COLGATE-PALMOLIVE *(INDIA) LIMITED*

Regd. Office :
Colgate Research Centre,
Main Street,
Hiranandani Gardens,
Powai,
Mumbai - 400 076.
Tel. : 67095050
Fax : (91 22) 25705088
www.colgatepalmolive.co.in
CIN : L24200MH1937PLC002700

August 8, 2017

The Secretary
BSE Limited
P.J.Towers- 25th floor
Dalal Street
Mumbai- 400001

Scrip Code: 500830

The Manager – Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block – G
Bandra – Kurla Complex
Bandra (East), Mumbai 400 051

Symbol: COLPAL
Series: EQ

Dear Sir,

Subject: Submission of Annual Report 2016-17.

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2016-17 duly approved and adopted by the members of the Company at the Annual General Meeting held on August 3, 2017.

Kindly acknowledge the receipt.

Thanking you,

Very truly yours
Colgate-Palmolive (India) Limited

Makarand Karnataki
Associate Director - Legal &
Company Secretary

File: Stock Exchange

Encl: a/a

COLGATE-PALMOLIVE (INDIA) LIMITED



80 years of trust

SPREADING SMILES ACROSS INDIA



ANNUAL REPORT 2016-2017



1937

Incorporation of Colgate-Palmolive (India) Pvt. Ltd.
Colgate Dental Cream toothpaste starts journey in India with distribution on handcarts.
Today it is one of the most widely distributed Oral Care brands in India.



1949

Colgate Toothpowder launched for rural India.
Manufacturing starts at Prabhadevi, Mumbai.



1967

Manufacturing of dentifrice products shifts to Sewri, Mumbai.





1976

Colgate starts 'Young India', a global Oral Care awareness program teaching primary school children the importance of good oral hygiene.
This program is now known as Colgate Bright Smiles, Bright Futures.™



1978 Colgate-Palmolive becomes a Blue chip Co. on the Indian bourses. Indian public offered 60% equity in the Co. & shares listed on BSE.
1988 Colgate relocates Toothpowder plant to Waluj, Aurangabad.



1990 Colgate Gel launched with a unique Oral Care formulation.
1993 Colgate Total, the most technologically advanced toothpaste launched.
1994 Colgate-Palmolive acquires the Cibaca brand.
1996 Colgate Oral Pharmaceutical products launched.



1997

Colgate Calciguard & Colgate Plus Toothbrushes, become the first to receive Indian Dental Association's Seal of Acceptance.



1999

A&M Magazine's annual survey of India's Top Brands rates Colgate as 'India's Premier Brand'.





2000

International Palmolive Shave Gel & Shave Foam launch with two variants.
New Palmolive Shave Cream 2-in-1 also launched.
Launch of Colgate Navigator Toothbrush,
New Superior - Colgate ZigZag Toothbrush, Colgate Herbal Toothpaste.

8

C years of trust

2016
Toothbrush Manufacturing Facility inaugurated at Sricity, Andhra Pradesh.



Launched Colgate Scholarship & Colgate Collectibles Offer. **2015**
Toothpaste Manufacturing Facility inaugurated at Sanand, Gujarat. **2014**



2012
Ranked the 3rd Most Admired Company in India, by the global business magazine Fortune, and management consultancy Hay Group.



Guinness World Records™ achieved for maximum number of people rinsing with a mouthwash at the same time. **2011**
Colgate and IDA achieves another Guinness World Record™ by providing dental check-ups to 66,322 children from 33 schools across 5 Indian cities. **2010**



2009
Toothpaste Manufacturing Facility inaugurated at Goa.
Colgate-Palmolive (India) Limited adjudged as Best Value Creator (Mid-Cap Category) in the 2009 Outlook Money NDTV Profit Awards.



2007
The 'Colgate Brush-Up Challenge' enters the Guinness World Records ™ with 1,77,003 students from 386 schools in 22 cities brushing simultaneously.



Colgate initiates an Oral Care health training camp **2006** for Anganwadi workers.
Colgate establishes Oral Care Category Innovation Centre in India.
Toothpaste Manufacturing Facility inaugurated at **2005** Baddi, Himachal Pradesh.



2004
Colgate and Indian Dental Association (IDA) launched India's first Oral Health Month (OHM), to provide free dental check-ups, & promote the importance of good oral hygiene.

2002
Voted Brand No. 1 in A&M's annual survey of India's Top Brands conducted by Taylor Nelson Sofres-MODE.
Ranked as 'Best Employers in India' in a survey conducted by BT-Hewitt and Best Employers in India.

Colgate INDIA'S MOST TRUSTED BRAND













Colgate has been voted as India's #1 Most Trusted Brand across all categories in the Economic Times Brand Equity Most Trusted Brands Survey - an annual consumer survey conducted by Nielsen - for six consecutive years, from 2011-2016.

OUR PRODUCTS AT A GLANCE

TOOTHPASTE



TOOTHBRUSH



PERSONAL CARE



MOUTHWASH



OUR STRATEGIC PILLARS

- Engaging to build our brands
- Innovation for growth
- Effectiveness & Efficiency
- Leading to win

OUR VALUES

- Caring
- Global teamwork
- Continuous improvement

BOARD OF DIRECTORS



VINOD NAMBIAR, CHAIRMAN

Mr. Vinod Nambiar joined Colgate-Palmolive India in 1999. In 2004, he became the Customer Development Director for CPIL and in 2005, rose to be the GM of Colgate-Palmolive Romania. He then moved as VP & GM of Colgate-Palmolive Italy. In 2011, he was appointed VP & GM of Global Personal Care, New York, post which he led Colgate-Palmolive China in 2012. In 2014, he took on the position of VP & GM - Colgate-Palmolive Greater China Hub (which includes China, Hong Kong and Sanxiao). Recently appointed as the President of the Asia Pacific Division, and also appointed as a Non-Executive Director & Chairman to the CPIL Board, in 2015.



R. A. SHAH, NON-EXECUTIVE & INDEPENDENT DIRECTOR (VICE-CHAIRMAN)

Mr. R. A. Shah is a leading Solicitor and a Senior Partner of M/s Crawford Bayley & Co., a firm of Solicitors & Advocates. He specialises in a broad spectrum of corporate laws. He is also the Chairman/Member of audit committees of a number of public limited companies in India. Appointed Vice-Chairman to the CPIL Board in 1983.



P. K. GHOSH, NON-EXECUTIVE & INDEPENDENT DIRECTOR (DEPUTY CHAIRMAN)

Mr. P. K. Ghosh is a Fellow of the Institute of Chartered Accountants of India and a former Managing Director of Colgate-Palmolive, India. Since 1974, he served the Company in various capacities. Mr. Ghosh brings to the CPIL Board, his rich experience and understanding of the consumer product business. Appointed Dy. Chairman on the CPIL Board in 1993.



INDU SHAHANI, NON-EXECUTIVE & INDEPENDENT DIRECTOR

Dr. (Ms.) Indu Shahani, Former Sheriff of Mumbai, has been the Principal of H.R. College of Commerce and Economics in Mumbai since 2000. She is on the board of several Indian Companies. A doyen in the field of academics, Dr. (Ms.) Indu Shahani has over three decades of teaching experience at the college and university level. She is also a member of the University Grants Commission (UGC), serves as an Advisor to the International Baccalaureate (IB) in India, and Chairperson, Unitedway, Mumbai. Dr Shahani was awarded an Honorary Doctor of Letters degree by the University of Westminster in London. Appointed as Non-Executive Director to the CPIL Board in 2012.



SHYAMALA GOPINATH, NON-EXECUTIVE & INDEPENDENT DIRECTOR

Ms. Shyamala Gopinath has over four decades of experience in the field of finance. She worked in different capacities at the Reserve Bank of India. She was also a non-executive director on the boards of public sector banks and public financial institutions as an RBI nominee. Ms. Gopinath retired as Deputy Governor of RBI. She is the Independent Non-Executive Chairperson of the HDFC Bank and is also on the Board of Indian Oil Corporation, and of other private organizations (Tata Elxsi, EID Parry, etc.). Appointed as Additional Director (Non-executive & Independent) to the CPIL Board in 2015.



ISSAM BACHAALANI, MANAGING DIRECTOR

Mr. Issam Bachaalani has been the Managing Director at Colgate-Palmolive (India) Limited since October 1, 2014. He joined Colgate-Palmolive in 1991 as part of the Global Marketing Development Program and later moved to the US Household Surface Care in New York. He has since held a series of significant positions in various divisions and subsidiaries within Colgate-Palmolive globally. In 1996, he joined the Central Europe/Russia Division as Marketing Manager, then promoted to Associate Director, Household Surface Care for Colgate-Palmolive Mexico in 1999, and then moved as Marketing Director, Colgate-Palmolive Dominican Republic. In 2002, Mr. Bachaalani was promoted to Marketing Director of Colgate-Palmolive, South Africa. In 2006, he was promoted as GM Colgate-Palmolive Hong Kong. In 2009, he was promoted to GM Colgate-Palmolive, Malaysia, Singapore and Brunei. In 2012, he was VP & GM of the Global Toothbrush Division.



M. S. JACOB, WHOLE-TIME DIRECTOR AND CHIEF FINANCIAL OFFICER

Mr. M. S. Jacob joined Colgate-Palmolive (India) Limited in 1995 in the Continuous Improvement Group. Over the course of 21 years, Jacob served through leadership roles in Finance at Colgate-Palmolive Company's subsidiaries in India, Thailand, Vietnam and Malaysia as well as at the Asia Pacific Division Head Quarters in Hong Kong. Before India, Jacob was the Finance Director of Colgate-Palmolive Malaysia Group. As Finance Director of Colgate-Palmolive India, Jacob provides overall financial leadership including Investor Relations. Appointed as a Whole-Time Director of the Company in 2016.



M. CHANDRASEKAR, WHOLE-TIME DIRECTOR & EXECUTIVE VICE PRESIDENT - SALES & CUSTOMER DEVELOPMENT

Mr. M. Chandrasekar joined Colgate-Palmolive (India) Limited in 1989, in Sales. During the course of his 27 years at Colgate, he progressed through increasing levels of responsibility in the Customer Development & Sales function in different regional roles of Colgate-Palmolive India, leading to the position of Executive Vice-President – Sales & Customer Development. Appointed as an Additional Director (Whole-time Director) of the Company in 2017.



VIKRAM MEHTA, NON-EXECUTIVE & INDEPENDENT DIRECTOR

Mr. Vikram Singh Mehta was the Chairman of the Shell Group of Companies in India since 1994. His illustrious career began as Member of the Indian Administrative Service of the Government of India. Mr. Mehta has held Advisory positions with world-renowned petroleum companies and the Indian Government's Ministry of Petroleum. Appointed Director to the CPIL Board in 2001.



J. K. SETNA, NON-EXECUTIVE & INDEPENDENT DIRECTOR

Mr. J. K. Setna is a trustee of the N.M. Wadia Charities and its associated Trusts, and also Director on the Board of Governors of Escorts, Heart Institute & Research Centre. Mr. Setna is a special permanent invitee to the Executive Council of Indo-American Chamber of Commerce. Appointed Director to the CPIL Board in 1978.



MESSAGE TO SHAREHOLDERS

Dear Colgate Shareholders

This year, Colgate is celebrating its 80th year in India, a testimony to the brand's commitment to the country where Colgate is an intrinsic part of most households.

In 2016, for the sixth consecutive year, Colgate was ranked as India's #1 Most Trusted Brand in the Economic Times Brand Equity Most Trusted Brand Survey, a consumer survey conducted by Nielsen. Colgate's '**trust**' has been nurtured through the years with our expertise in Oral Care and with our core value of '**Caring**' as its bedrock. Colgate's trust is reflected in the quality of our products and also in our dedication to serving the communities in which we do business. We have built our brand in India with consistency, while keeping the **Consumer at the heart of everything we do**.

In FY 2016-17, Colgate continued to focus on its strategic pillars of **Engaging to Build our Brands, Innovation for Growth, Effectiveness and Efficiency, and Leading to Win**, in order to achieve our goals and sustain our momentum in the market. At Colgate, it is not only delivering the numbers that matters, but also conducting business with integrity and respect.

"At Colgate, it is not only delivering the numbers that matters, but also conducting business with integrity and respect."

In FY 2016-17, sales growth moved positively with net sales increasing 4.0% over the previous year. While volume was under pressure largely due to softness in the wholesale channel, gross margin expanded 40 bps due to selling price increase and focussed cost-efficiency programs within the Company. We increased our advertising spends by 14% in FY 2016-17 as we continued to invest behind innovation and building our brands in a heightened competitive environment. We maintained our strong balance sheet and cash flow, and our leadership in both, toothpaste and toothbrush categories in FY 2016-17, with volume market shares for the year at 55.1% and 47.4% respectively.

FY 2016-17 was a year of unprecedented challenges with liquidity crunch and the changing macroeconomic conditions. Despite these challenges, Colgate proactively took positive measures to ensure ease of business for our business partners by extending credit to our distributors, providing additional incentives, accelerating the processing of trade claims and advancing payments to our supply chain partners. Such proactive support reinforces the trust our partners have, on Colgate.

Colgate is a frontrunner in using technology as an enabler in order to build a stronger engagement with urban and rural constituents. In 2016, we launched a one-of-a kind service '**Pocket Dentist**', in partnership with Indian Dental Association, which provides individualized professional dental advice. Currently launched in two districts of Uttar Pradesh, 'Pocket Dentist' detects multiple dialects and responds to the 30 most common oral health questions, thereby addressing 91% of the total oral health queries.

Innovation is essential for driving growth and we believe in tapping into local insights and leveraging trends basis consumer needs. In 2016 we launched **Colgate Cibaca Vedshakti** toothpaste based on the insight that consumers value the use of natural ingredients to help prevent dental problems. This new addition further enhances our existing Naturals portfolio. In 2016, we also launched **Colgate Sensitive Clove**, our first toothpaste using the natural ingredient-clove, for protection against sensitivity.

At Colgate, we have a deep understanding of our responsibility and are dedicated to contributing to the communities where we live and work. In India, we are committed towards promoting preventive health care with a special focus on oral health, promoting education, addressing inequalities and conserving our natural resources.

"In India, we are committed towards promoting preventive health care with a special focus on oral health, promoting education, addressing inequalities and conserving our natural resources."

We believe oral health care is an area that needs attention and as a leader in Oral Care in the country, we continue to '**Keep India Smiling**' through our **Oral Health Month** (OHM) program. OHM is our annual dental health awareness program, run in partnership with the Indian Dental Association (IDA) now, for over 13 years. In 2016 the OHM program enabled a total of 6 million free dental check-ups across India.

One of our most engaging programs, **Bright Smiles Bright Futures™** (BSBF), which started in 1976 in association with the Indian Dental Association (IDA), has reached 142 million school children till date. BSBF spreads oral hygiene education and awareness among children between the ages of 6 and 14 years. This program reached a total of 8.2 million school children in the year 2016.

Skill building is the need of the hour and we believe that every small step in this direction counts. In 2016, Colgate started the **Saksham program in association with SEEDS and Implementation Partner-IL&FS Skills**, in Lucknow, with 55 students. This is a pragmatic initiative for Social and Economic Empowerment of the underprivileged youth through an Employability Linked Skill Development program. A total of 202 youth have been trained and certified through Saksham during FY 2016-17, and the program has now expanded to Muzaffarpur in Bihar and Moradabad in Uttar Pradesh.

Water is a key pillar of Colgate's Sustainability Initiatives. Colgate's priority focus areas include promoting water conservation awareness among all consumers, partnering with local and global organisations to bring water to under-served areas, reducing our manufacturing water intensity as well as engaging vendors and suppliers towards water sensitisation.

In 2016, Colgate launched the **Water program** in association with 'Water for People', focusing on the quality and accessibility of drinking water, hygiene education, water conservation, and supporting sanitation in schools with harvested water.

Also, as part of our **Making Every Drop of Water Count** commitment, Colgate implemented a campaign in India featuring Indian Water Heroes and their success stories to sensitise and inspire people towards the cause of water conservation.

Looking Forward

For FY 2017-18, our overarching priority and objective is to continue to remain focused on innovations, increasing effectiveness and efficiency and giving back to the communities where we live and work, in line with our core values of **Caring, Global Teamwork and Continuous Improvement**. Our product pipeline will continue to be supported with engaging marketing programs and strong advertising investment.

As we move ahead together, I would like to thank all Colgate stakeholders for their commitment towards achieving our goals with the highest ethical standards, and I would also like to express my appreciation for the support we receive from our consumers, customers, suppliers, shareholders and directors.



Issam Bachaalani

Managing Director

Colgate-Palmolive (India) Limited

BOARD COMMITTEES

MANAGEMENT COMMITTEE

I. Bachaalani	*Managing Director*
M. S. Jacob	*Finance*
F. Giwa	*Legal*
E. Jumbert	*Marketing*
M. Chandrasekar	*Customer Development*
M. K. Ajay	*Human Resources*
Dr. S. Potnis	*India Global Technology Centre*
A. Lara	*Supply Chain (Toothpaste)*
M. Mehrotra	*Supply Chain (Toothbrush)*
V. Ganesh	*Customer Service & Logistics*

COMPLIANCE OFFICER

M. Karnataki	*Associate Director - Legal & Company Secretary*

AUDIT COMMITTEE

R. A. Shah	*Chairperson*
M. Karnataki	*Secretary*
P. K. Ghosh	
V. S. Mehta	
J. K. Setna	
Dr. I. Shahani (Ms.)	
S. Gopinath (Ms.)	

