<b>7.88</b>	<b>9.81</b>	<b>1,197.27</b>	<b>372.76</b>	<b>8,892.01</b>	<b>7,226.57</b>	<b>16,118.58</b>

(₹ in lakhs)

## Financial Assets

### Note 4: Non-Current Loans

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Secured and Considered Good Loans to Employees	92.02	133.88
	<b>92.02</b>	<b>133.88</b>

### Note 5: Other Non-Current Financial Assets

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Security Deposits (Amortised Cost)	1,604.35	1,453.67
Deposits with banks (with maturity period of more than 12 months) *	249.62	249.62
	<b>1,853.97</b>	<b>1,703.29</b>

\* Held as lien by Banks against Bank Guarantees issued to Regulatory authorities in the normal course of business.

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 6: Other Non-current Assets

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Capital Advances (Refer Note 34)	594.44	247.95
Deposits with Government and other authorities	637.28	633.35
Prepaid Expenses	72.02	91.32
	<b>1,303.74</b>	<b>972.62</b>

## Note 7: Inventories

(Lower of cost or net realisable value)

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Raw and Packing Materials	9,214.90	11,012.33
Work-in-Progress	2,009.57	2,225.44
Finished Goods	16,859.36	15,094.49
Stock-in-Trade	2,665.81	4,698.07
[includes goods in transit ₹ 91.32 Lakhs (March 31, 2022: ₹ 648.07 Lakhs)]		
Stores and Spares	2,795.32	2,688.44
	<b>33,544.96</b>	<b>35,718.77</b>

## Note 8: Trade Receivables

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Trade Receivables	12,968.94	18,176.40
Receivables from related parties (Refer Note 37)	3,359.69	4,974.09
Less : Allowance for doubtful debts	(592.02)	(682.68)
	<b>15,736.61</b>	<b>22,467.81</b>
Unsecured and Considered Good	15,736.61	22,467.81
Trade Receivables which have significant increase in credit Risk	592.02	682.68
Allowance for doubtful debts	(592.02)	(682.68)
	<b>15,736.61</b>	<b>22,467.81</b>

### Trade receivables ageing schedule\*

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
<b>Undisputed Trade receivables - Considered good</b>		
Current but not due	9,468.48	13,370.00
less than 6 months	5,952.15	8,997.98
6 months - 1 year	247.04	27.23



# Notes to Financial Statements

for the year ended March 31, 2023

## Note 8: Trade Receivables (Contd..)

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
1-2 years	42.99	44.52
2-3 years	3.28	4.33
More than 3 years	22.67	23.75
	<b>15,736.61</b>	<b>22,467.81</b>
<b>Undisputed Trade receivables - which have significant increase in credit risk</b>		
6 months - 1 year	149.46	75.49
1-2 years	82.21	282.36
2-3 years	86.17	63.65
More than 3 years	274.18	261.18
	<b>592.02</b>	<b>682.68</b>
<b>Total Trade receivables</b>		
Current but not due	9,468.48	13,370.00
less than 6 months	5,952.15	8,997.98
6 months - 1 year	396.50	102.72
1-2 years	125.20	326.88
2-3 years	89.45	67.98
More than 3 years	296.85	284.93
<b>Total</b>	<b>16,328.63</b>	<b>23,150.49</b>

There are no disputed trade receivables.

\* Outstanding for the above periods are based on due date of payment.

## Note 9: Cash and Cash Equivalents

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Bank Balances in:		
- Current Accounts	969.36	1,590.91
- Deposit Accounts (with less than 3 months original maturity)	79,636.32	70,815.73
	<b>80,605.68</b>	<b>72,406.64</b>

## Note 10: Other Bank Balances

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Earmarked balances with Banks in:		
- Unpaid Dividend Account	3,308.19	2,980.81
- Unpaid Share Capital Reduction Account (Year 2007)	85.65	83.82
- Deposits with maturity more than 3 months but less than 12 months	8,300.00	-
	<b>11,693.84</b>	<b>3,064.63</b>

\* Deposits with banks having maturity more than 12 months of ₹ 374.27 Lakhs (Previous Year: ₹ 363.37 Lakhs) is classified as Other Financial Assets (Refer Note 6)

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 11: Current Loans

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Secured and Considered Good		
Loans to Employees	39.98	55.94
Unsecured and Considered Good		
Inter-Corporate Deposits*	8,719.93	10,675.97
	<b>8,759.91</b>	<b>10,731.91</b>

\* Inter-Corporate Deposits includes amounts with maturity period ranging 91-125 days, Rate of interest ranging 6%-10% (March 31, 2022 - 61-91 days, Rate of interest ranging 3.25%-10%)

## Note 12: Other Current Financial Assets

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Receivables from Related Parties (Refer Note 37)	410.98	338.22
Security Deposits	190.00	341.67
Insurance Claims Receivable	35.11	21.27
	<b>636.09</b>	<b>701.16</b>

## Note 13: Other Current Assets

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Balances with Government Authorities	213.37	263.37
Prepaid Expenses	673.24	690.40
Advances to Suppliers	2,742.09	2,025.42
Employee Advances	112.79	145.82
Fringe Benefit Advance Tax	69.78	69.78
	<b>3,811.27</b>	<b>3,194.79</b>

## Note 14: Equity Share Capital

### Authorised Equity Share Capital:

	Number of shares	Amount (₹ Lakhs)
<b>As at April 1, 2021</b>	<b>1,37,00,00,000</b>	<b>13,700.00</b>
Increase during the year	-	-
<b>As at March 31, 2022</b>	<b>1,37,00,00,000</b>	<b>13,700.00</b>
Increase during the year	-	-
<b>As at March 31, 2023</b>	<b>1,37,00,00,000</b>	<b>13,700.00</b>

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 14: Equity Share Capital (Contd..)

### Issued, Subscribed and Paid-up:

#### (A) Movement in Equity Share Capital

	Number of shares	Equity Share Capital (par value in Lakhs)
<b>As at April 1, 2021</b>	<b>27,19,85,634</b>	<b>2,719.86</b>
Increase / (Decrease) during the year	-	-
<b>As at March 31, 2022</b>	<b>27,19,85,634</b>	<b>2,719.86</b>
Increase / (Decrease) during the year	-	-
<b>As at March 31, 2023</b>	<b>27,19,85,634</b>	<b>2,719.86</b>

#### (B) Rights, Preferences and Restrictions attached to Equity 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:

	As at March 31, 2023	As at March 31, 2022
Colgate-Palmolive Company, U.S.A., the Ultimate Holding Company <b>10,89,52,694</b> (March 31, 2022 - 10,89,52,694) equity shares.	1,089.53	1,089.53
Colgate-Palmolive (Asia) Pte Ltd., Singapore, Subsidiary of the Ultimate Holding Company <b>2,97,58,852</b> (March 31, 2022 - 2,97,58,852) equity shares.	297.59	297.59
Norwood International Incorporated, U.S.A., Subsidiary of the Ultimate Holding Company <b>1,126</b> (March 31, 2022 - 1,126) equity shares.	0.01	0.01

(₹ in lakhs)

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

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Colgate-Palmolive Company, U.S.A.</b>		
Number of Shares	10,89,52,694	10,89,52,694
% of Holding	40.06	40.06
<b>Colgate-Palmolive (Asia) Pte Ltd., Singapore</b>		
Number of Shares	2,97,58,852	2,97,58,852
% of Holding	10.94	10.94

#### (E) Details of shares held by promoters

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Colgate-Palmolive Company, U.S.A.</b>		
Number of Shares at the beginning of the year	10,89,52,694	10,89,52,694
Change during the year	-	-

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 14: Equity Share Capital (Contd..)

Particulars	As at March 31, 2023	As at March 31, 2022
Number of Shares at the end of the year	10,89,52,694	10,89,52,694
% of Total shares	40.06	40.06
% of change during the year	-	-
<b>Colgate-Palmolive (Asia) Pte Ltd., Singapore</b>		
Number of Shares at the beginning of the year	2,97,58,852	2,97,58,852
Change during the year	-	-
Number of Shares at the end of the year	2,97,58,852	2,97,58,852
% of Total shares	10.94	10.94
% of change during the year	-	-
<b>Norwood International Incorporated, U.S.A</b>		
Number of Shares at the beginning of the year	1,126	1,126
Change during the year	-	-
Number of Shares at the end of the year	1,126	1,126
% of Total shares	0.01	0.01
% change during the year	-	-
<b>Total Promoters Shareholding</b>		
Number of Shares at the beginning of the year	13,87,12,672	13,87,12,672
Change during the year	-	-
Number of Shares at the end of the year	13,87,12,672	13,87,12,672
% of Total shares	51.01	51.01
% change during the year	-	-

## Note 15: Other Equity

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Securities Premium Account [Refer (i) below]	1,279.93	1,279.93
General Reserve [Refer (ii) below]	38,437.13	38,437.13
Share Options Outstanding Account [Refer (iii) below]	(451.13)	222.30
Retained Earnings [Refer (iv) below]	1,29,652.64	1,30,808.54
	<b>1,68,918.57</b>	<b>1,70,747.90</b>

### (i) Securities Premium

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Balance at the beginning of the year	1,279.93	1,279.93
<b>Balance at the end of the year</b>	<b>1,279.93</b>	<b>1,279.93</b>

(Securities Premium reserve is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013)

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 15: Other Equity (Contd..)

### (ii) General Reserve

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Balance at the beginning of the year	38,437.13	38,437.13
<b>Balance at the end of the year</b>	<b>38,437.13</b>	<b>38,437.13</b>

(Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013)

### (iii) Share Options Outstanding account (Refer Note 38)

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Balance at the beginning of the year	222.30	(37.65)
Add: Employee stock option expense	971.91	1,253.63
Less: Transferred to Retained Earnings for employees transferred during the year/relocated to another group companies	(692.86)	-
Less: Payments made against liability created	(750.24)	(694.33)
Less: Amount credited by Group Company	(270.26)	(400.03)
Add: Tax Adjustment on above	68.02	100.68
<b>Balance at the end of the year</b>	<b>(451.13)</b>	<b>222.30</b>

(Reserve created for all outstanding employee stock options and RSUs. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees)

### (iv) Retained Earnings

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Balance at the beginning of the year	1,30,808.54	74,187.03
Add: Profit for the year	1,04,714.65	1,07,831.87
Add: Other Comprehensive (Loss)/ Income	(489.02)	466.91
Add: Transferred from Share Options Outstanding account for employees transferred during the year	692.86	-
Less: Appropriations		
- Second Interim Dividend (FY 2021-22 - ₹ 21/- per share)	(57,116.98)	-
- First Interim Dividend ₹ 18/- per share (FY 2021-22 - ₹ 19/- per share)	(48,957.41)	(51,677.27)
Total Appropriations	(1,06,074.39)	(51,677.27)
<b>Balance at the end of the year</b>	<b>1,29,652.64</b>	<b>1,30,808.54</b>
	<b>1,68,918.57</b>	<b>1,70,747.90</b>

(Retained earnings are the profits that a company has earned to date, after appropriation for dividends payouts)

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 16: Lease liabilities

### As a Lessee

The Company has lease contracts for various items of plant and equipments, vehicles, offices and residential buildings. Leases of plant and equipments has lease term of 10 years, while other leases have lease terms ranging from 2 years to 9 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company has lease contracts that includes extension option, however the lease term in respect of such extension option is not defined in the contract.

