



"Colgate Palmolive India Limited 79th Annual General Meeting"

July 29, 2020



MANAGEMENT: MR. MUKUL DEORAS – CHAIRMAN
MS. SHYAMALA GOPINATH – INDEPENDENT DIRECTOR AND CHAIRPERSON AUDIT AND STAKEHOLDERS RELATIONSHIP COMMITTEE
MR. VIKRAM SINGH MEHTA –INDEPENDENT DIRECTOR AND CHAIRMAN, NOMINATIONS AND REMUNERATION COMMITTEE, AND ALSO RISK MANAGEMENT COMMITTEE.
DR. INDU SHAHANI – INDEPENDENT DIRECTOR AND CHAIRPERSON, CSR COMMITTEE
MS. SUKANYA KRIPALU – INDEPENDENT DIRECTOR
MR. SEKHAR NATARAJAN – INDEPENDENT DIRECTOR
MS. GOPIKA PANT – INDEPENDENT DIRECTOR
MR. RAM RAGHAVAN – MANAGING DIRECTOR
MR. MS JACOB – WHOLE-TIME DIRECTOR AND CHIEF FINANCIAL OFFICER



Colgate Palmolive India Limited
July 29, 2020

**MR. M CHANDRASEKAR – WHOLE-TIME DIRECTOR AND
EXECUTIVE VICE PRESIDENT, SALES AND CUSTOMER
DEVELOPMENT**

**MR. SURENDER SHARMA – WHOLE-TIME DIRECTOR AND
VICE PRESIDENT LEGAL**



*Colgate Palmolive India Limited
July 29, 2020*

Moderator: Dear members of Colgate Palmolive India Limited, good afternoon and warm welcome to the 79th Annual General Meeting of Colgate Palmolive India Limited, being held through video conferencing or other audio visual facility. For the smooth conduct of the meeting, the members will be in mute mode. For members who have been registered and have been confirmed as a speaker shareholder to speak at the AGM, the audio and video will be enabled when the Chairman instructs to do so. I now hand over the proceedings to Mr. Mukul Deoras, Chairman of the Company, who is joined from Colgate Palmolive Hong Kong office. Over to you, sir.

Mukul Deoras: Thank you very much, Diksha. And good afternoon, dear members. I am delighted to welcome and thank you for attending the 79th Annual General Meeting of your Company conducted through video conferencing facility. We hope that you and your near and dear ones are safe and healthy. I greatly appreciate your taking our time today. And we are very pleased to have you with us this afternoon, even though you are not here in person.

This is the first virtual Annual General Meeting of the Company. I would have loved to meet you, as always in person, in a physical meeting, like we do every year. But nonetheless, the virtual AGM gives an opportunity to have members join us from around the globe. Otherwise, it's always people who are from Mumbai who manage to come to our Annual General Meeting. So this time, hopefully we have people from beyond Mumbai as well. sometimes things are difficult, but there is always an opportunity and something good in everything that we do.

But before we start, I would now introduce my colleagues who are present through video conference in this Annual General Meeting. So first of all, I would like to introduce to you Ms. Shyamala Gopinath, she is the Independent Director and Chairperson of the Audit and the Stakeholders Relationship Committee, and she joins us from Mumbai.

I would also like to now introduce Mr. Vikram Singh Mehta, who is an Independent Director and Chairman of the Nomination and Remuneration Committee, and also the Risk Management Committee. He also joins us from Mumbai.

I now introduce you to Dr. Shahani. Dr. Indu Shahani is also an Independent Director, and is the Chairperson of the CSR Committee, and she also joins us from Mumbai.

I introduce you to Miss. Sukanya Kripalu, she is an Independent Director on the Board, and she joins us from Bengaluru.

Then next I would like to introduce Mr. Sekhar Natarajan, who is an Independent Director and he also joins us from Mumbai.

Next is Ms. Gopika Pant, who is also an Independent Director of your Company, and she joins us from Delhi.

I would now like to introduce you to Mr. Ram Raghavan, he is the Managing Director of the Company and he joins us from Mumbai.

I would like to introduce Mr. MS Jacob to you, who is the Whole-time Director and CFO of the Company, and he joins us from Mumbai. I apologize for the video, his video is not currently

working very well so you don't see him on the frame. But I can reassure you that he is in the meeting.

I also introduce you to Mr. M Chandrasekar, who is the Whole-time Director and Executive Vice President, Sales and Customer Development for the Company. And he also joins us from Mumbai.

And lastly, I would like to introduce you to Mr. Surender Sharma, who is the Whole-time Director and Vice President Legal, and he also joins from the Company.

And that wasn't the last one. The last but not least, may I introduce you to Mr. Randhir Singh, who is the Company Secretary and Compliance Officer of the Company. And he also joins us from Mumbai.

Now, I would like to take this opportunity to welcome three new members to the Board of your Company. Miss Gopika Pant, Mr. Sekhar Natarajan and Mr. Surender Sharma. Let me share a few words about each one of them.

Gopika is a very distinguished legal professional, with over three decades of extensive experience in Indian and international corporate and commercial law. A very keen environmentalist, an enthusiastic orator and an author of several articles in Indian and international publications. Gopika's guidance and counsel through her wide reading interests, experience and expertise will be extremely invaluable for your Company.

Sekhar Natarajan brings with him an in-depth knowledge of the large rural economy and the growth and development sector. He is a qualified chartered accountant and cost accountant, and has led many, many big organizations, both in India and beyond. Sekhar's wealth of experience in the areas of strategic thinking, business development, and mergers and acquisitions will benefit your Company immensely.

And I would also like to introduce and say a few words about Surender Sharma. Surender joined your Company in 2017 as Associate Director for the legal function. And since October 2018, he has been serving in the capacity of Vice President Legal, and his appointment to the Board has added great value to your Company.

Please join me in welcoming all three new members to the Board of Colgate Palmolive, and in wishing them the very best.

Now, I would like to take a few minutes to say a few words about a couple of very distinguished board members who retired very recently from the Board of your Company. These unprecedented times make it significant for us to acknowledge the valuable milestones of our lives and those that shaped the legacy of your Company. Two such important landmarks have been the retirement of Mr. RA Shah and Mr. PK Ghosh from the Board of Directors of Colgate Palmolive India Limited on the 31st of March 2020, after a long and very dedicated service to the Company for over three decades.

You all know Mr. Shah and Mr. Ghosh very well. You have met them when you would come for the meetings in the last few years. And you have heard about their contribution and the

work that they have done to the Company over the last so many years. All of us in Colgate Palmolive and on behalf of all of our shareholders, I would like to express my sincere gratitude to Mr. Shah and to Mr. Ghosh for their many, many invaluable contributions, guidance and enduring commitment to the Company. Please join me in wishing both of them a retirement life full of good health and happiness. Thank you very much, Mr. Shah and thank you very much, Mr. Ghosh.

Well, I would also now like to welcome the statutory auditors and secretarial auditors who are attending this meeting through the video conferencing facility as well. I am told that the requisite quorum is present in the meeting, and we shall now commence with the proceedings of the 79th Annual General Meeting of your Company. The documents for inspection, as mentioned in the AGM notice, are electronically available on the NSDL e-voting portal up to the conclusion of this meeting.

The Company has provided three ways to the members of the Company for giving comments or raising queries during the AGM. The first one was to send your comments or queries on the email ID provided by the Company. The second one was to pre-register as a speaker shareholder And the third one to give opportunity to members who could not pre-register themselves as a speaker shareholder or could not send their comments on email, members can give comments or raise queries through the communicate tab, which is currently available on the screen during this AGM. We will be responding to your comments and queries at the end. And we will try and avoid repetition, if there is any.

I will now begin with my speech. So ladies and gentlemen, at the very outset, I extend to you a very warm welcome to your Company's 79th Annual General Meeting. This also happens to be the first ever virtual Annual General Meeting of your Company. And before we proceed, on behalf of your Company, I hope you and your loved ones are all safe and healthy. COVID-19 has created a very difficult and unprecedented situation for all of us across the world. Your well-being is of utmost importance to us, and this is amplified during these very challenging times.

As you know, your Company constantly strives to reimagine a healthier future for our consumers and the planet. In times like these, this focus is heightened. And we believe it is our responsibility to continue to improve the lives of people and the communities we serve. And in order to do Sir, we have to ensure our products are essential for daily lives, are easily available to all consumers all the time. Over the last few months, we have strived relentlessly to keep our operations safe, our people protected, and our manufacturing facilities and distribution organization working as seamlessly as possible through these very demanding times. As shareholders, I would like to take a moment to reiterate my heartfelt thanks to you. You continue to be an integral part of Colgate Palmolive's steadfast commitment to India and its growth story. Thank you once again for your continued patronage, trust and support.