STAKEHOLDERS' RELATIONSHIP COMMITTEE

J. K. Setna	*Chairperson*
P. K. Ghosh	
I. Bachaalani	
M. S. Jacob	

RISK MANAGEMENT COMMITTEE

P. K. Ghosh	*Chairperson*
V. S. Mehta	
S. Gopinath (Ms.)	
I. Bachaalani	
M. S. Jacob	
M. K. Ajay	
F. Giwa	

NOMINATION & REMUNERATION COMMITTEE

R. A. Shah	*Chairperson*
V. S. Mehta	
V. Nambiar	

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Dr. I. Shahani (Ms.)	*Chairperson*
I. Bachaalani	
P. Sharma (Ms.)	
M. Chandrasekar	

CONTRIBUTING TO THE COMMUNITIES WHERE WE LIVE AND WORK

Promoting Preventive Oral Health Care:

Colgate Bright Smiles, Bright Futures™ (BSBF)

- Started in 1976, in partnership with Indian Dental Association (IDA).
- This 40 year program spreads awareness among children between the age group of 6 to 14 years about correct oral health habits.
- In 2016-17 alone, BSBF reached 8.2 million children across the country.
- 142 million school children across 327,000 schools in urban and rural India reached through BSBF till Dec 2016.

Colgate Oral Health Month (OHM)

- Started in 2004, in partnership with Indian Dental Association (IDA).
- This 13 year program offers free dental check-ups across the country and even uses mobile vans to service underprivileged areas in the Metros and Towns.
- In 2016-17, Oral Health Month benefitted 6 million people across India.
- Over 30 million free dental health check-ups conducted under the OHM program till January 2017.

Addressing Inequalities:

A Positive Step Program with Network In Thane by people living with HIV & AIDS (NTP+)

- Started working with Network In Thane by people living with HIV & AIDS (NTP+) in 2008.
- Promotes education and nutrition among HIV infected and affected children.
- The program supports a total of 89 children.

Promoting Education:

Colgate Supporting Seva Mandir & Colgate Seva Mandir Education Scholarship Program

- Started supporting Seva Mandir (Non-Profit Organisation) in 2013 in various domains like education, women empowerment, and environment, in the underprivileged tribal and rural sections of the society.
- Launched 'Colgate Seva Mandir Education Scholarship Program' in 2016 to sponsor the education, hostel stay, and educational materials, etc. for children, primarily girls from disadvantaged families in Udaipur, Rajasthan.
- 38 children enrolled under the Colgate Seva Mandir Education Scholarship for 5 years, starting 2016.

Colgate Supporting NGO Pratham for 'Read India' program

- Started an association with Pratham's 'Read India' program in 2002, to provide education to underprivileged children.
- In 2015-16, Colgate also supported Pratham's 'Laakhon Mein Ek' initiative in Mumbai and 13 other cities of Maharashtra.

Colgate Saksham program in association with SEEDS and Implementation Partner IL&FS Skills

- Started Saksham, a pragmatic initiative for Social and Economic Empowerment of the underprivileged and marginalized youth through an Employability Linked Skill Development program, in 2016, in Lucknow, with 55 students.
- 202 youth trained and certified through Saksham till FY 2016-17, and expanded the program to Muzaffarpur, Bihar, and Moradabad, Uttar Pradesh.

Conservation of Natural Resources:

Save Water

- Water is a key pillar of Colgate's Sustainability Initiatives.
- Colgate's priority focus areas are:
  - Promoting water conservation awareness among all consumers
  - Partnering with local and global organisations to bring water to under-served areas
  - Reducing our manufacturing water intensity
  - Engaging vendors and suppliers towards water sensitisation
- Launched Water program in association with 'Water for People', focusing on the quality and accessibility of drinking water, hygiene education, water conservation, and supporting sanitation in schools with harvested water.

GIVING INDIA REASONS TO SMILE



Bright Smiles, Bright Futures™ (BSBF)



Oral Health Month (OHM)



Pratham - Read India

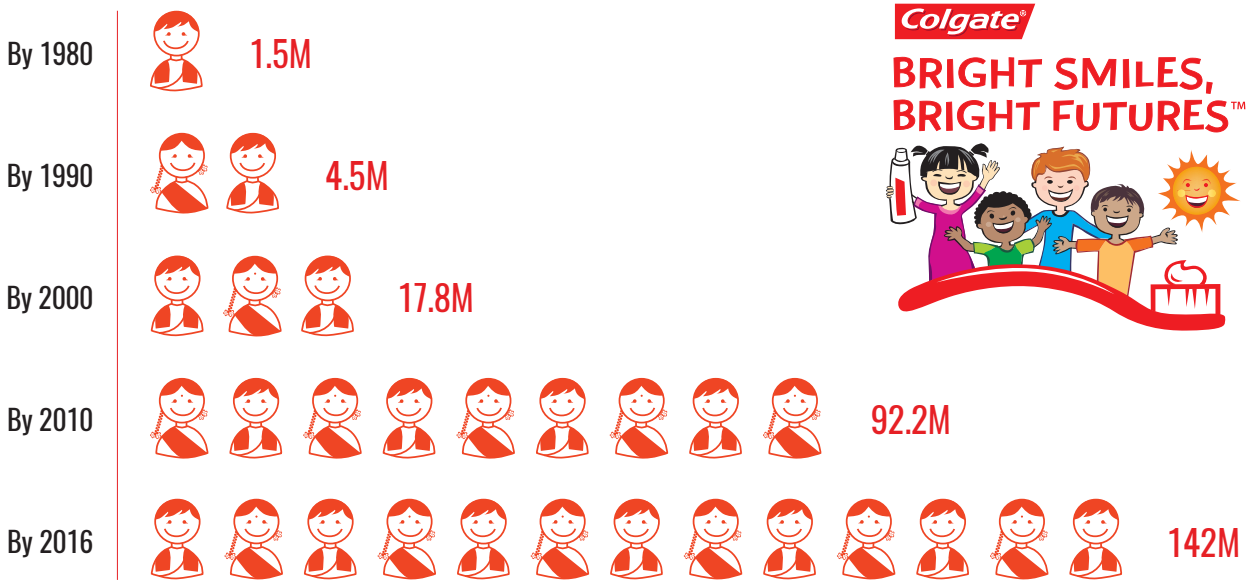


Seva Mandir



Saksham

Millions of Children Reached Through Bright Smiles, Bright Futures™



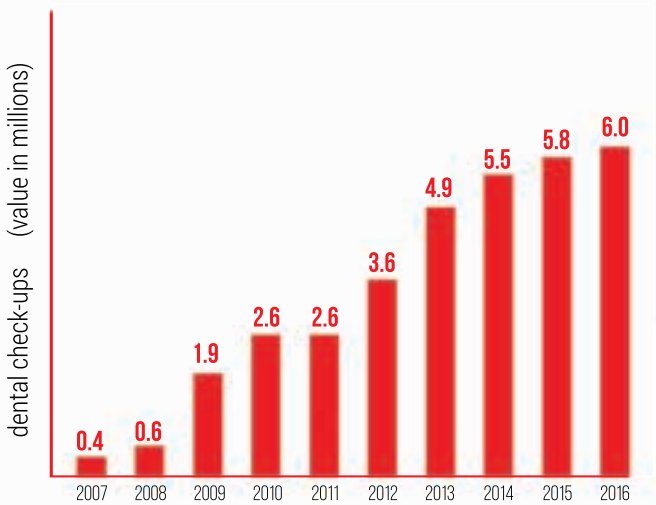
Colgate Bright Smiles, Bright Futures™ (BSBF)

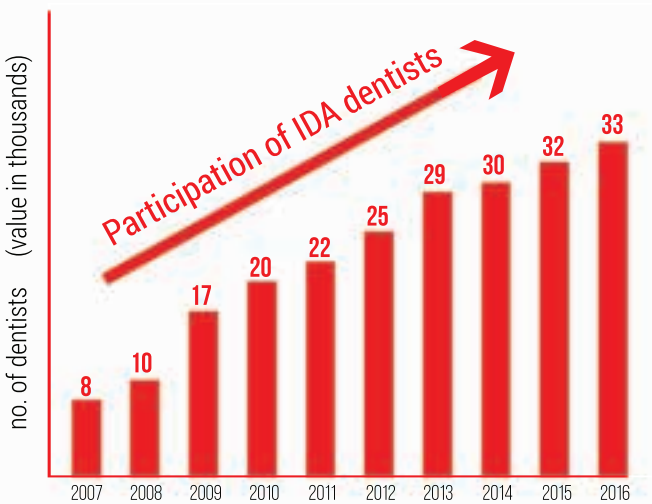
- Started in 1976, in partnership with Indian Dental Association (IDA).
- This program spreads awareness among children between the age group of 6 to 14 years about correct oral health habits.
- In 2016-17 alone, BSBF reached 8.2 million children across the country.
- 142 million school children across 327,000 schools in urban and rural India reached through BSBF till Dec 2016.

Colgate + ida Indian Dental Association

ORAL HEALTH MONTH

30 MILLION+ DENTAL CHECK-UPS





Colgate Oral Health Month (OHM)

- Colgate Oral Health Month (OHM) began in 2004, in partnership with Indian Dental Association (IDA)
- In 2016, OHM reached 6 million Indian consumers with the help of 33,000 IDA dentists.
- The program includes free in-clinic dental check-ups and mobile dental vans travelling to underprivileged areas, across numerous cities, covering schools as well as CSD camps, modern trade stores and NGO partners

HIGHLIGHT PROGRAMS

We, at Colgate-Palmolive (India) Limited, consistently endeavour to contribute to the communities where we do business in. To further strengthen that engagement, in line with the Company's commitment towards education, Colgate offers a series of annual, limited-edition programs – 'Colgate Collectibles', 'Colgate Learn and Win', and 'Colgate Scholarship Offer' – that enable your child to learn more and stay healthy.

#1 COLGATE COLLECTIBLES

'Colgate Collectibles' is a series of packs launched by the Company containing interesting characters, based on a defined theme, printed on the inside of the pack. The kids can cut, play and also tell a story, using these characters. Colgate Collectibles has already launched three editions -- Magical Castle, Magical Sea World, and the most recent, Magical Space Adventure. As a part of the 'Magical Space Adventure' edition in 2016, Colgate took 60 children for an exploratory tour at the Indira Gandhi Planetarium, Lucknow, followed by a cut, play and tell-a-story activity.





#2 COLGATE LEARN & WIN

Launched in 2016, Colgate Learn & Win aims to educate kids by sharing interesting facts, outside of the textbook, and giving them a chance to win exciting prizes. The Colgate Dental Cream packs, as a part of Colgate Learn & Win 2016, had information on four different subjects – dance forms across India, how to say 'Thank you' in different Indian languages, popular Indian sweets, and animals found in India.



HIGHLIGHT PROGRAMS

#3 COLGATE SCHOLARSHIP OFFER

Colgate Scholarship Offer is all about making a meaningful contribution to the lives of children by giving them and their families a future to smile about. Anyone can get a chance to win a scholarship up to Rs 1 lakh. Since the launch of this program in 2009, Colgate has tried, in a small way, to impact the lives of Indian families across 100 cities.

Here are some interesting scholarship stories...



Venkata Harika, Aspiring Doctor

Venkata Harika from Allagadda, Andhra Pradesh wishes to be a doctor one day. Winning a Colgate Scholarship in 2015 helped her get one step closer to her dreams. This scholarship gave her parents the motivation to further support her higher education. Venkata and her entire family now have a renewed focus on her progress and development.



Tavish Meghani, Skating Towards Success

Tavish, an 8 year old from Kolhapur, Maharashtra, won the Colgate Scholarship in 2015 – his first step towards an exciting and speedy life. With this scholarship, his father got him enrolled in skating classes. Tavish's parents believe that co-curricular activities help in holistic development of the child, creating a well-rounded personality. They are very confident of his skating abilities and can see him excelling in this sport.



Madhav Gupta, Aspiring Scientist

Madhav Gupta, 10, from Muzaffarnagar, Uttar Pradesh, won the Colgate scholarship and asked his parents to use the money for his tuition fee. The scholarship program has offered support to Madhav's education and opened new avenues for his better future.



Abha Sahoo, Budding Dancer

5 years old Abha Sahoo, from Puri, Orissa, always aspired to be a dancer. Every evening as the clock struck 8, Abha would be glued to the latest season of a popular Dance Reality show. Abha's uncle won the Colgate Scholarship in 2015 and enrolled her in dance classes. She now goes to a dance class four times a week. Abha is a rising star in school and her dance teacher too believes in her potential of becoming a good dancer. The initiative offered Abha's family a chance to pursue their daughter's dream with the scholarship money and helped to build a bright future for her.

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MADE IN INDIA, MADE FOR INDIA



SRICITY, ANDHRA PRADESH

Toothbrush Plant

Inaugurated in 2016
LEED Gold Certified by India Green Building Council

SANAND, GUJARAT



Toothpaste Plant

Inaugurated in 2014
LEED Gold Certified by India Green Building Council



GOA

Toothpaste Plant

Inaugurated in 2009

BADDI, HIMACHAL PRADESH



Toothpaste Plant

Inaugurated in 2005

COLGATE-PALMOLIVE (INDIA) LIMITED

Registered Office	Statutory Auditors	Registrars & Share Transfer Agents
Colgate Research Centre Main Street Hiranandani Gardens Powai Mumbai 400 076 (CIN – L24200MH1937PLC002700)	Price Waterhouse Chartered Accountants (Firm Regn. No. 301112E) 252, Veer Savarkar Marg Shivaji Park, Dadar (West) Mumbai 400 028	Link Intime India Private Limited C-101, 247 Park L.B.S. Marg Vikhroli (West) Mumbai 400 083 (CIN – U67190MH1999PTC118368)

Solicitors	Secretarial Auditor
Crawford Bayley & Co. State Bank Building N.G.N. Vaidya Marg Mumbai 400 023	S.N. Ananthasubramanian & Co. Company Secretaries (Firm Regn. No. P1991MH040400) 10/26, Brindaban Thane 400 601

GREEN INITIATIVE

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circular stating that service of notice/documents including Annual Report can be sent by e-mail to its Members. Similarly, the Securities and Exchange Board of India ("SEBI") encourages paperless communication. We fully support the Ministry's green initiative. Accordingly, the members, who have not registered their e-mail addresses so far, are requested to register their e-mail addresses. Members who have electronic holdings may register through their concerned Depository Participants. Member, who hold shares in physical form, are requested to register their e-mail addresses by filling the member's Feedback cum Bank Mandate form annexed to this report and forwarding the same to Link Intime India Private Limited, the Registrars & Share Transfer Agents of the Company.

SEBI & the Ministry of Corporate Affairs encourage paperless communication as a contribution to a greener environment. We will, therefore, send documents like Notices, Annual Reports, Postal Ballot papers and other communication through e-mail to members who have so registered their email addresses.

Ten-year Highlights

₹ Lacs

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16*	2016-17*
A. Operating Results :										
Sales	1,553,21	1,758,16	2,024,65	2,317,40	2,736,17	3,244,51	3,757,38	4,211,20	4,318,98	4,489,85
Other Operating Revenue and Other Income	84,78	107,76	98,46	106,80	120,06	129,63	84,25	60,34	69,64	70,17
Net Profit After Tax	231,71	290,22	423,26	402,58	446,47	496,75	539,87	558,98	581,17	577,43
Total Comprehensive Income **	–	–	–	–	–	–	–	–	579,98	572,26
Cash Profits	251,56	313,17	460,83	436,83	485,78	540,45	590,62	634,00	691,39	705,50
B. Financial Position :										
Net Fixed Assets #	198,99	178,59	253,14	267,31	329,91	437,46	736,62	943,66	1,092,25	1,305,70
Investments	72,59	38,33	21,00	38,74	47,12	47,12	37,13	37,13	31,16	31,16
Other Assets/(Liabilities) (Net)	(104,69)	4,06	56,56	78,05	58,36	5,01	(173,89)	(210,47)	(92,37)	(63,06)
TOTAL ASSETS	166,89	220,98	330,70	384,10	435,39	489,59	599,88	770,32	1,031,04	1,273,80
Share Capital ***	13,60	13,60	13,60	13,60	13,60	13,60	13,60	13,60	27,20	27,20
Reserves and Surplus	148,61	202,70	312,51	370,45	42,179	475,99	586,28	756,72	1,003,84	1,246,60
SHAREHOLDERS' FUNDS	162,21	216,30	326,11	384,05	435,39	489,59	599,88	770,32	1,031,04	1,273,80
Loan Funds	4,68	4,68	4,59	5	–	–	–	–	–	–
TOTAL CAPITAL EMPLOYED	166,89	220,98	330,70	384,10	435,39	489,59	599,88	770,32	1,031,04	1,273,80
C. Equity Share Data :										
Earnings Per Share (₹) ***	17.04	21.34	31.12	29.60	32.83	36.53	39.70	41.10	21.37	21.23
Dividend Per Share (₹) ***	13.00	15.00	20.00	22.00	25.00	28.00	27.00	24.00	10.00	10.00
Number of Shares (in Lacs)	13,60	13,60	13,60	13,60	13,60	13,60	13,60	13,60	27,20	27,20
Number of Shareholders (in '000s)	1,33	1,26	1,24	1,26	1,22	1,29	1,32	1,35	1,81	1,76

including Capital Advances

* The figures reported for F,Y. 2015-16 and F.Y. 2016-17 are Ind AS compliant.