The Company also has certain leases with lease terms of 12 months or less and leases of low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The carrying amounts of right-of-use assets recognised and the movements during the year are given in Note 3(D)(I).

### Carrying amounts of lease liabilities and the movements during the year

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
As at April 01	8,305.36	9,117.58
Addition	6.24	844.96
Interest	491.38	589.49
Payment	(1,906.83)	(2,246.67)
<b>As at March 31</b>	<b>6,896.15</b>	<b>8,305.36</b>
<b>Non current</b>	5,674.06	6,901.41
<b>Current</b>	1,222.09	1,403.95
Depreciation expense of right-of-use assets (Note 3D)	2,023.69	2,282.47
Interest expense on lease liabilities (Note 29)	491.38	589.49
Expense relating to leases of low-value assets (included in Note 30 under lease rentals)	491.56	548.05
Expense relating to short-term leases (included in Note 30 under lease rentals)	-	0.10
	<b>491.56</b>	<b>548.15</b>

The effective interest rate for lease liabilities is 7.17% p.a. to 8.10% p.a., with maturity between 2023-2029.

The Company had total cash outflows for leases of ₹ 1,906.84 lakhs for the year ended March 31, 2023 and ₹ 2,246.67 lakhs for the year ended March 31, 2022.

The maturity analysis of lease liabilities are disclosed in Note 40.

### As a Lessor

The Company has given office premise space under non-cancellable operating lease for a period of 1 year. The rental income from the asset given on lease of ₹ 248.06 Lakhs (March 31, 2022 : ₹ 248.06 Lakhs) has been disclosed as "Lease Rentals" under Other Income in Note 26 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 agreements.
- Agreement contain provision for renewal at the option of either party.
- Agreement provide for restriction on sub lease.

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 16: Lease liabilities (Contd..)

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

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Within one year	-	20.67

Beyond one year future minimum lease payments that the Company is expected to receive under the non-cancellable lease is ₹ Nil. (Previous Year: ₹ Nil)

## Note 17: Other Non-Current Financial Liabilities

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Security Deposits	123.70	123.70
	<b>123.70</b>	<b>123.70</b>

## Note 18: Non-Current Provisions

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Provision for Employee Benefits:		
- Gratuity [Refer Note 28 II (B) (iii)(a)]	1,112.17	317.50
- Compensated Absences [Refer Note 28 III]	964.65	1,080.75
- Provident Fund [Refer Note 28 II (B) (iii) (b)]	282.23	-
	<b>2,359.05</b>	<b>1,398.25</b>

## Note 19: Deferred Tax (Assets) / Liabilities [Net]

The balance comprises temporary differences attributable to:

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
<b>Deferred Tax Liabilities: (A)</b>		
Difference between carrying value of property, plant and equipment and written down value as per tax	1,432.07	2,614.34
<b>Deferred Tax Assets: (B)</b>		
Impact of indexation on leasehold land	(1,170.59)	(1,054.94)
Expenses allowable on payment basis for tax purposes	(1,659.88)	(1,793.42)
Employee benefits	(1,336.86)	(1,323.88)
Impairment of trade receivables	(149.00)	(171.82)
<b>Net Deferred Tax Assets (A+B)</b>	<b>(2,884.26)</b>	<b>(1,729.72)</b>

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 19: Deferred Tax (Assets) / Liabilities [Net] (Contd..)

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
<b>Movement in Deferred Tax (Assets) / Liabilities</b>		
<b>Opening balance as at beginning of the year</b>	(1,729.72)	(476.81)
Tax (income) during the year recognised in profit or loss [Refer Note 31 (a)]	(990.07)	(1,409.95)
Tax (income) during the year recognised in OCI	(164.47)	157.04
<b>Closing balance as at year end</b>	<b>(2,884.26)</b>	<b>(1,729.72)</b>

## Note 20: Other Non-Current Liabilities

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Payable under Voluntary Retirement Scheme	40.15	45.12
	<b>40.15</b>	<b>45.12</b>

## Note 21: Trade Payables

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
- Total outstanding dues of micro enterprises and small enterprises (Refer Note 42)	1,269.34	1,556.30
- Total outstanding dues of creditors other than micro enterprises and small enterprises	74,843.06	75,583.15
	<b>76,112.40</b>	<b>77,139.45</b>
Trade Payables	65,683.91	64,008.61
Trade Payable to related parties (Refer Note 37)	10,428.49	13,130.84
	<b>76,112.40</b>	<b>77,139.45</b>

### Trade payables ageing schedules\*

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
<b>Total outstanding dues of micro enterprises and small enterprises</b>		
Current but not due	892.66	987.00
Less than 1 year	341.18	569.30
1-2 years	35.50	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>1,269.34</b>	<b>1,556.30</b>



# Notes to Financial Statements

for the year ended March 31, 2023

## Note 21: Trade Payables (Contd..)

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
<b>Total outstanding dues of creditors other than micro enterprises and small enterprises</b>		
Unbilled	50,323.97	46,089.37
Current but not due	6,338.18	7,211.97
Less than 1 year	17,976.48	22,006.04
1-2 years	20.09	72.50
2-3 years	16.39	50.67
More than 3 years	167.95	152.60
<b>Total</b>	<b>74,843.06</b>	<b>75,583.15</b>
<b>Total Undisputed Trade payables</b>		
Unbilled	50,323.97	46,089.37
Current but not due	7,230.84	8,198.97
Less than 1 year	18,317.66	22,575.34
1-2 years	55.59	72.50
2-3 years	16.39	50.67
More than 3 years	167.95	152.60
<b>Total</b>	<b>76,112.40</b>	<b>77,139.45</b>

There are no disputed trade payables.

\* Outstanding for the above periods are based on due date of payment

## Note 22: Other Current Financial Liabilities

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Dividends* :		
- Other Unpaid Dividends**	3,308.19	2,980.81
Unpaid Balance for Share Capital Reduction (Year 2007)**	85.65	83.82
Capital Creditors	379.58	454.65
	<b>3,773.42</b>	<b>3,519.28</b>

\*There are no amounts due for payment to the Investor Education and Protection Fund (IEPF) under Section 125 of the Companies Act, 2013 as at the year end as per the Company records.

\*\* Considered for movement in liabilities arising from financing activities in cash flow.

## Note 23: Other Current Liabilities

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Payable towards Statutory Liabilities	5,463.49	3,662.74
Employee Benefits Payable	6,486.95	7,727.27
Payable under Voluntary Retirement Scheme	3.16	3.16
Advances from Customers	835.21	873.50
	<b>12,788.81</b>	<b>12,266.67</b>

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 24: Current Provisions

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Provision for Employee Benefits :		
- Provident Fund [Refer Note 28 II (B) (iii) (b)]	649.65	607.62
- Compensated Absences [Refer Note 28 III]	318.47	402.35
Others :		
- Provision for Statutory Liabilities [Refer Note (A)]	3,545.72	3,292.25
- Other Matter [Refer Note (B)]	4,537.27	4,099.61
	<b>9,051.11</b>	<b>8,401.83</b>

### (A) Provision for statutory liabilities

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Opening Balance	3,292.25	3,349.14
Add: Provision made	976.76	320.43
Less: Provision Utilised/Reversed	(723.29)	(377.32)
<b>Closing Balance</b>	<b>3,545.72</b>	<b>3,292.25</b>

Future cash flow in respect of the above, if any, is determinable only on receipt of judgments/ decision pending with relevant authorities

### (B) Other Matter

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Opening Balance	4,099.61	3,654.19
Add: Provision made	437.66	445.42
<b>Closing Balance</b>	<b>4,537.27</b>	<b>4,099.61</b>

Provision for other matter represents claim against the Company not acknowledged as debt that may materialise in respect of matter of a Leased Property in dispute (Refer note 33).

## Note 25: Revenue from Operations

	Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
Revenue from Contract with Customers :		
- Sale of Products (net of GST)	5,18,786.36	5,06,645.51
Other Operating Revenue		
- Service Income	3,202.55	2,892.10
- Scrap Sales	630.80	440.58
	<b>5,22,619.71</b>	<b>5,09,978.19</b>

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 25: Revenue from Operations (Contd..)

### Disaggregated revenue information

	Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
<b>1) Type of goods or service</b>		
Personal Care (Including Oral Care)	5,18,786.36	5,06,645.51
Research and Development Service Income	3,202.55	2,892.10
Scrap Sales	630.80	440.58
	<b>5,22,619.71</b>	<b>5,09,978.19</b>
<b>2) Geographical</b>		
India	4,99,789.24	4,86,341.36
Outside India	22,830.47	23,636.83
	<b>5,22,619.71</b>	<b>5,09,978.19</b>
<b>3) Timing of revenue recognition</b>		
Sale on transfer of goods to customer at a point in time	5,19,417.16	5,07,086.09
Service Income as and when services rendered	3,202.55	2,892.10
	<b>5,22,619.71</b>	<b>5,09,978.19</b>
<b>4) Revenue</b>		
External customer	5,05,918.80	4,93,991.46
Related Party	16,700.91	15,986.73
	<b>5,22,619.71</b>	<b>5,09,978.19</b>
<b>Contract balances</b>		
Trade receivables*	15,736.61	22,467.81
Contract Liability - Advances from Customers**	835.21	873.50

\*Trade receivables are non-interest bearing and on credit allowed to certain customers. Major variation in Trade receivables is on account of credit allowed to certain distributors for the previous year ended March 31, 2022. As on March 31, 2023, ₹ 592.02 lakhs (March 31, 2022 - ₹ 682.68 lakhs) is recognised as allowance for doubtful debts.

