



# Notice

## COLGATE-PALMOLIVE (INDIA) LIMITED

Registered Office:

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

CIN : L24200MH1937PLC002700

Email : investors\_grievance@colpal.com

Website : www.colgatepalmolive.co.in

Tel. No. : 022 6709 5050

Fax No : 022 2570 5088

**NOTICE** is hereby given that the Eighty - first Annual General Meeting of COLGATE-PALMOLIVE (INDIA) LIMITED will be held on **Thursday, July 28, 2022 at 3.30 p.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, 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Surender Sharma (DIN : 02731373), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To consider and, if thought fit to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to recommendation of the Audit Committee and the Board of Directors, M/s. S R B C & Co LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 324982E/E300003), be and is hereby appointed as the Statutory Auditors of the Company for a second term of five (5) consecutive years, from the conclusion of the 81st Annual General Meeting till the conclusion of the 86th Annual General Meeting, at such remuneration as may be approved by the Audit Committee and/or Board of Directors of the Company in addition to applicable taxes and reimbursement of reasonable out-of-pocket expenses incurred by them.”

### SPECIAL BUSINESS:

4. **Payment of Commission to the Non-Executive Independent Directors of the Company.**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Article 115(2)(b) of the Articles of Association of the Company, the consent of the Members of the Company, be and is hereby accorded for payment and distribution of such sum as may be determined by the Board of Directors (‘the Board’) not exceeding 1% per annum of the net profits of the Company in any financial year, calculated in accordance with the provisions of Section 198 of the Act, by way of commission in such amounts or proportion not exceeding ₹ 20 lakhs (Rupees Twenty Lakhs only) per annum, to each Non-Executive Independent Director, commencing from April 1, 2022.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board, be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable.”

5. **Appointment of Managing Director and Chief Executive Officer of the Company.**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Schedule V of the Act and Article 133 of the Articles of Association of the Company and subject to such other approvals, as may be required, and in line with the recommendation of the Nomination and Remuneration Committee and the Board of Directors (‘the Board’), consent of the Members of the Company, be and is hereby accorded for the appointment of

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Ms. Prabha Narasimhan (DIN : 08822860), as the Managing Director and Chief Executive Officer of the Company, liable to retire by rotation, for a period of five (5) consecutive years with effect from September 1, 2022, on such terms and conditions, including remuneration, as set out in the explanatory statement annexed to this Notice/in the draft agreement to be entered into between the Company and Ms. Prabha Narasimhan, material terms of which are set out in the explanatory statement attached to this notice, with liberty to the Board of Directors of the Company or duly constituted committee thereof, to alter and vary the terms and conditions thereof in such manner as may be agreed to between the Board and Ms. Prabha Narasimhan, subject to the applicable provisions of the Act, or any amendment thereto or any reenactment thereof.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable.”

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 26, 2022

### NOTES:

1. In view of the recent surge in the COVID cases, the Company is following social distancing norms and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 followed with Circular No. 2/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs and SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, followed with Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 ('hereinafter collectively referred to as Circulars'), the Annual General Meeting ('AGM') 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 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 Business to be transacted from Item Nos. 3 to 5 is annexed hereto.
5. Members can join the AGM in the VC/OAVM mode 30 minutes before and after 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 1000 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 the Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without 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



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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 [www.colgatepalmolive.co.in](http://www.colgatepalmolive.co.in). The Notice can also be accessed from the websites of the Stock Exchanges 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 Directors retiring by rotation /seeking appointment/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 1 and forms part of this Notice.
10. In compliance with the Circulars, the Notice of the 81st AGM and the Annual Report for the financial year 2021-22 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 in point B 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 22, 2022 to Thursday, July 28, 2022 (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 No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021 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 April 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 Company's website <https://www.colgateinvestors.co.in/investor-faqs> and also available on the website of the RTA.
19. Members are requested to ensure that the abovementioned KYC details are updated as and

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when there is a change in order to receive all important shareholder communications and corporate benefits. 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 us 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 2021-22, the amounts unpaid/unclaimed of interim dividends declared for the financial years 2013-14 and 2014-15 in the amounts of ₹ 78,83,640/-, ₹ 68,96,228/- and ₹ 69,77,716/- have been transferred to the Investor Education and Protection Fund ("IEPF") on May 27, 2021; November 16, 2021 and February 4, 2022 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 2021-22, the Company has transferred shares pertaining to interim dividends which remained unpaid/unclaimed, and declared for the years 2013-14 and 2014-15 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 co-ordination 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.



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

Pursuant to Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Regulation 44 of the SEBI Listing Regulations 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 to be provided by NSDL on all the resolutions set forth in this Notice.

The remote e-Voting period begins on Sunday, July 24, 2022 at 8:00 a.m. IST and ends on Wednesday, July 27, 2022 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 21, 2022, 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 address 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.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.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 re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
	2. If you are not registered for IDeAS e-Services, an option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> . Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>
	3. Visit the e-Voting website of NSDL. Open a web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.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 "Login" 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 & voting during the meeting.
	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.

NSDL Mobile App is available on



App Store



Google Play





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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the e-Voting menu. The menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN through a link in <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 provided links for the respective ESP i.e. <b>NSDL</b> where e-Voting is in progress.</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 the 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 toll free no.: 1800 1020 990 and 1800 22 44 30
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:evoting@cdslindia.com">evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

### 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, Password/OTP and a Verification Code as shown on the screen.

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

- 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***

- Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.



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- 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 address is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email address. 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 address is not registered, please follow steps mentioned below in **Process for those shareholders whose email address is 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.
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.

### 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 "VC/OAVM" link placed under "Join General Meeting".
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)
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.

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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 Ms. Soni Singh at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email address is not registered with the depositories for procuring user ID and password and registration of email address 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 email 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 - Client ID (16 digit DP ID + Client ID 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 email 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), self-attested scanned copy of PAN card, self-attested scanned copy of ADHAAR card.
  - ii. In case shares are held in demat mode - DP ID - Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of ADHAAR 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 address 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.

**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 use Internet with a good speed to avoid any disturbance during the meeting.





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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 a stable Wi-Fi or LAN connection to mitigate any kind of aforesaid technical glitches.
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 address, mobile number at cpilagm@colpal.com
6. Those Members who have pre-registered themselves as a speaker with the Company between Tuesday, July 19, 2022 (8.00 a.m. IST) to Friday, July 22, 2022 (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.

### OTHER INFORMATION ON E-VOTING AND RESULTS

- A. Any person holding shares in physical form and non-individual shareholders who acquires shares of the Company after sending the Notice of 81st AGM and holding shares as of the cut-off date i.e. Thursday, July 21, 2022, 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 44 30. 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 21, 2022 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 24, 2022 at 8.00 a.m. IST and ends on Wednesday, July 27, 2022 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 61599) has been appointed to act as the Scrutinizer for the 81st 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 favor or against, on each resolution, to the Chairman, or to the person authorised by him in that behalf.
- 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, where the shares of the Company are listed 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).

### ANNEXURE 1 TO THE NOTICE

#### Details of Director seeking re-appointment:

Mr. Surender Sharma (DIN : 02731373) is the Whole-time Director-Legal & Company Secretary at Colgate-Palmolive (India) Limited (CPIL). Mr. Sharma leads the Legal and Secretarial function to ensure regulatory compliance and provides legal advice to the Leadership Team of CPIL across functions and on matters relating to Corporate Affairs. Mr. Sharma joined CPIL in October, 2017 as the Associate Director - Legal, where he provided legal support to the Marketing, Customer Development and Supply Chain functions.

## Notice (Contd.)

Previously, Mr. Sharma worked with Marico Limited as the Head of Legal and Company Secretary. Prior to joining Marico, Mr. Sharma held several leadership positions with reputed organizations like Heinz India, The Indian Hotels Company Limited, Reckitt Benckiser and Maruti Suzuki, where he spent close to 20 years as in-house counsel and handled litigation management, contract management, corporate governance, and legal compliance.

Mr. Sharma holds a Bachelor of Laws Degree from the University of Delhi and is a fellow member of the Institute of Company Secretaries of India (ICSI Membership No. F8913).

Mr. Surender Sharma was appointed as a Whole-time Director of the Company for a term of five (5) consecutive years effective May 21, 2020 and as a Company Secretary effective February 22, 2022.

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.

The following information about Mr. Surender Sharma is provided pursuant to Regulation 36(3) of the SEBI Listing Regulations and SS-2 on General Meetings:

<b>Name of the Director</b>	<b>Mr. Surender Sharma</b>
DIN	02731373
Date of Birth	July 19, 1975
Nationality	Indian
Qualification	Bachelor of Laws Degree from the University of Delhi and is a fellow member of the Institute of Company Secretaries of India (ICSI).
Expertise in specific areas	Legal and Corporate Governance
Date of first appointment	May 21, 2020
Number of shares held in Colgate-Palmolive (India) Limited	Nil
Name of other Companies in which he holds Directorship	Nil
Chairman/Member of the Committee(s) of Board of Directors of other Companies in which he is a Director	Nil
Relationships between Directors inter-se	There is no inter-se relationship between Mr. Surender Sharma, 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 five (5) consecutive years effective May 21, 2020, liable to retire by rotation, on terms and conditions as approved by the Members at their AGM held on July 29, 2020. The details of last drawn remuneration is available in the Corporate Governance Report which forms part of the Board's Report.
Number of Board meetings attended	4 (FY 2021-22)

### THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT IS APPENDED HERETO.

#### Item No. 3

The Members of the Company at the 76th Annual General Meeting ('AGM') held on August 3, 2017 approved the appointment of M/s. S R B C & Co LLP, Chartered Accountants, Mumbai (ICAI firm Registration No. 324982E/E300003), (hereinafter referred to as S R B C) as the Statutory Auditors of the Company for a period of five (5) consecutive years, from the conclusion of the 76th AGM till the conclusion of the 81st AGM. S R B C will complete their present term on conclusion of this AGM.

S R B C is eligible for re-appointment for a second term of five (5) years. The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the appointment of S R B C as the Statutory Auditors of the Company for a second term of five (5) consecutive years from the conclusion of this AGM till the conclusion of the 86th AGM subject to approval of the Members of the Company.

The proposed remuneration to be paid to S R B C for audit services for the financial year ending March 31, 2023, is ₹ 1.05 crore (Rupees One Crore and Five Lakhs) plus applicable taxes and out-of-pocket expenses.

The approval of the Members is also sought to authorize the Committee and/or Board to fix the remuneration payable to the Statutory Auditors for the remaining part of the tenure. The Board, in consultation with the Committee, may alter and



## Notice (Contd.)

vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed between the Company and the Statutory Auditors.

Considering the evaluation of the past performance, experience and expertise of S R B C and based on the recommendation of the committee, it is proposed to appoint S R B C as the statutory auditors of the Company for a second term of five (5) consecutive years till the conclusion of the 86th AGM of the Company in terms of the aforesaid provisions.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends passing of Ordinary Resolution at Item No. 3 of this Notice for your approval.

### Item No. 4

The Members of the Company at their Meeting held on August 28, 2019 had approved by way of a Special Resolution, a payment of commission to the Non-Executive Independent Directors (NEIDs) not exceeding 1% of the net profits of the Company in any financial year, subject to a sum not exceeding ₹ 15 lakhs, per annum.

As per section 197 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a Company can pay commission up to 1% of the net profit to the Non-Executive Directors (all of them together). Article 115(2)(b) of the Articles of Association of the Company authorizes the Company to pay commission to the NEIDs by passing a special resolution. The NEIDs on the Board have been providing invaluable services and are of high stature and knowledge. The Company has immensely benefited from their experience, knowledge and guidance from time to time. In view of the increased responsibilities of the NEIDs and based on the industry benchmarking, it is proposed to pay an amount of commission not exceeding ₹ 20 lakhs per annum to each of the NEIDs of the Company commencing from April 1, 2022.

However, as per provisions of section 197 of the Act, the Company will ensure that the overall payment of commission to NEIDs shall not exceed 1% of the net profit of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives, other than the NEIDs is concerned or interested, financially or otherwise, in this resolution.

The Board recommends passing of Special Resolution at Item No. 4 of this Notice for your approval.

### Item No. 5

Consequent to the elevation of Mr. Ram Raghavan as President, Enterprise Oral Care, for Colgate Palmolive Company, the parent Company of Colgate-Palmolive (India) Limited, the Board of Directors ('the Board') at their meeting held on April 28, 2022, based on the recommendation of the Nomination and Remuneration Committee, appointed Ms. Prabha Narasimhan (DIN : 08822860) as the Managing Director and Chief Executive Officer (MD & CEO) of the Company, liable to retire by rotation, for a period of five (5) consecutive years with effect from September 1, 2022 subject to the approval of the Members of the Company and such other approvals as may be required.

Brief Profile of Ms. Prabha Narasimhan is as under:

Ms. Prabha Narasimhan, an IIM Bangalore graduate, has about 25 years of experience and held senior leadership roles across Sales, Marketing, Consumer Insights and Innovation. She comes with a strong exposure to India as well as other emerging markets of South Asia, the Middle East and North Africa across multiple categories of Beauty & Personal Care, Food & Beverages and Home Care.

Ms. Narasimhan was acting as Executive Director-Home Care for Hindustan Unilever Limited. Her key responsibilities included creating and delivering the strategy for Home Care, including top line and bottom-line delivery.

The material terms of the Agreement to be entered into between the Company and Ms. Prabha Narasimhan are given below:

The remuneration payable to Ms. Prabha Narasimhan shall be determined by the Board or a duly constituted Committee thereof from time to time within the maximum limits set forth under the applicable provisions of the Act and as per the Remuneration Policy of the Company:

- a) Salary:
  - Up to ₹ 60,00,000/- (Rupees Sixty lakhs only) per month.
- b) Commission or Performance Linked Incentive or Bonus:
  - Not exceeding 1% of the net profit of the Company in any financial year as the Board may determine from time to time but shall not exceed the amount equivalent to the salary for the relevant period; it may be paid pro-rata on a monthly basis at the absolute discretion of the Board.

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c) Perquisites:

She shall be entitled to furnished/non-furnished accommodation or house rent allowance in lieu thereof, gas, electricity, water, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, company maintained car, telephone and such other perquisites in accordance with the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income-tax Rules, 1962 being restricted to ₹ 2,50,00,000/- (Rupees Two Crores and Fifty lakhs Only) per annum.

d) Company's contribution to Provident Fund and Superannuation Fund or annuity fund, gratuity payment as per Company's rules and encashment of leave at the end of her tenure shall not be included in the computation of ceiling on remuneration and perquisites as aforesaid.

e) In addition to the perquisites referred to above, she will be eligible to the following perquisites which shall not be included in the computation of the ceiling on perquisites:

i) Leave Travel Concession:

For self and family once in a year for any destination in India. In case leave is to be spent in home country, return passage will be allowed for self and family in accordance with the rules specified by the Company.

ii) Reimbursement of expenses incurred on joining duty and coming to home location after completion of tenure:

Actual expenses incurred on travel, temporary living expenses and on packing, forwarding, loading/unloading, as well as freight, insurance, customs duty, clearing expenses, local transportation and installation expenses in connection with the moving of personal effects for self and family for joining duty in Mumbai. After completion of the tenure, such expenses may be reimbursed if she is finally leaving the employment of the Company. In case she joins any other affiliated entity of Colgate-Palmolive Co., such affiliated entity would bear such expenses.

iii) Over and above the aforementioned remuneration, she shall be eligible to receive the stocks options and restricted stock awards of Colgate-Palmolive Company, USA, the Parent Company, as per the Company policy.

f) Annual Leave: Earned/Privilege leave on full pay and allowances as per rules of the Company but not more than six weeks leave for every twelve months of service. Encashment of leave, if any, at the end of tenure will not be included in the computation of the ceiling on perquisites.

g) The provision of a car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company to her.

h) She shall be entitled for the reimbursement of the traveling and entertainment expenses actually and properly incurred by her in or about the business of the Company.

The Board shall have the discretion and authority to modify the foregoing terms of remuneration within the parameters of the applicable provisions of the Act. As MD & CEO, Ms. Prabha Narasimhan will have requisite powers and authorities to enable her to manage the Company on a day-to-day basis. The term of appointment will be for a period of five (5) consecutive years, which may be terminated by either party as per the termination clauses of the said agreement.

Ms. Prabha Narasimhan has furnished to the Company all the necessary disclosures and declarations as required under the Act and the SEBI Listing Regulations. Further, she is also not disqualified from being appointed as a Director in terms of Section 164 of the Act.

Ms. Prabha shall also act as a Key Managerial Personnel in terms of provisions of Section 203 of the Act.

A Notice under Section 160 of the Act has been received from a Member proposing Ms. Prabha Narasimhan as a candidate for the Office of the Director of the Company. Further, a copy of the agreement referred in the resolution would be available for inspection by the Members upon request.



## Notice (Contd.)

The following information about Ms. Prabha Narasimhan is provided pursuant to Regulation 36(3) of SEBI Listing Regulations and SS-2 on General Meetings:

<b>Name of the Director</b>	<b>Ms. Prabha Narasimhan</b>
DIN	08822860
Date of Birth	October 25, 1972
Nationality	Indian
Qualification	Post Graduate Diploma In Business Management, Marketing from Indian Institute of Management, Bangalore
Expertise in specific areas	Consumer Marketing Insights, Customer Development and Marketing.
Date of first appointment	September 1, 2022
Number of shares held in Colgate-Palmolive (India) Limited	Nil
Name of other Companies in which she holds Directorship	1
Chairman/Member of the Committee(s) of Board of Directors of other Companies in which she is a Director	Nil
Relationships between Directors inter-se	There is no inter-se relationship between Ms. Prabha Narasimhan, 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.	Appointment as the MD & CEO of the Company for a period of five (5) consecutive years effective September 1, 2022 on terms and conditions as set out in the draft agreement.
Number of Board meetings attended	Not Applicable

None of the Directors or Key Managerial Personnel of the Company or their relative is concerned or interested, financially or otherwise, in this resolution.

The Board recommends passing of Ordinary Resolution at Item No. 5 of this Notice for your approval.

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 26, 2022



# Report of the Directors

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

Your Directors are pleased to present their 81st Report and Audited Financial Statements of the Company for the financial year ended March 31, 2022.

## 1. FINANCIAL HIGHLIGHTS

(₹ In Crores)

	FY 2021-22	FY 2020-21
Total Revenue (a+b+c)	5,126.05	4,871.56
Sales (Including Excise Duty) (a)	5,066.46	4,810.48
Other Operating Revenue (b)	33.33	30.74
Other Income (c)	26.26	30.35
Profit before Tax and exceptional items and Tax	1,409.01	1,350.21
Profit before Taxation	1,409.01	1,350.21
Tax Expense	330.69	314.83
Profit for the year	1,078.32	1,035.38
Other Comprehensive Income (net of Tax) (gain)	(4.67)	(3.24)
Total Comprehensive Income	1,082.99	1,038.62
Balance brought forward	741.86	1,170.46
Profit available for appropriation	1,082.99	1,038.62
Balance transferred to Retained Earnings from Share Options Outstanding Account	-	1.51
Appropriation :		
Dividend	(516.77)	(1,468.72)
Dividend Distribution Tax	-	-
Balance carried forward	1,308.08	741.86

## 2. BUSINESS PERFORMANCE

Reported Net Sales for the financial year 2021-22 stood at ₹ 5,066.46 crores against ₹ 4,810.48 crores of the previous year. Net Sales increased by 5.3% in comparison to the previous year. Reported Net Profit after tax for the financial year 2021-22 was ₹ 1,078.32 crores, an increase of 4% over the previous year.