** Total Comprehensive Income is required to be reported under Ind AS for F.Y. 2015-16 and F.Y. 2016-17 and hence not reported for earlier years which are IGAAP compliant.

*** Issue of bonus shares in the ratio 1:1 during FY 2015-16. Consequently number of shares has increased from 13.60 lacs to 27.20 lacs that is reflected in EPS and DPS from 2015-16 onwards.

Previous year's figures have been re-grouped to conform with current year's presentation, wherever applicable.

Notice

COLGATE-PALMOLIVE (INDIA) LIMITED
Registered Office:
Colgate Research Centre,
Main Street, Hiranandani Gardens,
Powai, Mumbai 400 076.
CIN - L24200MH1937PLC002700
Email : **investors_grievance@colpal.com**
Website : **www.colgatepalmolive.co.in**

NOTICE is hereby given that the Seventy-Sixth Annual General Meeting of COLGATE-PALMOLIVE (INDIA) LIMITED will be held on Thursday, August 03, 2017 at 3.30 p.m. at Shri Bhaidas Maganlal Sabhagriha, Swami Bhaktivedanta Marg, J.V.P.D. Scheme, Vile-Parle (West), Mumbai 400 056 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited financial statements including Balance Sheet as at March 31, 2017 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and the Auditors.

2. To consider and, if thought fit to pass, with or without modifications, the following resolution as an Ordinary Resolution :

   "RESOLVED that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to recommendation of the Audit Committee and the Board of Directors, M/s. S R B C & Co LLP, Chartered Accountants, Mumbai (Membership No. 324982E/E300003) be and is hereby appointed as the Statutory Auditors of the Company in place of M/s. Price Waterhouse, Chartered Accountants, Mumbai (Membership No. 301112E) whose tenure expires at this Annual General Meeting, on such remuneration as shall be fixed by the Board of Directors.

   RESOLVED further that M/s. S R B C & Co LLP, Chartered Accountants, if appointed as the Statutory Auditors of the Company, shall hold office for a period of five consecutive years, from the conclusion of this 76th Annual General Meeting till the conclusion of the 81st Annual General Meeting, subject to ratification of the appointment by Members of the Company at every Annual General Meeting to be held after this Annual General Meeting."

SPECIAL BUSINESS :

3. To consider and, if thought fit to pass, with or without modifications, the following resolution as an Ordinary Resolution :

   "RESOLVED that Mr. Jacob Sebastian Madukkakuzy (DIN : 07645510) who was appointed by the Board of Directors as an Additional Director of the Company under Section 161 of the Companies Act, 2013 with effect from October 28, 2016 and who holds the office till the conclusion of this Annual General Meeting and in respect of whom a notice in writing pursuant to Section 160 of the Companies Act, 2013 has been received in the prescribed manner, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

4. To consider and, if thought fit to pass, with or without modifications, the following resolution as an Ordinary Resolution :

   "RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment thereto or re-enactment thereof for the time being in force), and Articles of Association of the Company and subject to the approval of the Central Government, the consent of the members of the Company be and is hereby accorded to the appointment of Mr. Jacob Sebastian Madukkakuzy (DIN : 07645510) as the Whole-time Director of the Company, with the designation as Whole-time Director & Chief Financial Officer (CFO) for a term of five years commencing from October 28, 2016, on the terms and conditions, including remuneration, as per the details provided in the Explanatory Statement to Item Nos. 3 & 4 of this Notice convening the Annual General Meeting with liberty to the Board of Directors of the Company ("the Board") to alter and vary the terms and conditions thereof in such manner as may be agreed to between the Board and Mr. Jacob, subject to applicable provisions

of the Act, or any amendment thereto or any re-enactment thereof.

RESOLVED further that in the event of absence or inadequacy of profits in any financial year during his tenure as the Whole-time Director, Mr. Jacob be paid the aforesaid remuneration as minimum remuneration for that year.

RESOLVED further that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable."

5. To consider and, if thought fit to pass, with or without modifications, the following resolution as an Ordinary Resolution :

"RESOLVED that Mr. Chandrasekar Meenakshi Sundaram (DIN : 07667965) who was appointed by the Board of Directors as an Additional Director of the Company under Section 161 of the Companies Act, 2013 with effect from January 2, 2017 and who holds the office till this Annual General Meeting and in respect of whom a notice in writing pursuant to Section 160 of the Companies Act, 2013 has been received in the prescribed manner, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

6. To consider and, if thought fit to pass, with or without modifications, the following resolution as an Ordinary Resolution :

"RESOLVED that pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment thereto or re-enactment thereof for the time being in force), and the Articles of Association of the Company and subject to such sanctions and approvals as may be necessary, the consent of the shareholders of the Company be and is hereby given to the appointment of Mr. Chandrasekar Meenakshi Sundaram (DIN : 07667965) as the Whole-time Director of the Company, for a term of five year commencing from January 2, 2017 on the terms and conditions, including remuneration, as per the details provided in the Explanatory Statement to Item Nos. 5 & 6 of this Notice convening the Annual General Meeting with liberty to the Board of Directors of the Company ("the Board") to alter and vary the terms and conditions thereof in such manner as may be agreed to between the Board and Mr. Chandrasekar, subject to applicable provisions of the Act, or any amendment thereto or any re-enactment thereof.

RESOLVED further that in the event of absence or inadequacy of profits in any financial year during his tenure as the Whole-time Director, Mr. Chandrasekar be paid the aforesaid remuneration as minimum remuneration for that year.

RESOLVED further that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable."

7. To consider and, if thought fit to pass, with or without modifications, the following resolution as a Speical Resolution :

"RESOLVED that pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 and Article 115(2)(b) of the Articles of Association of the Company and in supersession of the Special Resolution passed at the 72nd Annual General Meeting held on July 23, 2012, the approval of the Company be and is hereby accorded for payment and distribution of such sum as may be fixed by the Board of Directors ("the Board") not exceeding 1% per annum of the net profits of the Company in any financial year, calculated in accordance with the provisions of Section 198 of the Act, by way of commission to each Non-executive Independent Directors, in such amounts or proportion not exceeding ₹ 10.00 Lacs each for a period of 3 years commencing from April 1, 2016.

RESOLVED further that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable."

8. To consider and, if thought fit to pass, with or without modifications, the following resolution as a Speical Resolution :

"RESOLVED that pursuant to Section 94 of the Companies Act, 2013 ("the Act") and in supersession of the Special Resolution passed at the 75th Annual General Meeting of the Company held on August 08, 2016, the Company hereby approves that the Registers of Members, Indices of Members, copies of all Annual Returns prepared by the Company under Section 88(1) of

the Act together with copies of Certificates and Documents required to be annexed thereto and other related books have, with effect from February 27, 2017, been kept and maintained at the new registered office of the Company's Registrars & Share Transfer Agents ("R&T Agents"), Messrs. Link Intime India Private Limited, at C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400 083 and/or at such places within Mumbai where the R&T Agents may have their office from time to time and/or at the Registered Office of the Company at Colgate Research Centre, Main Street, Hiranandani Gardens, Powai, Mumbai 400 076.

RESOLVED further that the Registers, Indices, Returns, Books, Certificates and Documents of the Company required to be maintained and kept open for inspection by the Members and/ or any person entitled thereto under the Act, be kept open for inspection, at the place where they are kept, to the extent, in the manner and on payment of the fees, if any, specified in the Act, between the hours of 11.00 a.m. and 1.00 p.m. on any working day (excluding Saturday) and except when the registers and books are closed under the provisions of the Act or the Articles of Association of the Company."

By Order of the Board

Makarand Karnataki
Associate Director- Legal &
Company Secretary
(A - 14509)

Date: May 15, 2017

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ONLY ON A POLL AND A PROXY NEED NOT BE A MEMBER. **HOWEVER, A PERSON APPOINTED AS A PROXY SHALL ACT ON BEHALF OF SUCH MEMBERS NOT EXCEEDING FIFTY IN NUMBER AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS.** THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. An Explanatory Statement under Section 102 of the Companies Act, 2013 in respect of Item Nos. 3 to 8 to be transacted at the Meeting is appended hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, July 28, 2017 to Thursday, August 03, 2017 (both days inclusive).
4. Documents pertaining to share transfer/ transmission/renewal etc. and all correspondence relating thereto, should be addressed to the Registrars & Share Transfer Agents of the Company, M/s. Link Intime India Private Limited at C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400 083.

   Members may note that in the month of February 2017, M/s. Link Intime India Private Limited has shifted its Registered Office from C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 to C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400 083.
5. Members who hold shares in physical form are requested to notify immediately any change in their addresses to the Registrars & Share Transfer Agents of the Company at the above address and to their respective depository participants, in case shares are held in electronic mode.
6. The Company, consequent upon the introduction of the Depository System ('DS'), entered into agreements with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). The Members, therefore, have the option of holding and dealing in the shares of the Company in dematerialized form through NSDL or CDSL.
7. The DS envisages elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, mutilation of share certificates, etc. Simultaneously, DS offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc.
8. To prevent fraudulent transactions, we urge the Members to exercise due diligence and notify the Company of any change in address/stay abroad or demise of any shareholder as soon as possible. Members are requested not to leave their demat account dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

9. Electronic Clearing Service ('ECS') helps in quick remittance of dividend without possible loss/delay in postal transit. Members who are not already enrolled in ECS are requested to fill in the form which is available on the Company's website or from the Company's Registrars & Share Transfer Agents and forward the same to the Company's Registrars & Share Transfer Agents if the shares are held in physical form and to the applicable Depository Participant in case the shares are held in dematerialized form.

10. During the Financial Year 2016-17, unclaimed dividends declared for the years 2008-09 and 2009-10 amounting to ₹ 1,18,31,584/- (₹ 36,60,084/-, ₹ 39,16,760/- and ₹ 42,54,740/-) has been transferred to the Investor Education and Protection Fund on May 30, 2016, October 27, 2016 and January 25, 2017, respectively. Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 which came into force from September 7, 2016 (including any amendment thereto or re-enactment thereof for the time being in force), all equity shares in respect of which dividend has not been paid or claimed by the Member(s) for seven consecutive years or more, are required to be transferred to the Investor Education and Protection Fund (IEPF), a Fund constituted by the Government of India under Section 125 of the Companies Act, 2013. The Company has communicated individually to the concerned Members to claim their unpaid/ unclaimed dividend amount(s) and that failure to claim the same would lead to their equity shares being transferred to the IEPF Suspense Account without any further notice.

    The unclaimed dividends and corresponding shares including all benefits accruing on such shares, if any, once transferred to the IEPF can only be claimed back from IEPF Authority, for which details are available at www.iepf.gov.in

    The details of members whose dividends have remained unclaimed/unpaid for seven consecutive years have been hosted on the website of the Company. Shareholders are requested to refer to the "Investor" section on the website of the Company at http://www.colgate.co.in/app/Colgate/IN/Corp/Investor/Introduction.cvsp

11. The Company has designated an exclusive e-mail ID called **investors_grievance@colpal.com** to redress shareholders' complaints/grievances. In case you have any queries/complaints or grievances, then please write to us at **investors_grievance@colpal.com**

12. Members desirous of asking any questions at the Annual General Meeting are requested to send their questions to the Company so as to reach the Company at least 10 days before the Annual General Meeting so that the same can be suitably replied.

13. **Voting Instructions :**

    The Company is providing remote e-Voting facility. Members who have not cast their vote through remote e-Voting shall be allowed to vote at the ensuing Annual General Meeting (AGM) through poll.

    The members who have cast their vote by remote e-Voting shall not be entitled to cast their vote again at the AGM, however, such members will be entitled to attend the AGM. If any member casts votes through both modes (i.e. remote e-Voting and through poll) then votes cast through remote e-voting only will be counted.

    Pursuant to Section 108 of the Companies Act, 2013 and the rules framed thereunder and the Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members are provided with the facility to cast their vote electronically, through the remote e-Voting services provided by National Securities Depository Limited (NSDL) on all the resolutions set forth in this Notice.

    The instructions for remote e-Voting are as under :

    A. Members whose e-mail ID(s) are registered with the Company/Depository Participants (CDSL/NSDL), the procedure to vote electronically is as under :

        (i) Click on the PDF file sent to you in the e-mail by NSDL. The file will prompt for a Password. Kindly input your Client ID or Folio No. as may be applicable in the box prompted for Password. The said PDF file contains your user ID and password/ PIN for remote e-Voting. Please note that this password is an initial password and needs to be changed while doing first time login for security purpose.

        NOTE: Shareholders already registered with NSDL for e-Voting will not receive the PDF file containing the User Id and password.

(ii) Launch internet browser by typing the following URL : https://www.evoting.nsdl.com

(iii) Click on Shareholder – Login

(iv) Enter user ID and password as initial password/PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-Voting opens. Click on remote e-Voting : Active Voting Cycles.

(vii) Select the "EVEN" (e-Voting Event Number) of Colgate-Palmolive (India) Limited.

(viii) Now you are ready for remote e-Voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@snaco.net

B. Members whose e-mail ID(s) are not registered with the Company/Depository Participants or request for a physical copy, the procedure to vote electronically is as under :

(i) Initial password is provided in the following format at the bottom of the Attendance Slip of the AGM sent with the Annual Report :

EVEN (e-Voting Event Number)	USER ID	PASSWORD/ PIN

(ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) of notes 13(A) above, to cast vote.

C. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-Voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or contact NSDL at the toll free No. 1800-222-990. Alternatively, you can also contact on evoting@nsdl.co.in for any queries or grievances connected with remote e-Voting service.

D. Any person who acquires shares of the Company after the dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. July 27, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in If you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID). In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

E. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

F. The remote e-Voting period commences on Monday, July 31, 2017 (8 a.m.) and ends on Wednesday, August 2, 2017 (5 p.m.). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, July 27, 2017, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, shareholder shall

not be allowed to change it subsequently. Electronic voting shall not be allowed beyond the said date and time.

G. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Thursday, July 27, 2017.

H. Mr. S. N. Ananthasubramanian (Membership No. F4206) has been appointed as the Scrutinizer for 76th Annual General Meeting. Scrutinizer will ensure that the remote e-Voting process is conducted in a fair and transparent manner.

I. The Scrutinizer shall, immediately after the conclusion of the voting at the AGM, first count the votes casted at the Meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two (2) witnesses not in the employment of the Company and make within a period not exceeding three (3) days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman, or an authorized person by him, of the Company.

J. The results shall be declared after receiving consolidated Scrutinizer's Report from the Scrutinizer. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.colgatepalmolive.co.in and on the websites of Stock Exchanges and NSDL.

K. The resolution shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through a compilation of Voting results (i.e. remote e-Voting and the voting held at the AGM).

Explanatory Statement under Section 102 of the Companies Act, 2013 for Item Nos. 3 & 4

Mr. Jacob Sebastian Madukkakuzy joined the Company in 1995 and progressed to higher positions in the Organisation. In 2003, moved to C-P Thailand as Associate Finance Director and subsequently moved to C-P Vietnam as the Finance Director. In 2009 he moved on to become the Finance Director for the Asia Division where he led several initiatives to drive profitable growth. His latest assignment was as the Finance Director with C-P Malaysia. Mr. Jacob has been appointed as an Additional Director of the Company effective October 28, 2016.

Brief details of Mr. Jacob pursuant to Regulation 36 (3) of the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirement) Regulations, 2015 and Secretarial Standard - 2 are as follows :

Name of the Director	Mr. Jacob Sebastian Madukkakuzy
DIN	07645510
Date of Birth	June 17, 1969
Nationality	Indian
Qualification	Commerce graduate from Bombay University and Chartered Accountant from the Institute of Chartered Accountants of India
Date of Appointment	Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company had appointed Mr. Jacob as: • The Chief Financial Officer (CFO) of the Company effective October 07, 2016 • Additional Director of the Company effective October 28, 2016.
Number of shares held in Colgate-Palmolive (India) Limited	Nil
Directorship/ Chairmanship/ Membership on the Board of other Companies	–
Relationships between Directors interse	–
Terms of Appointment	Appointment as the Whole-time Director of the Company for a term of five years effective October 28, 2016, subject to approval of Shareholders and Central Government
Number of Board meetings attended	4

The Board is of the view that Mr. Jacob's appointment as Whole-time Director & Chief Financial Officer will be in the best interest of the Company. The Board has no hesitation in commending his appointment. A notice has been received from a member proposing Mr. Jacob as a candidate for the Office of Director of the Company.