\*\*Contract Liability represents short term advances received from customer to deliver the goods. The company has recognised revenue of ₹ 873.50 lakhs (March 31, 2022 - ₹ 1,717.79 lakhs) that was included in contract liability balance at the beginning of the year.

	Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
<b>Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price at net of discount and rebates</b>		
<b>Revenue (Refer Note below) net of on invoice discount</b>	5,74,643.51	5,47,986.26
Sales return	(2,905.69)	(2,668.42)
Variable Consideration - off invoice	(49,118.11)	(35,339.65)
Revenue from contract with customers	<b>5,22,619.71</b>	<b>5,09,978.19</b>

Note - Sales as per contracted price before discounts ₹ 597,959.77 Lakhs for the year ended March 31, 2023 (March 31, 2022 ₹ 569,421.49 Lakhs)

### Performance obligation

The Company's revenue contracts represent a single performance obligation to sell its products to trade customers. Sales are recorded at contracted price at the time control of the products is transferred to trade customers, in an amount that

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 25: Revenue from Operations (Contd..)

reflects the consideration the Company expects to be entitled to in exchange for the products. Control is the ability of trade customers to direct the use of and obtain the benefit from our products. In evaluating the timing of the transfer of control of products to trade customers, the Company considers transfer of significant risks and rewards of products and the probability of flowing of future economic benefit to the entity as per the terms of the Contract which usually coincide with the delivery of the goods. The performance obligation for service income is satisfied as and when the service is performed.

The payment terms include advance payment and credit given to certain customers.

The nature of goods includes personal care (including oral care) and Research and Development service income.

### Variable consideration

Variable consideration includes sales returns, trade discounts, volume based incentives, and cost of promotional programs, indirect taxes as may be applicable.

## Note 26: Other Income

	Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
Interest income on Financial Assets at Amortised cost	3,990.35	2,079.44
Interest income from Unwinding of discount on security deposits	109.91	110.97
Lease Rentals (Refer Note 16)	248.06	248.06
Foreign Exchange Gain (Net)	264.37	-
Net gain on disposal of property, plant and equipment	31.28	-
Provisions no Longer Required Written Back	90.65	-
Miscellaneous Income	622.97	187.83
	<b>5,357.59</b>	<b>2,626.30</b>

## Note 27: Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress:

		Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
<b>Opening Stock</b>			
Finished Goods	15,024.03		15,815.22
Stock-in-Trade	4,698.07		4,830.47
Work-in-Progress	2,225.44		1,644.56
		<b>21,947.54</b>	<b>22,290.25</b>
<b>Less: Closing Stock</b>			
Finished Goods	16,880.22		15,024.03
Stock-in-Trade	2,665.81		4,698.07
Work-in-Progress	2,009.57		2,225.44
		<b>21,555.60</b>	<b>21,947.54</b>
		<b>391.94</b>	<b>342.71</b>

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 28: Employee Benefits Expense

	Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
Salaries, Wages and Bonus	33,258.61	34,170.66
Contribution to Provident Fund, Gratuity and Other Funds	2,756.32	2,861.82
Share Based Payments to Employees [Refer Note 38 (c)]	971.91	1,253.63
Compensated Absences [Refer III below]	210.08	(452.00)
Staff Welfare Expenses	500.07	678.90
	<b>37,696.99</b>	<b>38,513.01</b>

### I Defined Contribution Plans

	Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
Charge to Statement of Profit and Loss for Defined Contribution Plans:		
- Employers' Contribution to Provident Fund	202.00	199.29
- Employers' Contribution to Superannuation Fund	113.74	134.37
- Employers' Contribution to Employee's State Insurance	39.41	57.30
- Employers' Contribution to Employee's Pension Scheme 1995	314.98	331.29
- Employers' Contribution to National Pension Scheme	115.67	96.22
<b>Total</b> (Included in Employee Benefits Expense - Contribution to Provident Fund, Gratuity and Other Funds)	<b>785.80</b>	<b>818.47</b>

### 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 Ind AS 19, Actuarial valuation was performed in respect of the aforesaid defined benefit plans.

#### A) Significant actuarial assumptions were as follows:

	Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
Discount Rate (per annum)	7.50%	7.20%
Rate of increase in Compensation levels	7.00%	7.00%

#### B) Balance Sheet Amounts

##### i) Balance sheet amounts- Gratuity

The Company provides for gratuity for employees as per the Company policy. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of Gratuity is payable on retirement/ termination of the employee's based on last drawn basic salary per month multiplied for the number of years

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 28: Employee Benefits Expense (Contd..)

of service. The Company has established 'Colgate-Palmolive India Gratuity Fund for Workmen' and 'Colgate-Palmolive India Gratuity Fund for Non-Workmen' to which the Company makes contribution.

(₹ in lakhs)

Particulars	Present value of obligation (A)	Fair value of plan assets (B)	Net Amount (A)-(B)
<b>Opening Balance as at April 1, 2021</b>	<b>9,396.22</b>	<b>8,798.42</b>	<b>597.80</b>
Current service cost (i)	776.94	-	776.94
Interest expense (ii)	624.74	604.49	20.25
<b>Total amount recognised in the Statement of Profit and Loss (i+ii)</b>	<b>1,401.68</b>	<b>604.49</b>	<b>797.19</b>
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(12.96)	12.96
Gains from change in financial assumptions	(443.50)	-	(443.50)
Experience Gains	(49.15)	-	(49.15)
<b>Total amount recognised in other comprehensive income</b>	<b>(492.65)</b>	<b>(12.96)</b>	<b>(479.69)</b>
Employers contributions	-	597.80	(597.80)
Benefit Payments	(740.87)	(740.87)	-
<b>Closing Balance as at March 31, 2022</b>	<b>9,564.38</b>	<b>9,246.88</b>	<b>317.50</b>

(₹ in lakhs)

Particulars	Present value of obligation (A)	Fair value of plan assets (B)	Net Amount (A)-(B)
<b>Opening Balance as at April 1, 2022</b>	<b>9,564.38</b>	<b>9,246.88</b>	<b>317.50</b>
Current service cost (i)	774.48	-	774.48
Interest expense/(income) (ii)	669.51	661.05	8.46
<b>Total amount recognised in the Statement of Profit and Loss (i+ii)</b>	<b>1,443.99</b>	<b>661.05</b>	<b>782.94</b>
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(303.70)	303.70
(Gain)/loss from change in demographic assumptions	(9.60)	-	(9.60)
Gains from change in financial assumptions	(324.70)	-	(324.70)
Experience Gains	359.83	-	359.83
<b>Total amount recognised in other comprehensive loss</b>	<b>25.53</b>	<b>(303.70)</b>	<b>329.23</b>
Employers contributions	-	317.50	(317.50)
Benefit payments	(1,073.88)	(1,073.88)	-
<b>Closing Balance as at March 31, 2023</b>	<b>9,960.02</b>	<b>8,847.85</b>	<b>1,112.17</b>

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 28: Employee Benefits Expense (Contd..)

### ii) Balance sheet amounts- Provident Fund

The Company has established 'Colgate-Palmolive (India) Limited Provident Fund' in respect of certain employees to which both the employee and the employer make contribution. Such contribution to the provident fund for all employees, are charged to the Statement of Profit and Loss. In case of any liability arising due to shortfall between the return from its investments and the guaranteed specified interest rate, the same is provided for by the Company. The actuary has provided an actuarial valuation and the interest shortfall liability if any has been provided in the books of accounts after considering the assets available with the Company's Provident Fund Trust. The guaranteed rate of return (p.a) is 8.10% ( March 31,2022 - 8.10%).

(₹ in lakhs)

Particulars	Present value of obligation (A)	Fair value of plan assets (B)	Net Amount (A)-(B)
<b>Opening Balance as at April 1, 2021</b>	<b>25,818.82</b>	<b>25,118.82</b>	<b>700.00</b>
Current service cost	1,261.25	-	1,261.25
Interest expense	1,805.52	1,753.65	51.87
<b>Total amount recognised in the Statement of Profit and Loss</b>	<b>3,066.77</b>	<b>1,753.65</b>	<b>1,313.12</b>
<i>Remeasurements</i>			
(Gain)/loss due to Mark to market	-	(607.61)	607.61
Loss from change in financial assumptions	480.98	-	480.98
Experience losses	441.50	1,825.05	(1,383.55)
<b>Total amount recognised in other comprehensive income</b>	<b>922.48</b>	<b>1,217.44</b>	<b>(294.96)</b>
Contributions:			
Employers	-	1,135.81	(1,135.81)
Employees	2,060.66	2,060.66	-
Payment for plan:			
Benefit payments	(903.04)	(903.04)	-
Settlements	(953.10)	(953.10)	-
Actual Employer contribution towards interest rate guarantee	-	125.44	(125.44)
Adjustment to recognize the effects of plan assets at book value	-	(150.71)	150.71
<b>Closing Balance as at March 31, 2022</b>	<b>30,012.59</b>	<b>29,404.97</b>	<b>607.62</b>

(₹ in lakhs)

Particulars	Present value of obligation (A)	Fair value of plan assets (B)	Net Amount (A)-(B)
<b>Opening Balance as at April 1, 2022</b>	<b>30,012.59</b>	<b>29,404.97</b>	<b>607.62</b>
Current service cost	1,078.87	-	1,078.87
Interest expense	2,232.63	2,248.00	(15.37)
<b>Total amount recognised in the Statement of Profit and Loss</b>	<b>3,311.50</b>	<b>2,248.00</b>	<b>1,063.50</b>

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 28: Employee Benefits Expense (Contd..)