Despite the challenging business and economic environment, your Company continued to sustain its leadership position in both the Toothpaste and Toothbrush categories during the financial year 2021-22.

## 3. DIVIDEND

The Board of Directors of the Company declared two interim dividends, aggregating to ₹ 40/- per equity share, for the financial year 2021-22. The first interim dividend of ₹ 19/- per equity share was declared on October 25, 2021 and paid on and from November 22, 2021 and the second interim dividend of ₹ 21/- per equity share was declared on April 28, 2022 and

paid on and from May 25, 2022. Considering the declaration of two interim dividends, the Board of Directors have not recommended a final dividend for the financial year 2021-22.

## 4. TRANSFER TO RESERVES

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

## 5. FOCUS ON INNOVATION AND NEW LAUNCHES/ CAMPAIGN

The Company is focused on delivering insight-driven innovation that provides value-added new products across all price points.

In the financial year 2021-22, the following products were launched/re-launched:

- **Colgate Gum Expert:** 90%# of Indians suffer from gum issues with more than half of them experiencing gum bleeding. Your Company has launched a specialized toothpaste in December, 2021 which provides relief from gum bleeding

#Source: National Oral Health Policy 2021



## Report of the Directors (Contd.)

& reverses the early signs of gum infection by harnessing the power of turmeric extracts (curcuminoids). The product launch was accompanied with a communication campaign which centered around the key benefit of reducing gum bleeding while spotlighting the presence of unique turmeric extracts in the product.

- **Colgate Visible White O2:** Your Company, in March, 2022, has launched a revolutionary new toothpaste with Active Oxygen Technology which delivers one shade whiter teeth in just 3 days, when used as directed. Its advanced formula releases millions of warm bubbles of oxygen that get gently absorbed in the teeth enamel thereby lightening the micro-stain molecules to unlock a radiant white smile. The product was launched in premium looking cartons and was also accompanied with launch of a communication campaign to build awareness of the launch which was centered around the need for young beauty consumers to be their authentic selves and let their inner confidence shine through with their radiant smiles.
- **Colgate Vedshakti (Re-launch):** The Family Naturals toothpaste segment has been growing faster than the category over the past few years wherein Ayurvedic Naturals brands have been growing even faster. Colgate Vedshakti has been your Company's lead brand in the Ayurvedic Naturals segment. In Q1 2022, we re-launched the brand with a reformulated product, fresh packaging and a new communication. The new product delivered improved sensorials vis-à-vis the erstwhile Vedshakti formula while the communication was crafted to land the brand's proposition i.e. A Clean Mouth for a Healthy You (Mooh Swacch Toh Aap Healthy)
- **Colgate Strong Teeth (Re-launch):** In May 2022, your Company's largest single brand, Colgate Strong Teeth toothpaste has been re-launched with fresh packaging (highlighting the remineralization benefit of the toothpaste via the call-out "Calcium Boost" along with a new logo unit) and new communication to elevate the importance of the need for strong teeth in

the minds of our consumers. Colgate Strong Teeth toothpaste has arginine and fluoride which facilitates the remineralization of Calcium from the mouth's saliva onto the teeth at a rate which is better than an average fluoride-only or non-fluoride toothpaste thereby making the teeth stronger.

- **Colgate RecyClean:** As an entry into the sustainability segment, this is our first of its kind toothbrush with a handle made of 100% recycled plastic. The bristles are made of plant derived nylon and are Bisphenol A (BPA) free. This also comes in packaging made with recycled material.
- **Colgate Water Flosser:** A strategic addition to our devices business, Colgate Water flosser gives you the flawless clean plaque removal. It has a unique, easy to hold design with a built in nozzle component +3 pressure modes to choose from as per your requirements.
- **Pro-Clinical 250R Electric Toothbrush:** Adding on to our existing Pro-Clinical range, we introduced 250R Rechargeable, Electric Toothbrushes in 3 variants - Deep Clean, Charcoal and Whitening. These have Sonic technology giving upto 30,000 strokes/minute resulting in a 5x better clean and plaque removal vs regular manual toothbrushes.
- **Pro-Clinical 500R Electric Toothbrush:** An upgrade to the 250R Range, 500R Pro-Clinical Rechargeable, Electric Toothbrushes have 2 brushing modes - with different intensities (20K/30K Strokes/Minute). This range has 2 variants: Whitening and Sensitive, and comes with an additional case for ease of storing while traveling.
- **Palmolive Face Cleansing Range (Launch):** Palmolive entered into Face Cleansing category with our new Palmolive range of Face care products. The range features unique and innovative forms such as face foams, masques & scrubs that have been created with a unique blend of premium natural ingredients and essential oils and includes :
  - Palmolive Hydrating
    - Foam Face Wash
    - Masque

# Report of the Directors (Contd.)

- Gel Face Wash
- Palmolive Brightening
  - Foam Face Wash
  - Souffle Face Scrub
  - Gel Face Wash
- Palmolive Anti Acne Purifying
  - Foam Face Wash
  - Masque
  - Gel Face Wash

## 6. ESG & BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

As a market leader in the Oral care, we seek to deliver sustainable, profitable growth, superior stakeholders returns, and provide its people with innovative, inclusive, and conducive work environment. Your Company has always been at forefront when it comes to Environment & Social Governance (ESG). Colgate's core values highlight its commitment towards an equitable, sustainable, and empowered economy. While Company is in the process of publishing its ESG Report, it has on a voluntary basis adopted Business Responsibility & Sustainability Report from FY 2021-22.

We are an environmentally conscious Company that believes in protecting the environment and building a sustainable society. The Company is committed to doing business with integrity and respect for all people and the planet. Achieving economic, social and environmental performance in today's business climate requires a long term sustainability strategy that is executed with discipline year after year. Colgate's sustainability strategy is focused on the three areas i.e. People, Performance and Planet.

**People:** Promoting healthier lives, Contributing to the Communities where we live and work:

- The Company is committed to continuously improve employees' well-being and reduce their health risks and encourage healthier living for employees and their families.
- Colgate employees have been provided with free health check-ups. Several mental wellness programs were also rolled out during the financial year.

**Performance:** Growing the business with innovative, more sustainable products that make the lives of consumers healthier and more enjoyable:

- The Company endeavors to improve the sustainability profile of new products and product updates, drive sustainability with breakthrough product and process innovation, increase the recyclability of our packaging and increased recycled content, have a positive impact by expanding access to affordable health and wellness products for millions of people in underserved communities and use the power of our brands to build awareness and drive engagement in product sustainability.

**Planet:** Conserving Earth's finite resources, addressing climate change and maintaining the well-being of our planet for generations to come:

- The Company is committed to address key environmental issues such as energy use, carbon emissions, water use and waste generation as well as deforestation.
- Colgate has robust policies in place for sustainable use of and environmentally sound disposal of waste generated during our processes and making every drop of water count and reducing our impact on the climate and the environment. More information on conservation of energy and measures undertaken by the Company are mentioned in 'Annexure 3' to this Report.

The Company has received TRUE Zero Waste Platinum certification 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. GBCI administers TRUE Zero Waste certification, 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.

**Some of the key sustainability initiatives driven by the Company during the financial year:**

- **Colgate-Palmolive launches India's first-ever recyclable toothpaste tubes**

As a market leader in the oral health sector in India,



## Report of the Directors (Contd.)

the Company remains steadfast in its commitment to raising the bar on its sustainable footprint. It is focused on bringing world-class sustainable innovation to not only improve oral care but also work towards preserving the environment.

This pioneering technology is being rolled out on Colgate's Active Salt and Vedshakti variants first, with other brands in its portfolio to follow. Colgate-Palmolive is the first oral care brand to launch such an initiative at scale.

The new tube is soft, squeezable and recyclable without compromising on key product attributes like taste, which consumers love and have enjoyed for decades.

The Company has been using recyclable cartons and boxes for over a decade now and this new initiative is part of the Company's continued efforts in its sustainability journey. It marks a new milestone, not just for Colgate-Palmolive, but also the industry at large.

### ● Cleft Surgeries with mission smile

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. 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.

For this financial year, the program was rolled out in Assam, Meghalaya, Gujarat, Tamil Nadu, Andhra Pradesh, Telangana & Sikkim, completing 275 surgeries by March 2022.

### ● Initiatives on COVID

During the financial year 2021-22, the Company has continuously monitored COVID waves and has adapted the necessary measures as needed to address various challenges posed by COVID. The Company, continues to ensure health and safety of its employees and other staff, took adequate pre-emptive measures on travel restriction and enhancing the hygiene & sanitization protocols across all offices and plants. During the year the Company has also launched a 'ShotLagayaKya' campaign to create awareness, facilitate, help

overcome barriers and work together to get all our employees, business partners, 3P/contractors and field teams (and ideally, also their immediate families) vaccinated. The Company has arranged several vaccination camps for its employees and other staff members.

Continuing our efforts towards fighting the pandemic we ensured necessary support in strengthening medical equipment infrastructure in Government Hospitals/ Primary Health Centers across the country. The support was extended for equipment like ICU/Fowler beds, vaccination vans, ambulances, X Ray machines, ventilators, wheel chairs, oxygen concentrators among others.

Leveraging the strength of our brand and our presence across India for nearly past 85 years, we have responded with agility to the specific challenge of reaching our products to our consumers without any disruption. The Company's commitment towards its core values together with the strength of the Company's brands, its best-in-class distribution network and its cost-saving initiatives, should position the Company well to increase stakeholder value over the long term.

### Business Responsibility and Sustainability Report:

The Securities & Exchange Board of India (SEBI) vide its circular no. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021 has mandated the ESG disclosures for the top 1000 listed companies. The Business Responsibility and Sustainability Report (BRSR), capturing the Company's performance on ESG parameters which in turn would enable informed decision making, is a comprehensive framework based on the National Guidelines on Responsible Business Conduct (NGRBC).

The Company has always been steadfast in embedding ESG across the Company. Nurturing trust of our stakeholders and maintaining our leadership position in the oral care industry is of utmost importance. For this reason, integrating responsible business practices is at the fulcrum of the Company's vision and strategy. The Company has taken a proactive approach of adopting BRSR in the financial year 2021-22, a year in advance of the mandatory

# Report of the Directors (Contd.)

requirements. The BRSR for financial year 2021-22 is attached as **Annexure 6** to this report.

## 7. RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the 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, 2022, 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, 2022 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.

## 8. CORPORATE GOVERNANCE

A separate report on Corporate Governance along with the Auditors' Certificate on its compliance with the corporate governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations") is attached as **Annexure 1** to this Report.

## 9. CORPORATE SOCIAL RESPONSIBILITY

The Company is engaged in a variety of corporate social activities which focus on promoting oral health education, empowering children with education, enhancing access to water and supporting livelihoods & women empowerment through water augmentation, Cleft Surgeries. These social initiatives reflect the Company's core values of caring, global teamwork and continuous improvement. These 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.

During the year, the Company has 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 line with the same, the CSR Committee has been renamed to ESG and Corporate Social Responsibility Committee (ECC).

The ECC 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 the Company during the financial year 2021-22 are:

- i. Bright Smiles, Bright Futures™;
- ii. Water program with Water for People India Trust;
- iii. Water Augmentation for livelihoods and Women Empowerment with Seva Mandir;
- iv. Keep India Smiling Foundational Scholarship & Mentorship Program with Shikshadaan;
- v. Colgate Cleft Surgeries Program with Mission Smile;
- vi. Positive Step Program with Network in Thane for People Living with HIV/AIDS;
- vii. Computers and Grooming Program for Children with Action Aid; and
- viii. COVID-19 relief work for adversely impacted communities.

A detailed description of the above programs/ activities is contained in the Annual CSR Report attached as **Annexure 2** to this Report.

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





# Report of the Directors (Contd.)

## 10. EMPLOYEE RELATIONS

The Employee Relations in the Company continued to remain healthy, cordial and progressive in the financial year 2021-22.

At Colgate, 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 Colgate's core values, all employees are treated with equality and fairness and provided with opportunities to develop their career aspirations while working with the Company in India and, where possible, outside of India on assignments with group companies of Colgate.

The Company also recognizes and follows 'Managing with Respect Principles' which are applicable not only within Colgate but also while its employees are dealing with its customers, suppliers, vendors etc. Managing with Respect is the way Colgate 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. More details on material developments in Human Resources is covered as a part of Management Discussion and Analysis Report.

### Prevention of Sexual Harassment at workplace

The 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 the certification. The said training is also mandated for the new joiners as a part of their on-boarding process.

During the financial year 2021-22, three complaints

were received, investigated and appropriately resolved by the ICC.

## 11. 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 Company at cpilagm@colpal.com

## 12. 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. The Company will continue to build and maintain a strong association with its business partners and trade associates.

## 13. 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.

## 14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Since the date of last Annual General Meeting, the following changes took place in the Board of Directors and the Key Managerial Personnel:

- Resignation of Mr. Ram Raghavan (DIN : 08511606) as the Managing Director and Chief Executive Officer of the Company effective close of business hours on April 15, 2022.
- Appointment of Ms. Prabha Narasimhan (DIN : 08822860) as the Managing Director and Chief Executive Officer of the Company for a period of five (5) consecutive years w.e.f. September 1, 2022.
- Re-appointment of Mr. Chandrasekar Meenakshi

# Report of the Directors (Contd.)

Sundaram (DIN : 07667965) as the Whole-time Director of the Company for a period of five (5) consecutive years w.e.f. January 2, 2022. The said appointment was approved by the shareholders vide postal ballot resolution dated December 2, 2021. Further, at the meeting of Board of Directors held on May 26, 2022, Mr. Chandrasekar has placed his resignation effective close of business hours on June 30, 2022.

- Resignation of Mr. K. Randhir Singh as the Company Secretary & Compliance Officer of the Company effective close of business hours on February 21, 2022.
- Appointment of Mr. Surender Sharma (DIN : 02731373), Whole-time Director - Legal as the Company Secretary & Compliance Officer of the Company w.e.f. February 22, 2022.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Surender Sharma (DIN : 02731373), Whole-time Director - Legal & Company Secretary, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. Basis the recommendation of Nomination and Remuneration Committee, the Board recommends his re-appointment.

A detailed profile of all the Directors of the Company is available on the Company website at <https://www.colgatepalmolive.co.in/about/executives-and-boards/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 & experience (including the proficiency) which brings tremendous value to the Board and to the Company.

## 15. 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, 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.

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. For newly appointed directors 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 year are disclosed on the Company website at <http://www.colgateinvestors.co.in/policies>

Gist of Familiarization programs conducted during the financial year 2021-22 are as follows:

Sr. No.	Program/Presentation
1.	Update on Business operations
2.	Regulatory update
3.	Update on special projects
4.	Executive Directors Incentive Plans
5.	Update on Risk Matrix
6.	Update on Income Tax Assessment
7.	Update on Manufacturing and CS&L
8.	Presentation on ERM Plan

## 16. POLICIES

The Board of Directors of the 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 the Company. Overview of the key policies, as approved by the Board of Directors is as follows :

- Nomination & Remuneration Policy:** This Policy sets the objective, terms of reference, functions and scope of the Nomination & Remuneration Committee for determining qualifications, experience, independence, etc. relating to the appointment and remuneration for the Directors, Key Managerial Personnel and Senior Management employees of the Company.



## Report of the Directors (Contd.)

### ii) **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.

### iii) **Risk Management Policy:** This Policy provides the framework for identification of risks of the Company, risk assessment and prioritization, loss prevention measures and other risk management measures for the Company.

### iv) **Related Party Transactions Policy:** This Policy regulates the 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.

### v) **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.

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

### vii) **Insider Trading Code of Conduct:** Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has framed a Insider Trading Code of Conduct for regulating dealing in Company's shares and the flow of UPSI by Designated Persons.

### viii) **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.

### ix) **Policy on Retirement of Directors:** This Policy lays down the age criteria for retirement of Directors on the Board of the Company 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.

The aforesaid Statutory Policies are available

in the Investors Section on the website of the Company at [https:// www.colgateinvestors.co.in/ policies](https://www.colgateinvestors.co.in/policies).

## 17. NUMBER OF BOARD MEETINGS

During the financial year 2021-22, four (4) Board meetings were held on May 17, 2021, July 29, 2021, October 25, 2021 and January 27, 2022. The details of the same are provided in the Corporate Governance Report which forms part of the Board's Report.

## 18. 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 & 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 SEBI Listing Regulations.

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

## 19. ANNUAL PERFORMANCE EVALUATION

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 criteria's which are measured and analyzed during the process, few of them are as follows:

# Report of the Directors (Contd.)

Sr. No.	Particular	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>

## 20. 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 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 hall, 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 same can be accessed at <https://www.colgatepalmolive.com/en-us/who-we-are/governance/code-of-conduct>

## 21. PUBLIC DEPOSITS

During the financial year 2021-22, the Company has not accepted any Public Deposits under Chapter V of the Companies Act, 2013.

## 22. LOANS, GUARANTEES AND INVESTMENT

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



# Report of the Directors (Contd.)

## 23. RELATED PARTY CONTRACTS & ARRANGEMENTS

All related party transactions done by the Company during the financial year 2021-22 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 2021-22, 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>

The shareholders of the Company had approved a Material Related Party Transaction for payment of Royalty to Colgate Palmolive Company, USA, Promoter Company through postal ballot in the financial year 2019-20. The said approval was sought for a period of five (5) years effective July 1, 2019.

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 Related Party Transactions which are in ordinary course of business and on arm's length basis, please refer to Note No. 38 of Financial Statements.

## 24. 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 at the 76th Annual General Meeting (AGM) held on August 3, 2017, for a period of five (5) consecutive years from the conclusion of the 76th AGM till the conclusion of the 81st AGM.

The Board of Directors of the Company at their meeting held on April 28, 2022 appointed M/s. S R B C & Co LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 324982E/E300003) as Statutory Auditors of the Company for a second term of five (5) consecutive years from the conclusion of

81st AGM till the conclusion of 86th AGM, subject to the approval of the shareholders at the ensuing AGM of the Company.

The Audit report for the financial year 2021-22 does not contain any qualification, reservation or adverse remarks. Further, during the financial year 2021-22, 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.

## 25. SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT

The Board had, in its meeting held on May 17, 2021 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 2021-22 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 2021-22 does not contain any qualification, reservation or adverse remarks.

## 26. 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>

## 27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the financial year 2021-22, 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.

## 28. 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.

## 29. COMPLIANCE WITH SECRETARIAL STANDARDS

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



# Report of the Directors (Contd.)

## 30. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The 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 laid down accounting standards and principles. The Audit Committee of the Company evaluates the internal financial controls system periodically.

