

Report of the Directors

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

Your Directors are pleased to present their 83rd Report and Audited Financial Statements of the Company for the Financial Year ended March 31, 2024.

Financial Highlights

	(₹ in Crores)	
	FY 2023-24	FY 2022-23
Total Revenue (a+b+c)	5,756.95	5,279.77
Sales (a)	5,644.18	5,187.86
Other Operating Revenue (b)	36.25	38.33
Other Income (c)	76.52	53.58
Profit before Tax and exceptional items and Tax	1,800.83	1,420.88
Profit before Taxation	1,781.33	1,409.67
Tax Expense	457.67	362.53
Profit for the year	1,323.66	1,047.14
Other Comprehensive Income (net of Tax)(gain)	(0.23)	4.89
Total Comprehensive Income	1,323.89	1,042.26
Balance brought forward	1,296.53	1,308.08
Profit available for appropriation	2,620.42	2,350.34
Balance transferred to Retained Earnings from Share Options Outstanding Account	1.06	6.93
Appropriation :		
Dividend	(1,169.54)	(1,060.74)
Dividend Distribution Tax	-	-
Balance carried forward	1,451.94	1,296.53

Business Performance

Reported Net Sales for the Financial Year 2023-24 stood at ₹ 5,644.18 Crores against ₹ 5,187.86 Crores of previous year. Net Sales increased by 8.8% in comparison to the previous year. Reported Net Profit after tax for the Financial Year 2023-24 was ₹ 1,323.66 Crores, an increase of 26.4% over the previous year.

Despite the challenging business and economic environment, your Company continues to sustain its leadership position in both the Toothpaste and Toothbrush categories during the Financial Year 2023-24.

Dividend

During the year, the Company has declared the following Dividends:

Sr. No.	Name	Per Share (in ₹)	Date of Declaration	Payment on and from
1.	First Interim Dividend	22	26.10.2023	21.11.2023
2.	Second Interim Dividend	26	14.05.2024	07.06.2024
3.	One-time Special Interim Dividend	10	14.05.2024	07.06.2024

Considering the declaration of two interim dividends and a One-time Special Interim Dividend for the Financial Year 2023-24, the Board of Directors has not recommended a final dividend for the Financial Year 2023-24.

The Company declares and pays dividend in Indian rupees. In terms of the requirements of the Income Tax Act, 1961, the Company has made the payments of Dividend after deducting the Tax at Source, as applicable. The dividend remittance outside of India is governed by Indian laws on Foreign Exchange and are also subject to deduction of Tax at Source, as applicable.

Transfer to Reserves

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

Differential Voting Rights and Sweat Equity Shares

During the financial year, no shares with differential voting rights and sweat equity shares were issued.

Focus on Innovation and New Launches / Campaign

Your Company is focused on delivering insight-driven innovation that provides value-added new products. In the Financial Year 2023-24, the following products were launched/relaunched:

Colgate Strong Teeth : Colgate Strong Teeth, the flagship product was relaunched with its unique Arginine based technology that gives a Calcium boost, and not just cleans your teeth but also nourishes them. It was launched with a new campaign 'Paste hi Nahin, Daanton Ka Poshan hai yeh!*', that is building a completely new narrative in the category by spotlighting the significance of nourishment for stronger teeth.

Colgate MaxFresh : Colgate MaxFresh was relaunched with a new cooling technology, packaging and communication. The new product experience provides an intense burst of freshness that jolts you awake from your morning slumber and prevents innocent morning goof-ups. This was also brought alive by a new campaign, highlighting the messaging of 'Neend Bhago, Taazgi Jagao'.

Colgate Active Salt : Salt is known and ingrained in Indian oral care traditions for a long time; Colgate Active Salt formula works for healthy teeth and gums which was relaunched with an improved and more potent formula that tackles oral problems right at their inception.

Colgate Zig Zag : Going back to the roots of 'Deep Cleaning', Colgate Zig Zag was relaunched with a new product, packaging and proposition. Thus, creating a consumer perceivable winning bundle and landing the key benefits of Zig Zag Toothbrush widening the gap to closest competitor.