(₹ in lakhs)

Particulars	Present value of obligation (A)	Fair value of plan assets (B)	Net Amount (A)-(B)
<i>Remeasurements</i>			
Gain from change in financial assumptions	(157.72)	-	(157.72)
Experience losses	(121.66)	(1,377.33)	1,255.67
<b>Total amount recognised in other comprehensive loss</b>	<b>(279.38)</b>	<b>(769.72)</b>	<b>490.34</b>
Contributions:			
Employers	-	1,204.31	(1,204.31)
Employees	1,910.54	1,910.54	-
Payment for plan:			
Benefit payments	(1,246.97)	(1,246.97)	-
Settlements	249.85	249.85	-
Actual Employer contribution towards interest rate guarantee	-	(125.44)	125.44
Adjustment to recognize the effects of plan assets at book value	-	150.71	(150.71)
<b>Closing Balance as at March 31, 2023</b>	<b>33,958.13</b>	<b>33,026.25</b>	<b>931.88</b>

### (iii) Amount recognised in the Balance Sheet (Funded Scheme)

#### a) Gratuity

	Year Ended	
	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs
Present Value of Obligation as at the end of the year	9,960.02	9,564.38
Fair Value of Funded Plan Assets as at the end of the year	(8,847.85)	(9,246.88)
<b>Liability recognised in the Balance Sheet</b>	<b>1,112.17</b>	<b>317.50</b>

[Included in Non Current Provisions ₹ 1,112.17 Lakhs ( March 31, 2022 - ₹ 317.50 Lakhs) (Refer Note 18)]

#### b) Provident Fund (Funded Scheme)

	Year Ended	
	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs
Present Value of Obligation of Funded Plan as at the end of the year	33,958.13	30,012.59
Fair Value of Funded Plan Assets as at the end of the year	(33,026.25)	(29,404.97)
<b>Liability recognised in the Balance Sheet</b>	<b>931.88</b>	<b>607.62</b>

Note - Plan assets for Provident fund trust have been valued at cost or fair market value whichever is lower.

[Included in Non Current Provisions ₹ 282.23 lakhs (March 31, 2022 - Nil) (Refer Note 18) and in Current Provisions ₹ 649.65 lakhs (March 31, 2022 ₹ 607.62 lakhs) (Refer Note 24)]



# Notes to Financial Statements

for the year ended March 31, 2023

## Note 28: Employee Benefits Expense (Contd..)

(iv) Percentage of each category of Plan Assets to Total Fair Value of Plan Assets

a) Gratuity

	Year Ended	
	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs
<b>Category of Assets (% Allocation)</b>		
Government of India Securities	0%	0%
Insurer Managed Funds	99%	100%
Others	1%	0%

b) Provident Fund

	Year Ended	
	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs
<b>Category of Assets (% Allocation)</b>		
Government of India Securities	47%	46%
Other Debt Instruments	37%	38%
Equity instruments	13%	11%
Others	3%	4%

## C) Sensitivity Analysis

i) Gratuity

	Year Ended	
	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs
Discount Rate:		
Impact of increase in 50 bps on DBO	-5.10%	-5.38%
Impact of decrease in 50 bps on DBO	5.52%	5.85%
Salary Escalation Rate:		
Impact of increase in 50 bps on DBO	5.49%	5.82%
Impact of decrease in 50 bps on DBO	-5.14%	-5.41%

ii) Provident Fund

	Year Ended	
	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs
Guaranteed Rate of Return:		
Impact of increase in 100 bps on DBO	3.55%	4.29%
Impact of decrease in 100 bps on DBO	-0.95%	-1.60%

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 28: Employee Benefits Expense (Contd.)

### D) Projected Plan Cash flow:

The expected contribution payable to the Gratuity plan for the next year is ₹ 400 Lakhs. The expected contribution payable to the Provident Fund plan for the next year is ₹ 1,288.61 lakhs.

The weighted average duration to the payment of these cash flows for Gratuity is 10.61 years (March 31, 2022 : 11.21 years). The weighted average duration to the payment is for Provident Fund plan is 12.36 years (March 31, 2022 : 12.81 years)

Expected cash flow profile of the benefits to be paid to the current membership of the plan: Gratuity	Year Ended	
	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs
Less than a year	584.17	531.14
Between 1- 2 years	411.60	373.64
Between 2- 5 years	2,082.80	1,874.83
Between 5- 9 years	3,636.61	3,655.84
10 years and above	19,806.12	19,236.26

### III Other Employee Benefit - Compensated Absences

The liability for Compensated Absences as at the year end is ₹ 1,283.12 Lakhs (March 31, 2022 : ₹ 1,483.10 Lakhs).

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Included in :		
Non-Current Provisions (Refer Note 18)	964.65	1,080.75
Current Provisions (Refer Note 24)	318.47	402.35
	<b>1,283.12</b>	<b>1,483.10</b>
<b>Movement of Compensated Absences:</b>		
Balance at the beginning of the year	1,483.10	2,916.83
Add: Charge during the year	210.08	(452.00)
Less: Amount paid during the year	410.06	981.73
<b>Balance at the end of the year</b>	<b>1,283.12</b>	<b>1,483.10</b>

## Note 29 : Finance Costs

	Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
Interest expense	491.38	589.49
	<b>491.38</b>	<b>589.49</b>

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 30: Other Expenses

		Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
Consumption of Stores and Spares		2,561.36	2,485.20
Processing Charges		976.12	1,249.54
Power and Fuel		4,744.34	4,353.96
Freight and Forwarding Charges		15,287.70	16,432.27
Lease Rentals (Refer Note 16)		491.56	548.15
Rates and Taxes		255.26	172.30
Insurance		748.71	717.44
Repairs and Maintenance			
- Plant and Machinery	4,530.90		4,295.24
- Buildings	277.39		269.85
- Others	156.67		62.43
		<b>4,964.96</b>	<b>4,627.52</b>
Advertising		63,407.44	64,311.63
Fees and Commission to Independent Directors		177.50	154.00
Auditors' Remuneration [Refer Note (A) below]		110.31	127.12
Royalty			
- Royalty Expense	22,863.84		22,252.31
- Withholding tax on Royalty	2,802.80		2,727.83
		<b>25,666.64</b>	<b>24,980.14</b>
Expenditure towards Corporate Social Responsibility [Refer Note (B) below]		2,538.00	2,343.68
Bad Debts Written Off		3.29	34.44
Provision for Doubtful Debts		-	11.84
Net loss on disposal of property, plant and equipment		-	16.38
Foreign Exchange Loss (Net)		-	121.88
Travel and Conference Expenses		2,943.29	383.35
Outside Services		14,085.81	13,342.84
Miscellaneous		11,839.75	11,704.84
		<b>1,50,802.04</b>	<b>1,48,118.52</b>
<b>(A) Auditors' Remuneration (excluding Goods and Services Tax) :</b>			
As Auditor :			
- Statutory Audit		64.00	75.00
- Limited Review		31.00	35.00
- Tax Audit		12.00	17.00
Reimbursement of Expenses		3.31	0.12
		<b>110.31</b>	<b>127.12</b>

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 30 (B): Corporate Social Responsibility Expenditure

	Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
(I) Gross amount required to be spent by the Company during the year	2,535.12	2,337.01
(II) Amount approved by the Board to be spent during the year	2,538.00	2,343.68
(III) CSR expenditure during the year:		
(A) Amount paid in cash -		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above:		
- Social Impact Assessment of CSR Programs	40.10	26.40
- Promoting Preventive Health Care	634.06	106.88
- Water Access and Water Augmentation for livelihoods and Women Empowerment	530.15	250.00
- Empowering Youth through Education/Career Building Opportunities /Sports program	780.50	565.00
- COVID Relief Pandemic work	-	1,395.40
(B) Amount unspent -		
- Promoting preventive health care	553.19	-
	<b>2,538.00</b>	<b>2,343.68</b>

(IV) Details of unspent amount along with details of ongoing projects as per section 135(6)

i) Details of unspent amount for ongoing projects as per section 135(6)

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company*	In Separate CSR Unspent A/c
-	-	2,538.00	1,984.81	-	553.19	-

\* Subsequent to year end, the amount is deposited in separate CSR unspent account in compliance with the provisions of section 135(6) of the Companies Act, 2013

ii) Details of movement in provisions

Opening Provision	Spent during the year	Current Year Provision	Closing Provision
-	-	553.19	553.19

V) There are no amounts contributed to any trust, society or Section 8 company which is controlled by the Company in relation to CSR expenditures as per Indian Accounting Standard 24 - Related Party Disclosures (Ind AS 24).

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 31 : Income Tax expenses

	Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
<b>(a) Income tax expense</b>		
<b>Current tax</b>		
Current tax on profit for the year	37,242.69	37,678.84
Adjustments for current tax of prior periods	-	(3,199.71)
<b>Total current tax expenses</b>	<b>37,242.69</b>	<b>34,479.13</b>
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	(990.07)	(1,409.95)
Income tax expenses	36,252.62	33,069.18
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>		
Profit before income tax expense	1,40,967.27	1,40,901.05
<b>Tax at the Indian tax rate of 25.168% (March 31, 2022 - 25.168%)</b>	<b>35,478.64</b>	<b>35,461.98</b>
Tax effect of amounts which are not deductible (allowable) in calculating taxable income:		
Expenses not deductible for tax purposes	794.77	853.20
Income claimed exempt for tax purposes	-	(25.50)
Income considered under separate head of income	(20.79)	(20.79)
Adjustments for current tax of prior periods	-	(3,199.71)
<b>Income tax expense</b>	<b>36,252.62</b>	<b>33,069.18</b>
<b>(c) Amounts Recognised directly in Equity</b>		
Current Tax Impact arising in the reporting period in respect of distribution of Employee Stock Option directly recognised in Equity	68.02	100.68
<b>(d) Current Tax Assets (Net)</b>		
Current Tax Assets (Net) [Net of Provision of Tax 2,04,240.90 Lakhs, March 31, 2022 : ₹ 1,67,066.01 Lakhs]	29,788.98	28,876.36
<b>(e) Current Tax Liabilities (Net)</b>		
Current Tax Liabilities (Net) [Net of Advance Tax payments ₹ 1,51,524.25 Lakhs, March 31, 2022 : ₹ 1,51,524.25 Lakhs]	5,515.71	5,515.72

## Note 32: Contingent Liabilities

(To the extent not provided for)

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Claims against the Company not acknowledged as debts:		
- Excise and Related Matters	5,358.74	5,546.55
- GST Matters	687.22	-
- Custom Matters	221.70	-
- Service Tax Matters	1,399.14	6,030.71
- Sales Tax Matters	1,217.20	3,852.91
- Income Tax Matters	92,207.57	1,07,063.50
- Commercial Matters	15.00	15.00

Future cash flow in respect of the above, if any, is determinable only on receipt of judgements/decisions pending with the relevant authorities.

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 32: Contingent Liabilities (Contd..)

Subsequent to Balance sheet date, the Company has received favorable orders from Income Tax Appellate Tribunal (ITAT) pertaining to financial years 2010-11, 2011-12, 2012-13 and 2015-16 quashing outstanding demand of ₹ 49,000.47 lakhs on the grounds of limitation of time. Accordingly, the Company has not considered the same as contingent liability as at March 31, 2023.