## 31. AWARDS AND ACCOLADES

The Company has received the following awards and accolades during the financial year:

- 1) ET- Digiplus Awards 2021 (Gold) for:
  - Best use of Branded Content.
  - Best use of Integrated Strategy.
- 2) Indian Digital Awards 21 (Gold) for best use of video.
- 3) Indian Digital Awards 21 (Silver) for best use of content marketing.
- 4) Indian Digital Awards 21 (Bronze) for best use of You Tube.

- 5) ET Media Strategy Awards 21 (Bronze) for best use of Integrated Strategy.
- 6) Digital Dragons Awards 2021 for best Content in Digital Display Marketing Campaign.
- 7) Mint Marketing Awards 21 for best Innovation & Creativity.
- 8) Economic Times Best Brands 2021.
- 9) Economic Times Best Organisation for Women 2022.
- 10) Most Trusted Brands of India 2021.
- 11) Best Audit Committee Award by Asian Center for Corporate Governance and Sustainability.

## 32. 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.

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

**Surender Sharma**

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

**M.S. Jacob**

*Whole-time Director  
and CFO  
(DIN : 02735510)*

Place: Mumbai

Date: May 26, 2022



# Corporate Governance Report

## ANNEXURE 1

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. 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 fully complies with the requirements of the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations").

### I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Over the years, the Company has consistently strengthened, promoted and demonstrated a good Corporate Governance culture and has consistently been at the forefront of good Corporate Governance. 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.

All directors and employees are bound by a Code of Conduct that sets forth the Company's policies on important issues, including its relationship with Customers, Suppliers, Contract Manufacturers, Shareholders and Government.

### II. BOARD OF DIRECTORS

#### Composition of the Board:

The Board of Directors of the Company ('the Board') has an optimum combination of Executive, Non-Executive & Independent Directors including Women Directors in conformity with the SEBI Listing Regulations. As on March 31, 2022, the Board comprises four Executive Directors, six Independent Directors and one Non-Executive Chairman.

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.

#### 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.

All the meetings during the financial year 2021-22 were conducted through Video conferencing 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, HR 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 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.

# Corporate Governance Report (Contd.)

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:

The Company has a well set process for appointment to 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.

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 after evaluating their performance.

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 year under review and at the last Annual General Meeting along with the number of directorships and memberships held in various committees in 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 2021-22		Attendance at last AGM (July 29, 2021)	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. M. Deoras, Chairperson	Non Executive & Non-Independent	4	4	Yes	-	-	-
Mr. V.S. Mehta	Non Executive & Independent	4	4	Yes	5	5	1
Dr. (Ms.) I. Shahani	Non Executive & Independent	4	4	Yes	4	7	1
Ms. S. Gopinath	Non Executive & Independent	4	4	Yes	6	4	2
Ms. S. Kripalu	Non Executive & Independent	4	4	Yes	4	5	-
Mr. S. Natarajan	Non Executive & Independent	4	4	Yes	2	2	2
Ms. G. Pant	Non Executive & Independent	4	4	Yes	2	2	1
Mr. R. Raghavan*	Executive, Managing Director	4	4	Yes	-	-	-
Mr. M. S. Jacob	Executive, Whole-time Director & CFO	4	4	Yes	-	-	-
Mr. M. Chandrasekar**	Executive, Whole-time Director & Executive Vice-President - Customer Development	4	4	Yes	-	-	-
Mr. S. Sharma <sup>#</sup>	Executive, Whole-time Director-Legal & Company Secretary	4	4	Yes	-	-	-

\*resigned effective close of business hours on April 15, 2022.

\*\*resigned effective close of business hours on June 30, 2022.

<sup>#</sup>appointed as Company Secretary & Compliance Officer w.e.f. February 22, 2022.

<sup>1</sup>Excludes directorships in private companies, foreign companies, bodies corporate.

<sup>2</sup>Membership(s) of the Audit Committee and Stakeholders' Relationship Committee is taken into consideration. Committee Membership(s) includes Chairmanship(s).



# Corporate Governance Report (Contd.)

## Number of Board Meetings held during the year:

During the year, four (4) Board Meetings were held on the following dates through Video-Conferencing/ Other Audio-Visual Means:

May 17, 2021, July 29, 2021, October 25, 2021 and January 27, 2022.

The average attendance of the Directors at the Board and Committee Meetings was 100%.

## Other Company Directorships:

As on March 31, 2022, the Directors of the Company have the following directorships in other listed companies:

1. Mr. V.S. Mehta: Acts as an Independent Director on the Board of Mahindra & Mahindra Limited, Larsen & Toubro Limited, Apollo Tyres Limited, HTMedia Limited and Jubilant FoodWorks Limited.
2. Dr. (Ms.) I. Shahani: Acts as an Independent Director on the Board of Bajaj Electricals Limited, Clariant Chemicals (India) Limited, Eureka Forbes Limited and United Spirits Limited.
3. Ms. S. 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. S. 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. S. 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 ABB India Limited.

## 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; and
- h) Financial Control, Risk Management.

The table below highlights the core skills/expertise/competencies available with each Director:

SKILLS/EXPERTISE/ COMPETENCIES IDENTIFIED BY THE BOARD	M. Deoras	V.S. Mehta	I. Shahani	S. Gopinath	S. Kripalu	S. Natarajan	G. Pant	R. Raghavan	M.S. Jacob	M. Chandrasekar	S. Sharma	BOARD AS A WHOLE
Knowledge of the industry in which the Company operates	Y	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	Y
Behavioral 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	Y
Understanding of socio-political, economic and Legal & Regulatory environment	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

# Corporate Governance Report (Contd.)

SKILLS/EXPERTISE/ COMPETENCIES IDENTIFIED BY THE BOARD	M. Deoras	V.S. Mehta	I. Shahani	S. Gopinath	S. Kripalu	S. Natarajan	G. Pant	R. Raghavan	M.S. Jacob	M. Chandrasekar	S. Sharma	BOARD AS A WHOLE
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	-	Y
Corporate Governance, Administration	Y	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	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 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:

- review the performance of non-independent directors and the Board as a whole;
- review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Meeting of Independent Directors was conducted once in the financial year 2021-22 on October 25, 2021 in compliance with the requirements of the Act, Rules framed thereunder and Regulation 25(3) of the SEBI Listing Regulations. The said Meeting was attended by all the Independent Directors.

The Independent Directors at their Meeting interalia, 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.





# Corporate Governance Report (Contd.)

## 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.

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 year are disclosed in detail in the Boards' Report and is available on the Company's website at [http:// www.colgateinvestors.co.in/policies](http://www.colgateinvestors.co.in/policies)

## III. COMMITTEES OF THE BOARD

### i) Audit Committee

The composition and terms of reference of 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 2021-22, four (4) AC Meetings were held through Video-Conferencing/Other Audio-Visual Means on May 17, 2021, July 29, 2021, October 25, 2021 and January 27, 2022.

The constitution and attendance details of the AC as on the date of this Report are as under:

Name of the Director	Category	AC Meetings held during the financial year 2021-22	
		Entitled to attend	Attended
Ms. S. Gopinath Chairperson	Non-Executive, Independent Director	4	4
Mr. V.S. Mehta	Non-Executive, Independent Director	4	4
Dr. (Ms.) I. Shahani	Non-Executive, Independent Director	4	4
Ms. S. Kripalu	Non-Executive, Independent Director	4	4
Mr. S. Natarajan	Non-Executive, Independent Director	4	4
Ms. G. Pant	Non-Executive, Independent Director	4	4

Mr. K. Randhir Singh resigned as the Company Secretary and Compliance Officer of the Company effective close of business hours on February 21, 2022 and subsequently ceased to be the Secretary to the Audit Committee effective that date.

Mr. Surender Sharma, Whole-time Director - Legal, was also appointed as a Company Secretary and acts as a Secretary to the Committee w.e.f. February 22, 2022.

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. Gopinath, Chairperson of the Committee, attended the Annual General Meeting held on July 29, 2021 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;

## Corporate Governance Report (Contd.)

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. 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;
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
23. any other item as may be assigned by the Board of Directors, from time to time.



# Corporate Governance Report (Contd.)

## ii) Nomination & Remuneration Committee

The composition and terms of reference of 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.

During the financial year 2021-22, five (5) NRC Meetings were held through Video-Conferencing/ Other Audio-Visual Means on the following dates:

May 13, 2021, July 19, 2021, October 25, 2021, January 27, 2022 and March 10, 2022.

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 2021-22	
		Entitled to attend	Attended
Mr. V.S. Mehta Chairperson	Non-Executive, Independent Director	5	5
Dr. (Ms.) I. Shahani	Non-Executive, Independent Director	5	5
Ms. S. Kripalu	Non-Executive, Independent Director	5	5
Mr. M. Deoras	Non-Executive Director	5	5

Mr. Surender Sharma, Whole-time Director & Company Secretary acts as a Secretary to the Committee.

The Committee has adopted a Policy relating to the Nomination & 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 & 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, determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

4. To devising 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. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
7. 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;
8. 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.
9. whether to extend or continue the term of appointment of the independent director, on the

# Corporate Governance Report (Contd.)

basis of the report of performance evaluation of independent directors;

10. Formulate criteria for evaluation of performance of independent directors and the board of directors;
11. 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;
12. To develop a succession plan for the Board and Senior Management and to regularly review the plan;
13. 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.
14. Recommend to the Board remuneration of the Executive Directors including key managerial personnel of the Company;
15. 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;

16. Recommend to the board, all remuneration, in whatever form, payable to senior management;
17. Review and, where appropriate, recommend to the Board, the Company's incentive compensation and equity based plans as and when required, establishing performance goals;
18. Oversee regulatory compliance with respect to compensation to the directors;
19. Delegating any of its powers to one or more of its members or the Secretary of the Committee;
20. 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 provision of the law and their service contract;
21. Identifying and recommending Directors who are to be considered for retirement by rotation;
22. 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;
23. To ensure that professional indemnity and liability insurance for Directors and senior management is availed off;
24. 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 term of reference; and
25. 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.

## iii) Risk Management Committee:

The composition and terms of reference of 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.



# Corporate Governance Report (Contd.)

During the financial year 2021-22, the RMC met twice on October 22, 2021 and January 27, 2022 through 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 2021-22	
		Entitled to attend	Attended
Mr. V.S. Mehta Chairperson	Non-Executive, Independent Director	2	2
Ms. S. Gopinath	Non-Executive, Independent Director	2	2
Ms. G. Pant	Non-Executive, Independent Director	2	2
Mr. R. Raghavan*	Managing Director	2	2
Mr. M. S. Jacob	Whole-time Director & CFO	2	2
Mr. S. Sharma	Whole-time Director - Legal & Company Secretary	2	2
Mr. B. Sreenivasan	Senior Management Personnel	2	2

\*resigned effective close of business hours on April 15, 2022.

Mr. Surender Sharma, Whole-time Director & Company Secretary acts as a Secretary to the Committee.

The Board of Directors has adopted a Risk Management Policy and Enterprise Risk Management 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 ERM Sub-Committee which reports into the RMC. The risk refresh is done from time to time 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 ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
  3. 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;
  4. 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;
  5. 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;
  6. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
  7. To periodically review the Company's performance against the identified risks of the Company;
  8. 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;
  9. Regularly review the risk management framework for the operations of the Company that are deemed necessary;
  10. To monitor & review Cyber Security;
  11. To review Disaster Management;
  12. To review systems of internal Controls and business contingency plans;
  13. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;



# Corporate Governance Report (Contd.)

14. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
15. 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
16. 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 of four members of which three are Independent Directors.

During the financial year 2020-21, the SRC met once on October 22, 2021 through 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 2021-22	
		Entitled to attend	Attended
Ms. S. Gopinath Chairperson	Non-Executive, Independent Director	1	1
Mr. R. Raghavan*	Managing Director	1	1
Mr. M. S. Jacob	Whole-time Director & CFO	1	1
Ms. S. Kripalu	Non-Executive, Independent Director	1	1
Mr. S. Natarajan#	Non-Executive, Independent Director	N.A.	-

\*resigned effective close of business hours on April 15, 2022.

#appointed as Member effective April 28, 2022.

Mr. Surender Sharma, Whole-time Director & Company Secretary acts as a Secretary to the Committee. He also acts as the Compliance Officer of the Company.

Ms. Gopinath, Chairperson of the Committee, attended the Annual General Meeting of the Company held on July 29, 2021.

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 previous financial year 2021-22, complaints were received from Members/Investors, the details of which are as under:

Nature of Complaints	Number of Complaints Received	Number of Complaints Redressed
Non-receipt of dividends/Interest/ Redemption Warrant	35	34
Non-receipt of Share Certificate(s) - Transfer/ Exchange/Bonus	51	51
Others	35	34
<b>Total</b>	<b>121</b>	<b>119</b>

As on the date of this report, all the above pending complaints have been resolved to the satisfaction of the complainants. 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.



# Corporate Governance Report (Contd.)

## 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 and 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 has 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, Ms. Gopika Pant has been inducted on the Committee effective April 28, 2022 and accordingly, the CSR Committee has been renamed to ESG and CSR Committee (ECC). Further, the Company has volunteered to provide the Business Responsibility and Sustainability Report (BRSR) for the current financial year, a year ahead of it becoming a mandatory requirement as per the SEBI norms.

The ECC Comprises of four Directors of which three are Independent Directors.

During the financial year 2021-22, the Committee met twice on May 13, 2021 and January 24, 2022 through 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 2021-22	
		Entitled to attend	Attended
Dr. (Ms.) I. Shahani Chairperson	Non-Executive, Independent Director	2	2
Mr. S. Natrajan	Non-Executive, Independent Director	2	2
Mr. R. Raghavan*	Managing Director	2	2
Mr. M. Chandrasekar**	Whole-time Director	2	2
Ms. G. Pant#	Non-Executive, Independent Director	N.A.	-

\*resigned effective close of business hours on April 15, 2022.

\*\*resigned effective close of business hours on June 30, 2022.

#appointed as Member effective April 28, 2022.

Mr. Surender Sharma, Whole-time Director & 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 2021-22 forms part of the Board's Report.

## ESG Related:

1. To develop relevant ESG policies that support the Company's ESG 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);

# Corporate Governance Report (Contd.)

6. To establish robust monitoring mechanism to ensure periodic and effective progress against established Key Performance Indicators (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).

## IV. REMUNERATION OF DIRECTORS

### a) Executive Directors

The Nomination & 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. 39 to the Financial Statements, for more information on share-based compensation.

Details of remuneration paid /payable to the Executive Directors of the Company during the year ended March 31, 2022 are given below:

(₹ In lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/ WTD				Total Amount
		Mr. R. Raghavan**	Mr. M. S. Jacob	Mr. M. Chandrasekar#	Mr. S. Sharma	
1.	Gross Salary	536.78	121.71	129.73	73.04	861.26
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	116.08	102.38	134.05	75.84	428.35
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961					
2.	Stock Option*	188.05	111.17	245.15	5.47	549.84
3.	Sweat Equity	-	-	-	-	-
4.	Commission					
	- As % of profit	-	-	-	-	-
	- Others specify	184.81	149.90	159.80	57.23	551.74
	Executive Incentive Compensation Plan/ Bonus					
5.	Others, please specify:	13.60	14.60	15.57	8.29	52.06
	Employer contribution to Provident Fund and other retirals					
	<b>Total</b>	<b>1039.32</b>	<b>499.76</b>	<b>684.30</b>	<b>219.87</b>	<b>2443.25</b>

The above remuneration is within the limits prescribed under Section 198 of the Act.

\* 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.



# Corporate Governance Report (Contd.)

## Notes:

- None of the Directors hold any shares in the Company, except Mr. M. Chandrasekar, who holds 200 equity shares as on March 31, 2022.
- The appointment of each of the four 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 is paid an amount not exceeding ₹ 15 lakhs per annum as Commission as approved by the Members at their Annual General Meeting held on August 29, 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 has, subject to approval of Members, 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 2021-22 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	12.00	12.00	10.00	11.50	9.50	9.50	64.50
b)	Commission*	15.00	15.00	15.00	15.00	12.90	12.90	85.80
	<b>Total</b>	<b>27.00</b>	<b>27.00</b>	<b>25.50</b>	<b>26.50</b>	<b>22.40</b>	<b>22.40</b>	<b>150.30</b>

\* Paid for the financial year 2020-21. Commission for the financial year 2021-22 is payable in the financial year 2022-23.

## V. 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 of the Members, Relationship with the Management, Board culture and dynamics, integrity, ethics and compliance, 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 basis the effective leadership, effectiveness in conducting the Board Meetings, maintaining transparent and cohesive environment, etc. The Director being evaluated did not participate in his/her own evaluation process.

All the responses were evaluated by the Nomination & 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 was discussed at the Nomination & Remuneration Committee and the same was communicated by its Chairman to the members of the respective committees.

# Corporate Governance Report (Contd.)

## VI. 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
2020-21	July 29, 2021	Held Through Video-Conferencing/ Other Audio-Visual Means	3.30 p.m.	-
2019-20	July 29, 2020	Held Through Video-Conferencing/ Other Audio-Visual Means	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)
2018-19	August 28, 2019	Mukesh R. Patel Auditorium, Mumbai	3.30 p.m.	1 (Increase the payment of Commission to each Non-Executive Independent Director not exceeding ₹ 15 lakhs per annum)

No Special Resolution through postal ballot was passed during the 2020-21. 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	17,32,34,965	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.

## VII. 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 copy of the Annual Report, quarterly, half-yearly and annual financial results, Stock Exchange filings, Press releases, applicable Corporate Governance policies and details about the Company, the Board of Directors and Management. 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.





# Corporate Governance Report (Contd.)

## 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/>

## VIII. GENERAL SHAREHOLDER INFORMATION:

### a) 81st Annual General Meeting

Day, Date and Time	Thursday, July 28, 2022 at 3.30 p.m. (IST)
Venue	The Company is conducting the meeting through Video-Conferencing/Other Audio-Visual Means 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 22, 2022 to Thursday, July 28, 2022 (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 24, 2022 (8.00 a.m. IST) to Wednesday, July 27, 2022 (5.00 p.m. IST)

### b) Financial year: April 1 to March 31

### c) (i) Dividend Payment Dates

For the financial year 2021-22, the Company declared the two interim dividends as detailed below:

Dividend for the 2021-22	Payment Date	Dividend Per Share (₹)
First Interim	On and from November 22, 2021	19/-
Second Interim	On and from May 25, 2022	21/-

### (ii) Unclaimed Dividends

The following dividends are due for transfer to the IEPF in the financial year 2022-23. Shareholders are requested to claim their unclaimed dividends, if any, pertaining to the below years:

Financial Year	Dividend	Due For Transfer
2014-15	Third Interim	April 28, 2022
2015-16	First Interim	December 01, 2022
2015-16	Second Interim	December 28, 2022

Shareholders may write to the Company's Registrar and Share Transfer Agent M/s. Link Intime India Private Limited on their dedicated email address [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	ISIN (International Securities Identification Number)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	500830	INE259A01022
National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400051	COLPAL	INE259A01022

The Company has paid the Annual Listing fees for the financial year 2021-22 to both the Stock Exchanges.