Now, despite all these challenges that we have faced, the past 12 months have given your Company many moments to be proud about. One such accomplishment that I am delighted to share it with you is that for the ninth year in a row, Colgate brand features as the #1 most

trusted oral care brand in India in the Economic Times Brand Equity Most Trusted Brands survey. Indeed, this is a moment of great pride for all of us and our sincere thanks to all our loyal consumers across the country. Additionally, I am pleased to share with you that as a part of our continuous endeavor to elevate oral health in our country, Colgate recently received a Guinness World Record for Most People Brushing Simultaneously at a single venue. Organized in part by Kalinga Institute of Social Sciences in Bhubaneswar, and also with Indian Association of Public Health Dentistry, more than 26,000 people brushed their teeth together at this very record breaking event. Truly a proud moment for your Company as well as for our nation.

So that's what happened over the last 12 years. Now, let me talk to you about the financial results for financial year 2019-2020. The Company recorded a net sales for the year ended March 31, 2020, at Rs. 4,487.6 crores, which is an increase of 1.2% over the same period of the prior year, impacted, as you all know, by the onset of the COVID situation in the last month of the financial year. Net profit for the year was reported at Rs. 816.5 crores, as against the net profit of Rs. 775.6 crores for the previous year, which is an increase of 5.3%. While the COVID-19 pandemic has required us to take appropriate course correction, we remain committed to our fundamental building blocks of driving sales growth, maximizing earning and of increasing shareholder value.

Your Company's Board declared two interim dividends aggregating to Rs. 28 per share in the financial year 2019-2020. The first interim dividend of Rs. 12 per share was declared in October 2019, and the second interim dividend of Rs. 16 per share was declared in May 2020.

Now, let me update you about the Company's financial results for the first quarter of financial year 2021. And these results were declared just today in the morning, approved by the Board and declared today in the morning. I would like to say that despite the challenging situation that we are in, we are pleased with the results and the pace of growth in quarter one of this financial year. In the current quarter, your Company reported a net sales of Rs. 1,033.6 crores. This is a drop or a decline or a decrease of 3.9% over the same quarter of the previous year. We stayed agile and innovative during these challenging times, and focused our supply chain and distribution to ensure uninterrupted availability. Our disciplined approach to managing all revenue and cost drivers resulted in improvements in key financial metrics with gross margin at 65.9% and EBITDA at 29.8%, both of them higher than the corresponding numbers in the previous year. The reported net profit after tax for the quarter was Rs. 198.2 crores, which was also an increase of 17% or the same quarter of the previous year.

Now, despite the challenging situation that we are in, we are pleased with the results and the pace of growth. And your Company remains committed to driving sustained profitable growth through three very focused strategic priorities. The first one is building strong brands through impactful campaigns. Now, Colgate is the most used brand in terms of household penetration in India. It has been a household name and a habit over generations. Colgate has a very simple and an inspiring brand purpose, and I quote, "Everyone deserves a future they can smile about."

This brand purpose is brought to life with our brand campaign, which you must have seen on television, and it talks about "Smile karo or shuru ho jao".

As a brand, that believes in championing optimism, this new advertising campaign featured truly inspiring real life stories of real people, like Anand Arnold, who is India's first wheelchair bound bodybuilder, who journeyed from a cancer survivor to being crowned as Mr. Olympia, or Divyanshu Ganatra, who is, and listen to this, who is India's first visually impaired solo paragliding pilot, visually impaired and yet does paragliding. Or you have all heard of Sindhu Tai, whose personal journey of being a mother to over 1,000 orphan children moved us all. Or another young talent, Yashasvi Jaiswal, who, as we all know, overcame big challenges and remained resolute, championing optimism to become the youngest Indian to score a double-century in the history of list A cricket. This "Smile karo or shuru ho jao" campaign has been instrumental in strengthening the love our consumers have for brand Colgate.

Our Colgate Vedshakti platform also saw a new and unique perspective on oral health being brought to life to the "Mooh Swachh toh aap healthy" campaign. This, coupled with a very strong trial generation program through massive sampling efforts across the country helped to grow the brand and its franchise by adding over 10 lakh new users and new households over the past six months. In our continued efforts to engage with the youth of our country, the new Maxfresh campaign featuring Ranveer Singh, and Naga Chaitanya in the Southern markets, encourages young Indians to brush aside the challenges of the previous day, and champions optimism by making sure that every morning is a fresh start.

The second strategic priority is driving innovations. Now, innovation has been a key part of our growth story. The past year was no different, as we had some truly stellar initiatives across the portfolio. I would like to start with our biggest innovation in years, the improvement and relaunch of our flagship brand, Colgate Strong Teeth. Created from over a decade of research, with several clinical studies and tests involving thousands of people, Colgate Strong Teeth with new Amino Shakti brings alive the clinically superior technology of fluoride and arginine, making it the best formulation for powerful strong teeth.

The past year also saw the launch of Colgate Charcoal Clean, a truly disruptive offering in the oral health category. It is the first black colored toothpaste in the market, and comes in a clutter breaking absolutely gorgeous packaging. This toothpaste provides an unbelievable experience every time you brush. We are excited with a very positive response for this new product and I am sure you would have tried this too.

Now kids segment remains a great opportunity for us. We recently introduced our Kids Zero range of toothpastes, designed for solutions across different age groups, this product range is unique on account of its all natural flavours, and that it has zero artificial preservatives, or artificial colours or artificial flavours or sweeteners for that matter.

The toothbrush business also saw its fair share of innovations. The launches of Super Flexi Charcoal and ZigZag Charcoal are great examples of key trends we were able to take across the portfolio for amplified scale and reach. At the premium end of the category, we also launched our Colgate Bamboo toothbrush. Now, this eco-friendly solution has zero plastic packaging and

comes with a unique bamboo handle with charcoal infused bristles, not only for a healthy, clean mouth, but should I say, a healthy clean planet as well. I am equally pleased to announce yet another innovation in the toothbrush category, our new Gentle range, designed with dentists and endorsed by the Indian Dental Association, this exciting range of toothbrushes provides a gentle yet unbelievably thorough cleaning. And this range will be available across price points and has just started shipping in this month, and you would see that in the stores near you very, very soon.

We launched some exciting innovations in our personal care category as well with the Palmolive Luminous Oils portfolio of shower gels, shampoos and hand washes. This superior range has been specially created with a rich blend of natural extracts and essential botanical oils to nourish the skin and bring alive a truly sensorial experience. And I must say that in response to the current pandemic, in a very agile manner, we were also able to launch the new Palmolive Antibacterial Hand Sanitizer in record time.

But I must say, our approach to innovation goes beyond products. During the lockdown period, when people couldn't visit dentists, we had the solution home delivered with the launch of Dentists For Me platform, which is a e-platform, and we provide a digital solution that allows patients to have a live audio or video consultation with the dentist from the comfort of their homes. And this service is, of course, provided absolutely free of cost by us.

As consumers shopping behavior has evolved, so has your Company's approach to making sure we fulfil consumer needs no matter where they are. For example, we have seen strong growth in our e-commerce business and we have stepped up our organizational capabilities to address this opportunity. Our made for e-commerce portfolio looks to create very differentiated consumer experiences on this very important and strategic platform.

Our distributor network has been a source of competitive advantage to us over the years. We continue to work with our partners to strengthen our distribution and efficiency of operations by leveraging innovative technology platforms. For example, we launched an app to aid contactless order taking that enables retailers to easily order our products. During the recent pandemic, we have also initiated a series of health and hygiene initiatives like insurance coverage for our distributor sales team and their delivery staff, as well as free sanitization of the distributors' offices and godowns. A truly proud moment for your Company was being recognized as the #1 Most Preferred Manufacturer of the Distributor Community according to the FMCG Ground Report of All India Consumer Products Distribution Federation, a very proud moment indeed. And your Company was also one of the select FMCG leaders to partner in the Government of India's Suraksha Store initiative.

Now, the third strategic priority for us is to build a sustainable future and give back to the communities we live and operate in. You are aware of our flagship, Bright Smiles Bright Futures program that was launched in 1976, with a commitment to grow awareness and education among children about oral care. It has touched the lives of over 170 million, that's 17 crore children across the country. And in the year gone by, we reached over 7 million children Nationally, and we also piloted a new in-school brushing initiative in Delhi and Mumbai,

reaching about 400,000 children with a goal to drive better oral care understanding, knowledge and behaviour.

Last year when we met, I had shared with you about the launch of Colgate Keep India Smiling Foundation Scholarship program. This program, as you know, was rolled out in partnership with an NGO called ShikshaDaan Foundation and technology partner Buddy4Study, with an aim to offer financial and mentorship support to deserving students across the country to help further their dreams of education, sports or community betterment. So far, we have received 75,000 applications, and these are currently under evaluation. We also continue with our various ongoing partnerships and programs with NGOs like Seva Mandir and others. We support these organizations in their work to uplift and empower marginalized communities and provide skill building that generates employment to enable a better future.

Now, another big area of focus for us is water, and it remains one of our key pillars of sustainability agenda. As you are aware, after the successful implementation of our water program in Bihar and West Bengal, in partnership with Water for People, we launched your Company's water program in Amaravati district of Maharashtra. And I am pleased to share with you that this ongoing program has facilitated the year round availability of clean community water to villages.

Our manufacturing facilities have been at the leading edge of sustainability. We consistently follow the principles of true zero waste, and LEED certified sustainable practices in our daily operations of business across all our manufacturing plants, and all other facilities. I would also like to share with you the fact that in the true spirit of caring, during the current pandemic, in partnership with NGO action aid, your Company responded swiftly by contributing thousands of food ration kits and essential hygiene products to provide relief to the most vulnerable communities.