The material terms of the agreement to be entered into between the Company and Mr. Jacob are given below :

The remuneration payable to Mr. Jacob shall be determined by the Board or Managing Director from time to time within the maximum limits set forth under the applicable provisions of the Act and as per the Remuneration Policy of the Company:

a) Salary

Up to ₹ 25,00,000/- (Rupees twenty five lacs only) per month.

b) Commission or Performance Linked Incentive or Bonus

Not exceeding 1% of the net profit of the Company in any financial year as the Board or Managing Director may determine from time to time but shall not exceed the amount equivalent to the salary for the relevant period; it may be paid pro-rata on a monthly basis at the absolute discretion of the Board or Managing Director.

c) Perquisites

He shall be entitled to furnished / non-furnished accommodation, gas, electricity, medical reimbursement, club fees, personal accident insurance, company maintained car, telephone and such other perquisites in accordance with the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income-tax Rules, 1962 being restricted to ₹ 80,00,000/- (Rupees Eighty Lacs only) per annum.

d) Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund, gratuity payment as per Company's rules and encashment of leave at the end of his tenure shall not be included in the computation of ceiling on remuneration and perquisites as aforesaid.

e) In addition to the perquisites referred to above, he will be eligible to the following perquisites which shall not be included in the computation of the ceiling on perquisites :

i) Leave Travel Concession :

For self and family once in a year for any destination in India.

ii) Reimbursement of expenses incurred on joining duty :

Actual expenses incurred on travel, temporary living expenses and on packing, forwarding, loading / unloading, as well as freight, insurance, customs duty, clearing expenses, local transportation and installation expenses in connection with the moving of personal belongings for self and family for joining duty in India. In case he joins any other affiliated entity of Colgate-Palmolive Co., such affiliated entity would bear such expenses.

f) The provision of a car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company to Mr. Jacob.

g) Participation in stock option scheme of Colgate-Palmolive Company, U.S.A., the parent company, pursuant to Colgate-Palmolive Company's incentive plant.

h) In the event of absence or inadequacy of profits in any financial year, Mr. Jacob will be paid the aforesaid remuneration and perquisites as minimum remuneration for that year.

i) The Board shall have the discretion and authority to modify the foregoing terms of remuneration within, however, the parameters of the applicable provisions of the Companies Act, 2013.

j) Mr. Jacob shall be entitled to leave in accordance with the rules of the Company for the time being in force and applicable to senior executives of the Company.

k) Mr. Jacob shall also be entitled to be reimbursed the travelling and entertainment expenses actually and properly incurred by him for business travel for the Company subject to approval by the Managing Director and/or the Board.

l) Mr. Jacob's appointment is for a period of five years which may be determined at any time by three months' advance notice in writing in that regard without the necessity of showing any cause, or in the case of the Company, by payment of three months' salary as compensation in lieu of such notice.

m) Mr. Jacob has furnished to the Company (i) Consent to act as Director in DIR-2 pursuant to Rule 8 of Companies (Appointment and qualification of Directors) Rules, 2014 and (ii) Declaration of Non disqualification in DIR 8 pursuant to Section 164 of the Act.

Mr. Jacob attended four Board Meetings during the financial year 2016-17 since his appointment as the Whole-time Director of the Company.

A copy of the draft agreement will be available for inspection by the Members at the Registered Office of the Company during business hours on any working day, excluding Saturday, up to and including the day of this Meeting.

Upon termination, Mr. Jacob shall cease to be a Director of the Company.

Except Mr. Jacob, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolutions set out in Item No. 3 & 4 of this Notice.

The Board recommends the Ordinary Resolutions set out at Item Nos. 3 & 4 of the Notice for approval of the shareholders.

Explanatory Statement under Section 102 of the Companies Act, 2013 for Item Nos. 5 & 6

Mr. Chandrasekar Meenakshi Sundaram joined Colgate-Palmolive (India) Limited in 1989 in the Sales function. During the course of his 28 years at Colgate, he progressed through increasing levels of responsibility in the Customer Development & Sales function in different regional roles, leading to the position of Executive Vice-President – Sales & Customer Development. Mr. Chandrasekar holds a B.Sc. degree in Mathematics from American College, Madurai. Mr. Chandrasekar has been appointed as an Additional Director effective January 2, 2017.

Brief details of Mr. Chandrasekar pursuant to Regulation 36 (3) of the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirement) Regulations, 2015 and Secretarial Standard- 2 are as follows :

Name of the Director	Mr. Chandrasekar Meenakshi Sundaram
DIN	07667965
Date of Birth	April 22, 1966
Nationality	Indian
Qualification	Bachelor of Science in Mathematics from American College, Madurai.
Date of Appointment	Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company had appointed Mr. Chandrasekar as an Additional Director effective January 2, 2017
Number of shares held in Colgate-Palmolive (India) Limited	400
Directorship/ Chairmanship/ Membership on the Board of other Companies	–
Relationships between Directors inter-se	–
Terms of Appointment	Appointment as the Whole-time Director of the Company for a term of five years effective January 2, 2017, subject to approval of the Shareholders.
Number of Board meetings attended	2

The Board is of the view that Mr.Chandrasekar's appointment as the Whole-time Director will be in the best interest of the Company. The Board has no hesitation in commending his appointment. A notice has been received from a member proposing Mr. Chandrasekar as a candidate for the office of Director of the Company.

The material terms of the agreement to be entered into between the Company and Mr. Chandrasekar are given below :

The remuneration payable to Mr. Chandrasekar shall be determined by the Board or Managing Director from time to time within the maximum limits set forth under the applicable provisions of the Act and as per the Remuneration Policy of the Company :

a) Salary

Up to ₹ 25,00,000/- (Rupees twenty five lakhs only) per month.

b) Commission or Performance Linked Incentive or Bonus.

Not exceeding 1% of the net profit of the Company in any financial year as the Board or Managing Director may determine from time to time but shall not exceed the amount equivalent to the salary for the relevant period; it may be paid pro-rata on a monthly basis at the absolute discretion of the Board or Managing Director.

c) Perquisites

He shall be entitled to furnished/non-furnished accommodation, gas, electricity, medical reimbursement, club fees, personal accident insurance, company maintained car, telephone and such other perquisites in accordance with the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income-tax Rules, 1962 being restricted to ₹ 80,00,000/- (Rupees Eighty Lacs only) per annum.

d) Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund, gratuity payment as per Company's rules and encashment of leave at the end of his tenure shall not be included in the computation of ceiling on remuneration and perquisites as aforesaid.

e) In addition to the perquisites referred to above, he will be eligible for leave travel concession, for self and family once in a year for any destination in India, which shall not be included in the computation of the ceiling on perquisites.

f) The provision of a car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company to Mr. Chandrasekar.

g) Participation in stock option scheme of Colgate-Palmolive Company, U.S.A., the parent company, pursuant to Colgate-Palmolive Company's global executive compensation program.

h) In the event of absence or inadequacy of profits in any financial year, Mr. Chandrasekar will be paid the aforesaid remuneration and perquisites as minimum remuneration for that year.

i) The Board shall have the discretion and authority to modify the foregoing terms of remuneration within, however, the parameters of the applicable provisions of the Companies Act, 2013.

j) Mr. Chandrasekar shall be entitled to leave in accordance with the rules of the Company for the time being in force and applicable to senior executives of the Company.

k) Mr. Chandrasekar shall also be entitled to be reimbursed the travelling and entertainment expenses actually and properly incurred by him for business travel for the Company subject to approval by the Managing Director and/or the Board.

l) Mr. Chandrasekar's appointment is for a period of five years which may be determined at any time by three months' advance notice in writing in that regard without the necessity of showing any cause, or in the case of the Company, by payment of three months' salary as compensation in lieu of such notice.

m) Mr. Chandrasekar has furnished to the Company (i) Consent to act as Director in DIR-2 pursuant to Rule 8 of Companies (Appointment and qualification of Directors) Rules, 2014 and (ii) Declaration of Non disqualification in DIR-8 pursuant to Section 164 of the Act.

Mr. Chandrasekar attended two Board Meetings during the financial year 2016-17 since his appointment as the Whole-time Director of the Company.

A copy of the draft agreement to be entered into between the Company and Mr. Chandrasekar will be available for inspection by the Members at the Registered Office of the Company during business hours on any working day, excluding Saturday, up to and including the day of this Meeting.

Upon termination, Mr. Chandrasekar shall cease to be a Director of the Company.

Except Mr. Chandrasekar, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolutions set out in Item Nos. 5 & 6 of this Notice.

The Board recommends the Ordinary Resolutions set out at Item Nos. 5 & 6 of the Notice for approval of the shareholders.

Explanatory Statement under Section 102 of the Companies Act, 2013 for Item No. 7

The shareholders of the Company at their Meeting held on July 23, 2012 had approved by way of a Special Resolution payment of commission to the Non-executive Independent Directors (NEIDs) not exceeding 1% of the Net Profits of the Company in any financial year, subject to a sum not exceeding ₹ 5.00 Lacs, per Non-executive Director.

As per the Companies Act, 2013 and Rules made thereunder, a company can pay commission up to 1% of the net profit to the Non-executive Directors (all of them together).

The Non-executive Independent Directors (NEIDs) on the Board have been providing invaluable services and are of high stature and knowledge. The Company has immensely benefited from their experience, knowledge and guidance from time to time. In view of the increased responsibilities of the NEIDs, it is now proposed to pay an amount of commission not exceeding ₹ 10.00 Lacs per annum to each of the NEIDs of the Company for three years commencing from April, 2016.

However, the Company will ensure that the overall payment of commission to NEIDs shall not exceed 1% of the net profits of the Company as provided under Section 197 of the Companies Act, 2013. Article 115(2)(b) of the Articles of Association of the Company authorizes the Company to pay commission to the NEIDs.

The Non-executive Non-Independent Director is not paid/entitled to receive remuneration in form of commission.

All the NEIDs may be deemed to be concerned or interested in the resolution set out in Item No. 7 of this Notice.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval of the shareholders.

Explanatory Statement under Section 102 of the Companies Act, 2013 for Item No. 8

Colgate-Palmolive (India) Limited ("the Company") has appointed M/s. Link Intime India Private Limited as its Registrars & Share Transfer Agents effective April 01, 2016 in place of M/s. Sharepro Services (India) Private Limited. The Members passed a Special Resolution at the Company's 75th Annual General Meeting for maintaining Registers of Members at the office of its new Registrars & Share Transfer Agents. In February 2017, M/s. Link Intime India Private Limited shifted its Registered Office from C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 to C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083. Therefore, it is proposed that the Registers of Members, Indices of Members, copies of all Annual Returns prepared by the Company under Section 88(1) of the Act together with copies of Certificates and Documents required to be annexed thereto and other related books, effective February 27, 2017, be kept and maintained at the new Registered Office of the Company's Registrars & Share Transfer Agents (R&T Agents), M/s. Link Intime India Private Limited, at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083 and/or at such places within Mumbai where the R&T Agents may have their office from time to time and/or at the Registered Office of the Company at Colgate Research Centre, Main Street, Hiranandani Gardens, Powai, Mumbai 400 076.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in Item No. 8 of this Notice.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval of the shareholders.

By Order of the Board

Makarand Karnataki
Associate Director- Legal &
Company Secretary
(A - 14509)

Date: May 15, 2017

Report of the Directors

To,
The Members
Colgate-Palmolive (India) Limited

Your Directors have pleasure in presenting their Report and Audited Accounts of the Company for the year ended March 31, 2017.

1. Financial Results

(₹ Crore)

	F.Y. 2016-17	F.Y. 2015-16
Total Revenue (a+b+c)	**4,560.01**	4,388.62
Sales (Including Excise Duty) (a)	**4,489.85**	4,318.98
Other Operating Revenue (b)	**30.35**	30.13
Other Income (c)	**39.81**	39.51
Profit before Tax from ordinary activities	**851.43**	866.63
Profit before Taxation	**851.43**	835.28
Tax Expense	**274.00**	254.11
Profit for the year	**577.43**	581.17
Other Comprehensive Income (net of Tax)	**5.17**	1.19
Total Comprehensive Income	**572.26**	579.98
Balance brought forward	**595.27**	340.21
Adjustment of Depreciation as per Schedule-II of the Companies Act, 2013	**–**	–
Profit available for appropriation	**572.26**	579.98
Balance transferred to Retained Earnings from Share Options Outstanding Account	**3.65**	2.43
Appropriation :		
Dividend	**(271.99)**	(271.99)
Dividend Distribution Tax	**(55.37)**	(55.37)
General Reserve	**–**	–
Balance carried forward	**843.82**	595.27

2. Business Performance

India continued to consolidate its position as the fastest growing major economy in the world with all leading indicators including GDP growth, inflation, deficits, foreign currency reserves, etc. trending in the right direction. Normal monsoons helped stimulate rural demand as well as ensured inflation was benign paving the way for interest rate cuts by the Central Bank. The recovery in demand was temporarily halted by the demonetization exercise that temporarily sucked liquidity from the system putting short term pressure on businesses due to softer demand as well as a reduction in trade pipeline. The much awaited landmark tax reform in the form of GST bill was passed by parliament paving the way for a unified market in India and it is expected to go a long way to help businesses conduct their affairs in a more efficient manner.

During the year, your Company continued its focus on innovation built on consumer insights while leveraging its strong heritage in the oral care category. Despite intense competition in the FMCG space, your Company maintained its leadership position in oral care and continued to offer customized products for each market segment. While the operations in the first half of the year saw healthy growth in sales and profitability, the second half of the year was more challenging for your Company. Demonetization affected sales adversely during the third quarter with some spillover into the fourth quarter. Your Company responded by selectively extending credit terms, advancing processing of claims and

invoices as well as running additional schemes to maintain robust distribution.

In the above context, reported Net Sales for the Financial Year stood at ₹ 4,489.8 crore, an increase of 4% over last year. Reported Net Profit after tax for the year was ₹ 577.4 crore, a decline of 0.6% over the previous year. Reported Net Profit after tax in the previous year included net tax reversals of ₹ 14.9 crore relating to favourable tax assessments. Excluding the impact of these reversals, Net Profit after tax for F.Y. 2016-17 increased by 2% over the previous year.

3. Dividend

Your Company's Board declared three interim dividends, aggregating to ₹ 10/- per share, for the financial year 2016-17. These dividends were paid on November 23, 2016, December 27, 2016 and April 21, 2017. Having declared three interim dividends, your Company's Board has not recommended a final dividend for the financial year 2016-17.

4. Colgate is the #1 Most Trusted Brand in India

Colgate was once again voted as the #1 'Most Trusted Brand' in India across categories in The Economic Times' Brand Equity 2016 annual survey. This is the sixth consecutive year that Colgate has been voted as the #1 'Most Trusted Brand'. Colgate is the only brand to feature in the top three from 2001-2016 since inception of the survey.

5. Focus on Innovation and New Launches

In a highly competitive market environment, it is essential for fast moving consumer goods companies to offer quality products that delight consumers. Your Company therefore strongly believes that developing new innovative products by leveraging technology from the Parent Company is a key driver of profitable growth. Your Company is focused on developing insight-driven innovation that provides value-added new products across all price points. Beyond new products, innovation is embedded into your Company's culture to encourage new ideas and process improvements in every aspect of the organization.

Your Company's continued commitment to grow its business by creating new and technologically advanced products through innovation are demonstrated by launching the following products :

In the toothpaste category, your Company introduced innovative products like:

Colgate Cibaca Vedshakti : An excellent natural solution to take care of all your oral care needs. The new natural toothpaste has the power of six natural ingredients. Developed using Colgate's expertise in oral care, Colgate Cibaca Vedshakti is enriched with the power of nature that helps in keeping your family's teeth healthy and problem-free for long.

Colgate Sensitive Clove : Our first sensitivity toothpaste with natural ingredient. Colgate Sensitive Clove, a natural product based toothpaste, provides protection against sensitivity. Formulated with Potassium Nitrate and Clove Oil, it penetrates deep into open dentin tubules to soothe sensitive areas of teeth.

Colgate Kids Toothpaste : A new range of toothpastes for kids aged 2 to 5 years, which has two delightful flavours and exciting animal cartoons.

Colgate MaxFresh Power Freeze : A new invigorating gel toothpaste infused with cooling crystals, which dissolve as you brush for a new dimension of freshness.

In the toothbrush category, your Company introduced innovative products like:

Colgate A1 Toothbrush : A new product that has been launched to address the consumer needs for dense and long lasting bristles.

Colgate Star Toothbrush : An entry toothbrush product that has been launched in select markets to drive penetration at the bottom of the pyramid, this toothbrush also comes with a tongue cleaner.

Colgate Slim Soft Advanced Toothbrush : It has dual core bristles that gently reach 7X deeper below the gum line and makes gums 300% healthier.

In the Personal Care category, your Company introduced innovative products like :

Plax Spicy Fresh : This spicy fresh mouthwash variant has an intense Spicy Fresh sensation of Eucalyptus & Clove, for lasting fresh breath without the burning feeling. This alcohol free mouthwash removes 99% of germs & helps control bad breath 24/7.

Palmolive Body Wash Men's Range : Imported from Europe, Palmolive Men body washes are available in three exciting variants: Palmolive Men Energising-enriched with Magnesium & Citrus Oil, Palmolive Men Refreshing-enriched

with Sea Minerals & Eucalyptus Oil and Palmolive Men Sensitive-enriched with Aloe Vera extract & Vitamin E, this variant nurtures your sensitive skin.

Palmolive Men Shaving Foams : The product helps soften your beard as you shave, allowing your razor to get close to your skin without causing skin irritation. Imported from Europe, and available in two exciting variants: Palmolive Men Classic and Palmolive Men Cool.

