

QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Name of the Company : Colgate-Palmolive (India) Limited

Quarter ended on : June 30, 2014

Particulars	Clause of Listing Agreement	Compliance Status Yes/No	Remarks
I. Board of Directors	49 (I)	Yes	
(A) Composition of Board	49 (I A)	Yes	The Board of Directors has a mix of Executive and Independent Non-executive Directors. The Board comprises of three Whole-time Directors (the Managing Director and two Executive Directors) and six Non-executive Directors including the Chairman of the Board. Five of the six Non-Executive Directors are Independent Directors. Accordingly, the composition of the Board is in conformity with the Stock Exchange Listing Agreement.
(B) Non-executive Directors' compensation & disclosures	49 (I B)	Yes	<p>The Non-Executive Directors are paid sitting fees for attending Board Meetings, which, being in accordance with limits prescribed by the Central Government and as approved by the Board of Directors at their Meeting held on May 23, 2014.</p> <p>At the Annual General Meeting held on July 23, 2012, the shareholders of the Company have approved the payment and distribution of commission, to Non-Executive Directors, of such sum as may be fixed by the Board of Directors, not exceeding 1% of the net profits of the Company in any financial year calculated in accordance with the provisions of Sections 198, 349 and 350 of the Companies Act, 1956 for a period of five years commencing from April 1, 2012.</p> <p>The Company's pecuniary relationship or transactions, if any, with the Non-executive directors have been disclosed in the Report on Corporate Governance in the Annual Report for the financial year 2013-14</p>
(C) Other provisions as to Board and Committees	49 (I C)	Yes	<p>a) The Board meets at least once every quarter. During the quarter April to June, 2014 one Board Meeting was held on May 23, 2014</p> <p>b) The provisions pertaining to Committee memberships of Directors have been complied with.</p> <p>c) Periodic review of compliance report is being done on a quarterly basis.</p> <p>d) No Independent director has resigned or was removed from the Board of the Company during the quarter April to June, 2014.</p>



(D) Code of Conduct	49 (I D)	Yes	Code of Conduct is posted on the website of the Company and a declaration of compliance is being obtained from Board members and senior management on annual basis. A declaration to this effect signed by the Managing Director has been included in the Report on Corporate Governance in the Annual Report for the financial year 2013-14.
II. Audit Committee	49 (II)	Yes	
(A) Qualified & Independent Audit Committee	49 (II A)	Yes	The Audit Committee was constituted on April 28, 2000. It consists of 5 Independent non-executive directors. All of them are financially literate. The Chairman of the Committee is an Independent Director. Company Secretary is the Secretary of the Audit Committee.
(B) Meeting of Audit Committee	49 (II B)	Yes	The Audit Committee meets at least once every quarter. During the quarter April to June, 2014, one Audit Committee Meeting was held on May 23, 2014.
(C) Powers of Audit Committee	49 (II C)	Yes	The Audit Committee is empowered, inter alia, to investigate any activity, seek information, obtain outside legal or other professional advice, secure attendance of outsiders, etc.
(D) Role of Audit Committee	49 (II D)	Yes	This has been defined and included in the terms of reference of the Audit Committee.
(E) Review of Information by Audit Committee	49 (II E)	Yes	The relevant applicable information was reviewed by the Audit Committee at its meeting held on May 23, 2014.
III. Subsidiary Companies	49 (III)	N A	Not applicable
IV. Disclosures	49 (IV)	Yes	
(A) Basis of related party transactions	49 (IV A)	Yes	This was reviewed by the Audit Committee at its Meeting held on May 23, 2014
(B) Disclosure of Accounting Treatment	49 (IV B)	Yes	This is being complied with when applicable.
(C) Board Disclosures	49 (IV C)	Yes	The risk assessment and minimization procedures have been laid down. These are being reviewed periodically.



(D) Proceeds from public issues, rights issues, preferential issues, etc.	49 (IV D)	N. A.	The Company has not made any public/rights/preferential issue in the recent past.
(E) Remuneration of Directors	49 (IV E)	Yes	Necessary disclosures of remuneration to Directors have been made in the Report on Corporate Governance in the Annual Report for the financial year 2013-14.
(F) Management	49 (IV F)	Yes	The provisions contained therein have been complied with in the Report on Corporate Governance in the Annual Report for the financial year 2013-14. Disclosures obtained from Senior Management will be tabled before the Board at its Meeting scheduled to be held on July 25, 2014 to consider and approve the unaudited financial results/ accounts for the quarter ended June 30, 2014. We have also been obtaining such declarations from the Senior Management on a quarterly basis and the same are being placed before the Board Meetings.
(G) Shareholders	49 (IV G)	Yes	The relevant provisions are being complied with as provided therein. The quarterly financial results are being sent to the Stock Exchanges strictly in accordance with the provisions of the Listing Agreement. Likewise, the share transfers are being approved and provisions in relation thereto are being complied with strictly in accordance with the provisions of the Listing Agreement by the Shareholders'/Investors' Grievance Committee to which the power of share transfer is delegated.
V. CEO/CFO Certification	49 (V)	Yes	The requisite certification by Managing Director and Chief Financial Officer on issues covered by Clause 49 (V) was placed before the Audit Committee/Board Meeting/s held on May 23, 2014. The requisite certification by Managing Director and Chief Financial Officer for the quarter April to June, 2014 on issues covered by Clause 49 (V) will be placed before the Audit Committee/Board Meeting/s scheduled to be held on July 25, 2014 to consider and approve the unaudited financial results / accounts for the quarter ended June 30, 2014.
VI. Report on Corporate Governance	49 (VI)	Yes	The Report on Corporate Governance has been attached to the Annual Report for the financial year 2013-14. The compliance report for the quarter ended March 31, 2014 was filed with the Stock Exchange on April 11, 2014.
VII. Compliance	49 (VII)	Yes	The compliance certificate by the statutory auditors of the Company has been attached to the Report on Corporate Governance in the Annual Report for the financial year 2013-14.

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