## Note 33: Demand notices in relation to leased property

During the year, the Company has further received demand notices from lessor in respect of leased property at Sewri totalling to ₹ 11,643.58 Lakhs as at March 31, 2023, for increase in the rentals with retrospective effect from October 01, 2012. The Company is seeking explanation from authorities in relation to such demands and basis legal opinion obtained by the Company, the Company believes that such demand is exorbitant and not tenable before the Court of Law.

## Note 34: Capital Commitments

	As at March 31, 2023 (₹ in lakhs)	As at March 31, 2022 (₹ in lakhs)
Estimated amount of contracts remaining to be executed on capital account and not provided for [net of capital advances of ₹ 594.44 Lakhs (March 31, 2022 : ₹ 247.95 Lakhs) (Refer Note 6)]	1,190.53	1,046.01

## Note 35: Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and Chief Financial Officer of the Company. The Company operates only in one Business Segment i.e. 'Personal Care (including Oral Care)' which primarily includes products such as Soaps, Cosmetics and Toilet Preparations and the activities incidental thereto within India, hence does not have any reportable Segments as per Ind AS 108 "Operating Segments". The performance of the Company is mainly driven by sales made locally and hence, no separate geographical segment is identified.

## Note 36: Earnings Per Share (EPS)

	Year Ended March 31, 2023 (₹ in lakhs)	Year Ended March 31, 2022 (₹ in lakhs)
i) Basic and Diluted Earnings Per Share (₹)		
Profit for the year (₹ Lakhs)	1,04,714.65	1,07,831.87
Weighted average number of outstanding shares for Basic and Diluted EPS (Nos.)	27,19,85,634	27,19,85,634
Nominal Value of shares outstanding (₹)	1	1
Basic and Diluted Earnings Per Share (₹)	38.50	39.65
ii) Weighted average number of shares used as the denominator		
Opening Balance	27,19,85,634	27,19,85,634
Increase / (Decrease) during the year	-	-
Weighted average number of shares used as the denominator for calculating basic and diluted earnings per share	27,19,85,634	27,19,85,634

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 37: Disclosure of Related Parties

### A) Ultimate Holding Company

: Colgate-Palmolive Company, U.S.A.

### B) Group Companies where common control exists

: Colgate-Palmolive Mktg. SDN BHD, Malaysia

: Colgate-Palmolive East Africa Ltd., Kenya

: Colgate-Palmolive DEL Ecuador S.A

: Colgate-Palmolive Pty. Ltd., South Africa

: Colgate-Palmolive (Thailand) Ltd., Thailand

: Colgate-Palmolive Asia Pacific Ltd., Wan Chai, Hongkong (Formerly known as Colgate-Palmolive Management Services HK Ltd)

: Colgate-Palmolive (China) Co. Ltd., China

: Colgate Palmolive (Vietnam) Ltd, Vietnam

: Colgate Sanxiao Company Limited, China\*

: Colgate-Palmolive Peru SA

: Colgate-Palmolive Ukraine TOV

: Colgate-Palmolive (Burlington) Limited\*

: Colgate Palmolive Temizlik Urunleri Sanayi ve Ticaret S.A., Turkey

: Colgate-Palmolive Cameroun S.A., Cameroun

: Colgate-Palmolive (Eastern) Pte. Ltd., Singapore\*

: Colgate-Palmolive Indústria Ltda., Brazil

: Norwood International Incorporated, U.S.A.

: Colgate-Palmolive Tanzania Limited, Tanzania

: Colgate-Palmolive Pty. Ltd., Boksburg, South Africa.

: Colgate Global Business Services Pvt Ltd, India

: Colgate-Palmolive Zambia Inc., Zambia\*

: Colgate-Palmolive Services (Poland) Sp.z.o.o, Poland

: Colgate-Palmolive Europe SARL, Italy\*

: Colgate Palmolive Bt. Ltd., (Blantyre), Malawi\*

: Colgate-Palmolive CACE Region, Istanbul, Turkey

: Colgate-Palmolive Senegal, Senegal\*

: Colgate Philippines Inc., Philippines

: Colgate-Palmolive Mocambique Limitada\*

: Colgate-Palmolive Ghana Ltd, Ghana

: Colgate-Palmolive Europe Sarleu Div

: CP Middle East Exports Ltd

: Colgate-Palmolive (Myanmar) Limited, Myanmar

: Hill'S Pet Nutrition Asia Limited

: Colgate-Palmolive Arabia Ltd.

: Colgate-Palmolive Pty. Ltd., Australia

: Colgate-Palmolive (Russia) Ltd., Russia

: Hypo Homecare Products Limited, Nigeria

: Colgate Tolaram LFTZ Enterprise

: Colgate-Palmolive IHQ Services Thailand

### C) Key Managerial Personnel of the Company

#### (i) Executive Directors

: Prabha Narasimhan (effective September 1, 2022)

: M. S. Jacob

: M. Chandrasekar (Up to June 30, 2022)

: R. Raghavan (Up to April 15, 2022)

: S. Sharma

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 37: Disclosure of Related Parties (Contd..)

(ii) Non-Executive and Non Independent Directors : M. Deoras

(iii) Non-Executive and Independent Directors : V. S. Mehta

: I. Shahani

: S. Gopinath

: S. Kripalu

: G. Pant

: S. Natarajan

(iv) Company Secretary : S. Sharma (effective February 22, 2022)

: K. R. Singh (Up to February 21, 2022)

### D) Post Employment Benefit Funds

: Colgate-Palmolive (India) Limited Provident Fund

: Colgate-Palmolive India Gratuity Fund for Workmen

: Colgate-Palmolive India Gratuity Fund for Non-Workmen

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

### (i) Transactions entered into with Parties referred to in Category A and B

Nature of Transaction	Parties referred to in Category A		Parties referred to in Category B		Total	
	Year Ended		Year Ended		Year Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
<b>Purchase of Goods/Materials</b>						
Colgate-Palmolive Asia Pacific Limited	-	-	3,726.19	3,719.69	3,726.19	3,719.69
Colgate-Palmolive Company, U.S.A.	622.82	781.06	-	-	622.82	781.06
Others	-	-	180.87	98.96	180.87	98.96
<b>Sub-Total</b>	<b>622.82</b>	<b>781.06</b>	<b>3,907.06</b>	<b>3,818.65</b>	<b>4,529.88</b>	<b>4,599.71</b>
<b>Sale of Goods/Materials</b>						
Hypo Homecare Products Limited, Nigeria	-	-	768.48	2,548.58	768.48	2,548.58
Colgate-Palmolive Europe Sarleu Div	-	-	8,044.17	5,430.46	8,044.17	5,430.46
Colgate-Palmolive East Africa Ltd., Kenya	-	-	445.91	444.43	445.91	444.43
Colgate-Palmolive Pty. Ltd., South Africa	-	-	240.13	246.95	240.13	246.95
Colgate-Palmolive Pty. Ltd., Boksburg	-	-	1,584.87	1,459.96	1,584.87	1,459.96
Colgate-Palmolive Asia Pacific Limited	-	-	375.97	1,316.56	375.97	1,316.56
Others	-	-	2,038.11	1,542.01	2,038.11	1,542.01
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>13,497.64</b>	<b>12,988.95</b>	<b>13,497.64</b>	<b>12,988.95</b>
<b>Sale of Property, Plant and Equipment</b>						
Colgate-Palmolive Vietnam	-	-	-	4.55	-	4.55
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.55</b>	<b>-</b>	<b>4.55</b>
<b>Services Rendered (inclusive of Goods and Services Tax)</b>						
Colgate-Palmolive Company, U.S.A.	3,618.41	3,164.62	-	-	3,618.41	3,164.62
Others	-	-	292.71	292.71	292.71	292.71
<b>Sub-Total</b>	<b>3,618.41</b>	<b>3,164.62</b>	<b>292.71</b>	<b>292.71</b>	<b>3,911.12</b>	<b>3,457.33</b>



# Notes to Financial Statements

for the year ended March 31, 2023

## Note 37: Disclosure of Related Parties (Contd..)

Nature of Transaction	Parties referred to in Category A		Parties referred to in Category B		Total	
	Year Ended		Year Ended		Year Ended	
	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs
<b>Services Received</b>						
Colgate-Palmolive Company, U.S.A.	9,577.18	9,627.70	-	-	9,577.18	9,627.70
Colgate Global Business Services Pvt Ltd., India	-	-	1,219.95	860.34	1,219.95	860.34
<b>Sub-Total</b>	<b>9,577.18</b>	<b>9,627.70</b>	<b>1,219.95</b>	<b>860.34</b>	<b>10,797.13</b>	<b>10,488.04</b>
<b>Reimbursement of Expenses Charged by the Company/(on the Company)</b>						
Colgate-Palmolive Company, U.S.A.	(4,531.35)	(5,073.22)	-	-	(4,531.35)	(5,073.22)
Colgate-Palmolive Asia Pacific Limited	-	-	(788.88)	(273.54)	(788.88)	(273.54)
Others	-	-	281.15	328.03	281.15	328.03
<b>Sub-Total</b>	<b>(4,531.35)</b>	<b>(5,073.22)</b>	<b>(507.73)</b>	<b>54.49</b>	<b>(5,039.08)</b>	<b>(5,018.73)</b>
<b>Dividend Paid</b>						
Colgate-Palmolive Company, U.S.A.	42,491.55	42,491.78	-	-	42,491.55	42,491.78
Colgate-Palmolive (Asia) Pte. Ltd., Singapore	-	-	11,605.95	11,605.95	11,605.95	11,605.95
Norwood International Incorporated, U.S.A.	-	-	0.44	0.44	0.44	0.44
<b>Sub-Total</b>	<b>42,491.55</b>	<b>42,491.78</b>	<b>11,606.39</b>	<b>11,606.39</b>	<b>54,097.94</b>	<b>54,098.17</b>
<b>Royalty [exclusive of withholding tax of ₹ 2,802.80 lakhs (March 31, 2022 - ₹ 2,727.83 lakhs)]</b>						
Colgate-Palmolive Company, U.S.A.	22,863.84	22,252.31	-	-	22,863.84	22,252.31
<b>Sub-Total</b>	<b>22,863.84</b>	<b>22,252.31</b>	<b>-</b>	<b>-</b>	<b>22,863.84</b>	<b>22,252.31</b>

## (ii) Transactions entered into with Parties referred to in Category C

	Year Ended	
	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs
<b>Executive Directors</b>		
Remuneration	1,451.39	1,838.64
Contribution to Provident and Other Funds *	41.75	54.77
Share Based Payments	161.84	549.84
<b>Sub Total</b>	<b>1,654.98</b>	<b>2,443.25</b>
*As the liabilities for defined benefit plan are provided based on actuarial valuation for the Company as a whole, the amount pertaining to key managerial persons are not included.		
- <b>Executive Directors</b>		
Prabha Narasimhan	419.40	-
M. S. Jacob	489.94	499.76
R. Raghavan	186.76	1,039.32
M. Chandrasekar	266.50	684.30

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 37: Disclosure of Related Parties (Contd..)