Innovations like these help your Company to maintain the position as India's Most Trusted Brand today and hopefully will for many more years.

6. Sustainability

Your Company is committed to sustainability with focused and measureable goals. Your Company values sustainability through a commitment to the quality of the environment and extends it to the long term well-being of the people and communities it serves. Through our sustainability efforts, we are helping to ensure that the business grows responsibly, while promoting the well-being of future generations.

Considering this, your Company developed a plan that guides its sustainability initiatives with key goals in the following three areas viz. People, Performance and Planet.

The broad aspects covered in these goals are as under :

I. People

- Promoting healthier lives, Contributing to the Communities where we live and work.

II. Performance

- Delivering Products that delight consumers and respect our Planet.

III. Planet

- Making every drop of water count, reducing our impact on the climate and the environment.

Your Company believes that integrating sustainability into its everyday operations will help in making better business decisions and improve peoples' lives. The sustainability strategy will also continue to increase consumer loyalty, provide a competitive advantage and help to ensure long-term shareholder value. Amongst the sustainability initiatives in the area of People, Performance and Planet, listed below are a few initiatives undertaken during the year :

- Free Health check-up for all the employees;
- Initiatives on clean technology, energy efficiency, renewable energy etc.
- Sourcing of packaging material locally to reduce the fuel emission;
- Usage of reused and recycled materials for packaging;
- LEED certification for our new facilities;
- Reducing consumption of water and energy per ton of product produced;
- Nil material to landfill; and
- Reusage of waste water from the factories.

More details on energy conservation measures undertaken by your Company are mentioned in **Annexure - 3** to this report.

7. Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013 your Company's Directors, based on the representations received from the Management, confirm :

a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;

b) that they have, in selection of the accounting policies, consulted the statutory auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) that to the best of their knowledge and information, they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that they have prepared the annual accounts on a going concern basis;

e) that they had laid down internal financial controls to be followed by the Company

and that such internal financial controls are adequate and were operating effectively; and

f) that they have had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. Corporate Governance

A separate report on Corporate Governance along with the Auditors' Certificate on its compliance is attached as **Annexure - 1** to this Report.

9. Corporate Social Responsibility

Your Company's success is linked to the Company's values of Caring, Global Teamwork and Continuous Improvement. Your Company cares about people: Colgate people, customers, shareholders, business partners and the community at large. Your Company works towards protecting the environment, improving and enhancing the quality of life of individuals and communities through several partnerships and associations.

Your Company and its employees are committed to bring in a positive change in the lives of many underserved communities. Your Company undertakes its Corporate Social Responsibility (CSR) activities through a variety of effective programs. Some of the key CSR activities which your Company has undertaken during the year are in the areas of Promoting preventive health care, Promoting education, Addressing inequalities and Conservation of natural resources. These activities are broadly in accordance with the Schedule VII of the Companies Act, 2013.

The Board of Directors and the CSR Committee review and monitor from time to time all the CSR activities being undertaken by the Company.

The following are the key CSR programs undertaken by your Company during the Financial Year 2016-17 :

i) **Bright Smiles, Bright Futures™**

ii) **Oral Health Month**

iii) **A Positive Step**

iv) **Supporting Pratham**

v) **Supporting Seva Mandir**

vi) **Skill development program for rural youth**

vii) **Water for People**

The details of the above programs/activities are elaborated in the Annual CSR Report attached as **Annexure - 2** to this Report.

The contents of the CSR Policy as well as the CSR programs undertaken by the Company are available on the Company's website.

10. Employee Relations

The employee relations in the Company continued to be healthy, cordial and progressive.

Your Company's culture is one that reflects our values of caring, global teamwork and continuous improvement, as well as our unwavering commitment to integrity in everything we do. Our employees are our greatest asset, and we're committed to maintaining an environment that celebrates their differences, values their contributions and provides opportunities for personal and professional growth. The diversity of our employees gives us an advantage over our competitors and continues to drive our success.

Your Company recognizes its responsibility and continues to strive to provide a safe working environment for its employees, free from sexual harassment and discrimination. Your Company also has a Policy on Prevention of Sexual Harassment which is reviewed by the Internal Complaints Committee (ICC) at regular intervals.

"Managing With Respect" is the way Colgate people put your Company Values (Caring, Global Teamwork and Continuous Improvement) into action. Each and every employee is expected to work with all stakeholders (other employees, customers, consumers, suppliers, etc.) in a respectful manner. Each employee is also expected to strictly follow your Company's Code of Conduct and any violation is appropriately addressed. By fully including ethics and integrity in the ongoing business relationships and decision-making, your Company demonstrates a commitment to a culture that promotes the highest ethical standards. During the financial year 2016-17, four complaints were received, investigated and resolved by the ICC. There are no pending complaints at the end of the year.

11. Trade Relations

Your Directors wish to record their appreciation of the continued, unstinted support and co-operation from its retailers, stockists, suppliers of goods/

services, clearing and forwarding agents and all others associated with it. Your Company will continue to build and maintain a strong association with its business partners.

12. Particulars of Employees

Information as per Section 197 of the Companies Act, 2013 (the 'Act') read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as **Annexure – 6.**

Details of employee remuneration in accordance with the Act and Rules mentioned above are available at the Registered Office of the Company during business hours on any working day of the Company up to the date of 76th Annual General Meeting. Any shareholder interested in obtaining a copy of the said statement may write to the Secretarial Department at the Registered Office of the Company. Such details are also available on your Company's website.

13. Energy Conservation, Technology Absorption and Foreign Exchange

The information required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo is appended hereto as **Annexure – 3** and it forms part of this Report.

14. Directors and Key Managerial Personnel

During the year, following changes took place in the Board of Directors and the Key Managerial Personnel :

i) Resignation of Mr. Niket Ghate as the Whole-time Director & Company Secretary effective December 31, 2016 as he decided to pursue his career outside Colgate;

ii) Cessation of Mr. Godfrey Nthunzi as the CFO and Whole-time Director effective October 6, 2016 and October 28, 2016 respectively consequent upon his promotion and movement to another Colgate division;

iii) Appointment of Mr. M. S. Jacob as the CFO and Whole-time Director effective October 7, 2016 and October 28, 2016 respectively;

iv) Appointment of Mr. M. Chandrasekar as a Whole-time Director effective January 2, 2017; and

v) Appointment of Mr. Makarand Karnataki as the Company Secretary & Compliance Officer effective January 2, 2017.

Your Board places on record its appreciation for the valuable contributions made by Mr. Niket Ghate and Mr. Godfrey Nthunzi during their tenure on the Board of the Company.

All the Independent Directors (except Ms. Shyamala Gopinath) were appointed by the shareholders for a term of five consecutive years effective July 25, 2014.

Ms. Shyamala Gopinath was appointed by the shareholders for a term of five consecutive years effective July 30, 2015.

None of the Independent Directors are liable to retire by rotation.

The Independent Directors of your Company have given a declaration that they meet the criteria of independence as prescribed under the Companies Act, 2013 and SEBI Listing Regulations.

Mr. Issam Bachaalani, Managing Director, Mr. M. S. Jacob, Whole-time Director & CFO and Mr. Makarand Karnataki, Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company.

A detailed profile of all the directors of your Company is available on the website www.colgatepalmolive.co.in

15. Familiarization Program

Your Company, for many years now, has been familiarizing the Independent Directors on its Board with detailed presentations by its business functional heads on the Company operations, strategic business plans, new products and technologies, including significant aspects of the Industry and its future outlook. Details of familiarization programs extended to the Non-Executive & Independent Directors during the year are also disclosed on the Company website from time to time at http://www.colgate.co.in/Colgate/IN/Corp_v2/RelatedInformation/Familarization-Programme.pdf

16. Policies

The Board of Directors of your Company from time to time has approved and framed various Policies under The Companies Act, 2013 and its applicable Rules & Regulations for better governance and administration of your Company. Some of the important Policies that were framed by your Board include the following :

i) Nomination & Remuneration Policy : This policy sets out the objective, terms of reference, functions and scope of the Nomination & Remuneration Committee for determining qualifications, experience,

independence etc. relating to the appointment and remuneration for the directors, key managerial personnel and other employees of the Company.

ii) **Corporate Social Responsibility Policy :** This policy sets the scope for identification of the areas where the CSR activities will performed, evaluation of CSR activities, review the CSR spending vis-a-vis the activities implemented and monitoring the process of CSR projects / programs of the Company.

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

iv) **Policy on Related Party Transactions :** This policy intends to regulate the transactions between the Company and its related parties based on the laws and regulations applicable to the Company from time to time.

v) **Policy on determination of Materiality of Event or information :** The objective of the Policy is to determine the materiality of event or information of the Company which requires disclosure to the stock exchanges pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi) **Record Management Policy :** This policy establishes general guidelines for retaining, preserving and, when appropriate, disposing of Records.

vii) **Code of Conduct for dealing in Company's Securities :** Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has framed a Code of Conduct for the designated persons for dealing in the securities of the Company.

viii) **Dividend Distribution Policy :** This policy provides the circumstances under which a shareholder may or may not expect the dividend. Also, details of the financial parameters and internal and external factors which shall be considered for declaration of dividend.

17. Committees

The Board of Directors of your Company has established various committees of the Board to assist in discharging its duties. These include an Audit Committee, Nomination & Remuneration Committee, Risk Management Committee, Stakeholder Relationship Committee and Corporate Social Responsibility Committee. The Board has approved the terms of reference for each of these committees. All the Committees of the Board hold their meetings at regular intervals and make their recommendations to the Board from time to time.

The broad terms of reference of the said Committees are stated in the Corporate Governance Report.

18. Annual Performance Evaluation by the Board

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

19. Vigil Mechanism

Your Company has an effective Vigil Mechanism system which is embedded in its Code of Conduct. The Code of Conduct of your Company serves as a guide for daily business interactions, reflecting your Company's standard for appropriate behaviour and living corporate values. The Code of Conduct applies to all Colgate people, including Directors, Officers, and all employees of the Company. Even your Company vendors and suppliers are also subject to these requirements as adherence to the Code is a prerequisite for conducting business with your Company.

The Code of Conduct Hotline is available on the Company website to report any genuine concerns about unethical behaviour, any actual or suspected fraud or violation of Company's Code of Conduct.

20. Loan, Guarantees and Investment

Particulars of loans, guarantees and investment made by the Company pursuant to Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Accounts.

21. Related Party Contracts & Arrangements

All related party transactions done by the Company during the financial year were at arm's length and in ordinary course of business. All related party transactions were placed in the meetings of Audit Committee and the Board of Directors for

their necessary review and approval. During the financial year, your Company has not entered into any material transaction as per the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 with any of its related parties which may have potential conflict with the interest of the Company at large. Disclosures pursuant to Accounting Standards on related party transactions have been made in the notes to the Financial Statements. To identify and monitor significant related party transactions, the Company has also framed a Policy on the Related Party Transactions and the same is available on the Company's website.

All the related party transactions entered during the year were in Ordinary Course of the Business and on Arm's Length business and hence disclosure unde section 134(3)(h) in Form AOC-2 of the Companies Act, 2013 is not applicable.

22. Auditors

M/s. Price Waterhouse (Firm Registration No. 301112E), Chartered Accountants has been the Auditors of the Company for a period more than ten years. Pursuant to Section 139 of the Companies Act, 2013, an audit firm which has completed two terms of five consecutive years cannot be re-appointed as the Auditor of the Company. Accordingly, the two terms of five consecutive years and the transitional period of three years of the present auditors expires at the conclusion of the forthcoming 76th Annual General Meeting. The Board of Directors of the Company based on the recommendation of the Audit Committee, propose the appointment of M/s. S R B C & CO LLP, Chartered Accountants, (Registration No. 324982E/E300003) as the Statutory Auditors of the Company.

The Company has received a written consent, eligibility letter and other necessary declarations and confirmations from M/s. S R B C & CO LLP. stating that they satisfy the criteria provided under Section 141 of the Companies Act, and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

If approved by the Members, the appointment of M/s. S R B C & CO LLP, Chartered Accountants as the Statutory Auditors will be for a period of five consecutive years commencing from the conclusion of 76th Annual General Meeting till the conclusion of the 81st Annual General Meeting subject to ratification of the appointment by Members at every Annual General Meeting held after this Annual General Meeting.

The Audit report for the financial year 2016-17 does not contain any qualification, reservation or adverse remarks.

23. Secretarial Auditor & Secretarial Audit Report

The Board had appointed M/s. S.N. Ananthasubramanian & Co., Company Secretaries in Whole-time Practice, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013. The report of the Secretarial Auditor in Form MR-3 is annexed to this report as **Annexure – 4**. The Secretarial Auditors' Report for the financial year 2016-17 does not contain any qualification, reservation or adverse remarks.

24. Extract of Annual Return

Pursuant to the Section 92(3) of the Companies Act, 2013 extract of the annual return in Form MGT-9 is annexed to this report as **Annexure – 5.**

25. Business Responsibility Report

The Business Responsibility Report for the Financial Year 2016-17, as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this report as **Annexure – 7**.

26. Significant and Material Orders passed by the Regulators or Courts

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company in future.

27. Acknowledgements

Your Directors sincerely appreciate the high degree of professionalism, commitment and dedication displayed by employees at all levels. Your Directors also wish to place on record their gratitude towards the shareholders for their continued support and confidence.

On behalf of the Board

Issam Bachaalani Managing Director (DIN : 06975320)	R.A. Shah Vice-Chairman (DIN : 00009851)
M.S. Jacob Whole-time Director & CFO (DIN : 07645510)	M. Chandrasekar Whole-time Director (DIN : 07667965)

May 15, 2017

Annexure - 1

Corporate Governance Report

Your Company has a strong foundation that reflects Colgate's values and established standard governing our ethical behaviour. Your Company continues to lay great emphasis on the principles of Corporate Governance. Our pursuit towards achieving good governance is an ongoing process. The Company fully complies with the requirements under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 **('Listing Regulations') .**

I. Company's philosophy on Code of Governance

Your Company believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value. In this pursuit, your Company's philosophy on Corporate Governance is led by a strong emphasis on transparency, accountability and integrity. Your Company has been practicing the principles of Corporate Governance over the years for setting highest standards of ethical behaviour. All directors and employees are bound by a Code of Conduct that sets forth the Company's policies on important issues, including its relationship with Customers, Suppliers, Contract Manufacturers, Shareholders and Government.

II. Composition of Board

a) The Board of Directors has an optimum combination of Executive, Non-executive & Independent Directors including Women Directors. The Board comprises of three Whole-time Directors (the Managing Director and two Executive Directors) and seven Non-executive Directors including the Chairman of the Board. Six of the seven Non-executive Directors are Independent Directors. Accordingly, the composition of the Board is in conformity with the Listing Regulations.

Except the Non-executive Directors and Managing Director, all the remaining Executive Directors are liable to retire by rotation.

During the financial year 2016-17, seven (7) Board Meetings were held on the following dates :

Sr. No.	Dates
1.	May 24, 2016
2.	August 08, 2016
3.	October 06, 2016
4.	October 28, 2016
5.	December 05, 2016
6.	January 27, 2017
7.	March 27, 2017

The table below comprises of the following details of the Board of Directors :

i) Board Meeting and Annual General Meeting attendance;

ii) Composition of the Board, Directorships/ Committee positions in other Companies; and

iii) Other relevant details.

Name of Director	Category	No. of Board Meetings during F.Y. 2016-17		Attendance at Last AGM	No. of other Directorships excluding Private Limited Companies & Foreign Body Corporates	No. of Memberships of other Board Committees#	No. of other Board Committees of which the Director is a Chairperson
		Held	Attended				
Mr. V. Nambiar	Non-executive & Non-independent	7	5$	Yes	–	–	–
Mr. R. A. Shah	Non-executive & Independent	7	7	Yes	9	7	3
Mr. P. K. Ghosh	Non-executive & Independent	7	5	Yes	–	–	–
Mr. J. K. Setna	Non-executive & Independent	7	7	Yes	–	–	–

Name of Director	Category	No. of Board Meetings during F.Y. 2016-17		Attendance at Last AGM	No. of other Directorships excluding Private Limited Companies & Foreign Body Corporates	No. of Memberships of other Board Committees#	No. of other Board Committees of which the Director is a Chairperson
		Held	Attended				
Mr. V. S. Mehta	Non-executive & Independent	7	7$	Yes	7	1	–
Dr. (Ms.) I. Shahani	Non-executive & Independent	7	7	Yes	4	7	–
Ms. S. Gopinath	Non-executive & Independent	7	6	Yes	3	3	1
Mr. I. Bachaalani	Executive	7	7	Yes	–	–	–
Mr. G. Nthunzi*	Executive	7	3	Yes	–	–	–
Mr. N. Ghate**	Executive	7	5	Yes	–	–	–
Mr. M.S. Jacob***	Executive	7	3	N.A	–	–	–
Mr. M. Chandrasekar****	Executive	7	2	N.A	–	–	–

Membership of Audit Committee and Stakeholders' Relationship Committee are taken into consideration.