# Corporate Governance Report (Contd.)

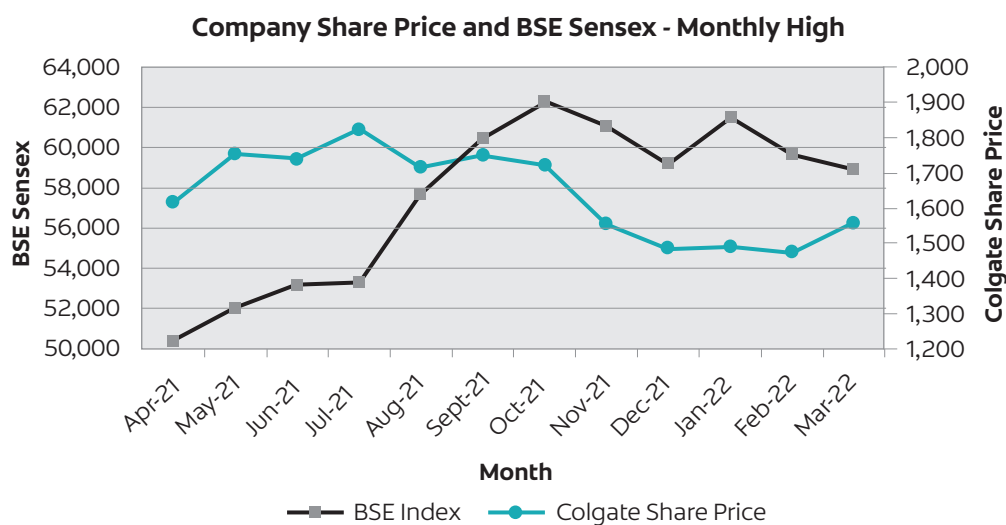
## e) Market Price Data

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

(Amount in ₹)

Month	BSE Limited		National Stock Exchange of India Limited	
	High	Low	High	Low
April 2021	1,616.35	1,468.85	1,617.15	1,468.00
May 2021	1,755.00	1,470.45	1,794.85	1,470.55
June 2021	1,740.00	1,658.65	1,739.95	1,658.10
July 2021	1,823.00	1,670.15	1,823.40	1,670.00
August 2021	1,715.35	1,630.00	1,716.00	1,626.30
September 2021	1,751.85	1,661.00	1,753.40	1,660.15
October 2021	1,723.65	1,500.35	1,724.10	1,501.00
November 2021	1,556.00	1,413.40	1,555.00	1,414.00
December 2021	1,483.75	1,393.00	1,484.90	1,392.85
January 2022	1,491.15	1,375.55	1,491.95	1,375.60
February 2022	1,475.30	1,389.55	1,477.80	1,390.00
March 2022	1,556.80	1,387.30	1,559.95	1,388.00

## f) Performance in comparison to BSE Sensex



## g) Registrar and Share Transfer Agent

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 : 0224918 6200  
 Fax : 0224918 6060  
 E-mail : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)



# Corporate Governance Report (Contd.)

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, investors\_grievance@colpal.com has been created 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 address 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 address 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 : 022 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	5th 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>

Location	Address
Kolkata	Vaishno Chamber, 5th 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, 1st 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, 2nd 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, 1st 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.

# Corporate Governance Report (Contd.)

## i) Shareholding Pattern (as at March 31, 2022)

Category of Shareholders	Number of Shares	% of Total Shares
<b>Promoter and Promoter Group (A)</b>	13,87,12,672	51.00
<b>Public Shareholding</b>		
Mutual Funds	48,97,647	1.80
Alternate Investment Funds	1,74,862	0.06
Financial Institutions/Banks	12,09,061	0.44
Central Government/State Government	7,69,480	0.28
Insurance Companies	1,56,78,535	5.77
Foreign Banks	400	0.00
Foreign Portfolio Investor	5,06,86,590	18.64
UTI	3,782	0.00
Individuals	5,19,24,500	19.09
Trust Employees	0	0.00
NBFC registered with RBI	100	0.00
Any Other (comprises following categories)	79,28,005	2.92
- IEPF		
- Trust		
- Foreign Nationals		
- Hindu Undivided Family		
- Non-Resident Indians (Non Repatriable)		
- Non-Resident Indians (Repatriable)		
- Overseas Body Corporate		
- Clearing Member		
- Bodies Corporate		
<b>Total Public Shareholding (B)</b>	<b>13,32,72,962</b>	<b>49.00</b>
<b>Total Shareholding (A+B)</b>	<b>27,19,85,634</b>	<b>100.00</b>

## Distribution of Shareholding (as at March 31, 2022)

Description	Holders			
	No. of Shareholders	%	Shares	%
1 - 500	2,95,361	93.10	1,58,60,347	5.83
501 - 1000	9,334	2.94	69,19,047	2.54
1001 - 2000	6,151	1.94	88,68,738	3.26
2001 - 3000	3,159	1.00	81,05,411	2.98
3001 - 4000	790	0.25	27,69,072	1.02
4001 - 5000	607	0.19	27,54,060	1.01
5001 - 10000	1,169	0.37	73,93,786	2.72
10001 & above	697	0.22	21,93,15,173	80.63
<b>Total</b>	<b>3,17,268</b>	<b>100</b>	<b>27,19,85,634</b>	<b>100</b>

## j) Dematerialization of shares and liquidity (as at March 31, 2022)

Particulars of Equity Holding	Equity Shares of ₹ 1/- each	
	Number	% of Total
Dematerialized form:		
-NSDL	25,52,62,727	93.85
-CDSL	1,26,74,198	4.65
Sub-total	26,79,36,925	98.51
Physical form	40,48,709	1.49
<b>Total</b>	<b>27,19,85,634</b>	<b>100</b>

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



# Corporate Governance Report (Contd.)

## k) Outstanding GDRs/ADRs/Warrants or any convertible instruments

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as at March 31, 2022.

## l) Commodity Price Risk or Foreign Exchange Risk & Hedging activities

Please refer Note No. 41 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.

## IX. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

## X. 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 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. 38 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 Mr. R. Raghavan, Managing Director, to this effect has been obtained.

### 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



# Corporate Governance Report (Contd.)

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) 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.
- i) During the financial year 2021-22, the Board of Directors accepted all recommendations of the Committees of the Board of Directors.
- j) 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 2021-22 is ₹ 155.87 lakhs.
- k) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the financial year 2021-22 is as under:

Sr. No.	Particulars	No. of Complaints
a.	Number of complaints filed during the financial year	3
b.	Number of complaints disposed of during the financial year	3
c.	Number of complaints pending as on end of the financial year	0

## XI. 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:

- i) The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director.
- ii) The Internal auditors of the Company make quarterly presentations to the Audit Committee on their reports.
- iii) The financial statements of the Company are with unmodified audit opinion.
- iv) The highlights of the quarterly financial results are circulated to all the shareholders through email whose email addresses are registered with the Company/Depositories.

## XII. CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

As required under Regulation 17(8) of the SEBI Listing Regulations, the CFO 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 year ended March 31, 2022.

### 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**

**Surender Sharma**

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

**M.S. Jacob**

Whole-time Director  
and CFO  
(DIN : 02735510)

Place: Mumbai

Date: May 26, 2022



## ANNEXURE CG-A

## 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 2021 – 2022 and Financial Year 2022 – 2023** 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, 2022** 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	NA
02.	Ms. Indu R. Shahani	00112289	23/01/2012	NA
03.	Ms. Shyamala Gopinath	02362921	19/05/2015	NA
04.	Mr. Jacob Sebastian Madukkakuzy	07645510	28/10/2016	NA
05.	Mr. Chandrasekar M. Sundaram	07667965	02/01/2017	NA
06.	Ms. Sukanya Kripalu	06994202	01/06/2018	NA
07.	Mr. Mukul V Deoras	02869422	01/09/2018	NA
08.	Mr. Ram Raghavan	08511606	01/08/2019	15/4/2022
09.	Mr. Sekhar Natarajan	01031445	21/05/2020	NA
10.	Ms. Gopika Pant	00388675	21/05/2020	NA
11.	Mr. Surender Sharma	02731373	21/05/2020	NA

## ANNEXURE CG-A (Contd.)

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, 2022.

For **S. N. ANANTHASUBRAMANIAN & CO.**

*Company Secretaries*

ICSI Unique Code: P1991MH040400

Peer Review Cert No.: 606/2019

**S. N. Ananthasubramanian**

*Partner*

FCS: 4206 I COP No.: 1774

ICSI UDIN : F004206D000297125

Thane

10<sup>th</sup> May 2022

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### 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, 2022 as required by the Company for annual submission to Stock exchanges.

#### **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 referred to in paragraph 1 above.
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, 2022 and verified that at least 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 during the period April 01, 2021 to March 31, 2022:
    - (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, 2022, 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: 22118746AJPXT1776

Place of Signature: Mumbai

Date: May 26, 2022

# Management Discussion and Analysis

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

## INDUSTRY OVERVIEW

The rapidly changing lifestyles and sugar-rich diets have made Oral health, one of the key public health concerns in almost every part of the world.

In India, while Oral Care category penetration is high (+95%), more than 80% of people don't brush their teeth at night. This against the backdrop of increasing Oral Diseases, up to 77 % suffering from Gum problems every year, up to 71% children (12 years old) and upto 86.4% adults 35-45 years from Cavities, presents a situation that needs immediate attention.<sup>#</sup>

While, as a Country, we have made giant strides with Oral Health initiatives, in the last few decades, our population and segmentation expanse offers opportunities to explore new avenues towards enhancement of Oral Health in India.

With increased awareness around this topic, we are seeing increased expenditure on oral healthcare. Well informed on the perils of neglect, people are actively seeking preventive solutions leading to an increase in demand for effective Oral Care products from trustworthy Brands, thereby contributing to good oral hygiene.

## BUSINESS AND STRATEGY

Your Company is strongly focused in the Personal Care business which includes Oral Care that accounts for over 95% of the Company's sales turnover. Within the Oral Care segment, the Company continues to sustain its leadership position both in the Toothpaste and Toothbrush categories for the financial year ended March 31, 2022 despite a challenging business and competitive environment. As a leading consumer products Company, we are also deeply committed to advancing technology that can address changing consumer needs. This is consistent with your Company's sustained endeavor to leverage technology in order to create products that will improve the quality of life for our consumers.

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

needed to support the growth are developed through its funding of growth initiatives such as reduction in costs associated with direct materials, distribution and logistics, advertisement and promotional materials and reduction of packaging materials. The predominant business of the Company continues to be Oral Care and the outlook for the oral health industry is positive given the size of the opportunity. Your Company believes that the Company's business will continue to grow strongly in the next several years on the back of its experience in operating in a growth environment and its continued focus on capturing significant opportunities through innovation and operational excellence. For years, the Company has been successful in identifying and meeting consumer needs within its core categories, through its consistent focus on the introduction of innovative products and the deployment of valuable consumer and shopper insights in the launch of successful new products.

Your Company caters to all types of oral care needs a consumer may possibly have. The Company's end users belong to all age groups and diverse geographical locations (urban and rural), as well as household size and type. We further interact with diverse wholesalers, modern trade stores and other retailers to ensure our products reach the length and breadth of the country.

The strategic focus of the Company continues to win with the brands, leading innovation, achieving distribution and in-store excellence, nurturing future leaders, re-imagining a healthier future for all and thereby enhancing the overall shareholders' value.

## Digital Transformation

Your Company took big steps in the journey of digital and data transformation. The Data and Analytics Center of Excellence has been set up to build data science capabilities internally. During the year, your Company launched the 'Smile Store Program', - a transformation initiative focused on assortment build up in retail, applying data science models and rich shopper data. This was driven by an extensive change management exercise with all our extended sales force and integrating the technology in our order-taking systems. The results are encouraging with a double-digit increment in our monthly average assortment per store. The program continues to gain momentum and is becoming an effective lever to drive our distribution excellence and new product launch Go-to-market.

Digital Transformation continued to be a key priority

<sup>#</sup>Source: National Oral Health Policy 2021





# Management Discussion and Analysis (Contd.)

for the Company's Business Operations. Your Company leveraged several channels to reach out and engage with its stakeholders, including full funnel omni-channel performance marketing, driving rural reach and building regional content.

## Colgate - Our Brand Purpose

Your Company continued to build on its 'Smile karo aur shuru ho jao' campaign in 2021, which brings to life its brand purpose of 'Everyone deserves a future to smile about'. Our latest 'Smile Karo' campaign features Kiran Kanojia, India's first woman blade runner to run a marathon. Our continued strategy is to inspire people to be optimistic through stories like Kiran's.

We also brought to millions of people the story of Sindhutai Sapkal, who was forced to beg on the streets in her early twenties and then went on to become 'mai' for thousands of orphans. Her smile and optimism reflects the power to change the world for a better place to be.

## Colgate Strong Teeth

Your Company also re-launched its largest single brand 'Colgate Strong Teeth toothpaste' with Calcium boost callout in relation to remineralization. The TVC 'Daant strong toh main strong' featuring Shahid Kapoor and Rana Daggubati puts the spotlight on the importance of strong teeth, which helps in better chewing leading to better nutrition.

## Colgate Visible White O2

Your Company launched a revolutionary teeth whitening product, Colgate Visible White O2, with our #SmileOutLoud campaign. The campaign cut through the noise and challenged the age-old conventions of what is considered as 'beauty'. The new whitening toothpaste, Colgate Visible White O2, promises whiter teeth in just 3 days, when used as directed.

#SmileOutLoud celebrates three women influencers - Toshada Uma, Dolly Singh, and Prarthana Jagan, who have successfully challenged stereotypes using their unique beauty to make their mark in the world. Their radiantly defiant smiles speak of the bold beauty and confidence with which they face the world, having turned their so-called imperfections into expressions of their authenticity.

## Colgate Toothpaste for Oral Health of Diabetics

Your Company roped in celebrated cricketer R. Ashwin to educate and inform our consumers about the rather unknown link between Type II diabetes and gum problems. There is an established link between Diabetes

and an increased risk of mouth infections. The toothpaste for Oral Health of Diabetics is designed for the oral health problems commonly faced by Diabetics.

## Sustainability

Your Company is focused on bringing world-class sustainable innovation to not only improve oral care but also work towards preserving the environment. The pioneering technology of the recyclable tubes was rolled out on Colgate Active Salt and Colgate Vedshakti variants first, with other brands in its portfolio to follow. We are the first oral care brand to launch such an initiative at scale and decided to share the technology with others.

## Colgate Toothbrushes

For the first time, the Company launched a new Master-brand campaign for toothbrushes, positioning Colgate toothbrushes as 'Smart Brush for a Healthy Mouth'. It establishes Colgate toothbrushes as the expert devices that understand the complexities of the mouth to ensure superior oral care.

The campaign brings this alive beautifully through the key sub equities - Colgate ZigZag, especially engineered with 16 degree criss cross bristles, is designed for germ protection against ~700 types of germs in the mouth that can cause oral care problems.

Our mouth is made up of 80% soft tissues and hence needs gentle care. Colgate Gentle has dense, Ultra Soft Bristles which give superior foam resulting in the softest brushing experience.

Colgate Super Flexi toothbrush - Ultra Flexible Technology, India's #1 selling toothbrush brand was unveiled in a new avatar-featuring product enhancements for better cleaning. It was re-launched with bright, vibrant colors, attractive packaging, giving it a very modern & premium look.

As we continue to advance and scale our social and sustainability initiatives, we launched Colgate RecyClean - a first of its kind toothbrush with bristles that are plant derived and Bisphenol A (BPA) free while the handle is made from 100% recycled plastic.

## Palmolive Face Cleansing

Your Company launched a new line of premium, natural Face Cleansing Foams, Gels, Masques and Scrubs under the Palmolive brand.

The launch was accompanied by an advertising campaign 'Say Yes to You'. Recognising that women, across

# Management Discussion and Analysis (Contd.)

strata and communities, end up prioritizing either work or their loved ones in a bid to care for others over indulging in much-needed self-love, we launched the campaign #SayYesToYou. While introducing Palmolive's new indulgent Face Cleansing range, the campaign encourages women to prioritize themselves while juggling the many responsibilities they shoulder in life, at work, and in their families. The campaign goes beyond the traditional way of dissecting women's skin conditions and issues, instead portraying them as people who have diverse interests and a desire to indulge in them.

## RISKS AND OPPORTUNITIES

Risk management is integral to your Company's strategy and to the achievement of its long-term goals. Our success lies in our ability to identify the opportunities generated by our business and the markets we operate in.

The purpose of timely risk assessment is to identify the strategic threats, operational issues, compliance with laws and disclosure obligations and to convert them into the opportunities, wherever possible. Thus, in order to deliver value to our customers, distributors, employees, communities, shareholders and other stakeholders, it is inevitable to understand and manage the risks faced by the Company.

Risk assessment is done on a regular basis. The Leadership team reviews the processes and identifies and assess the risks faced by their respective categories and proposes the Risk Mitigation plan.

The Company has adopted Enterprise Risk Management (ERM) to ensure timely identification and creation of mitigation plans. The Company has formed an ERM Sub-Committee, which meets at regular intervals to refresh the risk roadmap and create a plan for addressing them. The said plan is presented before the Risk Management Committee and the Board of Directors.

Our ambition is to continuously improve our operational efficiency and effectiveness. Our approach to risk management is designed to provide reasonable assurance that our assets are safeguarded, the risks facing the business are being assessed and mitigated and all information that may be required to be disclosed is reported to the Company's senior management and the Audit Committee and the Board.

For each of our principal risks, we have a Risk Management Framework detailing the controls we have in place and

who is responsible for managing both the overall risk and the individual controls mitigating that risk. Our assessment of risk considers both short and long-term risks, including how these risks are changing, together with emerging risk areas. These are reviewed on an ongoing basis, and formally by the Risk Management Committee and the Board at least once a year. The Company has carried out the Stakeholder engagement and materiality assessment and has identified the key risks and opportunities, such as, Occupational Health and Safety, Human Rights, Diversity and Inclusion, Commodity price risk, single source raw material, credit risk, Product Stewardship, Energy emissions, Responsible Supply Chain, Consumer Health and Safety, Water Stewardship, Waste Management, Business Ethics, Cyber security and data protection, regulatory changes, social media and brand reputation risk, etc.

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.

## 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 laid down accounting standards and principles. The Audit Committee of your Company evaluates the internal financial controls system periodically.

## EMPLOYEE HEALTH AND WELL-BEING

At Colgate-Palmolive, we aim to ensure that you are at your best-your healthiest, happiest and most driven self. The Company constantly evaluates and adopts better policies and initiatives that enable improved employee health and well being thereby also leading to better efficiency and productivity at the workplace.