So these are our three strategic priorities, to build our brands, to innovate and to drive sustainability. We remain committed to creating value for you and all our stakeholders by delivering the best products to our consumers, by innovating and maximizing growth through superior marketing and brand engagement, while conducting business with the highest integrity, upholding your Company's core values of caring, global teamwork and continuous improvement.

I would like to conclude by thanking all Colgate people for their relentless effort towards achieving your Company's goals, particularly in these very difficult moments. I thank my esteemed colleagues on the Board for the indispensable council, and express my heartfelt gratitude to all our consumers, distributors, customers and suppliers for their continued and very invaluable support.

And last but not least, on behalf of the Board, and all employees of your Company, I would like to sincerely thank you, our valued shareholders, for your tireless and unscented trust, support and encouragement. Stay safe. Stay healthy. And thank you once again, ladies and gentlemen. And in true Colgate spirit, keep smiling.

Okay, right. So that was the formal speech for the Annual General Meeting. And now we go to the formal business agenda items as per the notice of the AGM.

Since the notice of the 79th AGM, the Auditor's Report and the Annual Report of the Company have been with you for some time. With your permission, I will consider them as having been read. Kindly note, there is no qualification or adverse remark in the Auditor's Report in the financial transactions which have any adverse effect on the functioning of the Company. Further, the Secretarial Auditor's Report also does not contain any adverse remarks. So all the auditor's reports are absolutely clean, and in keeping with the tradition of the Company, are in line with our integrity and the practices that we should have.

Members may kindly note that the Company has provided a remote e-voting facility to the members entitled to cast their votes on all agenda items for this meeting from July 26, 2020, to July 28, 2020. Members who are present here and who have not voted through the remote e-voting facility are entitled to vote on all resolution, as set out in the notice of the AGM through the icon of e-voting, available on the screen which will redirect you on a separate window to the e-voting portal of NSDL. Please note that members who have already voted through the remote e-voting facility are not entitled to vote through the e-voting system during the meeting. The votes cast through the remote e-voting shall be treated as final.

Now, Mr. SN Ananthasubramanian, who is a practicing Company Secretary has been appointed as scrutiner to oversee the entire e-voting process. The consolidated voting results will be declared within 48 hours from the conclusion of this AGM, and will be displayed on the websites of the Company, also on the website of stock exchange and NSDL. And with your permission, I hereby authorize the Managing Director, Mr. Ram Raghavan to declare the voting results.

And now, dear members, we take up the resolutions as set forth in the notice. And thereafter, we will take comments and queries from the members.

Item #1 of the notice is to consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and auditors there on.

Item #2 of the notice is to reappoint Mr. MS Jacob as Director, who is retiring by rotation.

Item #3 of the notice is appointment of Mr. Sekhar Natarajan as an Independent Director for a period of five consecutive years, with effect from May 21, 2020.

Item #4 of the notice is appointment of Miss Gopika Pant as the Independent Director for a period of five consecutive years, with effect from May 21 2020.

Item #5 of the notice is appointment of Mr. Surender Sharma as a Whole-time Director of the Company for a period of five consecutive years, with effect from May 21, 2020.

And the last item of the notice, item #6 is reappointment of Miss Shyamala Gopinath as an Independent Director for a second term, commencing from July 30, 2020 to 31st of May, 2024.



*Colgate Palmolive India Limited
July 29, 2020*

So those were the items of notice that that we will take up for resolutions, that we will take up for voting. And once again, I would like to request the members to cast their vote in case they have not voted earlier during the remote e-voting period.

So with that, I would now like to invite speaker shareholders who have pre-registered themselves with the Company to share their comments or questions to all of us. I would just request our speaker shareholders to keep their comments or queries to about three minutes in the interest of time. We have a large number of people who have registered and a large number of questions that have come through email as well. And I would attempt to answer as many questions as possible. I will not answer a question as soon as it is asked, I will wait for all the questions to be asked, and after all the speakers have given their comments or questions, I will respond to them together with queries raised, also to the queries that have been raised on the communication textbox, and on the dedicated email ID of the Company.

Now, speaker shareholders will be called one by one and the team at the back end will switch on the muted speakers for them. And while speakers are queuing up to ask questions, may I request my support team to play a short video, which you can watch about the Guinness World Record that was created by Colgate.

(Audio-Video Presentation)

Moderator: Thank you everyone. We will now begin the question and answer session. We have the first question from Gautam Tiwari. You may go ahead, sir.

Mukul Deoras: Hello, Mr. Tiwari. Very nice to see you on the screen. I always see you in the meeting, but I never get to see on the screen.

Gautam Tiwari: So nice to see you also with your pleasant and smiley face and personality, sir. We are overwhelmed and no speech I have got to express my happiness and enlightenment. And sir, I really welcome you very warmly. My dear Honorable Chairman sir, a very, very good afternoon to all my very distinguished dignified Board of Directors. Complete Colgate team fellowship holders. First of all, I would like to welcome all the members, all the directors who have been appointed and reappointed on the Board of management very warmly and very heartily, and those who are present here. And sir, I would like to really pay my sincere thanks and salute to the services and business acumen and potential expertise with which our Directors Mr. PK Ghosh and Rajendra Shah have contributed to Colgate right from that time I am here, sir. And right from that time, day one, I have been watching Mr. Rajendra Shah's contribution and even PK Ghosh's contribution to our Company, and where we were more than three decades ago and where we are now, lot of contribution because of them. We have gained this potential and this entity and this reputation around the world. I really feel myself proud to be a Colgate shareholder that it has been awarded. And it has taken it is the real most trusted brand and most accepted and most used brand around the world. The Colgate name itself works everything for everybody.

So dear Chairman, sir, all the investor shareholders who are with you since the launch of IPO, they all have earned a lot. I am the one of those very few lucky shareholders who got your

share for only Rs. 25 way back in 1978-1979, and at the time of listing it went to Rs. 150. I never went for listing gain and I purchased more 100 shares at Rs. 150 each. And after that, every three years we got one plus one bonus and rights issue of Rs. 10 at Rs. 10, and when the share valuation was made to Rs. 1, we also got the Rs. 9 per share back. And the we got so much dividend from our company, we were amused and only based on that I was able to buy a apartment, and still there are many shares left with us which have made us very rich. I have also named my bungalow in the name of the company, Colgate, because it was only Colgate's shares through which I could buy that house and still I have more than 2,000 shares left with me. We are very much happy with whatever you have been doing.

Sir, I had written in many magazines Sir, at whichever price point an investor may have entered your company, you will never be disappointed by Colgate's performance. And I haven't met a single such investor who has been disappointed by Colgate's share performance. Each and every investor is happy, whichever price entry they might have in Colgate. Your business acumen, your honesty, transparency that Colgate is known for throughout the world, we have seen that in your company as well as in the parent company, we feel really proud about that. And this hospitality awesome is still alive, for this all the salutes in the world are less for you guys. And your view point of affectionate and caring towards every investor, that is very commendable. You give us interim dividend after interim dividend, you give so much that we do not even get time to see how much we have earned, leaving aside the bonus. This last time when you gave the bonus, it was a gap of many years, still we earned a whole lot of money through it and we really enjoyed it.

Sir, your business experience and acumen itself is so much that we just don't have any questions to ask to you. In such a difficult situation of COVID pandemic you were able to maintain the market price and have given such a huge dividend, I salute to you for this. Sir, coming to the secretarial team. Mr. K. Randhir Singh, and also the previous secretaries, and since last eight years Mr. Shailesh who is there, and his whole team, and the team whom you have tasked to host this virtual AGM, Ms. Diksha Dange and her coordination, they have provided such a good investor service that its commendable in itself. We have been getting such service year-on-year, that's commendable. Sir, your sense of selection is very good, whoever was appointed in Colgate has helped a lot to the company and the investors. I have never seen that your recruitment attitude or vision going wrong, every hire you have done has played a commendable role in our Company.

Sir, there are a few queries which I have got, Chairman sir, these are very small, out of my curiosity and not to test your ability and intelligence. Sir, first of all, I would like to know sir, how much the Company has spent on R&D during the year under review? And secondly, sir, what is the capacity utilization of our plants and what is our market share now in India and abroad, capacity utilization? And sir, are we planning any layoffs of our employees now or in future? Sir, are we paying any royalty to our parent company? And if at all yes, how much are we paying them now? Sir, how much amount we have contributed to pay in PM Cares fund? And is it a part of CSR spending, we would like to know. Sir, what is the cost of this virtual AGM and how much cost were we able to save compared to physical AGM? Sir, there is

definitely an impact because of COVID situation and how much is the decline in our business the Company has seen in terms of revenue, profitability, our plant operation and market sales due to lockdown and pandemic situation globally? And how much dividend shares the Company has transferred the Investor Protection Fund? And what are the future plans of the Company concerning a pandemic situation globally, sir? And our subsidiaries, what is your opinion about subsidiaries?