$ Includes participation via video conference/telepresence

* Ceased to be an Executive Director (Whole-time Director) effective October 28, 2016

** Ceased to be an Executive Director (Whole-time Director) effective December 31, 2016

*** Appointed as an Executive Director (Whole-time Director) effective October 28, 2016

**** Appointed as an Executive Director (Whole-time Director) effective January 2, 2017

Note: None of the Directors are related to each other.

b) Other than Mr. P. K. Ghosh, who holds 14,676 shares (including joint holdings) of the Company during the financial year ended March 31, 2017, no other Non-executive & Independent Directors hold any shares in the Company.

Other than Mr. M. Chandrasekar, who holds 400 equity shares, no other Executive Director hold any shares in the Company.

c) Familiarization Programme for Independent Directors

The Company conducts familiarization programs for Independent Directors with regard to their roles, rights, responsibilities towards the Company, the business operations of the Company etc. Details of the familiarization programs extended to the Independent Directors during the year are disclosed on the Company website from time to time at http://www.colgate.co.in/Colgate/IN/Corp_v2/RelatedInformation/Familarization- Programme.pdf

d) The last Annual General Meeting of the Company was held on August 08, 2016.

III. Committees of the Board

i) Audit Committee

The Audit Committee consists of six Non-executive & Independent Directors. The Members of the Committee are well versed in finance matters, accounts, company law and general business practices.

During the financial year 2016-17, four (4) Audit Committee (AC) Meetings were held on the following dates :

Sr. No.	Dates
1.	May 24, 2016
2.	August 08, 2016
3.	October 28, 2016
4.	January 27, 2017

The constitution and attendance details of the Audit Committee are as under :

Name of Director	Status	No. of AC Meetings during F.Y. 2016-17	
		Held	Attended
Mr. R. A. Shah	Chairperson	4	4
Mr. P. K. Ghosh	Non-executive & Independent	4	3
Mr. J. K. Setna	Non-executive & Independent	4	4
Mr. V. S. Mehta	Non-executive & Independent	4	4[$]
Dr. (Ms.) I. Shahani	Non-executive & Independent	4	4
Ms. S. Gopinath	Non-executive & Independent	4	4

[$] Includes participation via video conference/telepresence.

The Chairman of the Board, Managing Director, Whole-time Director & Chief Financial Officer, Legal Director, Internal Auditor and the Statutory Auditors are invitees to the Meetings.

Mr. Makarand Karnataki acts as the Secretary to the Committee effective January 2, 2017.

The role of the Audit Committee is as under :

a) To review any change in accounting policies and practices;

b) To confirm whether major accounting entries are based on exercise of judgments by management;

c) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

d) To recommend the appointment, remuneration and terms of appointment of auditors of the Company;

e) To check whether there are any qualifications made in the draft Auditors' Report;

f) To review whether there are any significant adjustments arising out of audit;

g) To confirm whether the accounts are prepared on going concern basis;

h) To confirm whether the accounts are prepared by applying applicable accounting standards;

i) To review whether the financial statements comply with the Stock Exchange and Legal requirements;

j) To check whether there are any related party transactions which may have potential conflict with the interests of the Company;

k) To discuss with the auditors whether they have any post audit concerns;

l) To check whether there are any defaults in payment to creditors and shareholders;

m) To evaluate internal financial controls and risk management systems of the Company;

n) To review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and to report the matter to the Board; and

o) To approve the appointment of the CFO (i.e. the Whole-time Finance Director or any other person heading the Finance function or discharging that function) after assessing the qualifications, experience, background, etc. of the candidate.

ii) Stakeholders' Relationship Committee

The Board at its meeting held on September 22, 2014, constituted a new committee viz. Share Transfer Committee to note and approve the routine share transfers and other related items and to support the Stakeholders' Relationship Committee.

The Share Transfer Committee meets at regular intervals to approve the transfer of shares and related activities and updates the Stakeholders' Relationship Committee from time to time.

During the financial year 2016-17, three (3) Stakeholders' Relationship Committee (SRC) Meetings were held on the following dates :

Sr. No.	Dates
1.	August 05, 2016
2.	December 05, 2016
3.	March 27, 2017

The constitution and attendance details of the Stakeholders' Relationship Committee are as under :

Name of Director	Status	No. of SRC Meetings during F.Y. 2016-17	
		Held	Attended
Mr. J. K. Setna	Chairperson	3	3
Mr. P. K. Ghosh	Non-executive & Independent	3	3
Mr. I. Bachaalani	Managing Director	3	2
Mr. N. Ghate*	Whole-time Director & Company Secretary	3	1
Mr. M. S. Jacob**	Whole-time Director & CFO	3	1

* Ceased to be the Whole-time Director & Company Secretary of the Company effective December 31, 2016. Accordingly, he also ceased to be a Member of SRC effective that date.

** Appointed as a Member of SRC effective January 27, 2017.

During the financial year 2016-17, 476 complaints were received from shareholders/investors, the details of which are as under :

Nature of complaints	Number of complaints received	Number of complaints redressed
Non-receipt of dividends	189	189
Non-receipt of shares lodged for transfer/ transmission and on account of capital reduction	57	57
Others	230	228
Total	**476**	**474**

All complaints have generally been resolved to the satisfaction of the complainants except for disputed cases and sub-judice matters, which would be resolved upon final disposal by the Courts or by authorities before whom they are pending.

The Role of Stakeholders' Relationship Committee is as under:

a) To note the minutes of the Share Transfer Committee Meetings;

b) To note the synopsis of the complaints received and redressed;

c) To approve allotment of shares, if any; and

d) Other important issues related to shareholders.

iii) Corporate Social Responsibility Committee

During the financial year 2016-17, two (2) Corporate Social Responsibility (CSR) Committee Meetings were held on the following dates :

Sr. No.	Dates
1.	May 24, 2016
2.	October 28, 2016

The constitution and attendance details of the Corporate Social Responsibility Committee are as under :

Name of Director	Status	No. of CSR Committee Meetings during F.Y. 2016-17	
		Held	Attended
Dr. (Ms.) I. Shahani	Chairperson	2	2
Mr. I. Bachaalani	Managing Director	2	2
Mr. N. Ghate*	Whole-time Director & Company Secretary	2	2
Mr. M. Chandrasekar**	Whole-time Director	2	–
Ms. P. Sharma	Member	2	1

* Ceased to be a Member of CSR Committee effective December 31, 2016.

** Appointed as a Member of CSR Committee effective January 27, 2017.

The Role of the CSR Committee is as under :

a) To identify and recommend to the Board, the programs to be carried out during the financial year;

b) To carry out evaluation of the CSR activities;

c) To review and monitor the CSR programs undertaken by the Company;

d) To review and monitor the spending on the CSR activities;

e) To give inputs to enhance quality of the CSR activities;

f) To develop new areas for CSR activities, and

g) To seek advice from external experts or consultants on CSR related matters.

iv) Risk Management Committee :

During the financial year 2016-17, two (2) Risk Management Committee (RMC) Meetings were held on following dates :

Sr. No.	Dates
1.	October 28, 2016
2.	March 27, 2017

The constitution and attendance details of the Risk Management Committee are as under :

Name of Director	Status	No. of RMC Meetings during F.Y. 2016-17	
		Held	Attended
Mr. P. K. Ghosh	Chairperson	2	2
Mr. V. S. Mehta	Non-executive & Independent	2	2
Ms. S. Gopinath	Non-executive & Independent	2	2
Mr. I. Bachaalani	Managing Director	2	2
Mr. G. Nthunzi*	Whole-time Director & CFO	2	1
Mr. M. S. Jacob**	Whole-time Director & CFO	2	1
Mr. N. Ghate***	Whole-time Director & Company Secretary	2	1
Mr. Femi Giwa****	Member	2	1
Mr. M. K. Ajay	Member	2	2

* Ceased to be a Member of RMC effective October 28, 2016

** Appointed as a Member of RMC effective October 28, 2016

*** Ceased to be a Member of RMC effective December 31, 2016

**** Appointed as a Member of RMC effective January 27, 2017

The Committee has adopted a policy on Risk Management to assess and determine the risks and potential threats to the Company.

The Role of Risk Management Committee is as under :

a) To identify, assess and mitigate the existing as well as potential risks to the Company and to recommend the strategies to the Board to overcome them;

b) To develop and implement action plans to mitigate the risks;

c) To oversee at such intervals as may be necessary, the adequacy of Company's resources to perform its risk management responsibilities and achieve its objectives;

d) To review on a half-yearly basis the Company's performance against the identified risks of the Company;

e) To formulate the strategies towards identifying any areas that may materially affect the Company's overall risk exposure and to review the Risk Management Policy;

f) To regularly review the risk management framework for the operations of the Company that are deemed necessary; and

g) To perform such other activities related to this Policy as requested by the Board of Directors or to address issues related to any significant subject within its term of reference.

v) Nomination & Remuneration Committee

During the financial year 2016-17, five (5) Nomination & Remuneration Committee (NRC) Meetings were held on the following dates :

Sr. No.	Dates
1.	May 24, 2016
2.	August 08, 2016
3.	October 06, 2016
4.	December 05, 2016
5.	March 27, 2017

The constitution and attendance details of the Nomination & Remuneration Committee are as under :

Name of Director	Status	No. of NRC Meetings during F.Y. 2016-17	
		Held	Attended
Mr. R. A. Shah	Chairperson	5	5
Mr. V. S. Mehta	Non-executive & Independent	5	5 $
Mr. V. Nambiar	Non-executive & Non-Independent	5	4 $

$ Includes participation via video conference/telepresence.

The Committee has adopted a policy relating to the appointment and remuneration for the Directors, Key Managerial Personnel and Senior Management employees.

The Role of Nomination & Remuneration Committee is as under :

a) The appointment and remuneration of new Directors on Board, Key Managerial Personnel and Senior Management employees shall

be made on the basis of core competencies, expertise, experience, qualifications, etc.;

b) Evaluation of the performance of the Executive Directors shall be based on the parameters such as accomplishment of assigned goals, their professional contributions towards the Company and the overall performance. On the basis of the evaluation, the remuneration of the Executive Directors will be determined;

c) Evaluation of the overall performance of the Non-executive & Independent Directors of the Company shall be determined by the terms of the policy; and

d) Remuneration of the Senior Management employees and Key Managerial Personnel will be fixed annually considering performance and achievements corresponding to their goals set during the year.

IV. Remuneration of Directors

a) Executive Directors

The Nomination & Remuneration Policy is directed towards rewarding performance. It is aimed at attracting and retaining high potential talent. The Company does have an incentive plan which is linked to performance and achievement of the Company's objectives. The Company has no stock option scheme relating to its shares. However, the stock options of the Parent Company i.e. Colgate-Palmolive Company, USA have been allotted to selected employees. For more information on share-based compensation, refer Note No. 1(B)(n)(iii) to the Financial Statements. The Nomination & Remuneration Committee of the Company shall, inter-alia, evaluate the performance of the Executive Directors and the remuneration payable to the Executive Directors and Senior Management employees.

Details of remuneration paid/payable to the Executive Directors of the Company during the year ended March 31, 2017 are given below :

Sr. No.	Particulars of Remuneration	Name of MD/WTD					Total Amount (₹ Lacs)
		I. Bachaalani	N. Ghate*	M. S. Jacob**	G. Nthunzi ***	M. Chandrasekar ****	
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	8,52.77#	63.57	36.10	2,72.24	23.94	12,48.62
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1,07.70	90.01	50.06	37.81	17.24	3,02.82
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	–	–	–	–	–	–
2.	Stock Option&	2,96.79	2,28.64	–	74.40	–	5,99.83
3.	Sweat Equity	–	–	–	–	–	–
4.	Commission - As % of profit - Others specify Executive Incentive Compensation Plan/Bonus	74.94	52.66	–	–	–	1,27.60
5.	Others, please specify: Employer contribution to Provident Fund	26.38	7.62	4.32	12.39	2.87	53.58
	Total	**13,58.58**	**4,42.50**	**90.48**	**3,96.84**	**44.05**	**23,32.45**
	Ceiling as per Section 198 of the Companies Act, 2013						**86,63.47**

* Ceased to be the Whole-time Director & Company Secretary effective December 31, 2016

** Appointed as an Additional Director (Whole-time Director) effective October 28, 2016

*** Ceased to be the Whole-time Director effective October 28, 2016

**** Appointed as an Additional Director (Whole-time Director) effective January 2, 2017

Includes tax equalization allowance of ₹ 3,53.25 Lacs related to taxes arising in a foreign jurisdiction solely as a result of the Executive Director's expatriate status.

& Includes exercise of stock options and restricted stock awards in the current financial year, which were granted in prior years by Colgate-Palmolive Company,U.S.A., the Parent Company, pursuant to its incentive plan.

Note :

i. Other than Mr. M. Chandrasekar, who holds 400 equity shares, no other Executive Director hold any shares in the Company.

ii. The appointment of each of the three Executive Directors is as per the employment agreement executed/to be executed between the Executive Directors and the Company. As per the said agreement, either party shall be entitled to terminate the agreement at any time by giving ninety days' advance notice in writing to the other party without the necessity of showing any cause, and in case of the Company, by payment of ninety days' salary as compensation in lieu of such notice.

b) Non-executive & Independent Directors

The Company has no pecuniary relationship or transaction with its Non-executive & Independent Directors other than payment of sitting fees to them for attending the meetings of the Board, the Committees, including meetings of Independent Directors and Commission as approved by the members for their invaluable contribution to the Board. The Company pays fees for professional services rendered by a firm of Solicitors and Advocates of which a Non-executive & Independent Director is a Partner. The fees are, however, not material in nature.

The Shareholders of the Company at the Annual General Meeting held on July 23, 2012 have approved payment of commission to Independent Directors not exceeding 1% of the Net Profit subject to a maximum limit of ₹ 5,00,000/- (Rupees Five Lacs only) per annum to each of the Independent Directors, for a period of five years commencing from April 01, 2012.

During the year 2016-17, one (1) meeting of the Independent Directors was held on January 27, 2017.

Details of the sitting fees and commission paid to the Non-executive & Independent Directors in the financial year 2016-17 are as under :

(₹ In Lacs)

Sr. No.	Particulars	R.A. Shah	P.K. Ghosh	J.K. Setna	V.S. Mehta	I. Shahani (Ms.)	S. Gopinath (Ms.)
a)	Sitting Fees	10.30	7.65	9.80	10.80	9.55	8.75
b)	Commission*	5.00	5.00	5.00	5.00	5.00	5.00
	Total	**15.30**	**12.65**	**14.80**	**15.80**	**14.55**	**13.75**

* Commission pertains to Financial Year 2015-16

V. Annual Performance Evaluation of the Board

Pursuant to provisions of the Companies Act, 2013 and Regulation 17(10) of Listing Regulations, the Board has carried out a formal process of performance evaluation of the Board, Committees and individual Directors. The performance was evaluated based on the parameters such as Composition and Quality of Board Members, Effectiveness of Board/Committee, process and functioning, Contribution of the Members, Board culture and dynamics, fulfillment of key responsibilities, ethics and compliance etc. A structured questionnaire was prepared covering the above areas of competencies. All the responses were evaluated by the Nomination & Remuneration Committee as well as by the Board of Directors and the results reflected high satisfactory performance.

VI. General Body Meetings

i. Details of last three Annual General Meetings (AGM) held and Special resolutions passed, if any, are given below :

Financial Year	Date	Location of the Meeting	Time	No. of Special Resolution(s) passed at the AGM
2013-14	July 25, 2014	Shri Bhaidas Manganlal Sabhagriha, Mumbai	3.30 p.m.	NIL
2014-15	July 30, 2015	Birla Matushri Sabhagar, New Marine lines, Mumbai	3.30 p.m.	1
2015-16	August 08, 2016	Shri Bhaidas Manganlal Sabhagriha, Mumbai	3.30 p.m.	1

a) In the 74th Annual General Meeting held on July 30, 2015, a Special Resolution was passed to adopt the new set of Articles of Association in substitution of the earlier Articles of Association of the Company.

b) In the 75th Annual General Meeting held on August 8, 2016, a Special Resolution was passed to keep and maintain the Registers of Members and other related books/documents at the Registered Office of the new Registrars & Share Transfer Agents, M/s. Link Intime India Private Limited at C-13, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (West), Mumbai 400 078.

c) No Special Resolution through postal ballot was passed during the year 2016-17.

VII. Means of Communication

a) Publication of quarterly results

Quarterly, half yearly and annual financial results of the Company are published in widely circulated national newspapers such as Financial Express, Free Press Journal, The Hindu Business Line and Navshakti in vernacular language as required under Regulation 47 of the Listing Regulations.

b) Website

The Company's website, www.colgatepalmolive.co.in, contains a separate dedicated section "Investors" which provides comprehensive information sought by shareholders like the Annual Report of the Company, Quarterly, half yearly and annual financial results, Stock Exchange filing, applicable Policies and details about the Company, Board of Directors and Management are available.

c) Filing with Stock Exchange

All periodical compliances such as the Corporate Governance Report, Shareholding Pattern and other corporate announcements are filed electronically with the National Stock Exchange of India and BSE Limited.

d) Presentation(s) to Analysts and Institutional Investors:

Presentations are made from time to time to analysts and institutional investors and the same are displayed on the Company's website.