	Year Ended	
	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs
S. Sharma	292.38	219.87
<b>Sub Total</b>	<b>1,654.98</b>	<b>2,443.25</b>
<b>- Independent Directors</b>		
Sitting Fees and Commission		
V. S. Mehta	29.50	27.00
I. Shahani	29.50	27.00
S. Gopinath	30.00	25.00
S. Kripalu	29.50	26.00
G. Pant	29.50	24.50
S. Natarajan	29.50	24.50
<b>Sub Total</b>	<b>177.50</b>	<b>154.00</b>
<b>- Company Secretary</b>		
K. R. Singh	-	62.92
<b>Sub Total</b>	<b>-</b>	<b>62.92</b>

### (iii) Transactions entered into with Parties referred to in Category D

	Year Ended	
	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs
Contribution made by the Company in the following funds:		
Colgate-Palmolive (India) Limited Provident Fund	1,204.31	1,135.81
Colgate-Palmolive India Gratuity Fund for Workmen	146.13	167.82
Colgate-Palmolive India Gratuity Fund for Non-Workmen	171.37	429.98

Outstanding Balances	Parties referred to in Category A		Parties referred to in Category B		Total	
	As at		As at		As at	
	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs	March 31, 2023 ₹ Lakhs	March 31, 2022 ₹ Lakhs
<b>Trade Receivables</b>						
Colgate-Palmolive Company, U.S.A.	899.58	745.46	-	-	899.58	745.46
Hypo - Homecare Product Ltd.	-	-	2.47	779.01	2.47	779.01
Colgate-Palmolive Pty. Ltd., Boksburg	-	-	433.09	257.81	433.09	257.81
Colgate Palmolive Europe Sarl Ltd.	-	-	1,067.35	1,073.88	1,067.35	1,073.88
Colgate-Palmolive South Africa	-	-	57.64	27.05	57.64	27.05
Colgate-Palmolive Asia Pacific Limited	-	-	11.00	1,030.67	11.00	1,030.67
Others	-	-	888.56	1,060.21	888.56	1,060.21
<b>Sub-Total (Refer Note 8)</b>	<b>899.58</b>	<b>745.46</b>	<b>2,460.11</b>	<b>4,228.63</b>	<b>3,359.69</b>	<b>4,974.09</b>
<b>Trade Payables</b>						
Colgate-Palmolive Company, U.S.A.	8,033.78	11,683.25	-	-	8,033.78	11,683.25
Colgate-Palmolive Asia Pacific Limited, Hongkong	-	-	2,118.15	1,129.23	2,118.15	1,129.23

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 37: Disclosure of Related Parties (Contd..)

Outstanding Balances	Parties referred to in Category A		Parties referred to in Category B		Total	
	As at		As at		As at	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Colgate Global Business Services Pvt Limited, India	-	-	180.65	215.43	180.65	215.43
Others	-	-	95.91	102.93	95.91	102.93
<b>Sub-Total (Refer Note 21)</b>	<b>8,033.78</b>	<b>11,683.25</b>	<b>2,394.71</b>	<b>1,447.59</b>	<b>10,428.49</b>	<b>13,130.84</b>
<b>Other Receivables (included in Other Current Financial Assets)</b>						
Colgate-Palmolive Company, U.S.A.	112.04	82.11	-	-	112.04	82.11
Colgate-Palmolive Asia Pacific Limited, Hongkong	-	-	185.98	93.89	185.98	93.89
Colgate-Palmolive (Myanmar) Limited	-	-	14.81	42.18	14.81	42.18
Colgate Palmolive Pty (LTD)	-	-	2.31	88.06	2.31	88.06
Others	-	-	95.84	31.98	95.84	31.98
<b>Sub-Total (Refer Note 12)</b>	<b>112.04</b>	<b>82.11</b>	<b>298.94</b>	<b>256.11</b>	<b>410.98</b>	<b>338.22</b>

### Terms and conditions:

Transactions relating to dividends and bonus shares were on the same terms and conditions that apply to other shareholders.

Goods and Services procured or provided from/ to related parties are generally priced at arm's length. Other reimbursement of expenses to/ from related parties is on Cost basis.

All other transactions were made on normal commercial terms and conditions and at market rates.

All outstanding balances are unsecured and are repayable/ receivable in cash.

## Note 38: Share Based Payments

### (a) Employee option plan

The Company does not provide any equity-based compensation to its employees. However, the parent company, Colgate-Palmolive Company, U.S.A. ("the grantor") maintains equity incentive plans that provide for the grant of stock-based awards to its executive directors and certain categories of officers and employees. The Parent's Incentive Plan provides for the grant of non-qualified and incentive stock options, as well as restricted stock units. Exercise prices in the case of non-qualified and incentive stock options are not less than the fair value of the underlying common stock on the date of grant.

A stock option gives an employee, the right to purchase shares of Colgate-Palmolive Company common stock at a fixed price for a specific period of time. Stock options generally have a term of six years from the date of grant and vest over a period of three years.

A restricted stock unit provides an employee with a share of Colgate-Palmolive Company common stock upon vesting. Restricted stock units vest generally over a period of three years. Dividends will accrue with each restricted stock unit award granted subsequent to the grant date.

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 38: Share Based Payments(Contd..)

The details pertaining to number of options, weighted average price and assumptions considered for fair value are disclosed below:

Particulars	March 31, 2023		March 31, 2022	
	Weighted Average Exercise price	Number of options	Weighted Average Exercise price	Number of options
Options outstanding at the beginning of the year	5,183	3,07,490	4,945	2,94,657
Options granted/transferred during the year	5,684	83,985	5,650	70,905
Exercised during the year	4,865	(61,762)	3,834	(58,072)
Transferred to other group companies during the year	5,295	(1,10,249)	-	-
Lapsed during the year	-	-	-	-
<b>Options outstanding at the end of the year</b>	<b>5,408</b>	<b>2,19,464</b>	<b>5,183</b>	<b>3,07,490</b>
<b>Options vested and exercisable at the end of the year</b>		<b>1,12,638</b>		<b>1,20,978</b>

The weighted average share price at the dates of exercise of options exercised during the year ended March 31, 2023 was ₹ 6,527/- (March 31, 2022 : ₹ 6,046)

### Share options outstanding at the end of the year have the following expiry dates and exercise prices

Grant year	Expiry Year	Exercise price (₹)	March 31, 2023	March 31, 2022
			Number of options	Number of options
2014 - 2016	2019 - 2022	3,907 - 4,890	-	31,075
2017 - 2018	2020 - 2024	4,440 - 4,729	54,645	93,334
2019	2027 - 2029	5,153	29,969	51,001
2020-2022	2028-2030	5,658-5,916	1,34,850	1,32,080
<b>Total</b>			<b>2,19,464</b>	<b>3,07,490</b>
Weighted average remaining contractual life of options outstanding at end of year			<b>4.94 Years</b>	<b>4.55 Years</b>

### Fair Value of options granted

The fair value at the grant date of options granted during the year ended March 31, 2023 was ₹ 1,115.19 per option (March 31, 2022 : ₹ 815.97 per option). The fair value at grant date is determined using the Black-Scholes Model which takes into account the exercise price, expected volatility, option's life, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for the options granted during the year ended March 31, 2023 and March 31, 2022 are as below:

Particulars	March 31, 2023	March 31, 2022
Expected volatility (%)	21.14%	20.28%
Expected life of the options	6 years	6 years
Risk free interest rate(%)	2.99%	1.01%
Grant Year	2022	2021
Expiry Year	2031	2031
Expected dividend (%)	2.42%	2.32%

The risk free interest rates are determined based on the zero-coupon sovereign bond yields with maturity equal to the expected term of the option. The expected volatility was determined based on the volatility of the equity share for the period of one year prior to issue of the option. Volatility calculation is based on historical stock prices using standard

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 38: Share Based Payments (Contd..)

deviation of daily change in stock price. The historical period is taken into account to match the expected life of the option. Dividend yield has been calculated taking into account expected rate of dividend on equity share price as on grant date.

### (b) Restricted Stock Units (RSU's)

Particulars	March 31, 2023		March 31, 2022	
	Weighted Average Grant date Fair value	Number of Units	Weighted Average Grant date Fair value	Number of Units
Units outstanding at the beginning of the year	5,469	43,156	5,079	41,496
Units granted / transferred during the year	5,916	26,407	5,658	13,615
Exercised during the year	4,583	(10,969)	4,781	(11,955)
Transferred to other group companies during the year	5,517	(19,358)	-	-
Lapsed during the year	-	-	-	-
<b>Units outstanding at the end of the year</b>	<b>5,517</b>	<b>39,236</b>	<b>5,469</b>	<b>43,156</b>

### Restricted Stock Units outstanding at the end of the year have the following expiry date and exercise prices

Particulars	March 31, 2023	March 31, 2022
Weighted average remaining contractual life of RSUs outstanding at end of year	1.79 Years	1.26 Years

The weighted average fair value at the date of exercise of RSU's exercised during the year ended March 31, 2023 was ₹ 6,340 (March 31, 2022 : ₹ 5,865)

### (c) Expenses Arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in statement of profit and loss as part of employee benefit expense were as follows:

Particulars	(₹ lakhs)	(₹ lakhs)
	March 31, 2023	March 31, 2022
Employee share based payment expense (Refer Note 28)	971.91	1,253.63

## Note 39: Fair value measurements

The Company uses the following hierarchy for determining and disclosing the fair value of financial instrument:

**Level 1 :** Quoted prices for identical instruments in active market.

**Level 2 :** Directly or indirectly observable market inputs, other than Level 1 inputs; and

**Level 3 :** Inputs which are not based on observable market data.

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 39: Fair value measurements (Contd..)