Colgate Super Junior : Colgate Super Junior was relaunched after 7 years+ with new product, packaging & pricing strategy. Creating contemporary relatable Kids characters & reimagining the backer as one canvas - a first in the category, drove availability to never before stores with a consumer winning bundle vis-a-vis competition.

Change(s) in the Nature of Business

During the Financial Year under review, there were no

material changes in the nature of business of the Company.

Details of Subsidiary, Joint Venture and Associate Company

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

ESG & Business Responsibility & Sustainability Reporting

As a leading oral care Company in India, Colgate-Palmolive (India) Limited champions optimism and amplifies ESG efforts to 'reimagine a healthier future for all its people and the planet.' We are dedicated to executing our strategy to create shared, sustainable value for all stakeholders. Our commitment to responsible growth and sustainability remains unwavering. Flagship programs such as 'Colgate Bright Smiles, Bright Futures®', 'Keep India Smiling Scholarship programs, and initiatives in water conservation, waste management, and digital and financial literacy drive social impact, preserve the environment, and reach millions. We continuously realign our practices to innovate for good as 'everyone deserves a future to smile about.' This is our third year of publishing the Environmental, Social and Governance ('ESG') Report and Business Responsibility and Sustainability Report ('BRSR'), showcasing our ESG progress, empowering stakeholders to make informed decisions and reinforcing our dedication to trust and transparency.

Environment : Our Company is committed to ensuring that consumers enjoy numerous benefits from using our sustainable products. We validate our product development process through consumer feedback gathered from various channels, constantly improving our processes and systems. Insights from customer satisfaction surveys combined with enhanced employee skills, drive our product innovations. Additionally, we have implemented a follow-up monitoring mechanism to ensure corrective actions are taken, providing safe, sustainable, and high-quality products to all our consumers. To achieve the goal of delivering innovative and sustainable products, we are focused on the following priority areas: Usage of recycled content and Eliminate usage of plastics in packaging

Social : Our people are our greatest asset, and we prioritize building strong relationships to create a resilient, innovative, and future-ready workforce. The Company fosters a work culture that encourages creativity and employee-driven innovation, aligning with our purpose of 'reimagining a better future for people and the planet.' Our inclusive HR policies and practices ensure a safe and supportive work environment for all employees. We inspire trust by offering fair and competitive remuneration, rewards, benefits, learning opportunities, career growth, and work flexibility, helping us retain and attract employees who share our values.

*Poshan (Nourishment) refers to nourishment of teeth enamel which is remineralization action through arginine fluoride technology.

Additionally, through our Corporate Social Responsibility initiatives we endeavour to create a meaningful impact on the millions of lives we touch. We organize our CSR initiatives under three thematic areas: Oral Healthcare Education, Keep India Smiling, and Water Access, Augmentation & Waste Management Program. Through these programs, we focus on enlightening school children through oral health education and tobacco prevention sensitization, empowering women through livelihoods, financial and digital literacy and providing communities with access to safe drinking water, water for sanitation, water availability for agriculture and farm-based activities. We are also impacting smiles for life of children suffering from cleft and palate deformities.

Governance : The Company champions long-term value creation for all its stakeholders through robust and fair governance mechanisms. Our governance structures, founded on integrity and transparency, ensure that ethical standards are upheld throughout the business. Acting ethically is imperative as we strive to comply with all applicable laws while conducting business globally. Guided by a highly engaged board and management, we ensure that sustainability is closely integrated with our governance mechanisms, reinforcing our commitment to responsible and ethical business practices.

Our 2025 Sustainability and Social Impact Strategy is guided by three key pillars: Driving Social Impact, Helping Millions of Homes, and Preserving our Environment, abbreviated as S-MIL-E. Our focus is on promoting healthier lives, contributing to the communities where we operate, and growing the business with innovative, sustainable products. We are committed to conserving Earth's resources, addressing climate change, and ensuring the well-being of our planet for future generations. These principles drive all our plans and actions, reflecting our dedication to sustainability and making a positive impact.