VIII. General Shareholder Information :

a) 76th Annual General Meeting

Day, Date and Time	Thursday, August 3, 2017 at 3.30 p.m.
Venue	Shri Bhaidas Maganlal Sabhagriha, Swami Bhaktivedanta Marg, JVPD Scheme, Vile Parle (West), Mumbai 400 056.
Record Date	N.A.
Date of Book Closure	Friday, July 28, 2017 to Thursday, August 3, 2017 (both days inclusive)
Financial Calendar	The Company follows April – March as its financial year. The financial results for every quarter beginning from April are declared within 45 days from the end of the quarter except for the last quarter, for which the results are declared on or before May 30 as permitted under the Listing Regulations.

b) Dividend Payment Dates

During the financial year 2016-17, the Company declared and paid three interim dividends as detailed below :

Dividend for 2016-17	Payment Dates
First Interim	November 23, 2016
Second Interim	December 27, 2016
Third Interim	April 21, 2017

c) Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges :

Name of the Stock Exchange	Stock Code
BSE Limited, Mumbai (Physical & Demat)	500830
National Stock Exchange of India Limited, Mumbai (Physical & Demat)	COLPAL

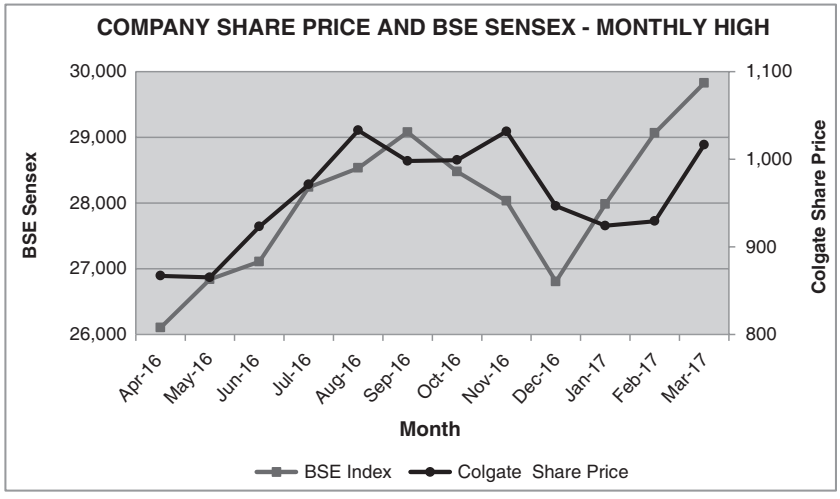
Company has paid the Annual Listing fees for the financial years 2016-17 & 2017-18.

d) Market Price Data

The monthly high and low quotations of shares traded on the BSE Limited and National Stock Exchange of India Limited, Mumbai are as follows :

Month	BSE Limited		National Stock Exchange of India Limited	
	High (₹)	Low (₹).	High (₹)	Low (₹)
April 2016	866.85	812.00	867.35	810.95
May 2016	865.00	787.60	866.35	787.20
June 2016	923.00	847.05	923.90	847.50
July 2016	971.00	909.35	971.70	910.70
August 2016	1,032.85	931.75	1,033.00	930.55
September 2016	997.85	943.80	998.70	942.55
October 2016	998.80	909.00	999.00	908.15
November 2016	1,031.60	880.00	1,031.20	880.00
December 2016	946.50	861.90	946.55	863.05
January 2017	924.00	863.00	924.00	861.30
February 2017	929.25	877.50	928.80	878.00
March 2017	1,016.35	889.05	1,016.80	888.60

Performance in comparison to BSE Sensex



e) Registrars & Share Transfer Agents

The Company's share transfer and other related transactions are operated through its Registrars & Share Transfer Agents (RTA), M/s. Link Intime India Private Limited. Effective February 27, 2017 the RTA have shifted their Registered Office from C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078 to the following new address;

M/s. Link Intime India Private Limited
C-101, 247 Park, L.B.S Marg,
Vikhroli (West), Mumbai - 400 083.
Tel : 91-22-4918 6000
Fax : 91-22-4918 6060
E-mail : rnt.helpdesk@linkintime.co.in

For any assistance regarding dematerialisation of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares, please write to our RTA at the aforesaid registered address.

An exclusive e-mail ID, investors_grievance@colpal.com has been created for redressal of investor complaints and the same is available on our website.

For the benefit of shareholders, documents will be accepted at the following registered office of the Company :

Colgate-Palmolive (India) Limited
CIN: L24200MH1937PLC002700
Colgate Research Centre, Main Street,
Hiranandani Gardens, Powai,
Mumbai - 400 076
Tel : 91-22-6709 5050
website : www.colgate.co.in

For the convenience of our investors, apart from the above mentioned registered address, our RTA will accept the share transfer documents and other related letters at the following locations:

Location	Address
Ahmedabad	5th Floor, 506 TO 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off CG Road, Navrangpura, Ahmedabad – 380 009. Tel : 079-2646 5179 Fax : 079-2646 5179 E-mail : ahmedabad@linkintime.co.in
Coimbatore	Surya 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore 641 028 Tel : 0422-2314792 Fax : 0422-2314792 E-mail : coimbatore@linkintime.co.in
Kolkata	59 C, Chowringhee Road, 3rd Floor, Kolkata -700020 Tel : 033-22890540 Fax : 033-22890539 E-mail : kolkata@linkintime.co.in
New Delhi	44, Community Centre 2nd Floor, Naraina Industrial Area, Phase I, Near PVR Naraina, New Delhi -110 028 Tel : 011-41410592/93/94 Fax : 011-41410592/93/94 E-mail : delhi@linkintime.co.in
Pune	Block No. 202, 2nd Floor, Akshay Complex, Near Ganesh Temple, Off: Dhole Patil Road, Pune - 411 001. Tel : 020-26161629 Fax : 020-26163503 E-mail : pune@linkintime.co.in
Vadodara	B-102 &103 Shangrila Complex, 1st Floor , Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390 020 Tel : 0265-2356573 Fax : 0265-2356791 E-mail : vadodara@linkintime.co.in

f) Share Transfer System

Applications for transfer of shares held in physical form are received at the office of the Registrars & Share Transfer Agents of the Company. All valid transfers are processed and registered within 15 days from the date of receipt.

Shares held in the dematerialised form are electronically traded in the Depository and the Registrars & Share Transfer Agents of the Company periodically receive from the Depository the beneficiary holdings so as to enable them to update their records and send all corporate communications, dividend warrants, etc.

Physical shares received for dematerialisation are processed and completed within a period of 21 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the shareholders.

g) Shareholding Pattern (as at March 31, 2017)

Category of Shareholders	Number of Shares	% of Total Shares
Promoter and Promoter Group (A)	138,712,672	51.00
Public Shareholding (B)		
Mutual Funds/ UTI	5,317,627	1.96
Financial Institutions/ Banks	453,028	0.16
Central Government/ State Government	1,000	0.00
Insurance Companies	18,835,523	6.93
Foreign Banks	400	0.00
Foreign Institutional Investors	13,786,312	5.07
Foreign Portfolio Corp.	30,420,478	11.18
Bodies Corporate	4,572,562	1.68
Individuals	54,484,312	20.03
Any Other		
- HUF	1,106,940	0.41
- Clearing Member	422,710	0.16
- NRI	1,503,925	0.55
- Foreign Nationals/ Overseas Corporate Body	11,810	0.00
- Trust	2,355,735	0.87
- Foreign Portfolio Investor	600	0.00
Total Public Shareholding	**133,272,962**	**49.00**
Total Shareholding (A+B)	**271,985,634**	**100.00**

Distribution of Shareholding (as at March 31, 2017)

Description	Holders			
	Folios	%	Shares	%
1 - 500	153150	86.90	14,533,001	5.34
501 - 1000	9753	5.53	7,198,319	2.65
1001 - 2000	6475	3.67	9,385,703	3.45
2001 - 3000	3594	2.04	9,259,335	3.40
3001 - 4000	826	0.47	2,910,160	1.07
4001 - 5000	630	0.36	2,844,652	1.05
5001 - 10000	1290	0.73	8,056,105	2.96
10001 & above	527	0.30	217,798,359	80.08
Total	**176245**	**100.00**	**271,985,634**	**100.00**

h) Dematerialisation of shares and liquidity

Particulars of Equity Holding	Equity Shares of Re. 1/- each	
	Number	% of Total
Dematerilaized form:		
-NSDL	25,48,70,965	93.71
-CDSL	97,34,403	3.58
Sub-total	**26,46,05,368**	**97.29**
Physical form	73,80,266	2.71
Total	**271,985,634**	**100.00**

The equity shares of the Company are permitted to be traded only in dematerialized form with effect from April 5, 1999.

i) Outstanding GDRs/ADRs/Warrants or any convertible instruments

There are no outstanding GDRs/ADRs/ Warrants or any convertible instruments as at end March 2017.

j) Plant Locations

Location	Address
Baddi Himachal Pradesh	Plot No. 78, EPIP Phase 1, Jharmajri, Baddi, District Solan, [H.P.] 174 103.
Kundaim Goa	Plot Nos. 154, 158 & 160, Kundaim Industrial Estate, Kundaim, Goa 403 115.
Sanand Gujarat	Plot No. SM-02, Sanand - II, GIDC Industrial Area, Near BOI Village, Sanand, Gujarat 382 170.
Sricity Andhra Pradesh	6000 Central Expressway, Sricity, Satyavedu (M), Chittoor District, Andhra Pradesh 517 588.

IX. Management Discussion and Analysis Report

The Management Discussion and Analysis Report is appended to this report.

X. Disclosures:

a) Policy on dividend distribution :

In pursuant to Regulation 43A of the Listing Regulations, the Company has formulated a policy on dividend distribution which was approved by the Board at its Meeting held on March 27, 2017 and the same is available on the Company website http://www.colgate.co.in/Colgate/IN/Corp_v2/Investor/CorporateGovernance/Dividenddistributionpolicyonly.pdf

b) Policy on materially significant related party transactions :

- There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large. Attention is drawn to Note 36 to the Financial Statements for disclosure of related parties.
- The Company has formulated policy on dealing with related party transactions. This policy has been hosted on the Company's website http://www.colgate.co.in/app/Colgate/IN/Corp/Investor/CorporateGovernance.cvsp

c) Policy on determination of materiality of events :

In accordance with the requirements of the Listing Regulations, the Company has formulated a policy on determination of materiality of events which is available on the Company website http://www.colgate.co.in/app/Colgate/IN/Corp/Investor/CorporateGovernance.cvsp This policy prescribes 'quantitative' and 'qualitative' criteria for determining the materiality of the event.

d) Policy for Preservation of Documents :

The Company has framed a Policy for preservation of documents. This policy prescribes the nature of documents and the period for which the same should be preserved.

The archival policy which forms part of this policy, is hosted on the Company website http://www.colgate.co.in/app/Colgate/IN/Corp/Investor/CorporateGovernance.cvsp

e) Policy for Prohibition of Insider Trading :

In line with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 the Company has adopted a Code of Conduct for prohibition of insider trading. The objective of the policy is to ensure the prohibition of insider trading practices in the Company. Mr. Makarand Karnataki, Company Secretary, is the Compliance Officer for the purpose of this policy. This policy has been hosted on the Company website http://www.colgate.co.in/app/Colgate/IN/Corp/Investor/CorporateGovernance.cvsp

f) The Company has an effective Vigil Mechanism system which is embedded in its Code of Conduct. The Code of Conduct of the Company serves as a guide for daily business interactions, reflecting the Company's standard for appropriate behavior and living Corporate Values. The Colgate-Palmolive Ethics Line phone number and e-mail id is available on the Company website http://www.colgate.co.in/app/Colgate/IN/Corp/HomePage.cvsp to report any genuine concerns about unethical behavior, any actual or suspected fraud or violation of Company's Code of Conduct.

g) The Company has adopted a Code of Conduct for its Directors, Senior Management and employees. This Code of Conduct has been communicated to each of them. A certificate from Mr. Issam Bachaalani, Managing Director, to this effect has been obtained.

h) The Company has complied with the requirements of regulatory authorities on capital markets and no penalty/stricture was imposed on the Company during the last three years.

XI. Compliance with discretionary requirements

The Company has separate positions for the Chairperson and the Managing Director of the Company. To this extent, the Company has adopted the applicable requirements as specified in Part E of Schedule II in Listing Regulations.

XII. Adoption of Non-Mandatory Requirements :

As specified in sub regulation 1 of Regulation 27 of the Listing Regulations, the non-mandatory requirements are reviewed by the Board as and when necessary.

XIII. Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification :

As required under Regulation 17(8) of the Listing Regulations, the CEO and CFO of the Company have certified the accuracy of Financial Statements, the Cash Flow Statements and adequacy of Internal Control Systems for financial reporting for the year ended March 31, 2017.

Declaration

The Company has made adequate disclosures as required under Regulations 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations.

For Colgate-Palmolive (India) Limited

I. Bachaalani
Managing Director
(DIN : 06975320)

Mumbai, May 15, 2017

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To

The Members of Colgate-Palmolive (India) Limited

We have examined the compliance of conditions of Corporate Governance by Colgate-Palmolive (India) Limited, for the year ended March 31, 2017 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of
Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Pradip Kanakia
Partner
Membership No - 39985

Place : Mumbai
Date : May 15, 2017

Appendix

Management Discussion and Analysis Report

(within the limits set by the Company's competitive position)

The Company is engaged in the Personal Care business which includes Oral Care. The Oral Care business continues to account for over 90 per cent of the Company's sales turnover.

In India, almost one-third of the population does not have access to modern oral care. To address this situation, the Company, in partnership with Indian Dental Association, conducts annually, an intensive two-month-long awareness campaign under the banner "Oral Health Month". The aim of this campaign is to create oral health awareness and motivate people to adopt preventive self-care habits to improve their oral health.

This was one more step in the Company's longstanding effort to spread the message of good oral health and encourage the use of modern and efficacious dentifrice products.

To help its objective of expanding the dentifrice market, the Company has designed its product portfolio in such a manner that its products are available at different price points to cater to the requirements of consumers across all segments.

The Company follows a closely defined business strategy to develop and increase market leadership positions in key products categories. On an ongoing basis, management focuses on a variety of key indicators to monitor business health and performance. These indicators include market share, net sales, gross profit margin, operating profit, net income and earnings per share. The monitoring of these indicators and the Company's Code of Conduct and Corporate Governance practices help to maintain business health and strong internal controls.

The investments needed to support the growth are developed through its funding the growth initiatives such as reduction in costs associated with direct materials, distribution and logistics, advertisement and promotional materials and reduction of packaging materials.

While the predominant business of the Company has been confined to Oral Care where it continues to face intense competition, the outlook for industry is positive given the size of the opportunity. The Company believes that with its experience in operating in the challenging environment and continued focus on the Company's strategic initiatives: engaging to build our brands; innovation for growth; effectiveness and efficiency; and leading to win, the Company's business will continue to grow strongly in the next several years.

The Company reports that adequate internal control systems are in place. The discussion on financial performance of the Company is covered in the Directors' Report. There has been no material development on human resources and industrial relations continue to be positive. The number of people employed as on March 31, 2017 was 2,414.

Annexure - 2

Annual CSR Report

1. A brief outline of the Company's CSR policy, including overview of projects or programs undertaken and a reference to the web-link to the CSR policy and projects or programs :

   Founded in 1937, Colgate Palmolive (India) Limited has always focused on ***'Giving India Reasons to Smile'***. Colgate continues to make great strides towards this long-standing commitment, through various programs and partnerships that bring our brands and values to life, across the nation.

   Colgate's success is linked to the Company's values of Caring, Global Teamwork and Continuous Improvement.

   Colgate ensures that all its stakeholders, including customers, shareholders, employees, business partners and the national community, are cared for. We work towards protecting the environment, as well as continually improving and enhancing the quality of life of individuals and communities through a multitude of partnerships and associations.

   The Colgate family is committed to working together across the country not only to achieve a sustained profitable growth but also to bring about a positive impact in the lives of many underserved communities.

   We are focused on getting better every day in everything we do, as individuals and as a team. We strive to understand our consumers' and customers' expectations better, each day, to be able to work continuously towards innovating and improving our products, services and programs in order to provide our consumers and customers a better experience every day.

   Our values are reflected in the quality of our products, the reputation of our Company, and also in our unstinted dedication towards serving the communities in which we do business.

   The details of the CSR programs/projects are available on the Company's website: http://www.colgate.co.in/app/Colgate/IN/Corp/Investor/CorporateGovernance.cvsp

   An overview of the CSR projects and programs undertaken by the Company, are appended hereto.