And our new brands which are there in the pipeline, I don't want to ask any more questions. Sir, I would like to salute under your expert guidance, our staff, employees, officers, their dedicated contribution under your expertise business acumen and under your guidance, I salute to them as well. And we strongly support you, and pray to god to come out of this pandemic situation as soon as possible. As usual, said I have voted all the resolutions in favor, and extending my strong support in future also. Till I exist on the planet of Earth, even when I am away from the planet of Earth, my heart and everything will be there with you to support you wholeheartedly. I really wish you all the best and thank you very much for patient listening. God bless.

Moderator: Thank you so much. We have the next question from Ashalata Maheshwari, but this will be an audio question. Ma'am, you may go ahead.

Mukul Deoras: Ashalata ji, before you say anything, I would welcome you. I feel very bad that I am not able to see you, but wish you all stay safe and healthy. And Thank you very much that you could join this meeting.

Ashalata Maheshwari: Chairman, sir, am I audible?

Mukul Deoras: Definitely, ma'am. As if you are sitting here with us.

Ashalata Maheshwari: Dear Chairman, sir, I am just happy that I am able to talk to you. I wasn't sure whether I will get a chance to talk with you. Kehte hai hoti nahi khuda ki khudai sari raat, agar apse baat nahi ho pati toh main nahi soti sari raat." Apse meri baat ho rahi hai. And the way you have arranged this virtual AGM in this challenging environment of COVID pandemic, we appreciate you and your team. In this COVID-19 pandemic situation, I would first of like to say only this, "Zindagi guzar gayi aapse baat karte karte" "main apke liye sabse pahle yehi kahungi "Zindagi guzar jaye, per apse pyar kabhi mera kum na ho. Yaad hume rakhna chahe paas hum na ho. Kayamat tak chalta rahe yeh pyar ka rishta, khuda kare aap sab se pyaar kabhi mera kum na ho". I would like to thank the secretarial department for finalizing the results so soon and providing such a good investor service even in this pandemic situation. Also appreciable is the dividend that you have given, I thank you all very much for this. And Chairman, sir, the way you have been able to maintain our leadership by launching new brands, and market share is increasing, we all are very happy with your performance. For you, Chairman sir, I will just say this, "Chaand k liye sitare anek hai, sitaro k liye chand sirf ek hai. Aap k liye bhi hazaro honge, par mere liye to hazaro me ek hai aap." And I don't have anything more to add or ask, but I only wish that under your leadership, company grows more in heights and as our products have created a niche in the hearts of the consumers, I would just say, "Phoolo ki khushboo sirf hava k disha me failti hai, magar hamari product ki chahat har dilo me failti hai". And Chairman sir, I would also like to appreciate our dynamic and smart MD who has played a



Colgate Palmolive India Limited
July 29, 2020

crucial role in the Company's progress. I just have this to say for him, "*Gulaab patharo me khil raha hai, illaj aandhiyo me pal raha hai, aap meeting me aaye to laga jaise amavas k andheri raato me ek chand chamak raha hai*". And Mr. Chairman you have said such kind words for me, I am indebted to you for life and hearing your voice. And Chairman sir, I salute to all the employees and executives who are helping the company grow. Chairman sir, our products are spreading like a wildfire and I hope that all the products that you have launched will keep their growth momentum. And I welcome all the Directors who have been appointed today. I wish them all the best and hope they and their family members are safe and healthy in this pandemic environment. My best wishes are always with you, and my relationship with you guys will be till my last breath. And I am very thankful for your generous words for me at the start, and I hope that I never miss a meeting of Colgate. Till yesterday I wasn't sure whether I will be able to connect or not, but I was lucky to talk to you today. And I want to thank Ms. Diksha who was instrumental in connecting me with you today. I thank all the employees for a good arrangement today. And Chairman, sir, I just hope you and your family members are safe and healthy, and we keep on meeting you every year. Thank you.

Mukul Deoras: Thank you very much, Ashalata ji. Your best wishes are all that matters. We just hope your love and wishes are with us, that's all we ask for. I also hope your safety and happiness keeps on increasing and hope to meet you every year. Thank you.

Moderator: Thank you so much. We have the next question from HS Patel. You may go ahead.

H.S. Patel: Thank you so much.

Mukul Deoras: Hello. Good afternoon. Very happy to meet you, though we are meeting through the screen for the first time, but we meet every year with you.

H.S. Patel: Very good afternoon to all of you. Indeed, our Company is faring very well under the very able chairmanship of yours, sir. We have an excellent Chairman, excellent Board of Directors and very good employees who have given us an excellent result year after year. Respected Chairman Mr. Mukul Deoras, our MD Ram Raghavan, Mr. Surender Sharma, Director and VP Legal, the ladies on the board, our CFO Mr. Jacob, our Company Secretary Mr. Randhir Singh and Shaileshji. I am really very happy with the services provided by Mr. Randhir Singh and Shaileshji for their excellent secretarial work and timely help that they have given me. Here, I would like to bring to notice of yours, sir, that this Chorus Call computernetrix as it is called, very, very excellent and good job they have been doing, here also in Colgate they have done. They ring us up one day, two days before also, take our trial, today also they rang up much before time, make us comfortable, make us real, and really we are thankful to them, especially to Vivian, who is very cool, confident and capable person. I am also thankful to Diksha also.

I welcome on the board madam Pant, Mr. Natarajan and Sharma Ji and I wish that your capability will help Colgate to reach new heights. I also wish Mr. RA Shah and Mr. Ghosh, the retiring directors from the Board a very good and healthy retired life. Thank you very much for all the services and help that you have provided to Colgate, and thereby to shareholders for giving us excellent results. Mr. RA Shah, definitely you are a very lucky person and, of course,

we see you in other companies also, and Mr. PK Ghosh also. Again I wish both of you a very happy retired life.

Now, I come to the financials. Colgate has been a very, very old company in terms of quality, in terms of market, in terms of value. It has the widest distribution network and it has created a marvel in logistics. This has given Colgate the facility of having 6 million retail outlets throughout India. Congrats, Colgate and to all its employees for this good work. Sir, company has invested in Bombay Shaving Company, what is the percentage of our holding in that company please, Bombay Shaving Company? Have we associated ourselves with any dental college in India? Sir, do we have any toothpaste which, of course, there are many, many toothpaste that market has offered, but specially and mainly for cavity which helps us from sensitivity, prevents our teeth from turning black? Why should we go to the dentists when Colgate is there with us. Are we planning to venture into any further dental production such as denture or whatever it is been planning for such things? Sir, our toothpaste is mainly made up of ingredients like sorbitol, propylene glycol, prymatt and chloride and so on and so forth, poloxamer, sodium sacchinum, can be not also go for clove, neem, eucalyptus, such type of toothpaste, only herbal if possible?

Sir, on page 77 I find the foreign exchange is 201.78 lakhs while the outgo is 69625 lakhs, why is that much of a difference? Can we not discontinue this? Are we benefited with this foreign trade, foreign exchange? Sir, your R&D expenditure that you mentioned on page 77, do we have to pay any royalty to our parent company for this? How many patents do we have? Patents, trademarks and intellectual property does the Company have, I would like to know that. Does Colgate have a tie-up with the insurance company or for any dental insurance, are you planning it in future any dental insurance which will help the shareholders also? Sir, when are you launching the new products and its variants in the market, you can consider shareholders, especially the speaker shareholders for the feedback for their new products, if possible. Also, your CSR activities have been very, very just superb, especially you have spent 19.81 where you had to spend 19.72. Make shareholders also participate in your CSR program, if possible. It is very good data as shown in your MGT 9 that a company does not have any subsidiary, that much cost is being saved.

Sir, do you propose to have any discount coupons? We get discounts events from other companies, especially for shareholders can we get any discount coupons for purchasing Colgate material? And one more request I have, sir, your toothbrushes are very excellent, very good, but the handles of the toothbrush are very thick, can we not make it too slim handle so that it goes and fits in our fixtures of our bathroom? We have to have a separate loose this and it creates a very dirty style. Well we have the fixtures for the toothbrushes, soap and all. So if the handles are very slim and good looking, but it should be strong. Not that while we are brushing that handle only breaks off, it should not be that also. And the bristles and handles also should not be very thick. Sir, your Palmolive soap which was there, it is just superb and excellent, why have you discontinued that, sir? It was really very good, it was in a transparent cover and very nice soap it was. I would also like to bring to notice that you all have this Colgate Phos-flur ortho defense, I am very interested in buying this product, I will buy this product especially



*Colgate Palmolive India Limited
July 29, 2020*

because we are not getting on any OTC or anywhere else. If the Company helps me in providing I would like to purchase Colgate Phos-flur, because it really saves the cavity in our mouth.

Sir, of course Colgate is a very much trusted brand, no doubt, and your gross margin also has become very excellent. I have nothing else to say. I am very happy with the Company and I am very proud to be a shareholder of this company. Wishing you and all the employees along with the Board of Directors. Thank you very much. All the best.

Mukul Deoras: Thank you very much, Miss Patel. I will make sure that we cover most of the questions that you have asked. Thank you.

Moderator: Thank you so much. We have the next question from Mr. Aspi. You may go ahead.

