

QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Name of the Company : **Colgate-Palmolive (India) Limited**
 Quarter ended on : **December 31, 2013**

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 Company has optimum combination of executive and non-executive directors with more than 50% of the Board of Directors comprising of non-executive directors. The Company has a non-executive Chairman nominated by the Promoter. Accordingly, more than half of the Board comprises of independent directors.
(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, has been approved by shareholders of the Company on June 29, 1989 and the Board on October 15, 2003.</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 effective 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 financial year 2012-13.</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 October to December 31, 2013 two Board Meetings were held i.e. on October 25, 2013 and November 29, 2013.</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>



				d) No independent director has resigned or was removed from the Board of the Company during the quarter October to December 2013.
(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 MD / CEO has been included in the Report on Corporate Governance in the Annual Report for the financial year 2012-13.
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 now 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, one Audit Committee Meeting was held on October 25, 2013.
(C) Powers of Audit Committee	49 (II C)	Yes		The Audit Committee is empowered, inter alia, to investigate any activity within its term of reference, 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 mandatory information was reviewed by the Audit Committee at its meeting held on May 28, 2013.
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 October 25, 2013
(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 2012-13.
(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 2012-13. Disclosures obtained from Senior Management will be tabled before the Board at its next Meeting to consider and approve the unaudited financial results/ accounts for the quarter ended December 31, 2013. 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 Board / Audit Committee Meeting held on October 25, 2013. The requisite certification by Managing Director and Chief Financial Officer for the quarter October to December 2013 on issues covered by Clause 49 (V) will be placed before the Board / Audit Committee Meeting scheduled to be held on January 21, 2014 to consider and approve the unaudited financial results / accounts for the quarter ended December 31, 2013.
VI. Report on Corporate Governance	49 (VI)	Yes	The Report on Corporate Governance has been attached to the Annual Report for the financial year 2012-13. The compliance report for the quarter ended September 30, 2013 was filed with the Stock Exchange on October 8, 2013.
VII. Compliance	49 (VII)	Yes	The compliance certificate by the statutory auditors of the Company is attached to the Report on Corporate Governance in the Annual Report for financial year 2012-13.