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

Business Responsibility and Sustainability Reporting

In line with the requirements of Securities and Exchange

Board of India ('SEBI'), your Company took a proactive approach in adopting BRSR for the Financial Year 2021-22, a year in advance of it becoming a mandatory requirement. BRSR ensures that our investors have access to relevant information and disclosures with regard to our performance on ESG parameters. Your Company believes in conducting its business activities in a responsible and sustainable manner.

Your Company has always been steadfast in embedding ESG across all the functions of the Company. To showcase our commitment towards sustainable development your Company has incorporated transparent reporting practices with regard to ESG responsibilities. BRSR Report illustrates the Company's efforts towards creating a long term value for all stakeholders in a responsible manner. The BRSR Report for the Financial Year 2023-24 forms an integral part of this Report and is attached as **Annexure 6**.

BRSR Core Assurance

In terms of the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Listing Regulations') and SEBI Circular SEBI/HO/CFD/CFD - SEC-2/P/CIR/2023/122 dated July 12, 2023, the Company is required to undertake reasonable assurance of the BRSR Core for the Financial Year 2023-24.

The Board of Directors at its Meeting held on March 14, 2024 appointed M/s. DNV Business Assurance India Private Limited ('DNV') as the Assurance Provider on BRSR Core for the Financial Year 2023-24.

A Reasonable Assurance Report on BRSR Core of the Company for the Financial Year 2023-24 is annexed herewith as **Annexure 7**.

Corporate Social Responsibility

The Company is committed to ensure the well-being of the community and environment in which it operates. Corporate Social Responsibility ('CSR') forms an integral part of our business activities. The Company's CSR Policy also reflects the Company's commitment towards society and environment. The CSR initiatives are carried out by the Company through a variety of effective programs in accordance with the requirements of Section 135 and Schedule VII of the Companies Act, 2013, and rules made thereunder ('the Act') in partnership with reputed NGOs and agencies. The ESG and Corporate Social Responsibility Committee and the Board of Directors closely review and monitor, from time to time, the various CSR activities undertaken by the Company. The key CSR programs undertaken by your Company during the Financial Year 2023-24 are :

1. Colgate Bright Smiles, Bright Futures®;
2. Water Augmentation for Livelihoods & Women Empowerment - with Seva Mandir;

3. Water accessibility program - with Water For People India Trust;
4. Keep India Smiling Foundational Scholarship & Mentorship Program - with Shikshadaan;
5. Smiles For Life - Program on Cleft Surgeries & Care with Mission Smile;
6. Waste Management Program with Nepra Foundation;
7. Financial and Digital Literacy Program with Haqdarshak; and
8. Support communities (Rural Upliftment) with Action Aid.

As per the requirements of Section 135 of the Act, the Company was required to spend an amount of ₹ 27.87 Crores during the Financial Year 2023-24. During the year, the Company spent an amount of ₹ 30.60 Crores (including an unspent amount of ₹ 5.53 Crores for the Financial Year 2022-23).

The total amount allocated for CSR Expenditure could not be spent during the year owing to challenges like closure of schools for prolonged periods during severe winters in the northern region and election protocols in some regions hindered our ability to reach all targeted schools. These unforeseen circumstances led to a deviation from our intended coverage goals. As a result, an amount of ₹ 2.80 Crore has remained unspent within our allocated budget for the year and the same has been transferred to the 'Colgate-Palmolive (India) Limited - Corporate Social Responsibility Unspent Account (BSBF) - 2023-24', in terms of the requirements of law.

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

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

Directors Responsibility Statement

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

- in the preparation of the Annual Accounts for the Financial Year ended March 31, 2024, 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, 2024 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 have 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.