Mukul Deoras: Yes, I can see you, Mr. Aspi. Nice to see on the screen.

Aspi: Sir, I am a proud shareholder of Colgate since IPO in 1977. Sir, our Q1 results are excellent considering the problems in the economy, and every company is having a problem but Sir, Colgate was the most trusted brand for nine years in a row, Colgate deserves to be the most trusted brand for another nine years also. Sir, Colgate has started selling anti-bacterial hand sanitizer, how much income was generated during two months? Sir, I appreciate company's efforts during COVID, good that you didn't contribute to PM Cares Fund which is very controversial. Sir, many years back, Colgate had reduced the face value from 10 to 1, by paying Rs. 9 per share thereafter we have seen many bonuses. So what are your plans now to reward the shareholders? Am I clear or no?

Mukul Deoras: Mr. Aspi, you are absolutely clear. We can get you very clearly. And I am taking notes of your questions.

Mr. Aspi: Sir, thank you and all the best. Sir, any new products to be introduced from the parent here in the current year?

Mukul Deoras: Thank you very much, Mr. Aspi. Thank you for joining the call.

Moderator: Thank you so much. We have the next question from Jaydip Bakshi. Sir, you may go ahead.

Mukul Deoras: Good afternoon Mr. Bakshi. How are you?

Jaydip Bakshi: Fine, sir. Good afternoon Chairman, Manning Director and other Board of Directors. I am calling from Kolkata. Sir, welcome for the new members on the Board, I hope they will add more fire to the company. Sir, congrats to Mr. Randhir Singh, our Company Secretary; and Mr. Shailesh, and also Diksha ma'am, and thanks for having this video conference and a detailed Annual Report, which have been published in this period of crisis. Congrats for maintaining the position of trusted oral brand for nine consecutive years and creating history for brushing into business in the Guinness Book.

Sir, revenue and sales have gone up and congrats for the dividends we have received. Sir, how much has the business been affected due to loss in manufacturing connectivity and supply chain restrictions or raw material and packaging products? Sir, what are the steps we are taking for reducing this plastic waste? Sir, what is the market feedback for the Charcoal Black toothpaste

and the B150? And also for the newly launched Palmolive Hand Sanitizer? Sir, earning from the tie-up with e-commerce platform for availability and distribution of products, can we know, sir? Sir, recycle of packaging materials to minimize the usage, can we go ahead on this aspect? Sir, congrats to the R&D team also for the CSR activities, and also for the water management program you have taken. Sir, what is our future CAPEX program?

And nothing to add more. Before I conclude, best wishes to the management staff and the employees for their endearing effort and move forward with the vision and mission to satisfy the customers with a world-class products. Thank you, sir.

Mukul Deoras: Thank you very much, Mr. Bakshi. We normally would not have been able to meet you but for this video conference. But we are so lucky that we can see you now, otherwise, we would have not seen you if it was a physical meeting in Mumbai. That's the benefit of doing this video conference. So thank you very much for joining in.

Jaydip Bakshi: My pleasure also sir for expressing my views. Thank you so much.

Moderator: Thank you so much, sir. We have the next question from Mr. Srimal. Over to you, sir.

Mukul Deoras: Hello, good afternoon.

Mr. Srimal: Good afternoon, sir. Wonderful meeting you for the first time. Mr. Chairman, sir, member of the Board, and my investor friends, I am CA BS Srimal from Kolkata. I am extremely grateful to Mr. Chairman for giving me this opportunity to interact in the proceedings of the AGM and share our views and suggestions. Sir, I am sure you will take it in proper perspective and will try to respond to our queries so that we go back fully informed. I am also thankful to my fellow shareholders, investors who have taken time to come to this meeting to make it more lively. The COVID-19 has thrown up this great opportunity, as you very rightly said sir, for us to participate and join the AGM.

Sir, the expenses, could you tell us what is the expenses for conducting the virtual meeting vis-à-vis the physical mode? And I would also request you, sir, to continue the AGM by virtual mode, as done today, subject to, of course, the approval of the SEBI, which would definitely have advantage of cost economy as well. Before I go ahead to the accounts part, I would like to have a few of my suggestions for your kind consideration and implementation as well. Sir, I would expect that your figure in the balance sheet and P&L account would be in crores and not in lakhs. And number two is, the basic information required by the investor, like email and dedicated email and phone number or both company and RTA should be in the place where the managing committee details are appearing under the head, Registered Office and RTA Address thereon. As otherwise it is very difficult for the shareholders to hunt about, because this is a basic necessity with them to contact you.

And let me going forward share a few of my thoughts. What is the total capacity utilization up to date? And whether we have reached the level of COVID-19 before they started? Could you share your ideas and views as to how this year would pan out in view of the COVID situation? Sir, I would like to offer my thanks to the Chairman and Efficient MD Ram for his management team for producing indeed a reasonably good result under the challenging

environment indeed. Sir, we find there is a definite downturn in the economy. The Company's 10 year performance appears in page 22 does not show a very encouraging performance. Here I would request you also to add few of the ratios, so that the investors could gauge how the Company is performing. Having said so, I would like to take up the dividend payout, which is dear to all these investors of the Company. The Company has declared a dividend of Rs. 28 per share on a PAT of Rs. 816 crores, which works out to only 67% of the profit. Sir, it is very true that in 2010 and 2011 the Company used to pay Rs. 22 as dividend, and now after 10 years, in 2019-2020, we have increased this to only Rs. 28. So, do you think that this Rs. 6 is enough even to combat the inflation which we have earned in these 10 years?

Sir, the investors are facing a great cash crunch during the COVID period. So my request would be that it would have been better if you could have also declared a final dividend at this time, when investors are facing a cash crunch. Could you declare a higher dividend or at least final dividend? I would also like to point out that companies like HUL and other FMCG companies are declaring up to 91% of their profits by way of dividend. Sir, could you kindly spell out your dividend policy? And I also feel you should have declared dividend before March 2020 for the second interim so that the shareholder could get it tax free. Because at this point in time, the shareholder has to pay tax on the dividend. If dividend remains unclaimed, we have a very draconian policy of the SEBI that even the shares should be forfeited, in which it is a definitely a very painful experience for those who are facing it. Hence, I would like to urge all the management to take a very proactive step in this regard, so that the unclaimed dividends can be reimbursed to these holders. And sir, while talking about it, I do not understand if, as per your record, your 97% is demated. So why this huge amount of unclaimed dividends are remaining? We should be very, very careful in this respect, this is a aspect which is very, very serious and important for the shareholders point of view.

Next sir, total CAPEX for the current financial year. You have also shown as capital work in progress of Rs. 190 crores is impacting the profitability. And when do you think it will be completed? As the current year would be going to be a very tough, could you spell out the cost control measures envisaged by you to impart higher confidence level to the small investors, I would request the Chairman to get the balance sheet signed by all the Directors, and especially by the Chairman of the Audit Committee, which I believe is not being signed by her, now the Chairman of Audit Committee has changed. So, kindly see that this is being done. The CEO and CFO certification is also of great help to the investor community as such, so kindly see that it is attached in the balance sheet. Sir, we find loans and advances to corporate to the tune of Rs. 112.75 crores in page 127. Its rate of interest and realizability, could you spell out, sir? Another loan is to employee amounting to Rs. 72.17 crores in the same page, could you kindly elucidate the rate of interest or whether it is a interest free loan provided to the employee?

Sir, I would like to point out that the share turnover and profitability just doubled during the 10 years period, if you see the 10 years performance of the Company, which seems to me inadequate in view of the inflation index is concerned. So to my mind, you should try and develop in your portfolio such a way that the sales can be multiplied in the years to come. Could you tell us what is your plan of action to increase the portfolio of the Company in this

year? The Company has declared bonus in the year 2015 and 2016, and five years have passed since then. And we would be glad to know that the reserves and surplus is Rs. 1,566 crores and a share capital of Rs. 27.20 crores only. Do you not think, sir, it is high time to reward the shareholder by way of issuing bonus shares?

Sir, before I conclude, I feel that the AGM at the present juncture has just become a formality, as most of the things have already been done, even the vote has been casted. It is so nice of you people that you are still taking the shareholders queries in mind and answering it to the best of your ability. With this, I would like to conclude and thank you again so very much for giving me this opportunity and giving me a very patient hearing. We share with all of you a good and fine life. And safe and good future. God bless you. Thank you very much.

Mukul Deoras: Thank you very much, Mr. Srimal. It is nice we could connect and talk since you are calling from Kolkata. Thank you.

Mr. Srimal: Great privilege for me. Thank you very much.

Moderator: Thank you so much, sir. We have the next question from Mrs. Homayun Pouredahi.