Guided by this principle, we have an Employee Assistance Program which is available to all employees + 3 family



# Management Discussion and Analysis (Contd.)

members to seek help from certified professionals on any mental health challenges. Every year in June, the Company celebrates 'Live Better' which is a global initiative aimed at encouraging employees to adopt a healthier lifestyle. We also have company sponsored medical check-ups which the employees can avail of.

## Flexi-work Policy

Post the COVID-19 pandemic, the Company prepared for the safe return to work for all our employees. Employee Health & Safety is at the forefront of all the things that we do. In order to make it convenient and for ensuring ease in transition, we launched a hybrid working policy called 'Blendin' which provides employees the flexibility to choose 2 days in a week where they would want to work from home, making only 3 days mandatory for them to work from office, with the benefit of flexi working hours barring the core hours.

## Mental Health and Well-being

The Company recognizes our responsibility to prioritize mental health. With the recent pandemic, it has become more and more critical to keep physical as well as mental health in check.

We believe in re-imagining a healthier future for all-and healthier means overall health-oral, physical and mental by providing the right opportunities and resources to help the employees take care of their mental health, from facilitating a strong Company culture that empowers colleagues to connect with each other to offering robust benefits that position mental health as integral to overall health.

The Company has launched the following initiatives:

- Employee Assistance Program
- WYSA App for mental health & well being
- Mental Health awareness training
- Guided Meditation Sessions
- Ongoing flexibility in work schedules for reduced stress

## Diversity, Equity and Inclusion (DE&I)

We at Colgate-Palmolive are committed to our DE&I journey. We are constantly working towards creating a world where our people would feel Colgate is a place where they belong and where they can bring their authentic selves to work and feel welcomed, respected and valued. For the same, changes, new policies & processes are taken to enable an inclusive environment across our offices and plants. This includes impacting

our people, the community we live in and the supplier diversity we work with.

We continue our company-wide discussion on DE&I, supported by sensitization and awareness sessions. We provided allyship training to all our employees to understand how they can champion and support a diverse workforce. Ingrained from inception, our governance policies are adhered to not just in India but globally.

Your Company has been recognized as one of the Best Organizations for Women 2022 by the Economic Times, powered by Femina.

The total number of people employed by the Company as on March 31, 2022 was 2,363.

## Details of changes in key financial ratios as compared to immediately previous financial year:

Particulars	FY 2021-22	FY 2020-21
Debtors Turnover <sup>#</sup>	29.65	38.54
Inventory Turnover	4.81	4.90
Interest Coverage Ratio <sup>^</sup>	236.30	184.11
Current Ratio <sup>\$</sup>	1.37	0.85
Debt Equity Ratio <sup>*</sup>	0.05	0.08
Operating Profit Margin (%)	27	27
Net Profit Margin (%) (after tax)	21	22

The Company's key financial ratios continue to be very healthy.

The Return on Net Worth in the FY 2021-22 decreased to 74% from 75% in the immediate previous financial year due to higher equity in the current year since the second interim dividend was declared post year end for FY 2021-22.

<sup>#</sup>Credit was extended to certain distributors at year end so there is an increase in debtors ultimately reducing the debtors turnover ratio.

<sup>^</sup>Debt and Interest expense appearing in the Financial Statements for the current year wholly relate to the lease liability as per Ind AS 116.

<sup>\$</sup>Current ratio depicted higher than previous year, due to unpaid dividend of previous year, paid subsequent to year end.

<sup>\*</sup>Debt mainly pertains to lease liabilities which are on reducing balance. Equity is higher compared to previous year since the second interim dividend was declared post year end for FY 2021-22.

The detailed discussion on Financial Performance with respect to operational performance, Internal Control systems and their adequacy and Segment-wise or product-wise performance, innovation and technology are forming part of the Board's Report.

## OUR APPROACH

The investments needed to support growth are developed through continuous, Company-wide initiatives to improve realizations, lower costs and increase effective asset utilization. Through these

## Management Discussion and Analysis (Contd.)

initiatives, termed as the Company's revenue growth management and funding-the-growth initiatives, your Company seeks to become even more effective and efficient throughout its businesses. These initiatives are designed to drive sustainable revenue growth for your Company and better value products for the shoppers. Through these initiatives your Company also focuses on reducing costs associated with direct materials, indirect expenses, distribution and logistics, and advertising and promotional materials, among other things, and encompass a wide range of projects, examples of which include raw material substitution, reduction of packaging materials, consolidating suppliers to leverage volumes and increasing manufacturing efficiency through SKU reductions and formulation simplification.

Against a challenging backdrop of COVID-19, your Company took adequate and pre-emptive measures to strengthen and nurture its relationship with stakeholders. In order to ensure the health and safety of employees and their families, your Company took appropriate measures including restrictions on travel and enhancing the hygiene & sanitation protocols across all offices and plants. Your Company worked with various regulatory authorities & industry groups to facilitate a more regular and consistent

supply of your Company's products to consumers across the country. In the true spirit of partnership, your Company sponsored the health insurance benefit and supplied personal hygiene kits to the employees of its distributors.

Going forward, your Company expects the challenging market conditions and unfavorable macro-economic conditions to continue. Your Company believes that it is well prepared to meet the challenges ahead due to its strong financial condition, experience of operating in challenging environments and continued focus on its key priorities. These priorities include: growing sales through greater engagement with consumers, delivering world-class innovation and working with its distributors and retail partners; driving efficiency on every line of the income statement to increase margins; generating strong cash flow performance and utilizing that cash effectively to enhance total shareholder returns, and leading to win by staying true to the organization's culture and focusing on its stakeholders. Your Company's commitment to these priorities, together with the strength of its brands, its best-in-class distribution network and its cost-saving initiatives, should position your Company well to increase stakeholder value over the long term.



# Annual CSR Report

## ANNEXURE 2

### 1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

Founded in 1937, Colgate-Palmolive (India) Limited ('Colgate') 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's success is linked to the Company's core values of Caring, Global Teamwork and Continuous Improvement.

Colgate 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 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, 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 ESG AND CORPORATE SOCIAL RESPONSIBILITY 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) I. Shahani	Chairperson - Independent Director	2	2
2.	Mr. S. Natarajan	Member- Independent Director	2	2
3.	Mr. R. Raghavan*	Member- Executive Director	2	2
4.	Mr. M. Chandrasekar**	Member- Executive Director	2	2
5.	Ms. G. Pant <sup>#</sup>	Member - Independent Director	2	-

\*resigned effective close of business hours on April 15, 2022.

\*\*resigned effective close of business hours on June 30, 2022.

<sup>#</sup>appointed as Member effective April 28, 2022.

- Provide the web-link where the 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/policies>

- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

The Social Impact Assessment Reports are available on the Company's website at <https://www.colgateinvestors.co.in/shareholder-information/2021-22/>

- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
-	-	-	-

- Average net profit of the Company as per section 135(5) : ₹ 1,168.50 crores
- Two percent of average net profit of the Company as per section 135(5) : ₹ 23.37 crores
  - Surplus arising out of the CSR projects or programs or activities of the previous financial years : Nil
  - Amount required to be set off for the financial year, if any: Not Applicable
  - Total CSR obligation for the financial year (7a+7b-7c): ₹ 23.37 crores

# Annual CSR Report (Contd.)

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
23.43 crores	-	-	-	-	-

b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project Duration*	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District		crores	crores			Name	CSR registration number
1.	Water Access & Augmentation for livelihoods & Women Empowerment	Conservation of Natural Resources (iv) Women Empowerment (iii)	Yes	Maharashtra, Rajasthan	Amravati, Udaipur	Ongoing	2.5	2.5	-	No	NGOs 1. Seva Mandir 2. Water For People India Trust	1. CSR00000288 2. CSR00000892
2.	Education Program	Promoting Education (ii)	Yes	Maharashtra, Himachal Pradesh & Andhra Pradesh PAN India (Scholarship)	Mumbai, Baddi (Solan) & Sri City (Tirupati)	Ongoing	5.65	5.65	-	No	NGOs 1. Shikshadaan 2. Action Aid 3. NTP+	1. CSR00000261 2. CSR00000955 3. CSR00000403
3.	Cleft Surgeries	Promoting Healthcare (i)	Yes	Assam, Gujarat, Andhra Pradesh, Sikkim, Meghalaya, Tamil Nadu	Guwahati, Vadodara, Vizianagram, Gangtok, Shillong, Melmaruvathur	Ongoing	0.88	0.88	-	No	NGO 1. Mission Smile	1. CSR00001959
4.	Oral Health Elevation (BSBF)	Preventive Healthcare (i)	Yes	Maharashtra	Mumbai	Ongoing	0.19	0.19	-	Yes	Not Applicable	Not Applicable
<b>Total</b>							<b>9.22</b>	<b>9.22</b>				

\* The budget for the programs were allocated and approved on an annual basis.

c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District	crores		Name	CSR Registration No.
1.	Covid 19 - Health Equipment Related Infrastructure Support	Promotion of health care & Disaster Management (i&xii)	Yes	Andhra Pradesh, Himachal Pradesh, Gujarat, Goa, Maharashtra	Vizianagaram, Krishna, Nellore, Chittoor, Godavari, Sulerpetta, Solan, Chamba, Mandi, Bilaspur, Kangra, Kullu, Una, Hamirpur & Shimla, Ahmedabad, Vadodara, North Goa, South Goa, Mumbai, Thane, Amravati, Jalna	13.95	Yes	Not Applicable	Not Applicable
<b>TOTAL</b>						<b>13.95</b>			





# Annual CSR Report (Contd.)

- (d) Amount spent in Administrative Overheads : Nil
- (e) Amount spent on Impact Assessment, if applicable : ₹ 0.26 crores
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 23.43 crores
- (g) Excess amount for set off, if any: Not Applicable\*

Sr. No.	Particulars	Amount (₹ in crores)
i	Two percent of average net profit of the Company as per section 135(5)	23.37
ii	Total amount spent for the Financial Year	23.43
iii	Excess amount spent for the financial year [(ii)-(i)]	0.06
iv	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	Not Applicable*

\*The Company has spent in excess of the mandatory requirement under the Companies Act, 2013 but has decided the same is not to be set off.

## 9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
-	-	-	-	-	-	-	-

## b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed/ Ongoing
-	-	-	-	-	-	-	-	-

## 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

For COVID-19 response, the Company has supported health related equipment as per needs in Government Hospitals/ Primary Health Centers (PHCs)/Community Health Centers (CHCs) in multiple locations in 5 states - Himachal Pradesh, Andhra Pradesh, Goa, Gujarat and Maharashtra. The equipments were handed over to respective Government Hospital/ PHCs/CHCs and relevant receipts/acknowledgement letters are taken from the recipients.

In on-going CSR programs, the structures made/repaired are handed over to local community lead self help groups or village institutions/user committees by our partner NGOs. There was no equipment asset created in FY 2021-22 in the on-going CSR programs.

- a) Date of creation or acquisition of the capital asset(s) - Not Applicable
- b) Amount of CSR spent for creation or acquisition of capital asset - Not Applicable
- c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc - Not Applicable
- d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) - Not Applicable

## 11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) - Not Applicable

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

**I. Shahani**

Chairperson - ESG & CSR Committee  
(DIN : 00112289)

**M. Chandrasekar**

Whole-time Director  
(DIN : 07667965)

Place: Mumbai  
Date: May 26, 2022

# Annual CSR Report (Contd.)

## DETAILS OF CSR PROGRAMS

### Thematic Area: Access to Water, Water Augmentation for Livelihoods & Women Empowerment

Water is a key pillar of Colgate's Sustainability Strategy. In line with the strategy and keeping in mind the water scarcity issues in multiple geographies in the country, Colgate has been working towards water accessibility, availability and enhancing livelihoods for communities in a couple of water stressed rural/tribal geographies.

#### 1. Water program for Communities in Amravati, Maharashtra

In 2016, Colgate partnered with NGO Water for People India Trust for Water initiative in 36 rural/tribal villages in Chikhaldara block of District Amravati, Maharashtra. The program focuses on sustainable water availability, accessibility, quality of water, rain water harvesting, education on hygiene and conservation of water through the Water, Sanitation and Hygiene (WASH) program and Operations and Maintenance (O&M). Program was kicked off after extensive feasibility assessment exercises with multiple stakeholders. The model encompasses developing capacities of local village institutions, collaborations, behavior change practice and partnership of stakeholders. Water safety and security plans are implemented in consultation with local Panchayat/block, enterprise promotion groups and village level institutions. The approach has helped villages to be sustainable and created long term impact in the lives of people especially women.

In FY 2021-22 Feasibility study was done for additional 14 Villages. So far 42 villages are reached with community water availability and water supply schemes, including schools, anganwadis and ashram shalas. The program has been able to replenish 97 million litres of water since inception. Travel drudgery to fetch water is reduced by 2 hours daily, impacting the lives of women and girls positively.

#### 2. Water Augmentation for Livelihoods & Women Empowerment

The program focuses on the Economic and Social Empowerment of communities, specifically women in water stressed areas, through various water augmentation and livelihood initiatives.

Colgate partnered with NGO Seva Mandir in FY 2017-18 and did feasibility assessment in Tribal villages

of southern Rajasthan. The interventions were planned with an integrated approach to address various challenges faced by women due to lack of water availability and livelihood opportunities. Key elements of the program are building capacities of women collectives/self-help groups, providing relevant exposures and skills for farm based livelihood opportunities to empower them improving their lives.

In FY 2020-21, a Digital and Financial literacy program was launched to address the need of financial management, while these women/ villagers started earning better. 10,000 women are trained through 100 Smile Sakhi trainers in more than 50 villages in this financial year. This has enabled women to optimally manage their earnings as well as be aware and secure from digital financial frauds.

Through this program 128 million liters of water has been replenished so far. The income level has risen to 38% from the baseline. Today, the program supports more than 27,000 villagers through enhanced agricultural livelihoods, 1200+ women beneficiaries through farm based livelihood initiatives. 57% villagers have come forward and opted for multi-cropping which has helped increase their income levels. Water availability in these areas have been throughout most of the months in a year through recharged wells. The impact created through this program is multidimensional and based on this success, the program is being scaled to additional villages in the same geography.

### Thematic Area: Help Young People in Our Communities Thrive through education & other career building opportunities

More than 27% of the country's youth are excluded from education, employment, or training, 13% of children/ young adults have never attended schools, close to 12% drop out from schools due to various reasons. Continuity in education is one of the critical challenges in our country and needs to be addressed. To support, enable and empower the youth through education Colgate has been focusing on providing platforms for deserving youth from underprivileged backgrounds.

#### 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



# Annual CSR Report (Contd.)

Foundational Scholarship and Mentorship program in partnership with 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 opportunities. The scholarships are provided in the areas of Education, Sports and Community betterment. The scholarship amount ranges from ₹ 40,000 to ₹ 2.25 lakhs depending upon the category and number of years of scholarship.

Along with the financial support, LMS based & one-on-one Mentorship is an important element of the program, which enables scholars to have more exposures, sharpening social skills and career guidance.

So far 1,650 Scholarships have been awarded and 63% of scholars come from rural areas or smaller towns. 84% of scholars come from families having an income of less than ₹ 1 lakh per annum. Through this program, the efforts were made to support more girls as COVID-19 had an adverse impact on the continuity of education of girls. So far the program has 51% girl scholars.

## 2. Digital literacy & Grooming

Colgate partnered with NGO Action Aid in the FY 2017-18 to empower children from low income group families by equipping them through digital literacy, communication skills and personality grooming. The program started in 9 Government schools & Community centers in and around Baddi, Himachal Pradesh and scaled to a few government schools in Sri City, Andhra Pradesh.

Some infrastructure work around drinking water, water availability for sanitation was undertaken during COVID-19 period to enable children to access safe drinking water. With the efforts of on the ground teams, engagement with children and their families was done through phones and learning materials continued to be shared through WhatsApp. The drop out ratio and low attendance of girl children was one of the key findings during the assessment hence specific focus to bring more girl children into mainstream education have helped to have more than 65% girls in the program.

## 3. Positive Step Program

Colgate in Partnership with NGO 'Network In Thane By People Living With HIV' (NTP+) has started 'A Positive Step Program' to support education, nutrition and the overall personality grooming of children/youth infected and affected with HIV/AIDS.

In addition to the education and nutrition support mentorship program is a key element enabling younger children to interact and learn from employee mentors. In FY 2021-22 during COVID-19, efforts were made to continue mentorship, engage children through various virtual celebrations like World AIDS day, etc. Nutrition support was strengthened.

## 4. Colgate Seva Mandir Education Scholarship Program

The aim of the program is to support children from tribal and rural regions of Udaipur, Rajasthan with accessibility to quality education, sports and build an overall, enriching experience and to enable them to aspire for a brighter future ahead. The program supports 50 children to continue holistic education. In FY 2021-22, students were also given COVID-19 vaccinations at the school campus. The first batch of 12th standard students cleared their examinations & have further opted for higher education. 2 girls from the program are selected in Tribal Hockey Academy & will also receive formal training. Additionally, we also supported children from families who had lost either their earning member or employment due to COVID, through our support we have ensured education continuity for more than 180 students from Vidya Bhawan school, this project has a diversity ratio of 65%.

## Thematic Area: Oral Health Elevation

### 1. Colgate Bright Smiles, Bright Futures™ Program

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, education and related programs.

Our Flagship program Bright Smiles, Bright Futures™ (BSBF) was created with an aim to spread awareness among children about the correct oral health habits, basic hygiene and diet and reduce the prevalence of dental caries. Since the inception of the program in 1976, the Company has been delivering oral health education to children by reaching out to influencers

# Annual CSR Report (Contd.)

-like school teachers and the anganwadi workers in the community to promote preventive oral care education by way of teaching good oral hygiene habits, the right techniques of brushing through an interactive module, where the importance of a good mouth cleaning regimen is strongly instilled in them. At the end of the program, each child is given a 'Dental Health Pack' along with attractive charts depicting valuable oral care information to encourage these children to take care of their oral care hygiene. School teachers are trained and provided with a 'Teacher's Guide' which helps teachers advocate the importance of healthy teeth.

During COVID-19 pandemic, schools were not operational, hence, we focused on designing an impact assessment framework for the program to strengthen the program impact.

BSBF has, so far, touched the lives of 178 million+ children between the ages of 6 and 14 years in schools across India.

## 2. Supporting Cleft Surgeries

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 November 2021 under the aegis of 'Keep India Smiling Mission' Colgate launched a program on Cleft surgeries and comprehensive care for the children coming from low income-families, in partnership with NGO Mission Smile.

The program is focused on bringing an impact in the lives of children coming from low-income families, who otherwise would not be able to afford surgeries as well as pre & post treatments and care. Having these surgeries helps tackle issues related to speech impediment, malnutrition, social acceptance, future educational and social opportunities. The partnership promises to make a difference to the lives of many and we are excited to take the learnings to be able to scale the programs in future. In the launch year the program was rolled out in Assam, Meghalaya, Gujarat, Tamil Nadu, Andhra Pradesh & Sikkim. We have

completed 275 surgeries by March 2022. We aim to continue to scale the program in various geographies.