Human Resources

At Colgate-Palmolive (India) Limited, we believe that our employees are our most important asset. Our commitment to foster a positive, harmonious and productive environment has been unwavering throughout the last year. We have continued to strengthen and elevate the positivity and consistency of our value based behavior through a series of strategic initiatives and programs aiming to further enhance communication, engagement, inclusion and overall well being under our SHAPE ('Strategic and Holistic Approach for People Excellence') framework. We have successfully maintained a harmonious relationship with our workforce and the labor unions representing them wherever applicable.

We have maintained an open & transparent communication policy through 'My Voice' a grievance redressal platform, that encourages employees across all levels to share their ideas, concerns, and feedback to improve our sites. We have also leveraged our regular committee meetings (Canteen, Welfare etc), 'Lets talk' (engagement with site leaders) in keeping our lines of communication open and transparent. This year, we have started working on implementing digitalization for improving communication and connect across all the levels at sites.

At Colgate, we do recognize the importance of continuous learning, we continue to leverage our training program on anti bribery, human rights, Prevention of Sexual Harassment ('POSH'), Safety, Quality and other operating fundamentals. Our Flagship young leaders development program 'Udaan' has identified and nurtured potential of our 'Early in career' leaders to elevate engagement and enhance people management capabilities at the workplace. This year the Data and Analytics Gurukul program has helped our employees to upgrade their data analytical skills.

Diversity and inclusion are at the center of our employee relations approach. We use a life stage support-related counseling framework to increase inclusion and break in careers. We are proud to share the good wins of this framework on the shop floor.

Our employees' health and well-being are our top priority. For this year, our Employee Assistance Program, Live Better initiatives, and well-being principles provided ongoing, confidential help (as needed) to employees facing personal and professional issues.

We found the last year to be highly rewarding and enriching, particularly in terms of using HR policies and technologies to ensure that employee issues were addressed immediately, minimizing the impact on morale and productivity.

As we move into the next financial year, we are committed to enhancing our employee relations further leveraging SHAPE, My voice, Lets talk and other initiatives. We plan to leverage our revised Operations Team Leader Excellence (OTLE) framework to expand our connect and underscore inclusive leadership for adoption readiness on newer ways of working.

As on March 31, 2024, the total number of employees were 2221.

The detailed description of the Employee Initiatives taken by the Company are included in the Management Discussion and Analysis on page no. 166.

Prevention of Sexual Harassment at workplace

Our organization maintains an unwavering stance against all forms of harassment and discrimination, including but not limited to sexual harassment. To uphold this commitment, we have established an Internal Complaints Committee (ICC) dedicated to the thorough investigation and resolution of sexual harassment allegations. We strongly encourage employees to voice their concerns and report any incidents of harassment to the ICC without hesitation.

To further reinforce our commitment, we have implemented a comprehensive Policy on the Prevention of Sexual Harassment. This Policy is meticulously reviewed and updated by the ICC at regular intervals to ensure its continued relevance and effectiveness. When a complaint is lodged with the ICC, it is handled with the utmost fairness and confidentiality. We are resolute in our stance against any form of retaliation towards employees who come forward with complaints. Our goal is to foster a safe and respectful workplace where every individual feels secure and valued.

During the Financial Year 2023-24, 1 complaint was received, investigated and appropriately resolved by the ICC.

Particulars of Employees

Information as per Section 197 of the Act 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 Act read with Rule 5(2) of the aforementioned Rules forms integral part of this Report and will be made available on request sent to the dedicated email address of the Company at cpilagm@colpal.com.

Trade Relations

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

Energy Conservation, Technology Absorption and Foreign Exchange

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

Corporate Governance

A separate report on Corporate Governance laying down the Company Philosophy on the Corporate Governance as well as all the disclosures as required under the SEBI Listing Regulations along with the Auditors' Certificate on its compliance with the corporate governance requirements under the SEBI Listing Regulations forms an integral part of this Report and is annexed as **Annexure 1**.