Homayun Pouredahi: Madam, I just want to say that were those days of Colgate when we used to get bonus every year, where have those days gone? I just want to point out the attention. Those were the golden years for the shareholders as far as Colgate was concerned. Now I want to know about the CSR activities. We heard very well, we heard the Chairman's speech in detail. Sir, have you done anything for the Bihar and Assam floods? And the root cause should be removed, the Brahmaputra River comes from China it seems and causes floods, sir if a company like Colgate can do research and bring relief to the people, it would be really divine and wonderful. Sir, my pastor was saying that the Colgate promoters are very loyal in offering the types and offerings as per the Christian rules and laws, that is the reason for them growth is guaranteed, no matter how many competitors come and go, but Colgate's growth is guaranteed because they are very loyal in offering the titan offerings. And now these years there were CSR activities, those days where it was, still Colgate was very loyal in offering the portion of their profits for the benefit of mankind.

Sir, now one important question, Sir, how has lockdown affected us? Sir, the factors must have been closed immediately. Sir, but we come under essential services, commodities, then are our plants now functioning to full capacity? Sir, I will tell you personally how my family was affected, your Colgate Total was not available, every shopkeeper said we have sold our Colgate Total products and they have still not come from the factory. We caught finally one in the bylanes of South Bombay, now it is available in our chemist. Sir, we just want to know, sir, all our plants are functioning now to full capacity? Everywhere there is no problem? Or is there some restriction with respect to the number of people to be employed? Sir, you mentioned about the lovely toothbrush which you have really, I would say invented. But sir, you should advertise these products. Sir, are we advertising properly? Of course, there was a lockdown and everything went haywire, but are you doing aggressive marketing strategy, making the consumers know about your products? Sir, then we can buy them, I feel like this. Your new toothbrush in the market, for example. And last is, that's all I have to ask. Thank you very



*Colgate Palmolive India Limited
July 29, 2020*

much. We wish our company, of course, all the best. Sir, now I am transferring the call to the next speaker, Beruz Pouredehi.

Mukul Deoras: Thank you Mrs. Hodayun, it was really nice to speak.

Beruz Pouredehi: Respected Chairman, thank you very much for allowing me to speak. Sir, we very much congratulate you on your excellent performance. But you have not rewarded the shareholders, because multinational companies are always giving huge dividend, like Pfizer has given Rs. 320, then Sanofi has given Rs. 349, even SKF bearing has given Rs. 130. Then even Clariant Chemical has given Rs. 140. So I think your interim dividend was hardly Rs. 16. So it you should look into it. And once upon a time your Colgate was very famous in giving every year bonus and that time your registrar was Sharepro we really miss them, so really they used to take care of shareholders also. But we are missing your dividend and your bonus, because your dividend is not up to mark like multinational companies. Sir, you are doing excellent work in the CSR activities. And whenever we go to the dentist, your dentist always recommends Colgate Total. So we really appreciate that your Company is doing excellent work. And we would like to know how much amount you are spending on R&D, because R&D is totally exempt from income tax. So I think you will get the benefit also. Sir, when this virtual meeting gets over and you again come back to physical meeting, we would like to attend, because it was always being held at Vile Parle. So we need to appreciate that your company is doing exceedingly well in both the CSR activities and all the other activities. Sir, we wish our company all the best. We support all your resolutions and we are not able to meet you in person, but we wish that our company will go to better heights. But you see that you reward the shareholders. When shareholders had to pay the dividend tax, I think the Company has been exempted from paying dividend tax, so you can give more dividend, because your previous Company Secretary I think Mr. Mansukhani, he used to very much tell us that Colgate is a very good company, you invest, it is a long-term investment. And we are investors, we were holding shares also in physical form, though we have converted into DEMAT, and we never sell all such precious company shares. So multinational companies are doing exceedingly well, and it is a US based company and we hope to see better days ahead. Sir, even in the market all these Ramdev baba and Ayurvedic Keshkanti and Dantkanti, that company has come and they are advertising so much but they are not able to compete with Colgate, because Colgate is one of the oldest brand and it is a very good ingredients and we wish our company all the best. And Mr. Deoras, we wish the company as well as the CEO, Managing Director Mr. Ram Raghavan, all the very best. Sir, we couldn't talk on accounts because we do not have the physical copy of the balance sheet. We have already voted in favor all your resolutions and wish to see better days ahead. Sir, your secretarial team has taken great effort, especially Mr. Shailesh Joshi and Randhir Singh. We hope to see better days ahead. Thank you very much Mr. Deoras. All the very best.

Mukul Deoras: Thank you. Thank you very much.

Moderator: Thank you so much. We have the next question from Mr. Santosh Kumar Saraf. Sir, you may go ahead.



*Colgate Palmolive India Limited
July 29, 2020*

Santosh Kumar Saraf: Respected Chairman sir and Board of Directors my dear shareholder friends, I Santosh Kumar Saraf, welcome you all. Sir, in 1978 I bought 25 shares at Rs. 25, and till date I am the holder. Now, say it COVID's blessing or whatever you call it, after 42 years I am getting a chance to talk to you. Not only in this company, I have holdings in many companies since 40 years, like for Castrol, Glaxo, etc., there also I didn't get chance to speak to anyone. It feels very good that I got a chance to speak with you. Though my age now is 70, and it is not possible for me to come to Bombay for any meeting. And it's, call it, blessing of COVID that we could talk to you. Just imagine how much proud we must be, one who had invested of Rs. 2,500 in 1978, today the value of it Rs. 1.34 crores, and this is excluding the rights issue and dividends that you give. You are only the second company after Wipro who have given such type of returns. And Colgate is not a company of this generation, it is at least 200 years old Company, the first company which formed in 1870 in America by Mr. Colgate, going forward today we have reached on this position, so think whose shareholder we are it's a 200 years old company. The business was started with candle and we are world leader in paste.

Secondly, I want to thank the secretarial department, but I have a request for them that if they can give the speaker's serial number before the meeting so that speaker knows when his number will come, that will be helpful. Also, would like to thank Chorus Call operators, Diksha, Vinay, Pallavi and others, they have given a very good service. We got the link four, five days before, we got reminder calls twice, so would like to thank for such a good service by them.

I have a request; our company was established in 1937. If I count that, you have mentioned it is 79th meeting, but as per me it should have been 82nd or 83rd AGM, so would like a clarity on how it is 79th meeting? We did a very good CSR activity, spent around Rs. 20 crores that too in very good places, would like to thank the CSR Committee as well. Another request I have is, since 1987-88 we are having some disputes in sales tax or income tax which are pending for 22 – 32 years in court as well. Now, Modi has launched two schemes, Vivad se Vishwas and Sabka Vishwas, so under this if we could settle some of our disputes, it would be helpful, our books will become cleaner. I would not speak about bonus requirement, I don't want bonus, but I want a valuation, which today I am getting of Rs. 1.34 crores. I bought a car, flat with it, still I have shares of around Rs. 30 lakhs to Rs. 35 lakhs.

I have one request, I saw in balance sheet which I didn't like. Unpaid dividend, on page 126, it says it is in schedule. Schedules are followed by educated people, but we are illiterate people, unpaid means we have not paid to investors, a wrong impression goes by it, sir. Now like Tata Group has done a good thing, they have removed unpaid and changed it to unclaimed, that they had given the dividend but investors did not claim it. So if we can do this change, it will be helpful. Secondly, we have 2,324 employees, women percentage is only 8%. So would like our company improves this so that we empower women with it. Another thing I was saddened by was with the disabled employees that we have, it is only 1. It is very less, I think a company like yours should encourage this, because today there are many disabled employees who are very successful. We have disabled people as IAS officers, our disabled people bring more medals in Paralympics than our general category players get. So I would like a company like ours to encourage employment of such people.

Now, you donated a huge amount in PM Cares Fund. Today companies give donation to political parties via Electoral Bonds, if we have given such donations would like to know. Then the question is on unclaimed shares, would like to know what is the number of it. Sir, I feel very proud by the advertisements on television, that dental doctors are providing advice in current environment of COVID-19. There are many doctors who are sitting at home and not attending patients, due to security reasons, this initiative has been very helpful, so would like to thank you for this. Sir, since last year we have seen an increase of 50,000 shareholders in our company, this itself shows how much confidence shareholders have in our company, there were 1.70 lakh shareholders, now it has crossed 2 lakhs, which reflects confidence of shareholders in our company, I feel very proud about that. Sir, many shareholders have asked, I would also like to know how much we have spent for physical meetings and in video meeting. This video conferencing has been very helpful for people like us who are not able to attend physical meetings in Mumbai.

That's it, sir. I would request from next year if we can arrange video conferences, it would be very helpful.

Mukul Deoras:

Thank you very much, Saraf sir.

Moderator:

Thank you so much. We have next question from Bharat and Smita Shah.

Smita Shah:

Namaste, sir. Sir, we are waiting since a long time to speak with you, would request you to limit speakers time on virtual AGMs. Respected Chairman, Shri. Mukulji, and MD, Shri Ram Raghavan, and respected Directors, I am Smita Shah. First of all, best wishes for our retiring directors, RA Shah and PK Ghosh for their long time service. And our new Directors, Sekhar Natarajan and Gopika madam and Surenderji, I would like to congratulate our new directors and welcome them on our Board of Colgate. Now, I would like to say, your photo that is there in the Annual Report, it is black and white but with a smile, it feels really great to see your smiling & confident faces even in such challenging times. It shows in the 10 year highlights of the company, the sales, profit after tax, revenue surplus, number of shareholders have also increased, I heartily congratulate you on this. Also congratulate you on the dividend of Rs. 28 that you gave, thanks for that. Sir, lady directors have also increased on the board, it shows sign of prosperity for the company. I would also like to request for the 80th AGM, if you can arrange a one plus one bonus, that will be very helpful.