### (i) Financial Instruments by Category and fair values of the same measured at amortised cost

	March 31, 2023			March 31, 2022		
	Carrying amount / Fair Value			Carrying amount / Fair Value		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial Assets</b>						
(i) Investments - Non-Current	-	-	-	-	-	-
(ii) Trade Receivable	-	-	15,736.61	-	-	22,467.81
(iii) Cash and Cash Equivalents	-	-	80,605.68	-	-	72,406.64
(iv) Other Bank Balances	-	-	11,693.84	-	-	3,064.63
(v) Loans - Current	-	-	8,759.91	-	-	10,731.91
(vi) Loans - Non Current	-	-	92.02	-	-	133.88
(vii) Receivable from Related Parties	-	-	410.98	-	-	338.22
(viii) Security Deposits - Non-Current	-	-	1,604.35	-	-	1,453.67
(ix) Security Deposits - Current	-	-	190.00	-	-	341.67
(x) Insurance Claim Receivables	-	-	35.11	-	-	21.27
(xi) Deposits with Banks	-	-	249.62	-	-	249.62
<b>Total Financial Assets</b>	-	-	<b>1,19,378.12</b>	-	-	<b>1,11,209.32</b>
<b>Financial Liabilities</b>						
(i) Trade payables-Total outstanding dues of micro enterprises and small enterprises	-	-	1,269.34	-	-	1,556.30
(ii) Trade payables-Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	74,843.06	-	-	75,583.15
(iii) Security Deposits - Non-Current	-	-	123.70	-	-	123.70
(iv) Lease Liabilities	-	-	6,896.15	-	-	8,305.36
(v) Capital Creditors	-	-	379.58	-	-	454.65
(vi) Dividends (Including Unpaid)	-	-	3,308.19	-	-	2,980.81
(vii) Unpaid Balance of Share Capital Reduction	-	-	85.65	-	-	83.82
<b>Total Financial liabilities</b>	-	-	<b>86,905.67</b>	-	-	<b>89,087.79</b>

### (ii) Assets and Liabilities that are disclosed at Amortised Cost for which Fair values are disclosed are classified as Level 3.

Current financial asset and current financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature. Non current financial assets and non current financial liabilities have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows.

## Note 40: Financial Risk Management

Inherent to the nature of the Company's business are a variety of financial risks, namely liquidity risk, market risk and credit risk. Developing policies and processes to assess, monitor, manage and address these risks is the responsibility of the Company's Management. The Risk Management Committee oversees this risk management framework in the Company and intervenes as necessary to ensure there exists an appropriate level of safeguards against the key risks. Updates on compliance, exceptions and mitigating action are placed before the Audit Committee periodically. Risk management

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 40: Financial Risk Management (Contd..)

policies and systems are reviewed regularly to reflect changes like major changes in ERP systems or go to market model, changes in organization structure, events denoting material change in the risk environment, etc.

The Company's Management works closely with its Treasury department and Internal Audit department to ensure there are appropriate policies and procedures governing the operations of the Company with a view to providing assurance that there is visibility into financial risks and that the business is being run in conformity with the stated risk objectives. Periodic reviews with concerned stakeholders provides an insight into risks to the business associated with currency movements, credit risks, commodity price fluctuations, etc. and necessary deliberations are undertaken to ensure there is an appropriate response to the developments.

### A MANAGEMENT OF LIQUIDITY RISK

The Company follows a conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure and dividend policies. The Company has a overdraft facility with banks to support any temporary funding requirements. The Company is cognizant of reputational risks that are associated with the liquidity risk and the risk is factored into the overall business strategy.

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

	(₹ in lakhs)					
	Carrying Amount	Payable on demand	Less than 3 months	3-12 months	More than 12 months	Total
<b>As at March 31, 2023</b>						
(i) Trade payables	76,112.40	-	76,112.40	-	-	76,112.40
(ii) Security Deposits	123.70	-	-	-	123.70	123.70
(iii) Lease Liabilities	6,896.15	-	305.52	916.57	5,674.06	6,896.15
(iv) Capital Creditors	379.58	-	379.58	-	-	379.58
(v) Dividends (Including Unpaid)	3,308.19	3,308.19	-	-	-	3,308.19
(vi) Unpaid Balance of Share Capital Reduction	85.65	85.65	-	-	-	85.65
<b>As at March 31, 2022</b>						
(i) Trade payables	77,139.45	-	77,139.45	-	-	77,139.45
(ii) Security Deposits	123.70	-	-	-	123.70	123.70
(iii) Lease Liabilities	8,305.36	-	351.00	1,052.96	6,901.40	8,305.36
(iv) Capital Creditors	454.65	-	454.65	-	-	454.65
(v) Dividends (Including Unpaid)	2,980.81	2,980.81	-	-	-	2,980.81
(vi) Unpaid Balance of Share Capital Reduction	83.82	83.82	-	-	-	83.82

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 40: Financial Risk Management (Contd..)

### B MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- currency risk;
- commodity price risk;

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's Management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks are explained below.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
<p><b>1. CURRENCY RISK</b></p> <p>The Company is subject to the risk of changes in foreign currency values that impact costs of imported raw material (directly and by local suppliers), import of finished goods, equipment for expansion at the plants, expatriate costs, service income, reimbursement of expenses, service related charges from overseas related and third parties as well as revenue from exports. Receivable and Payable having foreign currencies denomination in the balance sheet will also be impacted.</p> <p>As at March 31, 2023, the unhedged exposure to the Company on holding financial assets and liabilities other than in its functional currency amounted to ₹ 3,531 Lakhs and ₹ 4,035 Lakhs respectively (March 31, 2022 : ₹ 5,575 Lakhs and ₹ 7,980 Lakhs)</p>	<p>The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD, Euro, and Chinese Yuan. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented.</p>	<p>As an estimation of the approximate impact of the residual risk, with respect to financial instruments, the Company has calculated the impact of a 1% change in exchange rates.</p> <p>A 1% strengthening of the INR against key currencies to which the Company is exposed at year end would have led to approximately an additional ₹ 5.04 lakhs pre-tax gain in the Statement of Profit and Loss (2021-22 : ₹ 24.05 lakhs pre-tax gain). A 1% weakening of the INR against these currencies would have led to an equal but opposite effect.</p> <p>A 1% strengthening of the INR against key currencies would have led to approximately an additional pre-tax gain of ₹ 865 lakhs in the Statement of Profit and Loss (2021-22 : ₹ 820 Lakhs pre-tax gain). A 1% weakening in currency prices would have led to an equal but opposite effect.</p>



# Notes to Financial Statements

for the year ended March 31, 2023

## Note 40: Financial Risk Management (Contd..)

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
<b>2. COMMODITY PRICE RISK</b> The Company is exposed to the risk of changes in commodity prices in relation to its purchase of its raw materials especially corn, carton board, resins and palm oils.	The Company develops periodic financial forecasts based on commodity price forecasts by its Procurement group and appropriate actions including selling price changes and cost saving measures to reduce the impact of commodity price changes is considered as part of the financial modelling.	A 1% increase in commodity prices would have led to approximately ₹ 601 lakhs additional loss in the Statement of Profit and Loss (2021-22: ₹ 564 Lakhs loss). A 1% weakening in commodity prices would have led to an equal but opposite effect.

### C MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or other counter-party fails to meet its contractual obligations.

#### Trade Receivables

Trade receivables are subject to credit limits, controls and approval processes. A majority of customers pay prior to shipment, thereby reducing exposure to trade receivables significantly. Due to a large customer base, the Company is not exposed to material concentration of credit risk. Basis the historical experience supported by the level of default, the credit risk in case of trade receivable is low and so trade receivables are considered to be a single class of financial assets. (Refer Accounting Policy 1 B (i) on trade receivables.)

The gross carrying amount of trade receivables is ₹ 16,328.63 Lakhs as at March 31, 2023 and ₹ 23,150.49 Lakhs as at March 31, 2022.

#### (I) Reconciliation of loss allowance provision- Trade receivables

	March 31, 2023	March 31, 2022
Loss allowance at the beginning of the year	682.68	670.84
Add / (Less) : Changes in loss allowances	(90.66)	11.84
<b>Loss allowance at the end of the year</b>	<b>592.02</b>	<b>682.68</b>

#### Balance as on March 31, 2023

Ageing	Not due	0-180 days	>180 days	Total
Gross carrying amount	9,468.48	5,952.15	908.00	16,328.63
Provision for doubtful debts	-	-	(592.02)	(592.02)
<b>Carrying amount of trade receivables (net of Provision)</b>	<b>9,468.48</b>	<b>5,952.15</b>	<b>315.98</b>	<b>15,736.61</b>

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 40: Financial Risk Management (Contd..)

Balance as on March 31, 2022

Ageing	Not due	0-180 days	>180 days	Total
Gross carrying amount	13,370.00	8,997.98	782.51	23,150.49
Provision for doubtful debts	-	-	(682.68)	(682.68)
<b>Carrying amount of trade receivables (net of Provision)</b>	<b>13,370.00</b>	<b>8,997.98</b>	<b>99.83</b>	<b>22,467.81</b>

### Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks and investments in debt instruments. The Company concentrates its major investment activities with a limited number of counter-parties which have secure credit ratings, to reduce this risk. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department.

## Note 41: Capital Management

The Company's objective in managing its capital is to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The Company considers the following components of its Balance Sheet to be managed capital:

1) Share Capital, 2) Securities Premium and 3) Other Reserves comprising of General Reserve and Retained Earnings.

The Company's capital structure is based on the Managements assessment of the balances of key elements to ensure strategic decisions and day to day activities. The capital structure of the Company is managed with a view of the overall macro economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder, vendor and market confidence and sustain continuous growth and development of the Company.

The Company's focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company.

In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary. The Company does not have any debt or financial covenants.

## Note 42: Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

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	(₹ in lakhs)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end*	1,269.34	1,556.30
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 42: Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 (Contd..)

(₹ in lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	495.52	1,368.69
(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**	3.04	6.57
(vii) Further interest remaining due and payable for earlier years	-	-

\* The principal amount represents amount outstanding as per invoices received from vendors as at the Balance Sheet date.

\*\* Includes interest on amounts outstanding as at the beginning of the accounting year.