### Disaster Management: COVID-19 Pandemic relief efforts

Colgate India has a long standing history and commitment to deeply care and support the people and communities where we operate, in line with our Core Values. Colgate India, being a responsible corporate citizen, has always come forward to help people and communities whenever the Country has faced any natural calamity. The years 2020 & 2021 were challenging for everyone. The COVID-19 Pandemic has created an unprecedented challenge for the entire country and the world at large. We deeply acknowledge the efforts of Government authorities and all medical professionals and other personnel who are tirelessly working to combat this unprecedented challenge.

During the second wave, availability of medical infrastructure was one of the key needs to be addressed for current as well as future capacities to address challenges of such magnitude. Based on understanding and stakeholder discussions on needs, we focused on addressing medical equipment infrastructure needs in Government hospitals/primary health centers (PHCs)/in geographies of our operations areas/states & Maharashtra. This could support communities with better access to health infrastructure for the future too. We deeply appreciate the on ground support provided by local authorities/health departments who provided us the needs in the timely manner and also helped with smooth execution of the drive.

More than 90 hospitals/PHCs/Community Health Centers in 40 locations were supported across 5 States: Maharashtra, Andhra Pradesh, Himachal Pradesh, Goa and Gujarat with required health equipment infrastructure support like ICU/Fowler Beds, Ventilators, ECG, X-Ray, USG Machines, Wheelchairs, Stretchers, Vaccine vans, mobile health unit vans and ambulance. We are confident that the support provided by us through this mega drive has been helpful to the communities at large.



## ANNEXURE 3

### 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 2021-22 are outlined below:

##### Sanand Plant

- Conservation of Energy:
  - The Company is having high priority and 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 4% on per MT of production, quantified to 800,232 KWH of energy saving in 2021.
  - Company is having a Power Purchase agreement with a Wind Energy generator. In addition, last year we have set up a Solar Energy plant at our site. In 2021 out of total power consumption we used 26.2% green energy.
  - During the year 2021 the plant has invested ₹ 5.93\* crores on identified projects which will save additional 2,753,086 KWH of energy on an annual basis.

\*Includes Solar Project ₹ 4.2 crores investment with ₹ 1.25 crores annual saving ~1,543,210 KWH.

- 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 0.41% non-product water was less consumed per MT of production, quantified to 257 Cubic Meters (Cu M) water saving in 2021.
  - Net Zero Water - Last year Plant had harvested

about 25,352 Cu M of rain water, based on 2021 rainfall data. Further, Plant reuses 31,821 Cu M waste water after treating it in the Effluent Treatment Plant for gardening. Plant has reused and recycled 7,293 Cu M of water viz. water of online quality monitoring, Boiler condensate, etc. In total the Plant had saved and harvested 64,466 Cu M of water which is 2% more than the water consumed by the site (63,217 Cu M) from GIDC.

- Company is planning to invest ₹ 25 lakhs to reuse rainwater & AHU condensate to further improve the water positivity.

##### Goa Plant

- Conservation of Energy:
  - Goa Site has installed high efficiency boiler REVOMAX RXD-850, which is capable of generating 850 kgs/hr of steam and with thermal efficiency of 90% over 82% of existing boilers. This has enabled dry steam for the process by increasing the steam pressure at three Focus Factory and reduced the boiler operation hrs.
  - Energy management software (PME) is extended to LT ACBs, DG console and Air compressor console enabling smart alarm management, timeline analysis and energy analysis dashboards.
  - As part of phase 2 implementation, the plant will convert conventional type belt driven AHU/ Ventilator blowers with Low power and high efficiency Axial Fans (IE5). 12 nos. of blowers will be converted during 2022. This will enable energy savings of 45~50%, on the units consumed by these units and thus reduce the fixed load.
  - This year the plant will be converting 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.
- Conservation of Water:
  - Based on geophysical survey to delineate the aquifer zones, one new bore structure was installed with approved filtration systems, which has charged rainwater of 2,444 m3 in the last monsoon. During this year the total bore recharge was 11,813 m3.



## Annexure 3 (Contd.)

- Extended Rain water catchment area of 674 Sqm and improved Process Flow for Rain Water System to increase the Rain Water yield.

### Baddi Plant

- Conservation of Energy:
  - Converted CFL to LED lights. Approx saving - 156 KWH/day.
  - EC blower installation on a few AHU. Approx saving - 271 KWH/day.
  - PF improvements by calibrating capacitor banks. Approx saving - 433 KWH/day.
  - Chilled water pumps interlocking - Approx saving 10KWH/day.
  - Compressed air leakage closure - Approx saving 150 KWH/day.
- Conservation of Water:
  - Steam condensate recovery from Gel tanks installed in the toothpaste Making department- Approx saving 8KL/day.
  - Usage of RO reject water in toilet flushes. Approx saving 5 KL/day.
  - Chlorine sensor water recovery from water pre-treatment plant- Approx Saving 1 KL/day.
  - Ozone sensor water recovery from secondary water treatment plant- Approx Saving 1 KL/day.

### Sri City Plant

- Conservation of Energy:
  - Through our in-house 1.788 MW solar plant we saved on 1,594 MWH units from the electricity board.
  - 450 nos. of LED lights with 70 Watts capacity are replaced with 36 Watts and resulted into saving of 110 MWH.
  - Replaced 4 nos. conventional blue flame burner with Infrared Burner and resulted in savings of 500 Kg/Month LPG.
  - With Fluke air leak study 183 air leakage points have been identified, with correction resulting in savings 210 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, this will result in savings of 385 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.
- 7,563 KL of Rainwater harvested in 2021-22 from Roof and 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 to generate scientific data support to the products.





## Annexure 3 (Contd.)

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 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
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
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
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 not yet commercialized
Colgate Kids Toothpaste (Strawberry and Bubble Fruit Flavour)	2019-20	Yes	Not Applicable
Colgate Kids Premium Toothpaste (3 Variants)	2019-20	Yes	Not Applicable
Colgate Charcoal Clean Toothpaste	2019-20	Yes	Not Applicable
Halo Shampoo (5 mL Sachet)	2019-20	Yes	Not Applicable
Palmolive Luminous oil - Shower Gel (2 Variants)	2019-20	Yes	Not Applicable
Palmolive Luminous oil - Liquid Hand Soap (2 Variants)	2019-20	Yes	Not Applicable
Palmolive Luminous oil - Shampoo (2 Variants)	2019-20	Yes	Not Applicable
Colgate Dental Cream relaunch with Amino shakti Technology	2019-20	Yes	Not Applicable

Details of expenditure on R&D are given below:

(₹ In lakhs)

Expenditure on R&D	FY 2021-22
Capital	371.44
Recurring	764.40
<b>Total</b>	<b>1,135.84</b>

### C) Foreign Exchange Earnings and Outgo:

During the year, the Company was able to generate export earnings of ₹ 23,637 lakhs and the Foreign exchange outgo was ₹ 73,560.62 lakhs.

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

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

**M.S. Jacob**  
Whole-time Director and CFO  
(DIN : 07645510)

Place: Mumbai  
Date: May 26, 2022

**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.	Mr. Ram Raghavan*	56:1
2.	Mr. M.S. Jacob	27:1
3.	Mr. M. Chandrasekar**	37:1
4.	Mr. Surender Sharma	12:1

\*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, 2022 excluding Associates at the manufacturing locations of the Company.

**Non-Executive Directors:**

The Non-Executive Independent Directors of the Company are paid only '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 2021-22 as compared to the financial year 2020-21 (without earnings from exercise of ESOPs)
1.	Mr. Ram Raghavan# Managing Director	18%
2.	Mr. M.S. Jacob Whole-time Director & CFO	16%
3.	Mr. M. Chandrasekar\$ Whole-time Director	23%
4.	Mr. Surender Sharma* Whole-time Director - Legal and Company Secretary	N.A.
5.	Mr. K. Randhir Singh** Company Secretary & Compliance Officer	N.A.

#resigned effective close of business hours on April 15, 2022.

\$resigned effective close of business hours on June 30, 2022.

\*appointed as Company Secretary effective February 22, 2022.

\*\*resigned as Company Secretary & Compliance Officer effective close of business hours on February 21, 2022.

Note - Mr. K. Randhir Singh and Mr. Surender Sharma, both associated as Company Secretary of the Company only for part of the financial year 2021-22, hence figures are not comparable with the financial year 2020-21.

**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 2021-22 was 7.3% as compared to the financial year 2020-21.

**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, 2022 is 2,363.

**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 2021-22 there is an average increase of 10.8% in the fixed remuneration of all the employees\* (other than the managerial personnel) as compared to an increase of 6.8% 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 & Remuneration Policy and other relevant policies of the Company.

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

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

**M.S. Jacob**  
Whole-time  
Director & CFO  
(DIN : 07645510)

Place: Mumbai  
Date: May 26, 2022



## ANNEXURE 5

## Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2022

[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 2022. 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, 2022**, 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, 2022** 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) Regulations, 2014 (up to 12<sup>th</sup> August, 2021) and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (with effect from 13<sup>th</sup> August, 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 Debt Securities) Regulations, 2008 (up to 15<sup>th</sup> August, 2021) and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (with effect from 16<sup>th</sup> August, 2021) - **Not Applicable as the Company has not issued and listed debt securities during the financial year under review;**

# Secretarial Audit Report (Contd.)

- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (up to 9<sup>th</sup> June, 2021) and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (with effect from 10<sup>th</sup> June, 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, 2021 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 Act, Rules, Regulations,

Guidelines, Standards, etc. mentioned above.

## We further report that :

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors 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 Meetings/Committee, 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 notice, 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 through 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 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 events/ actions 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*

Thane

24<sup>th</sup> May, 2022

FCS: 4206 I COP No.: 1774

ICSI UDIN: F004206D000375918



## 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 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.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

### DISCLAIMER

5. 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.
6. 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*

Thane

24<sup>th</sup> May, 2022

FCS: 4206 I COP No.: 1774

ICSI UDIN: F004206D000375918

# Business Responsibility and Sustainability Report ANNEXURE 6

## INTRODUCTION

Our purpose to 'Reimage a healthier future for all its people and the planet' has kept us going strong on not just delivering the best in class oral and hygiene care products but also working towards contributing back to our environment, people and the planet.

And for decades, it has been our long-standing mission to grow responsibly, to transition to a sustainable tomorrow. In this endeavor, since our inception we have actioned many initiatives such as Bright Smiles Bright Futures, Keep India Smiling Scholarship programs, Oral Health Months, Water Conservation, Women Empowerment and Mission Smile that drive social impact, help millions of homes, and preserve our environment.

Abiding in advance to the regulatory ask on disclosures mandated from 2023, Colgate-Palmolive India Limited, has volunteered this year onwards to provide the Business Responsibility and Sustainability Report (BRSR) to ensure our stakeholders have access to relevant non-financial and comparable information, that will enable one to identify and assess sustainability-related risks and opportunities.

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

<b>Corporate Identity Number (CIN)</b>	L24200MH1937PLC002700
<b>Name of the Listed Entity</b>	Colgate-Palmolive (India) Limited
<b>Year of incorporation</b>	1937
<b>Registered office address</b>	Colgate Research Centre, Main Street, Hiranandani Gardens, Powai, Mumbai – 400 076, Maharashtra, India
<b>Corporate address</b>	Colgate Research Centre, Main Street, Hiranandani Gardens, Powai, Mumbai – 400 076, Maharashtra, India
<b>E-mail</b>	investors_grievance@colpal.com
<b>Telephone</b>	022 6709 5050
<b>Website</b>	www.colgatepalmolive.co.in
<b>Financial year for Reporting</b>	April 1, 2021 - March 31, 2022
<b>Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report</b>	Name: Mr. M. S. Jacob Telephone: 022 67095050 Email address: investors_grievance@colpal.com
<b>Reporting boundary</b>	Disclosures made in this report are on a standalone basis and pertain only to Colgate-Palmolive (India) Limited

### Financial Details

<b>Name of the Stock Exchange(s) where shares are listed</b>	1. BSE Limited (BSE) 2. National Stock Exchange of India Limited (NSE)
<b>Paid-up Capital</b>	₹ 2,719.86 lakhs

### II. Products/services

#### Details of business activities (accounting for 90% of the turnover):

Sr. no.	Description of the main activity	Description of business activity	% of turnover of the entity
1.	Manufacturing	Personal Care (including Oral Care)	98.03%

#### Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. no.	Product/Service	NIC Code	% of total Turnover contributed
1.	Toothpaste and Toothbrush	Group 202	96.76%





# Business Responsibility and Sustainability Report (Contd.)

## III. Operations

**Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	4	4	8
International	-	-	-

**Markets served by the entity:**

### 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?

5%

### c. A brief on types of customers:

Colgate caters to all types of oral care needs a consumer can have. The Company's end users belong from all age groups and diverse geographical location (urban and rural), as well as household size and type. We further partner with diverse wholesalers, modern trade stores and other retailers to ensure all our consumers can access our products easily.

## IV. Employees

**Details as at the end of Financial Year**

### a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
Employee						
1.	Permanent (D)	804	612	76%	192	24%
2.	Other than Permanent (E)	1166*				
3.	Total employees (D + E)	1970	612**	-	192**	-
Workers						
4.	Permanent (F)	1559	1496	96%	63	4%
5.	Other than Permanent (G)	568	484	85%	84	15%
6.	Total workers (F + G)	2127	1980	93%	147	7%

\*We currently do not track the gender bifurcation and are in the process of implementing appropriate provisions for the same

\*\*The total values presented gender wise do not include the data for 'other than permanent employees'

### b. Differently abled employees and workers:

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Employees						
1.	Permanent (D)	Nil	Nil	-	Nil	-
2.	Other than Permanent (E)	Nil	Nil	-	Nil	-
3.	Total employees (D + E)	Nil	Nil	-	Nil	-
Differently Abled Workers						
4.	Permanent (F)	1	1	100%	Nil	-
5.	Other than Permanent (G)	6	6	100%	Nil	-
6.	Total employees (F + G)	7	7	100%	Nil	-

# Business Responsibility and Sustainability Report (Contd.)

## Participation/Inclusion/Representation of women:

	Total	No. and percentage of Females	
	(A)	No. (B)	% (B/A)
Board of Directors	11	4	36%
Key Management Personnel	3	Nil	-

## Turnover rate for permanent employees and workers (Disclose trends for the past 3 years):

	Turnover Rate								
	FY 2021-22			FY 2020-21				FY 2019-20	
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15%	21%	36%	6%	11%	17%	13%	8%	21%
Permanent Workers	3%	11%	14%	3%	3%	6%	6%	10%	16%

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### Names of holding/subsidiary/associate companies/joint ventures:

Sr. No.	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)
1.	Colgate-Palmolive Co., USA	Holding	-	No
2.	Colgate-Palmolive (Asia) Pte. Limited	Holding	-	No
3.	Norwood International Incorporated	Holding	-	No

## VI. CSR Details

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013 : Yes

(ii) Turnover : ₹ 506,645.51 lakhs

(iii) Net worth : ₹ 173,245.46 lakhs

### List of activities/thematic areas in which expenditure for above has been incurred:

1. Conservation of natural resources
2. Promoting education
3. Preventive and promoting healthcare
4. Women empowerment

## VII. Transparency and Disclosures Compliances

### 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)	Financial Year			Financial Year		
		2021-22			2020-21		
		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	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes	121	2	All pending complaints as on March 31, 2022 were subsequently resolved.	112	7	All pending complaints as on March 31, 2021 were subsequently resolved.



# Business Responsibility and Sustainability Report (Contd.)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	Financial Year			Financial Year		
		2021-22			2020-21		
	(If yes, then provide web-link for grievance redress policy)	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
Investors (Other than shareholders)	N.A.	-	-	-	-	-	-
Employee & Workers	Yes	3	Nil	-	5	Nil	-
Consumers	Yes	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 to the Colgate's Consumer Satisfaction Policy.	2282	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 to the Colgate's Consumer Satisfaction Policy.
Value Chain Partners	Yes Link: <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	-
Others: NGOs	Yes	Nil	Nil	-	Nil	Nil	-

## Overview of the entity's material responsible business conduct issues:

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:

Sr. No.	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)
1.	Occupational Health and Safety	Risk and Opportunity	<p><b>Risk:</b> Occupational health and safety is a critical aspect for ensuring employee 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>	<ol style="list-style-type: none"> <li>Implementation of a Company-wide robust EHS management system</li> <li>Ensuring periodic internal and external audits</li> <li>Training all employees and workers on safe working practices</li> <li>Investigation of each reported case and preparation of remedial plan</li> </ol>	Incidents of occupational health & safety management system may cause loss in man-days and further impact productivity of operations. It can also demoralize employees and workers which can reduce motivation and productivity

# Business Responsibility and Sustainability Report (Contd.)

Sr. No.	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)
2.	Human Rights	Risk	Instances of human rights violation or non-compliance of statutory norms can lead to adverse financial and reputational implications	i. Comprehensive policies and procedures included in the Company CoC ii. Mechanisms in place to avoid workforce discrimination, sexual harassment, among others	Company's reputation and relationships with stakeholders can be adversely affected in case of any instances of non-compliance
3.	Diversity and Inclusion	Opportunity	Fostering a culture which integrates diversity, inclusion, employee well-being, and training and development will attract and retain employees	i. Diversity and inclusion policy and training ii. Employee and worker skill development training programs iii. Utilization of digital platforms such as WYSA and Employee Assistance Programs (EAP) for improving mental well-being	Investing in human capital has the ability to improve employee productivity, spur innovation and attract employees with similar organisational value
4.	Human Resource Development				
5.	Social Impact	Opportunity	Aligning CSR initiatives with the needs of the community can create a positive impact which can unlock goodwill and social license to operate	The Company has undertaken several voluntary CSR initiatives for overall development of the community in the field of preventive healthcare, promotion of education and conservation of natural resources	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
6.	Consumer Health and Safety	Risk	Consumer health and safety is critical for gaining consumer trust. Non-compliance regarding product information and labelling as well as marketing and communications can have adverse effects	i. Robust protocols for design, packaging and consumer safety at product development stages ii. Implementation of Quality Management System (QMS) iii. Effective product recall management	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 labelling can attract monetary fines/punishments
7.	Product Stewardship				
8.	Water Stewardship	Risk	Unavailability of surface water during summer can adversely hamper operations. Mismanagement of wastewater can attract legal complications	i. Implementation of Zero Liquid Discharge facility at all four sites ii. Water saving initiatives, campaigns and Water access, augmentation and conservation programs for communities in water stressed region	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
9.	Energy and Emissions Management	Opportunity	Enhancing and utilizing green energy to reduce carbon footprint of the organization	i. Transition towards greener options such as onsite solar project, hydroelectricity, and wind energy ii. Minimization of emissions throughout the value chain through greener alternatives such as utilization of CNG based trucks and multimodal shipments	Increasing self-reliance on sustainable and green energy can reduce Company costs and attract investment opportunities
10.	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
11.	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 (labour standards, health and safety, ethics and integrity and environment). In case of any deviation, the suppliers are asked to take necessary corrective actions	Any adverse instances with supply chain can disrupt operations and availability of products across India
12.	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	i. Development of Code of Conduct ii. Development of policies, programs and mechanisms for avoiding workplace discrimination, harassment and corruption, among others	Any instances of unethical practices have the risk of tarnishing Company reputation and attracting fines/penalty which can in turn affect business continuity



# Business Responsibility and Sustainability Report (Contd.)

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9. Through the existence of various policies and procedures, Colgate 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	P
	1	2	3	4	5	6	7	8	9
<b>Policy and Management Processes</b>									
1. a. Whether your entity's policy(ies) cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	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	Yes
c. Web Link of the Policies, if available	Colgate's sustainability policies can be accessed at: <a href="https://www.colgatepalmolive.com/en-us/sustainability/our-sustainability-policies">https://www.colgatepalmolive.com/en-us/sustainability/our-sustainability-policies</a>								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	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	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.	All Colgate sites follow Colgate-Palmolive's Environment, Health and Safety standards that are developed internally in line with OHSAS and EPA. Additionally the manufacturing site in Sri City is also ISO 9000 certified. Our sites at Sanand Phase 1 as well as Sri City - 1 and 2 continue to be LEED gold-certified sites. We have also retained our TRUE platinum-certification for all four manufacturing sites.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Colgate is in the process of setting up its goals and targets towards the nine principles.								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	N.A.								