Directors and Key Managerial Personnel

Since April 1, 2023 till the date of this Report, the following changes have taken in the Board of Directors and the Key Managerial Personnel (in the order of their occurrence):

- Re-appointment of Ms. Sukanya Kripalu (DIN : 06994202) as Non-Executive, Independent Director for a second term of 5 (five) consecutive years w.e.f. June 1, 2023 till May 31, 2028;
- Appointment of Dr. (Mr.) Indu Bhushan (DIN: 09302960)

as Non-Executive, Independent Director for a first term of 5 (five) consecutive years with effect from July 26, 2023 till July 25, 2028;

- Appointment of Mr. Sanjay Gupta (DIN : 05100297) as Non-Executive, Independent Director for a first term of 5 (five) consecutive years with effect January 22, 2024 till January 21, 2029;
- Retirement of Ms. Shyamala Gopinath (DIN : 02362921) - effective May 31, 2024, Mr. Vikram Singh Mehta (DIN : 00041197) and Dr. (Ms.) Indu Shahani (DIN : 00112289) - both effective July 24, 2024 as Independent Directors of the Company upon completion of their second term of serving as Non-Executive, Independent Directors of the Company. The Board recognises their valuable efforts during the subsistence of their term and places its appreciation on record.

Based on the declarations provided by Dr. Bhushan and Mr. Gupta, they both are Independent of the Management.

Pursuant to the provisions of Section 152 of the Act, Ms. Prabha Narasimhan (DIN : 08822860), Managing Director and Chief Executive Officer of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment. Based on the recommendation of the Nomination and Remuneration Committee, the Board recommends her re-appointment.

Mr. Mukul Deoras (02869422) was appointed as a Non Retiring Director and Chairperson effective September 1, 2018. In terms of requirements of Regulation 17(1D) of the SEBI Listing Regulations, no director shall continue on the Board for more than 5 years without seeking the approval of the Members. Considering that 5 years have elapsed since the date of his appointment, an approval is being sought for reappointment of Mr. Deoras for a period of 5 years effective July 30, 2024 till July 29, 2029, not liable to retire by rotation, at the ensuing Annual General Meeting of the Company.

As on March 31, 2024, Ms. Prabha Narasimhan, Managing Director and Chief Executive Officer, Mr. M S Jacob, Whole-time Director & Chief Financial Officer and Mr. Surender Sharma, Whole-time Director Legal & Company Secretary were the Key Managerial Personnel of the Company.

Declaration of Independence :

The Company has received the necessary disclosures under the Act 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 Act and the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI Listing Regulations and are independent of the management. Further, the Independent Directors possess integrity and necessary expertise and

experience (including the proficiency) which bring tremendous value to the Board and to the Company.

Directors and Officers Liability Insurance Policy

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

Familiarization Program

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

Gist of Familiarization programs conducted during the Financial Year 2023-24 are as follows:

Sr. No.	Program/Presentation
1.	Business Updates
2.	Regulatory updates
3.	Risk Updates
4.	Cyber Security Updates
5.	Tax Updates
6.	CSR & Sustainability Updates
7.	Succession Planning
8.	Update on Shareholder Matters
9.	Strategy Meets

Details of the familiarization programs extended to the Independent Directors during the Financial Year 2023-24 are disclosed on the Company website from time to time at <http://www.colgateinvestors.co.in/policies>. The said details are also available on CG Report on page no. 139.

Number of Board Meetings

During the Financial Year 2023-24, five (5) Board meetings were held on May 12, 2023; July 26, 2023; October 26, 2023; January 22, 2024; and March 14, 2024. The details of which are provided in the Corporate Governance Report that forms an integral part of the Board's Report.

Committees

The Board of Directors of the Company has established various Board committees to assist in discharging their duties. These include Audit Committee, Stakeholders' Relationship Committee, ESG and Corporate Social Responsibility Committee, Risk Management Committee

and Nomination and Remuneration Committee. The Board has approved the terms of reference for each of these committees. All the committees of the Board hold their meetings at regular intervals and make their recommendations to the Board from time to time as per the applicable provisions of the Act and the SEBI Listing Regulations.