## Note 43: Ratio Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% Change	Reason for variance
Current ratio	Current Assets	Current Liabilities	1.43	1.37	4%	-
Debt Equity ratio	Total Debt	Total Shareholder's Equity	0.04	0.05	-16%	-
Debt Service Coverage ratio	Earnings available for Debt Service*	Debt Service**	64.24	56.67	13%	-
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.61	0.74	-18%	-
Inventory Turnover ratio	Cost of goods sold	Average inventory	5.18	4.81	8%	-
Trade Receivable Turnover	Net Sales	Average Trade Receivable	27.16	29.65	-8%	-
Trade Payable Turnover	Net Credit Purchases	Average Trade Payable	2.31	2.20	5%	-
Net Capital Turnover ratio	Net Sales	Working capital***	11.20	12.65	-11%	-
Net Profit ratio	Net Profit	Net Sales	0.20	0.21	-5%	-
Return on Capital employed	Earnings before interest and taxes	Capital Employed****	0.84	0.82	2%	-
Return on Investment	Income generated from Investments	Time weighted average Investments*****	0.05	0.03	62%	Higher return on investment is on account of higher interest rates and higher investments in Fixed Deposits

\* Earnings available for Debt Service = Net profit after taxes + Non cash operating expenses like depreciation and amortizations + Interest + loss on sale of fixed assets

\*\*Debt Service = Interest + Principal payments

\*\*\* Working capital = Current assets - Current liabilities

\*\*\*\* Capital Employed = Total Shareholders equity (Other equity + Equity Share capital) - Deferred Tax assets

\*\*\*\*\* Time weighted average Investments = Number of days of investment / 365 days \* Value of Investment

# Notes to Financial Statements

for the year ended March 31, 2023

## Note 44: Relationship with struck off companies

Name of struck off company	Nature of transactions with struck off company	March 31, 2023	Relationship with the Struck off company, if any, to be disclosed	March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
Aakriti Finvest Private Limited	Shareholders	-	None	0.00	None
Agents India Limited	Shareholders	-	None	0.01	None
Barclays Credit Limited	Shareholders	-	None	0.00	None
Digsha Holdings Private Limited	Shareholders	-	None	0.00	None
Investment Advisory Private Limited	Shareholders	-	None	0.00	None
Kothari Intergroup Limited	Shareholders	0.00	None	0.00	None
M H T Investment Private Limited	Shareholders	-	None	0.00	None
Nibr Metal Industries Private Limited	Shareholders	-	None	0.00	None
R. Sanghi Stock Brokers And Finance Private Limited	Shareholders	0.00	None	0.00	None
Roopak Trading And Investments Private Limited	Shareholders	0.00	None	0.00	None
Saha Finance Limited	Shareholders	-	None	0.00	None
Siddha Papers Private Limited	Shareholders	0.00	None	0.00	None
The India Sugar Agencies Private Limited	Shareholders	0.00	None	0.00	None
Trump It Entertainment And Creative Services Private Limited	Shareholders	-	None	0.00	None

**Note :** Amount less than ₹ 1,000 appearing in above table are disclosed at 0.00 due to presentation in lakhs.

**Note 45:** The Company has a configured process to take daily back-up of books of accounts maintained electronically on servers physically located in India, in compliance with the relevant provisions of the Companies (Accounts) Rules, 2014 (as amended). During the year, the Company maintained the log of such backups which was retained for a cyclic period of 10 days at any point of time and management is further taking necessary steps to ensure maintaining evidence of such daily backup logs on daily basis.

## Note 46: Other Statutory information

- The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- The company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during theyear in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

# Notes to Financial Statements

for the year ended March 31, 2023

**Note 47:** Subsequent to year end, the Company has declared a Second Interim Dividend of ₹ 21/- per share aggregating to ₹ 57,117 Lakhs on May 12, 2023 which will be paid on and from June 08, 2023.

**Note 48:** Exceptional Item includes severance and related expenses of ₹ 1,120.87 Lakhs (Previous Year : Nil) for the year ended 31<sup>st</sup> March 2023 with respect to certain organisation structure changes.

**Note 49:** Previous year's figures have been regrouped / reclassified as considered necessary, to conform with the current year presentation, where applicable.

Signature to Notes 1 to 49 are an integral part of these financial statements

As per our report of even date.

**For and on behalf of the Board of Directors of Colgate-Palmolive (India) Limited**

**For S R B C & CO LLP**

Chartered Accountants  
Firm Registration No. 324982E/E300003

**M. S. Jacob**

Whole-time Director &  
Chief Financial Officer  
(DIN : 07645510)

**Prabha Narasimhan**

Managing Director &  
Chief Executive Officer  
(DIN : 08822860)

**Pritesh Maheshwari**

Partner  
Membership Number - 118746

**Surender Sharma**

Whole-time Director - Legal  
& Company Secretary  
(F-8913)  
(DIN : 02731373)

Place : Mumbai  
Date : May 12, 2023

Place : Mumbai  
Date : May 12, 2023

# GRI Content Index

<b>Statement of use</b>	Colgate-Palmolive India Limited has reported in accordance with the GRI Standards for the period April 01, 2022 to March 31, 2023.
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(s)</b>	Not applicable

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION	REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED			
<b>General disclosures</b>						
GRI 2: General Disclosures 2021	2-1 Organizational details	Page 2	A blue cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	2-2 Entities included in the organization's sustainability reporting	Page 2				
	2-3 Reporting period, frequency and contact point	Page 2				
	2-4 Restatements of information	Page 60, Page 62				
	2-5 External assurance	We have not done any external assurance				
	2-6 Activities, value chain and other business relationships	Page 15, Page 168				
	2-7 Employees	Page 84				
	2-8 Workers who are not employees	Page 84				
	2-9 Governance structure and composition	Page 29-34, Page 43				
	2-10 Nomination and selection of the highest governance body	Page 121				
	2-11 Chair of the highest governance body	Page 43				
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 43				
	2-13 Delegation of responsibility for managing impacts	Page 43				
	2-14 Role of the highest governance body in sustainability reporting	Page 44				



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION	REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED			
	2-15 Conflicts of interest	Page 30				
	2-16 Communication of critical concerns	Page 43				
	2-17 Collective knowledge of the highest governance body	Page 31-34				
	2-18 Evaluation of the performance of the highest governance body	Page 116				
	2-19 Remuneration policies	Page 79				
	2-20 Process to determine remuneration	Page 79				
	2-21 Annual total compensation ratio	Page 84				
	2-22 Statement on sustainable development strategy	Page 36				
	2-23 Policy commitments	Page 30, Page 86				
	2-24 Embedding policy commitments	Page 30				
	2-25 Processes to remediate negative impacts	Page 117, Page 170				
	2-26 Mechanisms for seeking advice and raising concerns	Page 44				
	2-27 Compliance with laws and regulations	Page 176				
	2-28 Membership associations	Page 197				
	2-29 Approach to stakeholder engagement	Page 44				
	2-30 Collective bargaining agreements	Page 79				
<b>Material topics</b>						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 44-49, Page 94		A blue cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.		
	3-2 List of material topics	Page 44-49, Page 94				
<b>Business ethics and governance</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 177				
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 177				
	205-2 Communication and training about anti-corruption policies and procedures	Page 177				
	205-3 Confirmed incidents of corruption and actions taken	Page 30, Page 177				
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Page 30				



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION REQUIREMENT(S) OMITTED	REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
<b>Sustainable packaging</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 67				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Page 67				
	301-2 Recycled input materials used	Page 67				
	301-3 Reclaimed products and their packaging materials	Page 68				
<b>Energy &amp; Emission Management</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 58				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 60				
	302-2 Energy consumption outside of the organization		302-2	Information unavailable/incomplete	We are in the process of setting up monitoring systems for energy consumption outside of the organization	
	302-3 Energy intensity	Page 61				
	302-4 Reduction of energy consumption	Page 59				
	302-5 Reductions in energy requirements of products and services		302-5	Not applicable	Our products don't consume energy in the use phase	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 62				
	305-2 Energy indirect (Scope 2) GHG emissions	Page 62				
	305-3 Other indirect (Scope 3) GHG emissions		305-3	Information unavailable/incomplete	We are in the process of setting up monitoring systems for Scope 3 emissions	





GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION	REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED			
	305-4 GHG emissions intensity	Page 62				
	305-5 Reduction of GHG emissions	Page 59				
	305-6 Emissions of ozone-depleting substances (ODS)	Page 63				
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Page 63				
<b>Water Stewardship</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 69				
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 69				
	303-2 Management of water discharge-related impacts	Page 69, 71				
	303-3 Water withdrawal	Page 70				
	303-4 Water discharge	Page 71				
	303-5 Water consumption	Page 70				
<b>Waste Management</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 64				
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 64				
	306-2 Management of significant waste-related impacts	Page 64				
	306-3 Waste generated	Page 65				
	306-4 Waste diverted from disposal	Page 66				
	306-5 Waste directed to disposal	Page 66				
<b>Responsible supply chain</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 72				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Page 72				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria		308-1	Not applicable	No new suppliers were onboarded in the Fy 2022-23	
	308-2 Negative environmental impacts in the supply chain and actions taken	Page 73				



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION REQUIREMENT(S) OMITTED	REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria		414-1	Not applicable	No new suppliers were onboarded in the Fy 2022-23	
	414-2 Negative social impacts in the supply chain and actions taken	Page 73				
<b>Product stewardship</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 51				
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Page 54				
	417-2 Incidents of non-compliance concerning product and service information and labeling	Page 54				
	417-3 Incidents of non-compliance concerning marketing communications	Page 54				
<b>Health and safety of our people</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 88				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 88				
	403-2 Hazard identification, risk assessment, and incident investigation	Page 89				
	403-3 Occupational health services	Page 89				
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 89				
	403-5 Worker training on occupational health and safety	Page 90				
	403-6 Promotion of worker health	Page 89				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 89				
	403-8 Workers covered by an occupational health and safety management system	Page 88				
	403-9 Work-related injuries	Page 90				
	403-10 Work-related ill health	Page 90				



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION	REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED			
<b>Diversity and inclusion</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 81				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 84				
	405-2 Ratio of basic salary and remuneration of women to men	Page 84				
<b>Human rights</b>						
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 73				
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 73 and 87				
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Page 73 and 87				
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 73 and 87				
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Page 87				
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Page 87				
<b>Community development</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 91				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 91				
	413-2 Operations with significant actual and potential negative impacts on local communities	Page 91				



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION REQUIREMENT(S) OMITTED	REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
<b>Consumer health and safety</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 52				
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Page 52				
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Page 52				
<b>Others</b>						
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 84				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 79				
	401-3 Parental leave	Page 82				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 78				
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 77				
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 78				









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