Then, our new product Colgate Amino Shakti that you have launched, then Palmolive Hand Sanitizers has been launched in such a critical situation, I would like to know that sanitizer demand has increased drastically in the market. So I would like to know, with the brand name such as yours, the sales might have increased, so would like to know how much sale have we did in last two, three months. Last year we had launched campaign, "Smile Karo aur Shuru ho Jao", you had also arranged an event which won award in Guinness Book of Record, congratulations for that. Sir, with this would also like to know what you have planned for next 5 years for our company. Sir, we have always been supportive of you. Sir, now the festival of Raksha Bandhan is coming, so as a shareholder sister of yours, I would like to give you my blessing and would hope for good health of you and other company management. And I am just



*Colgate Palmolive India Limited
July 29, 2020*

waiting for the bonus, that's it. Would like to thank our company secretary Mr. Randhir Singh and his team for giving such a good service for this virtual AGM. So Mr. Joshi, Diksha Madam, I thank them as well. Thank you very much. Now I will pass it on to Bharat Shah.

Mukul Deoras:

Thank you for your comments, ma'am.

Bharat Shah:

Sir, I won't take much time of yours. First of all, I would like to welcome Sekhar Natarajan, Gopika Pant madam, and Surender Sharma on our board. I don't have any query, everything is good about the company, dividend is good, reserve is good, and everything else is also good, CSR activity is also great. So I don't have much to say, our company gives respect to shareholders, have given us good returns, so I would like to thank you, the director team and all the employees of the company. And also congratulate for all the awards that we have won. And like other shareholders have requested, I will also request for an added bonus next year if possible. Hopefully if COVID-19 comes under control by next year, so if possible to meet face to face, it will be very helpful. Rest, company secretary Randhir Singh and Mr. Joshi, Diksha madam, I thank the secretarial team for arranging such good video conference meeting.

Moderator:

Thank you so much. We have the last questions from Jayrashmi Sanghavi. You may go ahead.

Jayrashmi Sanghavi:

Sir, I am a shareholder since 1978. I do not want to go in all the greeting formalities, I would go to the point straight away. I got the AGM report via email, but I did not get the time to go through it as I was busy in this COVID environment. We have made a sanitizer tunnel which can be used in plants where there are many employees, so I was busy in that. So, if the company requires any such services, please let me know. I don't have the contact details of Randhir Singh. I am into photography and video shooting since more than 3 decades, last time you had acknowledged that he has never seen a speaker shareholder who is into photography. And Mr. K. Vaidyanathan and RA Shah, they know me since years, I have been coming as a speaker and for photography to the AGMs, I am 74 years old. Sir, I have a request, the Palmolive sanitizer that you have made and many new products that you have released, I have a big store of Reliance near my house, but many products of Colgate are not available there. Last year also I had also highlighted this, and the director at that time had said that he will look into it. Sir, I would want, if possible, a separate counter of Colgate where all our products are available. Sir, I have a grand daughter, I am not getting our toothpaste there and not even in many stores, I have to go to a chemist and get the paste. I am not able to understand why.

In foreign locations toothpastes come in very attractive shapes and designs, we don't get to see that in India, so why don't we do something like that in India? Sir, one question I had was, Last year time also I had given suggestions, but those did not get implemented. Sir, I understand that you all are directors of a big firm, I am also an event organizer, I also have a good knowledge of all such things, I go to many companies as a speaker and what I feel I say bluntly, good or bad. I would like to know how many of our plants are in working condition. And are they working at full capacity or not, would also like to know that. Secondly, the Palmolive Sanitizer that you launched, if you can give a gift hamper of Palmolive Sanitizers to everyone present would be a good thing, this will not only help in publicity of the product but will also help gain traction in the market. There are 50s of companies who have made sanitizers, even glucose



*Colgate Palmolive India Limited
July 29, 2020*

making firms have launched sanitizer brands there are so many companies have made sanitizers, I have seen many such companies that they are selling 5 liters tin, we have seen during whatever items are needed during corona we have sold those. As I am saying that we have made sanitizers after approval from DRDO, my son is not here with me he would have told you about that item, he is also a shareholder. Sir like they say Atma Nirbhar Bharat I want that whatever products we have we should export those products and we will also be benefitted from that and even country will also be benefitted from that because of China the corona came all are going through a difficult times all over the world, everybody's business is gone through difficult time. So I think that we should export and if we export our company's name will become bigger.

Sir, would like to know how much we have donated in PM Cares Fund. Then if someone from the company can visit the Reliance stores your sales director or sales person go I want to know and do an inspection, because I feel sad that our all our products are not available there. Then for senior citizens and who are speakers, if we can arrange a free dentist checkup camps can be helpful. It is a good product and like I said I would like to suggest that, and I would email you. and I want Randhir's number. Sir you are indian why are you running away from us? Sir we only talk on AGM, it feels like you are only sitting just forcefully here. You have retired Mr. Shah got retired I did not like it. KV Vaidyanathan got retired that is fine.

Mukul Deoras: Sir, all the suggestions given by you are very good. We have noted them, and I will ask Randhir to talk to you and address your problem.

Moderator: Thank you so much, sir. As this was a last question, I will now hand over to the Chairman. Over to you, sir.

Mukul Deoras: Yes, thank you. Thank you, Diksha. And thank you very much for all the questions. I have a large number of questions, we are running out of time. I will try and answer as many as I can. And I will obviously pick up the important ones as I can. All of them are important, but I will try and take as much as I can. If for some reason I cannot answer your questions, be assured that you can reach out if you need more clarification or further information. Please reach out to our secretarial department, please reach out to Mr. Randhir Singh and he will be able to share more details with you. We have also received some questions on emails, I am trying to combine all of these things so that I can answer some of these questions.

There was a question about how much of premium toothpaste do we sell and is it growing? Premium toothpaste is a small part of our business, brands like Colgate Total, Visible White, Charcoal, Sensitive, but these today contribute only 5% of our total business, but they are growing much faster compared to rest of our businesses.

There was a lot of questions about our Palmolive launch. Yes, Palmolive is a lovely brand, a very popular brand, a very well-known brand. And what is it that we are doing and how big is it and what are the kind of activities that we have done? And why can't we be a lot more aggressive in this area is what some of you asked. Palmolive is, as you likely know, is a personal care brand. Today it is small, it is less than 5% of the total contribution of our business. But you can see, I talked to you about these significant number of launches that we

have had in the last one year, and we consider it as an important part of our business and we will continue to invest and continue to bring innovation in this category. So, be rest assured that it is Colgate Palmolive, not just Colgate, it is Colgate as well as Palmolive brand and we will continue to bring you more opportunities there.

There was a question on amount of money that we spend on advertising and whether it is too little or too much. It's very difficult to say advertising is too much or too little, it all depends on the context and the categories and the competition and the environment that you work in. Today our ads spend is, what we think is adequate to drive growth that we currently have. It is in line with the launches and relaunches that we have planned, as well as in line with the campaign of "Smile karo aur shuru ho jao" that we want to establish in the market. It requires investment and I think some part of advertising is for today's business and some part of the advertising is for the future business. And we have to balance this very carefully.

There were a lot of question about what is the impact of COVID-19 on our business? And all I would say is, we have lived through some very difficult times, in the month of April, as you know, almost the entire country was locked down. As you know that we had challenges in terms of manufacturing as well as distribution, but we salute to the teams on the ground, salute to our people in the manufacturing facility and salute to our people who are working in the sales organization that have managed to restore our business. Today I can tell you, all our factories are operational and all of them are getting close to our ahead of the total capacity utilization of the factory. But it has taken us some time to ramp up our production, so last quarter was a little difficult quarter but I think going forward in the rest of the year we should be okay from a supply point of view.

Now, what impact will it have on our business and the market? It is something that we have to wait and watch and see. It is very difficult for me to predict and say that business is okay, or business will be good or business will be bad. There is a lot of uncertainty in the market and we just have to be careful. And we wait and watch and see what is going to happen on this.

There was also a question on how has our e-comm business done and have you benefited? So yes, our e-comm business in the quarter that has just got over, which is the quarter one of the financial 2020-2021, this quarter we have doubled our business compared to the same quarter last year. Just to give you a sense of scale. I talked to you about the fact that we are investing in e-commerce, e-commerce will be big. And we will invest in our partnerships and relationships to make sure that our capabilities are built very strongly.

There was also a question about why has the Company not sent hard copy of the Annual Report? Well, it was very difficult for us to do it logistically, and SEBI has provided a guidance that you can send Annual Reports in the form of email. That's why we sent Annual Reports to all the people for whom we have the email ids updated. Annual Report is also available on our website and also available on our stock exchange, so you can actually look at it at leisure. And thank you for the comment that you made on the on the quality of the Annual Report. The pictures may be black and white, but the smile is all colour.