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

Annual Performance Evaluation

Pursuant to the provisions of the Act 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, Executive Directors and the Chairperson.

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 which are measured and analyzed during the process, few of them are in the table:

Sr. No.	Performance evaluation of	Key performance areas/evaluation criteria
1.	Board as a whole	<ul style="list-style-type: none"> • Proper mix of competencies to conduct its affairs effectively. • Appropriate mix of independent and non-independent directors. • Number and frequency of Board meetings is adequate to perform its duties effectively.
2.	Committees	<ul style="list-style-type: none"> • Performance of the responsibilities as outlined in the charter and applicable laws and regulations. • Composition in terms of size, skills/expertise and experience, if appropriate to perform its responsibilities. • Efficiency in conduct of Meetings with sufficient time allocated on significant or emerging issues.
3.	Chairperson	<ul style="list-style-type: none"> • Providing guidance to the Board on delineation of roles of the Board and Management. • Providing direction to the Board on aspects that are critical/of strategic significance to the Company. • Creating a cohesive environment to allow open and fair discussion.
4.	Executive Directors	<ul style="list-style-type: none"> • Understanding and knowledge of the Company and the sector it operates in and staying abreast of the issues, trends, risks, opportunities and competition affecting the Company. • Understanding of duties, responsibilities, qualifications, disqualifications and liabilities as a Director. • Ensuring best Corporate Governance practices and compliance with the applicable laws and regulations.
5.	Independent Directors	<ul style="list-style-type: none"> • Suitable business knowledge and understanding of the Industry in which the Company operates. • Exercising the independent judgement and voicing opinion freely without any influence. • Understanding of governance, regulatory, financial, fiduciary and ethical requirements of the Board/ Committee.

The Board Members are apprised of the detailed requirements of the law and are provided with an overview of the process. The Nomination and Remuneration Committee and the Board discusses the basis & various criteria for the Board, Committees, Chairperson as well as Executive and Independent Directors.

The Evaluation for the Financial Year 2023-24 was conducted digitally with anonymous responses, which were then recorded and reported to the Nomination and Remuneration Committee as well as the Board. The Chairperson has necessary discussions with the Board Members about the performance and the outcome of the evaluation process.

The Performance Evaluation results for the year reflected highly satisfactory performance. The specific discussions and feedback were discussed by the Chairperson with each of the individual directors. The feedback for each of the committees/Board was discussed at the Meetings of Nomination and Remuneration Committee and the Board.

Company Policies

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

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

Corporate Social Responsibility ('CSR') Policy : This Policy sets out the role of the CSR Committee of the Board of Directors, which includes identification of the areas where the CSR activities will be performed, evaluation of CSR activities, review the CSR spending vis-a-vis the activities implemented and monitoring the process of CSR projects/ programs of the Company.

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

Related Party Transactions Policy : This Policy regulates the entry into transactions between the Company and its related parties and the required corporate approvals as per the laws and regulations applicable to the Company from time to time.

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

Records Management Policy : This Policy establishes general guidelines for retaining, preserving and archiving important documents and information. The Archival Policy forms part of the Records Management Policy.

Code of Conduct for Prevention of Insider Trading : Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has framed a Code of Conduct on prohibition of insider trading.

Dividend Distribution Policy : This Policy sets the parameters & describes the internal and external factors which are considered by the Board of Directors for the purpose of declaration of dividend.

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

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

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

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

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 behaviour 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 behaviour, 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 through online & offline modes including 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 status of the Code of Conduct complaints is provided in the Audit Committee Meetings ('ACM') and appropriate actions alongwith Action Taken Report is presented in ACM and are discussed at length. Any specific suggestion/feedback from the Committee is actioned upon.

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

Public Deposits

During the Financial Year 2023-24, your Company has not accepted any Public Deposits under Chapter V of the Act.

Unpaid/Unclaimed Dividend

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, an amount of ₹ 2.09 Crores of unpaid/unclaimed dividends were transferred during the Financial Year 2023-24 to the Investor Education and Protection Fund (IEPF).