## Governance, Leadership, and Oversight

### 7. Director's Statement

Dear Stakeholders,

It gives me immense pleasure to present our first edition of the Business Responsibility and Sustainability Report (BRSR). As we strive to maintain our leadership position, Colgate prioritizes sustainability, operational resilience, and organisational agility as part of its goal to rejuvenate the Company for the next phase of development. In these extraordinary times, we stay steadfast in our mission to create a healthier future for all.

Despite the challenges posed by the pandemic, we are pleased with our accomplishments in this year, pertaining to business growth, huge network enhancements and sustainability. The COVID-19 pandemic served as a stark reminder of the significance of sustainable growth and environmental stewardship. We are dedicated to reducing our operations' environmental impact, striving toward resource neutrality, and becoming a global sustainability exemplar to help shape a more safe, sustainable, and inclusive future.

# Business Responsibility and Sustainability Report (Contd.)

In line with our Company's value of teamwork, we undertook a multi-stakeholder engagement approach to identify key material issues for the business. Accordingly, we strive to implement best practices and disclosures around identified material issues and ensure that any negative impact on business operations are mitigated appropriately.

Currently, we are in the process to give our ESG (Environment, Social and Governance) commitment a systematic structure in the form of sustainable practices, policies and targets. Such initiatives foster a culture of inclusion, diversity, ethical behaviour, and an opportunity to reduce our environmental footprint. We remain steadfast in implementing the concepts of sustainability across our value chain as we expand our area of positive social effect and serve more markets. Through safe and high-quality goods, we will continue to offer affordability and accessibility to transformational therapeutic solutions. At the heart of our corporate purpose, we look forward to developing a sustainable growth trajectory that allows for a shared future for all i.e., our employees, customers, and other stakeholders.

Best Wishes,  
Ram Raghavan\*

<b>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).</b>	Mr. Ram Raghavan* Managing Director and Chief Executive Director DIN : 08511606
<b>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.</b>	Yes, Colgate has formed an ESG and Corporate Social Responsibility Committee (ECC) which is responsible for the decision making on sustainability related issues.

\*resigned effective close of business hours on April 15, 2022.

## 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	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
<b>Performance against above policies and follow-up action</b>	The policies are reviewed internally on a periodic basis.																	
<b>Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances</b>	Colgate is in compliance with all applicable statutory requirements.																	
<b>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.</b>	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	The policies are reviewed internally from time to time. No 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:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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)									





# Business Responsibility and Sustainability Report (Contd.)

## 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 programs on any of the principles during the financial year 2021-22:**

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 programs
Board of Directors (BoD)	6	Principles covered include responsible business conduct, equitable and inclusive growth, risk management, environment stewardship, safe and sustainable provision of goods, employee well-being, human rights, etc.	100%
Key Managerial Personnel (KMP)	6		100%
Employees other than BoD and KMPs	5	Curated training programs covering wide gamut of topics such as anti-bribery, anti-competition, prevention of harassment, trade compliance, data privacy, etc. are mandatorily required to be completed by all employees.	100%
Workers	3	Training and awareness programs conducted on 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 2021-22:**

Monetary					
	NGRBC Principle	Name of the Regulatory/ Enforcement agencies/ Judicial institution	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	1	Director General of GST Intelligence	394,394	Penalty was levied on delayed payment of input GST credit on in-transit damages for FY 2017-18, post filing of the Annual return under GST for FY 2017-18	No
	1	West Bengal GST Authorities	620,000	The consignment was caught enroute from HP to Kolkata by GST authorities, since E-way bill had expired and the transporter did not increase the validity of E-way bill before expiry	No
Settlement	Nil				
Compounding Fee					
Non-Monetary					
	NGRBC Principle	Name of the Regulatory/Enforcement agencies/Judicial institution	Brief of the Case		Has an appeal been preferred? (Yes/No)
Imprisonment	Nil				
Punishment					

**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
N.A.	

## Business Responsibility and Sustainability Report (Contd.)

### 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.

Yes, Colgate 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, Colgate 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's ethos of maintaining high ethical standards and regular compliance with all applicable laws. Colgate ensures strict adherence by its people and provides them online training on the Policy, its expectations and reporting mechanism on an annual basis. The Company further expects all third parties to reinforce compliance of anti-bribery policy among their employees and sub-contractors.

Colgate 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 Global 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:

	FY 2021-22	FY 2020-21
Directors	Nil	
KMPs		
Employees		
Workers		

### 6. Details of complaints with regard to conflict of interest:

	FY 2021-22		FY 2020-21	
	Number	Remarks	Number	Remarks
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		

### 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.
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### Leadership Indicators

#### 1. Awareness programs conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programs 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	Webinar on water sensitization including importance of water security and best practices. (P6)	Value chain partners belonging from water stress area.

#### 2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No)

Yes, the 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.



# Business Responsibility and Sustainability Report (Contd.)

## 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.**

	FY 2021-22	FY 2020-21	Details of improvements in environmental and social impacts
R&D*	-	-	Recyclable tubes help reducing waste generation and ultimately waste diverted towards landfill. The diabetic toothpaste caters to the needs of different members of the society. Non-aqueous toothpaste does not contain water in the formula which reduces the Company's water consumption.
Capex	8.6%	1.1%	

\*We are currently in the process of capturing the R&D expenses pertaining to improvements in environmental and social impacts

2. **a. Does the entity have procedures in place for sustainable sourcing?**

Yes, Colgate has implemented a Supplier Responsible Sourcing Assessment (SRSA) program in order to identify and manage supplier risks relating to environmental and social responsibility. The program stands on four pillars of environmental management, health and safety, labor standards and business integrity.

The Company takes extreme caution in selecting suppliers who comply to ethical, social, and environmental aspects. All direct raw material suppliers are required to fill in a detailed questionnaire prior to onboarding. Once onboarded, the Company also ensures routine third-party audits of suppliers with SEDEX and charts out corresponding improvement plan and remediation actions, if required.

Further, through strategic partnership with Earthworm (a non-profit organization), the Company measures traceability of palm derivate sourcing from sustainable sources. All the key palm derivative suppliers are covered under this program.

- b. If yes, what percentage of inputs were sourced sustainably?**

65% of our inputs are 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 pre-consumer plastic waste is sent for recycling through an authorized waste handler. The Company has also contracted with waste management service providers responsible for collection, sorting, processing, and recycling of any uncontaminated multi layered packaging waste from the market to diverting the post-consumer packaging waste towards recycling and co-processing.
b. E-waste	All e-waste is disposed off through a Government approved e-waste recycler.
c. Hazardous waste	Disposal of hazardous waste is regulated. Each type of waste is disposed off only through an authorized waste handler.
d. Other waste	All four manufacturing sites generate more of non-hazardous waste (including plastic waste, paper waste, metal waste, etc.) and majority of which is diverted towards 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, the EPR Program is managed centrally since Colgate is registered as a PIBO with Central Pollution Control Board (CPCB). The Company has engaged five Waste Management Agencies (WMAs) to collect all the Post Consumer

# Business Responsibility and Sustainability Report (Contd.)

Multi-Layered Plastics (MLPs) generated from sale of our products. Further, Colgate has collected 99.5% of the multi-layered plastic.

## Leadership Indicators

- 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 2021-22	FY 2020-21
Re-grinded PP Material	5%	5%

- 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:**

	FY 2021-22			FY 2020-21		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil			Nil		
E-waste						
Hazardous waste						
Other waste						

Note: As a part of our EPR program, we collect the Multi-layered plastic and we safely dispose off the same through authorised agencies for energy recovery

- 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	N.A.

## EMPLOYEE WELLBEING

**Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

### Essential Indicators

- a. Details of measures for the well-being of employees:**

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)
Permanent employees											
Male	612	612	100%	612	100%	N.A.	-	612	100%	150	24.5%
Female	192	192	100%	192	100%	192	100%	N.A.	-	127	66.1%
Total	804	804	100%	804	100%	192	24%	612	76%	277	34%
Other than Permanent employees											
Male	1166	1166	100%	1166	100%	1166	100%	Nil	-	Nil	-
Female											
Total	1166*	1166	100%	1166	100%	1166	100%	Nil	-	Nil	-

\*We currently do not track the gender bifurcation and are in the process of implementing appropriate provisions for the same.

- b. Details of measures for the well-being of workers:**

Category	% of worker 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)
Permanent Workers											
Male	1496	1496	100%	1496	100%	N.A.	-	1496	100%	Nil	-
Female	63	63	100%	63	100%	63	100%	N.A.	-	63	100%
Total	1559	1559	100%	1559	100%	63	4%	1496	96%	63	4%
Other than Permanent Workers											
Male	484	484	100%	484	100%	Nil	-	Nil	-	Nil	-
Female	84	84	100%	84	100%	84	100%	Nil	-	71	85%
Total	568	568	100%	568	100%	84	15%	Nil	-	71	13%



# Business Responsibility and Sustainability Report (Contd.)

## 2. Details of retirement benefits:

Benefits	FY 2021-22			FY 2020-21		
	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	Nil	Nil	N.A.	Nil	Nil	N.A.
Other: Life Insurance	100%	100%	Y	100%	100%	Y

## 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, Colgate supports the needs of all its employees classified as Persons with Disabilities (PWD). 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, Colgate is an equal opportunity employer and complies with all applicable fair employment and equal opportunity laws as mandated by the Government of India. 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.	<a href="https://www.colgatepalmolive.com/en-us/who-we-are/our-policies/equal-opportunity-employer-info">https://www.colgatepalmolive.com/en-us/who-we-are/our-policies/equal-opportunity-employer-info</a>

## 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%	Not tracked currently	
Female	100%	100%		

## 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.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Colgate 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.
Other than Permanent Workers	
Permanent Employees	At the same time, all the employees and workers are encouraged to voice and share their inputs 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.  All employees can also raise concerns using the Global Ethics and Compliance helpline. The case once raised is assessed by a trained investigator and basis that a timely and fair resolution is provided. Colgate further has a zero-retaliation policy in order to ensure zero adverse actions against the complainant.  For workers, plant lead or the Human Resource lead is the nodal point of contact to clarify questions and raise concerns.
Other than Permanent Employees	

# Business Responsibility and Sustainability Report (Contd.)

## 7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2021-22			FY 2020-21		
	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)
Total Permanent Employees	Nil					
Male						
Female						
Total Permanent Workers	1559	444	28%	1632	451	28%
Male	1496	444	30%	1549	451	29%
Female	63	Nil	-	83	Nil	-

## 8. Details of training given to employees and workers:

Category	FY 2021-22					FY 2020-21				
	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)
Employees										
Male	612	612	100%	593	97%	634	634	100%	567	89%
Female	192	192	100%	180	94%	181	181	100%	170	94%
Total	804*	804	100%	773	96%	815*	815	100%	737	90%
Workers										
Male	1980	1980	100%	1980	100%	1549	1549	100%	1549	100%
Female	147	147	100%	147	100%	83	Nil	-	83	100%
Total	2127	2127	100%	2127	100%	1632	1549	95%	1632	100%

\* This data does not include 'other than permanent employees' since we currently do not track the gender bifurcation and are in the process of implementing appropriate provisions for the same

## 9. Details of performance and career development reviews of employees and workers:

Benefits	FY 2021-22			FY 2020-21		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employee</b>						
Male	612	612	100%	634	631	99%
Female	192	192	100%	181	180	99%
<b>Total</b>	<b>804</b>	<b>804</b>	<b>100%</b>	<b>815</b>	<b>811</b>	<b>99%</b>
<b>Workers</b>						
Male	1496	1479	99%	1549	1549	100%
Female	63	57	90%	83	83	100%
<b>Total</b>	<b>1559</b>	<b>1536</b>	<b>99%</b>	<b>1632</b>	<b>1632</b>	<b>100%</b>

## 10. Health and Safety Management System:

a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/No).	Yes, Colgate has a robust EHS program which covers review of compliance in accordance with regulations, internal standards, minimum safety behaviour programs, visible leadership programs, performance recognition initiatives, labor practices, regulatory requirements and compliances, inspections and self-assessments, audits (internal & external), employee engagement and training, emergency response plan and channels of reporting.
If yes, the coverage of such system?	All CP-India plants and offices including warehouses, offices and technology centres are covered.
b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	The Company has a dedicated process to identify different kinds of risks pertaining to work related, hardware related, behaviour related and process related risks for all routine and non-routine activities. Our sites carry out risk-based assessment and job safety analysis or job hazard analysis for all tasks to identify current and potential risks. Other type of assessments undertaken for identifying potential risks include chemical hazard assessment, machine guarding assessment, ergonomic assessment, and elect assessment.





# Business Responsibility and Sustainability Report (Contd.)

c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	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.”
d) Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)	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 2021-22	FY 2020-21
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	1
	Workers	1	Nil
Number of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

## 12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Colgate 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. Curated safety training and drills are also conducted at regular intervals to keep all employees and workers updated with safety measures and processes in place. In addition to this, 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.

## 13. Number of Complaints on the following made by employees and workers:

	FY 2021-22			FY 2020-21		
	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		
Health & Safety						

## 14. Assessments for the year:

	% of your plants and offices that were assessed. (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

## 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.

Colgate 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 takes a step further to systematically close all the identified gaps.

# Business Responsibility and Sustainability Report (Contd.)

## Leadership Indicators

### 1. Does the entity extend any life insurance or any compensatory package in the event of death of: (Yes/No)

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.

All our key suppliers undergo routine assessment where compliance with statutory dues is tracked. 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 part 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:

	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 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
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)

Currently, the Company only provides retirement benefits.

### 5. Details on assessment of value chain partners:

	% of value chain partners that were assessed: (By value of business done with such partners)
Health and safety practices	37 suppliers which contribute to 65% of the spends
Working Conditions	

### 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.

Based on SEDEX assessment, a detailed action plan is currently being sought from all the respective suppliers in a timely manner. 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.

The Company has implemented an extensive stakeholder-inclusive approach to strengthen its partnerships and unlock synergized growth. Colgate identifies stakeholder groups through strategized internal processes including discussions with the top management and key functions to understand individuals, entities and groups that impact the Company or get impacted by its business operations. The Company further prioritizes stakeholders based on criticality to business in terms of 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



# Business Responsibility and Sustainability Report (Contd.)

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
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 (Women and low economic status)	Meetings, notice board	Quarterly	
Vendors and suppliers	No (However, we do have certain MSME supply partners)	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 engagements programs
Community	Yes (Tribal, rural, women, low economic status)	NGO network, focus group discussions	Program based	Understand challenges, testimonials, and scope for improvements
NGOs	No	Review Meetings (During Covid time: virtual 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 delegated how is feedback from such consultations provided to the Board.

The Company, with the help of an external consultant, has engaged in an extensive stakeholder engagement and materiality assessment exercise across all groups of stakeholders to gauge their feedback and input on what is material to the business. The gaps and observations, identified during the broad evaluation process are then cascaded to the senior management level for ensuring that necessary remedial actions are undertaken. Further, the Board is updated on the remedial action taken to close the gaps and observations, if any.

For CSR activities and initiatives, basis the program objective, challenge, or inputs received during NGO reviews and stakeholder interactions (where applicable), any major change/s required are informed to the senior management during ESG and Corporate Social Responsibility Committee (ECC) and Board meetings.

2. (a) Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes/No).	Based on the insights of the stakeholder engagement and materiality assessment, the Company has arrived at the key social and environmental aspects that are material to Colgate and its stakeholders.
(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.	To identify key thematic interventions, NGOs carry out joint consultations with Local Government bodies and key stakeholders to identify pressing community challenges and topics for discussion with ECC. Based on the inputs received, the ECC along with the Board initiated diverse programs. As a result, there was an addition of digital and financial literacy in women empowerment program, scaling of water initiatives in additional villages and scaling of scholarship program.

### 3. Provide details of instances of engagement with and actions taken to address the concerns of vulnerable/ marginalized stakeholder groups.

- Water Augmentation for Livelihoods and Women Empowerment: Initiatives such as Breeding farm pilot, Multi-cropping, Digital and Financial Literacy, Feasibility Assessment provided by government for 14 new villages.
- Water Access programs: Skilling for testing water quality and capacity building with local stakeholders.
- Keep India Smiling (KIS): Scholarship and mentorship program for underprivileged children with increased focus on diversity and inclusion.

