



COLGATE-PALMOLIVE (INDIA) LIMITED

Statement delivered by the Chairman, Mr. Vinod Nambiar, at the 77th Annual General Meeting of Colgate-Palmolive (India) Limited in Mumbai on Thursday, July 26, 2018.

Ladies and Gentlemen:

I welcome you all to your Company's 77th Annual General Meeting and thank you all for your continued support to your Company.

This year, as you know, is Colgate's 81st year in India. It is a rare honor and a privilege to be trusted by consumers, generation after generation, for whom Colgate is an essential part of their daily lives.

More proof of such implicit trust on our brand is - Colgate being voted once again in 2017 as the Most Trusted Brand in the Economic Times Brand Equity Most Trusted Brand Survey. It gives me great pleasure to mention that we have earned this honor continuously now for the past 7 years.

The trust of our consumers is precious and we have built it steadily, through the quality of our products and the integrity of our actions every day.

Let me now share the financial results of our company:

It gives me immense pleasure to share with you that your Company has delivered strong sales and profit growth in FY 2017-18 despite a challenging macroeconomic environment and heightened competitive activity. Net Sales for the year, adjusted for the impact of the implementation of GST, were Rs. 4,159.4 crore, an increase of 5.3% over the previous year. Reported Net profit after tax for the year was Rs. 673.4 crore, an increase of 17% over the previous year. Excluding the impact of tax reversals and exceptional items, Net profit after tax for FY 2017-18 increased by 15% over the previous year. During the year, we maintained our strong leadership position in both the toothpaste and toothbrush categories, with volume market shares for the year at 53.4% and 44.8%, respectively.

A core component of our commitment to maximizing shareholder value is maintaining a healthy level of dividend payouts. Considering the Company's surplus cash position and foreseeable capital requirements, in May 2018, your Board of Directors declared a special interim dividend of Rs. 11 per share, bringing the total interim dividend for FY 2017-18 to Rs. 24 per share.

While external conditions remained challenging, FY 2017-18 was a year of strong investment behind our brands and we deployed that investment sharply focused on our long-standing business strategies: Engaging to Build our Brands, Innovation for Growth, Effectiveness and Efficiency, and Leading to Win.

Strengthening Consumer Engagement To Drive Growth:

We are focused more than ever on strengthening consumer engagement to drive growth. We strive to make our brands relatable and valuable to our consumers' lives.

For many years, we have been engaging consumers with the Colgate Scholarship Offer on the packs of our flagship offering, Colgate Strong Teeth toothpaste. In FY 2017-18, we strengthened this engagement by partnering with BYJU's, the popular learning app. In addition to receiving a chance to win a scholarship, consumers could also avail of a free one-month subscription to BYJU's course materials. And, for consumers who lacked access to a smartphone or tablet, special audio lectures were made available via a toll-free number.

Focusing on Innovation to drive Growth:

We as a company continue to be focused on delivering consumer centric innovation across our portfolio, with particular emphasis on the 'Naturals' segment. Adding to Colgate's existing 'Naturals' portfolio, we launched **Colgate Swarna Vedshakti toothpaste**. It blends the goodness of Indian natural ingredients of Aloe Vera, Clove, Honey, Tulsi, Neem and Amla with Colgate's oral care expertise, and effectively delivers holistic oral care. Colgate Vedshakti has made strong inroads in the segment and we are confident that we will have a meaningful presence in the Naturals segment.

We also re-launched **Colgate MaxFresh toothpaste**. The New Xtra Fresh MaxFresh gives intense cooling and super freshness like never before. Our MaxFresh Brand Ambassador, **Ranveer Singh**, remains the face of the brand and continues to drive high levels of relevance and engagement with younger consumers.

Living Our Values- Every day, Everywhere:

Guided by our values of Caring, Continuous Improvement and Global Teamwork, Colgate strives to be a leader in our industry, in the communities we serve and the planet we all share.

As part of these efforts, we continue to put a lot of focus on promoting gender equality. In FY 2017-18, Colgate partnered with **Action Aid** to support the education of girls. This program aims to make children from less privileged communities future-ready through computer literacy training and spoken English classes. In addition to our regular CSR programs, we are pleased to have made significant progress on gender diversity in our workplace over the past several years. Since 2014, we have achieved a 30% increase in the number of women employees in managerial roles. In 2017, women represented 43% of our managerial hiring and 60% of our executive level promotions. In addition, we recently welcomed Ms. Sukanya Kripalu to our Board of Directors. Ms. Kripalu joins our two other illustrious women members on Board, Dr. Indu Shahani and Ms. Shyamala Gopinath, all of whom are Independent Directors and invaluable assets to Colgate. While we still have a lot more to achieve in this area, we're confident that we're moving in the right direction.

Colgate's values are also demonstrated through our water stewardship commitment. Through this commitment, we have continued to invest in water conservation in our operations, promote water conservation awareness to our consumers and work with partners to increase access to clean water

in underserved areas, among other things. In August 2017, we launched our **Water program in the Amravati District of Maharashtra**, in association with the **NGO Water For People-India Trust**. In collaboration with local communities and other stakeholders, the initiative aims to expand access to clean drinking water in the villages of Amravati District. This follows the successful implementation of Colgate's previous water programs in Bihar and West-Bengal.

Finally, as the global Oral Care leader, Colgate's values continue to be brought to life through our efforts to promote the importance of good oral health care and awareness of good oral health habits. In FY 2017-18, our flagship **Bright Smiles, Bright Futures™** program reached over 9.5 million children across India with oral health education. In FY 2017-18, our annual Oral health awareness program **Oral Health Month (OHM)**, which is conducted in partnership with the Indian Dental Association (IDA), was further enhanced by incorporating Mobile Phone engagement. With a toll-free number printed on Colgate OHM packs one could get free Oral Care tips over the phone and avail of a free dental check-up with an IDA Dentist. In addition, at Mumbai's International Airport, we set up a two-day free dental check-up camp, where taxi drivers could avail of free consultations and check-ups from IDA Dentists. In FY 2017-2018, the OHM program enabled about 6 million free dental check-ups across India.

Acknowledgements:

I would like to conclude by thanking my esteemed colleagues on the Board for their invaluable guidance and counsel. I would like to record my deep appreciation for Colgate people across India for their personal commitment to achieving our goals with the highest ethical standards. Last but not the least I would like to express appreciation for the support of our customers and suppliers who work with us to drive success for your company.

And of course-on behalf of the Board and the employees of your Company, I would like to thank you, our valued shareholders, for your continued trust, support and encouragement.

Thank you, Ladies & Gentlemen.



Mr. Vinod Nambiar
DIN - 07290613

Mumbai,
July 26, 2018

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Note: This does not purport to be a record of the proceedings of the 77th Annual General Meeting of the Company.