The due dates for transfer of unpaid dividend to IEPF for subsequent years is provided in the Corporate Governance Report on page no. 153.

Loan, Guarantees and Investment

Particulars of loans, guarantees and investment made by the Company pursuant to Section 186 of the Act are given in Note No. 4 and 11 to the Financial Statements.

Related Party Contracts & Arrangements

All related party transactions done by the Company during the Financial Year 2023-24 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 2023-24, the Company has not entered into any material related party transaction as per the SEBI Listing Regulations with any of its related parties. Disclosures pursuant to the Accounting Standards on related party transactions have been made in the notes to the Financial Statements. To regulate related party transactions, the Company has also framed a Policy on Related Party Transactions and the same is available on the Company's website at <https://www.colgateinvestors.co.in/policies>.

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

Auditors

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

The Audit report for the Financial Year 2023-24 does not contain any qualification, reservation or adverse remarks. Further, during the Financial Year 2023-24, the Statutory Auditors have not reported any instances of fraud to the Audit Committee or Board as per Section 143(12) of the Act.

Secretarial Auditor & Secretarial Audit Report

The Board had, in its meeting held on May 12, 2023 appointed M/s. Dholakia & Associates LLP (ICSI Unique Code: P2014MH034700, FCS No. 10032, COP No. 12884) to carry out the Secretarial Audit for the Financial Year 2023-24 under the provisions of Section 204 of the Act. The Secretarial Audit Report in Form MR-3 is attached as **Annexure 5** to this Report. The Secretarial Audit Report for the Financial Year 2023-24 does not contain any qualification, reservation or adverse remarks.

Cost Auditor and Cost Records

Maintenance of cost records and requirement of cost audit as

prescribed under the provisions of Section 148 of the Act are not applicable for the business activities carried out by the Company.

Annual Return

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

Significant and Material Orders Passed by the Regulators or Courts

During the Financial Year 2023-24, there were no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company in the future.

Material Changes Affecting the Company

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

Compliance with Secretarial Standards

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

Adequacy of Internal Financial Controls

Your Company has an adequate and talented team of internal auditors that oversees the internal financial processes, policies, and recommends robust internal financial controls from time to time. These internal financial controls help to put in place checks on the implementation of the internal financial controls, policies & procedures that are adopted by the Company for ensuring an orderly and efficient conduct of its business. These internal financial controls help in safeguarding assets, prevention & detection of frauds and/or errors, maintaining the accuracy and completeness of the

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.

Place: Mumbai
Date: May 14, 2024

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

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

accounting & financial records. These controls help in the timely preparation of transparent, complete and accurate financial information and statements as per the accounting standards and principles laid down. The Audit Committee of your Company evaluates the internal financial controls system periodically. The detailed note on Internal Controls is provided in Management Discussion and Analysis on page no. 168.

Awards and Accolades

During the Financial Year 2023-24, the company received several key awards and accolades. For a detailed list of additional awards, please refer to Award sections of this report.

- Taggd & Business Today- Top 4 FMCGs to work for, 2023.
- ET Best Organizations- One of the Best Organizations for Women, April 2023.
- Indian Social Impact Awards- Best CSR Project of the Year (BSBF - Oral Health Education) and the Best Women Empowerment Initiative of the Year (Colgate's Livelihoods and Digital & Financial Literacy Program), 2024.
- India Workplace Equality Index- Bronze Employer for LGBTQIA+ Inclusion, 2023.
- Institute of Supply Chain Management (ISCM)- 'Functional Champion' for 'Resilient Supply Chain of the Year - CPG' award and the 'Best Initiatives in Demand & Supply Alignment-CPG Sector'.
- Market Research Society of India (MRSI)- Golden Key Award for Best Data Collection Innovation for Mouth Audit.
- Silver at the Clio Awards- 'Brush at Night - The Sweet Truth' campaign, 2024.
- Recognition for Innovations for Maxfresh Relaunch and Innovation for Colgate Strong Teeth Product Relaunch.

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