# Business Responsibility and Sustainability Report (Contd.)

## 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 2021-22			FY 2020-21		
	Total (A)	No. employees/ workers covered (B)	% (B/A)	Total (C)	No. employees/ workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	804	804	100%	815	815	100%
Other than permanent	1166	1166	100%	1087	1087	100%
<b>Total Employees</b>	<b>1970</b>	<b>1970</b>	<b>100%</b>	<b>1902</b>	<b>1902</b>	<b>100%</b>
<b>Workers</b>						
Permanent	1559	1559	100%	1632	1632	100%
Other than permanent	568	568	100%	321	321	100%
<b>Total workers</b>	<b>2127</b>	<b>2127</b>	<b>100%</b>	<b>1953</b>	<b>1953</b>	<b>100%</b>

Note: Training on Human Rights elements are part of our Code of Conduct training program which is mandatory for all employees of the Company

#### 2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2021-22					FY 2020-21				
	Total (A)	FY 2021-22		FY 2021-22		Total (D)	FY 2020-21		FY 2020-21	
		Equal to minimum wage	More than minimum wage	Equal to minimum wage	More than minimum wage		Equal to minimum wage	More than minimum wage	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	612	Nil	-	612	100%	634	Nil	-	634	100%
Female	192	Nil	-	192	100%	181	Nil	-	181	100%
<b>Total</b>	<b>804</b>	<b>Nil</b>	<b>-</b>	<b>804</b>	<b>100%</b>	<b>815</b>	<b>Nil</b>	<b>-</b>	<b>815</b>	<b>100%</b>
<b>Other than permanent employees</b>										
Male	1166	Nil	-	1166	100%	1087	Nil	-	1087	100%
Female										
<b>Total</b>	<b>1166*</b>	<b>Nil</b>	<b>-</b>	<b>1166</b>	<b>100%</b>	<b>1087*</b>	<b>Nil</b>	<b>-</b>	<b>1087</b>	<b>100%</b>
<b>Permanent workers</b>										
Male	1496	Nil	-	1496	100%	1549	Nil	-	1549	100%
Female	63	Nil	-	63	100%	83	Nil	-	83	100%
<b>Total</b>	<b>1559</b>	<b>Nil</b>	<b>-</b>	<b>1559</b>	<b>100%</b>	<b>1632</b>	<b>Nil</b>	<b>-</b>	<b>1632</b>	<b>100%</b>
<b>Other than permanent workers</b>										
Male	484	Nil	-	484	100%	248	2	1%	246	99%
Female	84	Nil	-	84	100%	73	Nil	-	73	100%
<b>Total</b>	<b>568</b>	<b>Nil</b>	<b>-</b>	<b>568</b>	<b>100%</b>	<b>321</b>	<b>2</b>	<b>1%</b>	<b>319</b>	<b>99%</b>

\*We currently do not track the gender bifurcation and are in the process of implementing appropriate provisions for the same

#### 3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (₹)	Number	Median remuneration/salary/ wages of respective category (₹)
<b>Board of Directors (BoD)</b>	4	5,92,03,071	Nil	N.A.
<b>Key Managerial Personnel (KMP)</b>	3	4,99,76,309	Nil	N.A.
<b>Employees other than BoD and KMP</b>	608	18,14,124	192	19,44,732
<b>Workers</b>	Median remuneration of workers is ₹ 513,574*			

\*We currently do not track the gender bifurcation and are in the process of implementing appropriate provisions for the same. The figure pertains to the weighted average annual salaries



## Business Responsibility and Sustainability Report (Contd.)

### 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 processes and mechanism in place which addresses the Human Rights related issues.

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. Basis the outcome of investigation, appropriate actions are taken for any alleged violations.

### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Colgate has an Internal Complaints Committee (ICC) 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. The Company has a zero-retaliation policy in place which ensures no adverse actions against the complainant.

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. Basis the outcome of 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 believes in ensuring a strong connect with all employees and listening to any issues that they may be facing. HR Business partners ensure regular one-on-one connects to help resolve any queries or issues. Any such issues are reported to HR manager or to Line manager. These issues are then shared with the relevant committee who then carries out a thorough investigation in a confidential manner to help reach a decision.

Additionally, manufacturing facilities are equipped with employee engagement initiatives and platforms such as workers committee meeting which encourage employees and workers to share ideas, grievances through plant performance reviews and suggestion schemes including employee welfare.

### 6. Number of Complaints on the following made by employees and workers:

	FY 2021-22			FY 2020-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	3	Nil	-	5	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labor	Nil	Nil	-	Nil	Nil	-
Forced/ Involuntary Labor	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

### 7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Colgate echoes the values of trust, transparency and respect in all internal and external communication. Accordingly, the Human Resource (HR) Business partners ensure direct connect with employees or workers to identify the root cause of any concerns. Collectively, they deliberate and resolve issues by undertaking appropriate action steps. Any form of discrimination or harassment issue is reported to HR Manager or to the Line Manager who then shares it with the relevant committee. All cases pertaining to discrimination are routed to Global Ethics and Compliance, whereas harassment cases are routed to Internal Complaints Committee (ICC). The respective committee then carries out a thorough investigation in a confidential manner to help reach a decision in line with Colgate's zero-retaliation policy.

### 8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, all our agreements require the adherence to the Colgate's Code of Conduct by the other party, which inter-alia includes Human Rights provisions.

# Business Responsibility and Sustainability Report (Contd.)

## 9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	Colgate has implemented mechanisms by the way of relevant policies and committees (POSH) to avoid instances of human rights violations
Forced/involuntary labor	
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.

N.A.

### Leadership Indicators

#### 1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

Nil

#### 2. Details of the scope and coverage of any Human rights due diligence conducted.

The Company follows strict adherence to all labor laws with zero deviation. Enforcement of human rights with third party vendors is ensured through signatures in the adherence statement as part of the formal contract. For associated third parties, compliance is a core part of the business agreement. Additionally, as part of the Company's SRSA program, Colgate conducts an audit and risk assessment exercise of third-party vendors to ensure they are compliant with all human rights, ethical and legal requirements.

#### 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?

In certain locations of Colgate, office premises and infrastructure are modified to enable a comfortable working environment for differently abled visitors or employees.

#### 4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	65%
Discrimination at workplace	65%
Child Labor	65%
Forced Labor/Involuntary Labor	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 Colgate Palmolive Central team based out of US office of the parent Company.





# Business Responsibility and Sustainability Report (Contd.)

## 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 2021-22	FY 2020-21
Total electricity consumption (GJ)	169,120.61	150,984.96
Total fuel consumption (GJ)	22,112.60	16,129.97
Energy consumption through other sources (GJ)	Nil	Nil
Total energy consumption (GJ)	191,233.22	167,114.92
Energy intensity per rupee of turnover (GJ/ ₹ lakhs) (Total energy consumption/turnover in rupees)	0.37	0.35

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? (Yes/No)	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 2021-22	FY 2020-21
<b>Water Withdrawn by the source (KL)</b>		
i) Surface Water	Nil	Nil
ii) Ground Water	114024	117536
iii) 3rd Party Water	121489	107134
iv) Seawater/desalinated water	Nil	Nil
v) Other sources	9531	13544
<b>Total Vol of Water Withdrawn (i + ii + iii + iv + v)</b>	<b>245044</b>	<b>238214</b>
<b>Total Vol of Water Consumed (KL)</b>	<b>245044</b>	<b>238214</b>
<b>Water intensity per rupee of turnover (KL/ ₹ lakhs) (Water consumed/turnover)</b>	<b>0.48</b>	<b>0.47</b>

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency: No

#### 4. Has the entity implemented a mechanism for Zero Liquid Discharge? (Yes/No)

**Baddi:** The plant recycles part quantity of wastewater as there is a mandatory requirement to discharge certain volume to common industrial wastewater treatment plant.

**Sanand and Goa:** Both the plants recycle and reuse 100% of the wastewater at its own site. Water is used for gardening, toilet flushing and in utilities.

**Sri City:** The plant recycles limited volume of water as per the norms stipulated by the local government. The small amount of recycled water is used for gardening purposes.

**If yes, Provide details of its coverage and implementation.**

All Colgate sites are covered to showcase its efforts towards ensuring zero liquid discharge.

# Business Responsibility and Sustainability Report (Contd.)

## 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 2021-22	FY 2020-21
NOx	Kg	2,306.78	2,195.88
SOx	Kg	692.65*	3,422.55
Particulate matter (PM)	Kg	1,686.09	1,942.64
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 is a result of fuel change in boiler operations from Diesel to Natural Gas

**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 2021-22	FY 2020-21
<b>Total Scope 1 emissions</b> (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)	Metric tonnes of CO <sub>2</sub> equivalent	1,623.53	1,184.58
<b>Total Scope 2 emissions</b> (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)	Metric tonnes of CO <sub>2</sub> equivalent	31,006.98	28,257.05
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover (Metric tonnes of CO<sub>2</sub> equivalent/₹ lakhs)</b>		0.06	0.06

Note: The data pertains to Company's four manufacturing plants

**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.**

Colgate utilizes green energy produced from Hydroelectric power stations (for e.g., 85% of the total consumption in Baddi Plant is from hydro power) which reduces CO<sub>2</sub> emissions by substituting burning of fossil fuels. The Company has further switched over to using CNG piped gas for its boilers at Goa and Sanand facility. All plants consume refrigerant gases that are environment friendly. The plants in Sri City and Sanand use power generated through renewable sources including wind and solar power.

All new machines and equipment are energy efficient, thereby using less energy which lead to reduction in carbon emissions. The Company has planned to budget 5% of CEB spending for projects that support our transition towards becoming green.

## 8. Provide details related to waste management by the entity, in the following format:

Total Waste generated (in metric tonnes)		
Parameter	FY 2021-22	FY 2020-21
Plastic waste (A)	710.99	636.90
E-waste (B)	3.10	1.24
Bio-medical waste (C)	2.90	3.38
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	27.82	3.11
Radioactive waste (F)	Nil	Nil



# Business Responsibility and Sustainability Report (Contd.)

Total Waste generated (in metric tonnes)		
Parameter	FY 2021-22	FY 2020-21
Other Hazardous waste. Please specify, if any. ETP Sludge (G)	368.48	356.52
Other Non-hazardous waste generated (H): Spent oil	2.01	0.78
Other Non-hazardous waste generated (H): Waste cream	596.86	741.53
Other Non-hazardous waste generated (H): Other	2,466.56	2,327.59
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>4,178.71</b>	<b>4,071.04</b>

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

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Parameter	FY 2021-22	FY 2020-21
Category of Waste		
(i) Recycled	3,067.15	3,083.04
(ii) Re-used	921.62	914.99
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	<b>3,988.77</b>	<b>3,998.04</b>

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Parameter	FY 2021-22	FY 2020-21
Category of disposal Method		
(i) Incineration	3.111	3.228
(ii) Landfilling	17.626	12.284
(iii) Other disposal operations	Nil	Nil
<b>Total</b>	<b>20.737</b>	<b>15.512</b>

**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 sends all its hazardous waste only to government approved waste management agencies. All batteries are sent to manufacturers only as part of the buy-back program. Colgate is further exploring the possibility of decreasing testing of raw materials or work-in-progress to achieve reduction in consumption of hazardous chemicals which would later be disposed-off as "hazardous waste". Additionally, the Company has limited its dependence on chemicals for testing purposes in Laboratory.

**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? (Yes/No) 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

## Business Responsibility and Sustainability Report (Contd.)

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 (Yes/No). 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 taken by regulatory agencies such as pollution control boards or by courts.	Corrective action taken, if any
All Colgate sites are compliant to all the above-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 2021-22	FY 2020-21
<b>From Renewable Sources (GJ)</b>		
Total electricity consumption (A)	27,822.96	22,218.65
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>27,822.96</b>	<b>22,218.65</b>
<b>From Non-Renewable Sources (GJ)</b>		
Total electricity consumption (D)	141,297.65	128,766.31
Total fuel consumption (E)	22,112.60	16,129.97
Energy consumption through other sources (F)	Nil	Nil
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>163,410.25</b>	<b>144,896.27</b>

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency: No

2. Provide the following details related to water discharged:

Parameter	FY 2021-22	FY 2020-21
<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)	1,624	3,527
<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	8,215	8,091
- With treatment (please specify level of treatment)	14,729	13,925
<b>(v) Others</b>		
- No treatment	Nil	Nil
- With treatment (please specify level of treatment)	60,686	64,536
<b>Total Water discharged (KL)</b>	<b>85,254</b>	<b>90,079</b>

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



## Business Responsibility and Sustainability Report (Contd.)

### 3. Water withdrawal, consumption, and discharge in areas of water stress (in KL):

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 2021-22	FY 2020-21
<b>Water withdrawal by source (in KL)</b>		
(i) Surface water	Nil	Nil
(ii) Groundwater	82,262	67,547
(iii) Third party water	105,102	97,316
(iv) Seawater/desalinated water	Nil	Nil
(v) Others	Nil	Nil
<b>Total volume of water withdrawal (KL)</b>	<b>187,364</b>	<b>164,863</b>
<b>Total volume of water consumption (KL)</b>	<b>187,364</b>	<b>164,863</b>
<b>Water intensity per rupee of turnover (KL/ ₹ lakhs)</b> (Water consumed/turnover)	<b>0.37</b>	<b>0.34</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 (please specify level of treatment)	Nil	Nil
<b>(ii) Into Groundwater</b>		
- No treatment	Nil	Nil
- With treatment (please specify level of treatment)	1,624	3,527
<b>(iii) Into Seawater</b>		
- No treatment	Nil	Nil
- With treatment (please specify level of treatment)	Nil	Nil
<b>(iv) Sent to third-parties</b>		
- No treatment	8,215	8,091
- With treatment (please specify level of treatment)	14,729	13,925
<b>(v) Others</b>		
- No treatment	Nil	Nil
- With treatment (please specify level of treatment)	31,456	33,688
<b>Total water discharged (KL)</b>	<b>56,024</b>	<b>59,231</b>

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency: No

4. 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.

5. 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:

## Business Responsibility and Sustainability Report (Contd.)

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Introduction of Recyclable tube	Mono-material High Density Polyethylene (HDPE) based tube which can be recycled.	The tube structure facilitates sorting and segregating into High Density Polyethylene (HDPE) stream. This helps the recycling industry to easily recover material, reduce landfill and eliminate waterbody contamination.
Use of rPET in toothbrush blisters	Use of 80% recycled PET flakes for making the PET rolls for blister making.	Ensures reduction in consumption of virgin PET (Plastics) material by increasing dependency on industrial and consumer waste.
Use of recycled board for cartons (toothpaste) and backer cards (toothbrush)	Board with recycled paper pulp being used for making cartons and backer cards.	Ensures reduction in consumption of plant based virgin pulp by increasing dependency on industrial and consumer wastepaper.
Use of recycled kraft paper for shippers in toothpaste and toothbrush.	Kraft paper with recycled paper pulp being used for making shippers.	
Use of BOPP film for bundling of cartons in toothpaste.	Mono-material Polypropelene based film thickness increased from 22 micron to 50 micron.	Increase in thickness helps in recovery of material by the recycling industry and reduce landfill and waterbody contamination.

### 6. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

Yes, each plant has a documented Business Continuity Plan (BCP), where various aspects of identified disasters have been studied. Additionally, identified risks have been evaluated as part of the plan with corresponding remedial actions. Each site can also produce product from other location in case of a local disaster to support and continue the business operations.

### 7. 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?

All plants have a comprehensive Business Continuity Plan in case of any adverse impacts or disasters.

### 8. 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.

Sr. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	The Advertising Standards Council of India - ASCI	National
2.	Indian Beauty & Hygiene Association - IBHA	National
3.	The Associated Chambers of Commerce and Industry of India - ASSOCHAM	National
4.	American Chamber of Commerce in India - AMCHAM	National
5.	Confederation of Indian Industry - CII WESTERN REGION	National
6.	Federation of Indian Chambers of Commerce and Industry - FICCI	National
7.	Bombay Chamber of Commerce and Industry - BCCI	State
8.	Ayurvedic Drug Manufacturer's Association - ADMA	National





# Business Responsibility and Sustainability Report (Contd.)

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
Through the membership of trade and industry associations, Colgate has represented for development of regulations in order to ensure good governance and economic reforms	The Company, from time to time, engages with the aforementioned associations	Information of associations is provided in this Report	Nil	Nil

## 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
Water program for communities in rural/tribal villages in Amravati, Maharashtra	-	-	Yes Agency Name: SoulAce	The results are available on the Company's website	<a href="https://www.colgateinvestors.co.in/shareholder-information/2021-22/">https://www.colgateinvestors.co.in/shareholder-information/2021-22/</a>
Water Augmentation for Livelihood & Women Empowerment in rural/tribal villages in Udaipur and Rajasthan	-	-	Yes Agency Name: SoulAce		
Keep India Smiling Scholarship & Mentorship Program-PAN India	-	-	Yes Agency Name: CRISIL		

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 ₹)
				Nil

3. Describe the mechanisms to receive and redress grievances of the community.

In cooperation with implementing partners, the Company follows an extensive process of community engagement as a regular practice. There is a robust structure/format in place to record all critical stakeholder meetings between CSR representatives and teams along with NGOs and communities. During annual program review, community meetings and focused group discussions are undertaken to gauge impacts, strengths, challenges, and scope for improvements, among others.

# Business Responsibility and Sustainability Report (Contd.)

## 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2021-22	FY 2020-21
Directly sourced from MSMEs/small producers	7.43%	7.17%
Sourced directly from within the district and neighboring districts	35%	35%

Note: Mainly entire packaging material is being sourced from vendors located near Company's plants

## 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. 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?

MSME and Small-Scale Suppliers

### c. What percentage of total procurement (by value) does it constitute?

~7.0% of total spends from MSMEs

### 3. 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.			

### 4. 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		

### 5. Details of beneficiaries of CSR Projects:

CSR Projects	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Access to Water, Water Augmentation for Livelihoods & Women Empowerment	Over 44,000	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 also has initiatives in areas with lack of access to natural resources like water.
Help Young People in Our Communities Thrive	Over 2,500	
Oral Health Elevation	7.3 mn in FY 2019-20 Till date 178 mn (since inception 1976)	

## 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 ensures that the voice of all consumers is heard in an efficient and timely manner. All customers are provided with several communication platforms for raising grievance and engaging with the Company including social media channels and contact details (phone number and email address) on the product label. The Company has a dedicated



## Business Responsibility and Sustainability Report (Contd.)

and trained team which interacts with consumers (inquiries, complaints and suggestions) to ensure all interactions are documented in 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 envisions to solve various oral health care problems in a responsible manner. This commitment is reflected through all the Company's products.

	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:

	FY 2021-22		Remarks	FY 2020-21		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	-	In the regular course of business, the Company receives and resolves all consumer queries in a timely manner. Currently, there is no litigation initiated in respect of the identified matters.	Nil	-	-
Advertising	Nil	-		2	-	
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:

	Number	Reasons for Recall
Voluntary Recalls	Nil	-
Forced Recalls	Nil	-

### 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 cyber security policy which is internally available to all employees. The policy charts a clear escalation process which employees can follow in case of suspicious behaviours.

Safeguarding customer privacy is also a top-most priority of the Company as reflected in the consumer privacy policy. Under this policy, responsible practices pertaining to customer data, their rights and privacy mechanisms are highlighted.

**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.

# Business Responsibility and Sustainability Report (Contd.)

## 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 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 disseminates product information on several social media channels and e-commerce platforms.

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The Company ensures safe and responsible usage of the products through informative labelling. The packaging provides information regarding safe usage and disposal for majority of products including tubes, cartons, brush packets, bottle labels, among others. Details and symbols regarding recycling and save water initiative are also part of the Company's labelling and packaging initiatives. 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 utilize mass media tools such as live TV, radio, print, social media handles, e-commerce pages, and brand store for communication. Additionally, the Company can send out emailers and SMSes to consumers who have opted for regular communication from Colgate.

**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 proactively provides details regarding the usage directions including quantity to be used and age limits which are currently not mandated by the law.

**5. 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 continues to deploy an ongoing annual consumer satisfaction survey in collaboration with the services of an independent provider. The scores of the surveys are analyzed for identifying areas of improvement. This feedback provides valuable insights into improving processes, systems, and employee skill capacity. The Company has also implemented a follow-up monitoring mechanism to ensure corrective actions are undertaken in an efficient manner.

**6. Provide the following information relating to data breaches:**

**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

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

**M.S. Jacob**  
Whole-time Director  
& CFO  
(DIN : 07645510)

Place: Mumbai  
Date: May 26, 2022