There was also a question about how much we spend on R&D. You can see it on page 77 of the report, we spend Rs. 788 lakhs on R&D.

There was also a question on whether we have contributed to PM Cares Fund or any other CSR activity? So, I shared with you all the CSR work that we have done so far, and particularly we have contributed towards supplying food and hygiene packets to people and communities who are in need. And we have been working with NGO partners in different geographies, working with the migrant labours, workers and working on sanitation workers and so on. We have given hygiene kits and we are working with the government on the Suraksha Stores. But we have not contributed to the PM Cares Fund, we have used our CSR funds which were already committed to other activities, which were also just as good as the PM Fund.

There was a question on how much of our revenue comes out of hand sanitizer? Hand sanitizer has just been launched. It's been, what, six weeks into the market, so it's very early to say what's the revenue. The revenue number we will see and share with you when we come to the end of the quarter, next quarter and the year and we will have a much better idea on how well we are doing.

There was a question on expenses of virtual meeting versus physical meeting. We are doing this for the first time, and thank you very much for all your appreciation to us on the virtual meeting. And more importantly, your appreciation for the secretarial team and for the Chorus team. They have been working extremely hard behind the scenes in order to make this as seamless as possible, and trying to stay connected with all of you as much as we can. So I am really grateful that you recognize and realize the work that these people are doing and your appreciation of these people is well noted.

About the cost of doing this meeting. I don't know, we will add up all the cost and see how does it compare with the physical cost, virtual versus physical. My guess is, it will be less than the physical cost, I think so. But more than the cost, it has provided us an opportunity to meet Mr. Bakshi, Mr. Srimal and all the other people who have called from Kolkata and other parts who we would have otherwise not been able to meet and talk to. So I think the suggestion is valid, Mr. Saraf. Yes, your suggestion is valid, that there is something that we need to do differently so that we can stay connected with our shareholders in the future, even if it is a physical meeting. So we will definitely give it a consideration on what we can do.

There was a lot of discussion on dividend. I would just like to tell you that our dividend payout ratio, which means the amount of dividend that we pay as a percentage of the profits that we make, our dividend payout ratio is 93%. So it is very good. It is in line with our policy that we have always been having a high payout ratio. We have rationalized the frequency of payments, but without impacting the total amount of dividend that we are going to pay. And you can see all the details on our Annual Reports.

There was a question on whether we can disclose more ratios in our Annual Reports. I would just urge that the shareholders to look at page number 66. And there are some ratios that you can look at. If you have suggestions on some ratios that are not mentioned but you would like to have, please reach out to Mr. Randhir Singh and we will take a look at your suggestion as

well. I know it's a bit difficult for all of us to go through a Annual Report on the website, we are not used to it, we always like to have a physical copy in our hands. But I think just as we have got used to doing everything virtual, we will also get used to looking at doing this and reading Annual Reports virtually as well.

There was a question on what is our holding in Bombay Shaving Company. I just wanted to let you know that Colgate Palmolive India has no shareholding in Bombay Shaving Company. The Colgate Asia Pacific is another company in Asia, not in India, they have a minority stake in Bombay Shaving Company.

There was a question on whether we are associated with dental colleges in India. We have a very large number of dental schools and colleges across India, and we work with over 300 colleges, not one, not two, we work with over 300 colleges and we have robust collaboration with about 100 colleges across the country and we have an ongoing academic program with those 300 colleges. Sir, there is a lot of work that we do. And in addition to that, we also have partnerships on clinical research and trials with these dental colleges.

There was a question on, can we have a toothpaste with clove or neem or herbal ingredients. Sir, you should take a look at some of our products, and you will find that there is a combination of what is right for the brand. So there is Vedshakti, which as you know is an made with ayurvedic expertise and it has ingredients like honey, clove, neem, amla, tulsi, and then we have some other toothpaste like Active Salt or the Colgate Herbal or even the Charcoal toothpaste, they have herbal ingredients as well. So, the idea is to get the right formulation, which is safe and effective. Sometimes it is herbal and sometimes it is not. But that's the approach that we have taken.

There was a question on can we not settle all the legal disputes which have been going on for a long time? Yes, I wish I could do that. But unfortunately, our legal systems and processes take time. And whenever there is a best opportunity and in the interest of the Company, we will settle matters suitably, but at the same time we are not going to settle the matter if it is not in favour or interest of the Company.

There was a question on unclaimed dividend or unpaid dividend. Your suggestion was right, unpaid versus unclaimed, I think it is more unclaimed rather than unpaid. We pay dividends to everyone. The details of them are on page number 26 and they have to be by law of transferred to the IEPF, and they will be transferred accordingly.

There was also a very nice question on what are the steps we are taking to reduce plastic waste. So, this is a big problem, waste plastic and in fact environmental impact of products is a very big problem, and globally as well as in India we are fully committed to reducing our use of plastics in our packaging and using more and more of recycled plastic, and increasing the recyclability of our plastic packaging. Globally, we have adopted a commitment towards 100% recyclability of plastic, reuse in our packaging across all categories by 2025. So, what that means is, every single plastic that we use in our product will be completely recyclable. We are also working towards the recyclable tubes around the world and increasing recycle content in our packaging and plastic, and using increasingly higher levels of recycled material in our

packaging. All of this is our commitment to the society. And it's a part of the work that we will do to improve the life of people and the communities that we live in. We have partnerships with two service providers who are helping us to collect plastics that are already in our market with our products. These are trials that we are running right now. We are using them as a filler in cement production. And our factories are becoming zero waste factories with absolutely no waste at all. So, in that sense we are doing everything that we can at this stage, but it's not the end, there is more that we need to do in terms of building a more sustainable products that we provide to our consumers.

There was a question on CAPEX programs. We do have a continuing CAPEX program and capital expansion program, we will come back to the shareholders in case there are any future significant increase brands. Obviously, the board is completely involved in reviewing our expansion opportunities. And at this point in time, we believe we have adequate capacity. But if we are in search of capacity, we will come back to the board and therefore to the shareholders for this.

I talked about lockdown and the impact on production plants. I just wanted to reiterate that our factories are back after a brief period of shutdown, and the people in the factories have done an enormous amount of work to make sure that our business is not interrupted.

There was obviously a lot of questions as always on bonus shares. The last time we issued bonus shares was in 2015. As always, we have noted your request and your Board keeps continuously analyzing the financial and future plans at all times, and we will definitely consider the issue of bonus, if it is the right decision and at an appropriate time. So thank you for your continued interest and your request.

Then there was a question on seeing how we can keep track of consumer complaints during the year, and there was a question on are we talking of any system of taking market or consumer shareholders feedback on an ongoing basis. So, first of all, on cases in the court, I mean, there are very, very few cases in the court and they are all mentioned on page number 92 of the Annual Report. We have a large number of ways of collecting feedback from consumers. The toll free numbers, email, websites, social media channels, Twitter, Facebook, Instagram, as well as we have a data gathering system, whether it is our quality system, safety system and marketing system, and we consider all of these to collect our insights and learnings and then create business decisions. We will continue to make sure that all the businesses are focused on collecting this feedback, and not just collecting but responding and making sure that we pay attention to the feedback that is collected.

There was a question on what is the guidance for volume growth for the next year or two? And also, how big is herbal toothpaste as a percentage of total sales? So in terms of guidance, I would say it's very difficult for us to talk about guidance because the current situation is very challenging and uncertain. While we may not want to give any forward looking statements, we are confident of our strategy. And we will continue to do what is right for our business and for our brands and to continue to make sure that we drive growth which will deliver increased value to our shareholders, that continues to remain our commitment. We believe our natural

portfolio as an extremely important part of our business, it contains products like Vedshakti, Active Salt and all the other brands, Colgate Herbal, and it contributes about 15% to 20% of our total toothpaste business. But obviously this is something that we will keep growing as we go forward.

Now, I have tried to combine a lot of questions into one, and I think I may have not adequately answered some of your questions, in which case please feel free to reach out to Mr. Singh and get further clarification. I must say your comments, your contribution, your appreciation of the Company and its performance deeply touches us. We are indeed grateful to you. Some of you have been our shareholders ever since the Company began in 1977, the public company started in 1977. And the first round of shares were issued at that time and you have been our trusted devoted shareholders since then. We create value together. And we are grateful for you to be with us right through this journey. Your good wishes and your support will take us further and make us stronger and more effective and more successful in the market. And therefore, we can keep adding more value to the shareholders.

Thank you very much for your time and for your valuable comments. As I said, if you have any further queries, please do not hesitate to reach out to us. I want to remind you once again that the e-voting system at the AGM will remain open for the next half an hour after the end of this shareholders meeting. And this has been a very different kind of meeting, all of us have tried in a very different way to stay connected with each other. I would still love to meet in-person. But as I said, there is a benefit of not being in-person, there are benefits of being together in a different way. And that's why we could get to hear to people who are outside Mumbai as well.

So thank you very much for your time and appreciate your contribution, your comments and your inputs. And with that, I close the meeting. I declare the proceedings as closed. Thank you very much. Stay safe. All of you stay healthy, you and your family. And remember, we are Colgate family, we always keep smiling. So happy evening and stay good. Stay smiling.