2.	The Composition of the CSR Committee	:	Dr. (Ms.) I. Shahani (Chairperson) Mr. I. Bachaalani Mr. M. Chandrasekar Ms. P. Sharma
3.	Average net profit of the Company for last three financial years	:	₹ 773 crore
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	:	₹ 15.46 crore
5.	Details of CSR spent during the financial year	:	₹ 15.58 crore
	a) Total amount to be spent for the financial year	:	₹ 15.46 crore
	b) Amount unspent, if any.	:	Nil

c) Manner in which the amount spent during the financial year is detailed below :

₹ in Crores

Sr. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program-wise	Amount spent on the projects or programs	Cumulative expendi-ture upto the reporting period	Amount spent : Direct or through imple-menting agency
1.	Bright Smiles, Bright Futures™	Promoting preventive health care	Across India	9.9	10.56	10.56	Direct as well as through implementing agency
2.	Oral Health Month	Promoting preventive health care	Across India	2.60	2.02	2.02	
3.	Pratham	Promoting education	Mumbai Maharashtra	0.10	0.10	0.10	Through Registered Trust/ Society/ NGO*
4.	Seva Mandir	Conservation of Natural Resources, Education and other allied areas	Rajasthan	0.60	0.80	0.80	
5.	"A Positive Step program" with : Network in Thane by People Living with HIV	Addressing inequalities	Thane, Maharashtra	0.16	0.15	0.15	
6.	"Saksham" program with SEEDS	Vocational and skills training for upliftment of economically weaker youth	Lucknow, Uttar Pradesh	0.70	0.65	0.65	
7.	Water program with WFP	Conservation of Natural Resources	Maharashtra	1.40	1.30	1.30	
	Total			**15.46**	**15.58**	**15.58**	
8.	In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report		Not applicable				

** The details of NGOs/Trust/Society : (i) Pratham; (ii) Seva Mandir; (iii) Network in Thane by People Living with HIV; and (iv) SEEDS.*

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and the policy of the Company.

Colgate Bright Smiles, Bright Futures™ Program

At Colgate, we understand that oral health plays a significant role in people's overall health, Thus we recognize the importance of a healthy smile and following continued good oral health care practices. Importantly, developing good habits at an early age helps children get a good start towards a lifetime of oral health.

As India's leader in oral care, Colgate is committed to improving children's oral health and considers it as the company's responsibility to bring healthy, bright smiles to the children of India through free dental check-ups and oral health education.

One of the most impactful oral health initiatives by Colgate is **Bright Smiles, Bright Futures™ (BSBF),** which demonstrates Colgate's commitment to educating children about oral healthcare. A flagship initiative by the Company, it was created with an aim to spread awareness among children about the correct oral health habits, basic hygiene and diet, through use of engaging aids to ensure that the children retain their learning about Oral Care.

The objective is to empower children to practice good oral care hygiene, by making them aware of good oral care practices, to reduce prevalence of dental caries and to promote preventive health care habits.

Since the inception of the program in 1976, the Company has been delivering oral health education to children, in partnership with the Indian Dental Association (IDA) through their network of committed dental professionals, by reaching out to influencers – like school teachers and the Anganwadi workers in the community to promote preventive oral care education.

Children between the age group of 6 to 14 years, studying in primary schools, are taught good oral hygiene habits, the right techniques of brushing with the use of a tooth model and a toothbrush, the importance of night brushing through an interactive module where the importance of a good mouth cleaning regimen is strongly instilled in them. At the end of the program, each child is given a 'Dental Health Pack' consisting of a toothpaste and a basic toothbrush, along with attractive charts depicting valuable oral care information in order to encourage these children to brush twice a day and take care of their oral care hygiene. A chart containing the oral care information is left in each classroom as a reminder to them, and for the teachers to reiterate the oral care message. School teachers are trained and provided with a 'Teacher's Guide' to help them instill good oral care habits on an on-going basis. The Teacher's Guide is a detailed booklet that pictorially shares details of a tooth's anatomy, stages of decay, and the causes of gum diseases to help them advocate the importance of healthy teeth.

BSBF has, so far, touched the lives of **142** million school children between the age of 6-14 years across 3,27,000 schools in urban and rural India till December 2016.

In the year 2016-17 alone, the BSBF program reached 8.2 million children across the country.

Oral Health Month :

India's first National Oral Health Survey, conducted by the Dental Council of India and Ministry of Health & Family Welfare, focused on improving the standards of oral health care in India. Colgate India, along with Indian Dental Association (IDA), rolled out the **Oral Health Month (OHM)**, in 2004, as a 6-city program with 70 participating dentists, to serve this purpose. OHM served as an awareness campaign to establish and promote the importance of good oral hygiene and encouraged regular dental check-ups. Spanning two months every year - OHM is focused on educating consumers, and offers free dental check-ups across the country.

The program was further strengthened with the introduction of Mobile vans to service under-privileged areas in the Metros and Towns. OHM also made oral care check-ups more accessible, and broke through any in-clinic fears that people may have harboured.

The Oral Care awareness drive now covers in-clinic free dental check-ups, school contact programs, free dental check-ups in mobile dental vans, retailers outreach program, and other community outreach initiatives. In the past 13 years, Oral Health Month has grown phenomenally, emerging as a leading campaign for promoting oral health awareness in India. In the Financial Year 2016-17, in the months of November – December, above 33,000 dentists participated in the program across 1100 cities in India. In our estimate, this campaign benefitted almost 60 lakh people across geographies within the country, contributing actively towards improving Oral Health awareness in India in the Financial Year 2016-17.

Positive Step Program Network in Thane by People Living with HIV (NTP+) :

At Colgate India, we recognize the seriousness of the HIV/AIDS epidemic and its impact on the workplace and on the society. Our policy focuses on non-discrimination and confidentiality, prevention, access

to treatment, partnerships with third parties, and providing proactive organizational support. We work to limit the impact of HIV/AIDS and towards maintaining a conducive environment through openness and acceptance.

Colgate-Palmolive (India) Limited initiated, **'A Positive Step'** , a program in collaboration with **'Network In Thane By People Living With HIV'** (NTP+), a Non-Governmental Organization addressing inequalities and promoting education for HIV infected and affected children.

The program, which had started with a handful of children, now supports a total of 89 children. Employees have come forward to volunteer and also spend their time in engaging with these kids to teach and help them sharpen their skills. These children are encouraged to face challenges bravely, and positively. Colgate India also organizes a special event on 'World AIDS Day' every year in December, wherein the kids get to spend a day at the Colgate office and interact with sponsors, volunteers, and the entire Colgate family.

The program is impacting children positively in education, health, and helping to create in them the confidence to face challenges that may come their way.

In the Financial Year 2016-17, a new initiative - Knowledge Garden (a creative library) was launched for the children enrolled in the Positive Step program. The objective of this initiative is to encourage children to develop a desire to learn through creative ways and utilize Knowledge Garden's infrastructure to groom their personalities.

Seva Mandir :

Seva Mandir is a non-profit organization, working in, and around Udaipur in Rajasthan in the field of education, health, empowerment of women and youth, village institutions and natural resource development.

With an aim to create sustainable livelihoods and bring in a positive change in the lives of individuals and communities, Colgate India partnered with Seva Mandir in 2013, to support its unique programs through an annual grant. Our association with Seva Mandir has supported programs in various domains like education, women empowerment, youth and children in the under privileged sections of the society.

Education is still a farfetched dream for these communities and realizing this, Colgate India launched the 'Colgate Seva Mandir Education Scholarship Program' for the disadvantaged children from tribal and rural areas of Rajasthan. The children enrolled in this program from tribal and rural areas are primarily girls from disadvantaged families. Through this program, Colgate India sponsors their school fee, hostel fee, study material, uniforms, travel cost, special coaching cost, and other support costs. Children study in Vidya Mandir school, which focuses on an all round development of children through both, studies and sports, as well as focuses on building in them, a strong value system through various engaging activities and initiatives.

Colgate India is also facilitating Seva Mandir and Vidya Mandir to help build better infrastructure and facilities for the children in the form of well-lit classrooms, uniforms, residential and storage spaces, availability of safe drinking water, availability of computers and learning facilities and in renovation of toilets and washing facilities in some of its hostel campuses. This will enable students find to learn in a much better environment. Through this education scholarship program, we aim to provide quality education and an enriching experience to these children so that they look forward to a bright future ahead.

More information about the NGO is available on **www.sevamandir.org**

Read India with Pratham :

Colgate India has been associated with Pratham, and has been working towards providing quality education to the underprivileged children of India. **'Every child in school and learning well'** has been Pratham's endeavor since its modest beginnings in Mumbai in 1994. Education is the crying need of India's developing economy. It is the only - lasting solution towards eradicating poverty in the long-term and can be achieved by empowering children through education. Pratham has come a long way both, in scope and geographical coverage since, and has established itself as a credible implementer of education solutions for under privileged children. Pratham works to strengthen the Government's effectiveness and efficiency in its role as the provider of primary school education in India. Pratham tries to supplement Government initiatives and not supplant it; primary education being the essential responsibility of the Government.

Colgate India has also partnered with Pratham in supporting their endeavor of working to provide education to the underprivileged children under their Initiative **"Read India"**.

More information about the NGO is available on **www.pratham.org**

Project "Saksham" with SEEDS :

Realizing the need of making the future generation more employable, Colgate India has launched **'Saksham'**, a pragmatic initiative for Social and Economic Empowerment of the underprivileged and marginalized youth through an Employability linked Skill Development program. Colgate has partnered with SEEDS and its implementation partner IL&FS to roll out the program. The program was launched in 2016 in Lucknow and aims at empowering the youth of the country by facilitating the right kind of vocational training and supporting them to find employment opportunities, thereby helping them in improving their socio-economic status.

During the training period, individuals are also groomed on social skills and behaviours and they also get a platform to interact with Colgate teams, and other people from different walks of life, including businessmen, to share their experiences and life lessons. The youths enrolled in the program are from economically weaker families, both from urban slum locations, as well as from rural areas. The focus is on enrolling youths who have the potential and willingness to learn, but are devoid of financial resources and guidance, and helping to enable them to become economically independent. The program started with the enrolment of 55 students at Lucknow. As of today 202 youth have been trained and certified through 'Saksham, and have been facilitated with employment opportunities through the NGO and its implementation partners. The program has been expanded in Moradabad along with Lucknow in Uttar Pradesh and Mujjarfarpur in Bihar, in the Financial Year 2016-17. Encouraged with this initial success, we aim to expand 'Saksham' to more locations and empower the youth by making them employable.

More information about the NGO is available on www.seedsimpact.org

Water with 'Water for People' :

Water is one of the key pillars of Colgate's sustainability initiatives. Many programs and initiatives have been carried out within the manufacturing facilities of Colgate India, which help not only in the recycling, reuse, and zero discharge of water but also in water conservation. Save Water initiatives with NGOs are also supported by the Parent Company, in Bihar and West Bengal regions of the country.

To strengthen our commitment and focus on conservation of water, Colgate India has partnered with Water for People, an NGO which has a comprehensive water management approach.

The aim is to support and implement mechanisms and interventions that are sustained by involving local communities, strengthening partnerships through local governance, building capacities and execution of strong monitoring mechanisms.

Colgate India kicked off the initiative for Maharashtra, one of the states highly in need of water and today is being impacted positively with conversation of water initiatives.

The focus areas are drinking water availability, accessibility, and quality. The focus also lies on rain water harvesting and supporting sanitation in schools and community areas, with this harvested water. The emphasis is on education, awareness, and sensitization in the schools and community areas through various mechanisms to Save Water. The NGO partner engaged, has started the work with a feasibility study for Block and Panchayat level assessments and also exploring partnerships for technology ideas and solutions.

We aim to build sustainable practices and mechanisms on water conservation through Water for People and bring about a positive impact in the lives of communities in the targeted areas.

More information about the NGO is available on https://www.waterforpeople.org.

Annexure - 3

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO PROVISIONS OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014.

A) Conservation of energy :

The Company continues its endeavour to improve energy conservation and utilization.

Some of the steps taken by the Company for energy conservation at its manufacturing locations during the Financial Year 2016-17 are outlined below :

Sanand

- **Conservation of energy :**

  Switched from Diesel to Compressed Natural Gas as fuel for the Boilers. This is expected to generate cost savings to the tune of INR 12 MM on an annual basis, while significantly reducing the carbon footprint

- **Conservation of Water :**

  The catchment area for collection of rain water for harvesting was significantly increased by constructing additional 34 rain water harvesting wells in 2016

Goa

- Installation of Air Compressor Synchronization for reduction in power consumption
- Installation of VFD Control for HVAC Chilled Water Circulation Pumps and Condenser Pumps

Baddi

- Replacement of CFL lights with LED for saving energy
- Installation of Harmonics reduction panel for energy saving
- Usage of COP tub for C&S to save water
- Recycling of water for sanitary purposes
- Water treated through ETP used for cleaning drums

Sricity

- Highly energy efficient (EFF) motor / pumps
- Pumps, chillers and compressors operated through VFDs based on load demand
- Harmonic filters installed for all equipment which improves power quality and reduced power losses
- Energy saving of around 30% due to LED Lighting system
- Lighting savers installed for LED lights saves around 15-20% light consumption
- Occupancy sensors installed for energy saving
- Solar water system used for dish washing
- Solar lights used in Switchyard
- High Efficiency Centrifugal Chillers
- Swapping of chillers (850 & 450 TR) based on demand reduces power requirement
- Usage of condensate water as chiller make-up water
- Office AHU & Entire Ventilation operated through time based scheduling
- HVAC System controlled through IBMS operations
- Reduction in power loss due to unit power factor across Plant
- Reduction in emission approx. 35% due to installation of solar power
- India Green Building Council awarded LEED Gold Certification in recognition of the various steps taken to ensure energy efficiency

B) Technology absorption :

The Company continues its efforts on various Research & Development (R&D) activities including absorption of technology received from Colgate-Palmolive Company, U.S.A., the parent company, for the development and manufacture of oral care products. The technology received by the Company is being absorbed and adapted to the demands of the local market.

Following are few of the R&D and technology absorption efforts made by the Company during the year :

1) Adapted technology for products using both local and/or imported raw materials & flavours
2) Prepared laboratory and pilot plant batches and set tentative product specifications
3) Completed product stability tests, microbiological tests, analytical tests and method validation

4) Optimized various manufacturing processes and filling trials.

5) Tested new product or formula among sensory expert panel members and consumers.

6) Finalized product formulations, process and product quality specifications .

7) Identified alternate local raw material vendors.

8) Reviewed and approved product claims and provided clinical documentation support.

New technologies allowed the Company to have a strong presence in key benefit segments of the Oral Care market viz., Cavity Protection, Gum Health, Tooth Pain Relief, Anti-Sensitivity, Natural Protection and Freshness.

The details of technology imported by the Company during the last three years are as follows :

Technology Imported	**Year of Import**	**Has the technology been fully absorbed?**	**If not fully absorbed, areas where absorption has not taken place, and reasons thereof**
Colgate MaxFresh Power Freeze High Impact Flavour Technology	2016-2017	Yes	Not Applicable
Colgate Cibaca Vedshakti Toothpaste Herbal Cocktail Technology	2016-2017	Yes	Not Applicable
Technology for a High Foaming Formula for Colgate Sensitive Clove Toothpaste	2016-2017	Yes	Not Applicable
Technology for a High Foaming Formula for Colgate Sensitive Toothpaste	2016-2017	No	Product not commercialized
Technology for Colgate Pain Out Dental Gel active ingredients testing	2014-2015	Yes	Not Applicable
Colgate Total Charcoal Toothpaste Technology	2014-2015	Yes	Not Applicable
Colgate Active Salt Neem Herbal Cocktail Technology	2014-2015	Yes	Not Applicable
Technology for Colgate Sensitive Enamel Repair Toothpaste	2014-2015	Yes	Not Applicable

Details of expenditure on R&D are given below :

Expenditure on R&D	**F.Y. 2016-17** ₹ Lacs
Capital	14,32.47
Recurring	6,00.49
Total	**20,32.96**

C) Foreign Exchange Earnings and Outgo :

During the year, the Company was able to generate export earning of ₹ 140,34.28 Lacs.

Annexure - 4

Form No. MR-3

Secretarial Audit Report

For the Financial year ended 31st March 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Colgate-Palmolive (India) Limited
CIN: L24200MH1937PLC002700
Colgate Research Centre, Main Street,
Hiranandani Gardens, Powai,
Mumbai-400076.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Colgate-Palmolive (India) Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the **Financial Year ended on 31st March 2017**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2017** according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Provisions of Overseas Direct Investment and External Commercial Borrowings are not applicable;**

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015;

   c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable as the Company has not issued any shares during the year under review;**

   e. The Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014)- **Not Applicable as the Company has not granted any shares/options under the said guidelines/ regualations during the financial year under review;**

f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable as the Company has not issued and/or listed any debt securities during the financial year under review;**

g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable as the Company has not delisted/ has proposed to delist its equity shares from any stock exchange during the financial year under review;**

i. The Securities and Exchange Board of India (Buyback of Securities).

j. Regulations, 1998 - **Not applicable as the Company has not bought back / has proposed to buy-back any of its securities during the financial year under review.**

vi. The Company has identified and confirmed the following Laws as being specifically applicable to the Company:

1. The Hazardous Wastes (Management and Handling) Rules 1989;
2. Factories Act, 1948;
3. The Drugs and Cosmetics Act, 1940;
4. The Legal Metrology Act, 2009;
5. The Legal Metrology (Packaged Commodities) Rules, 2011
6. Local laws as applicable to various offices and plants.

We have also examined compliance with the applicable Clauses/Regulations of the following:

(i) Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions of the Board and Committees thereof were carried through with requisite majority.

We further report that based on the review of the Compliance mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that mangement has adequate systems and processes commensurate with its size and operations to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

- As informed, the Company has responded to notices for demands, claims, penalties etc., levied by various statutory /regulatory authorities and initiated actions for corrective measures, wherever found necessary.

We further report that during the audit period, no events/actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. have taken place:

For **S. N. ANANTHASUBRAMANIAN & CO.**
Company Secretaries
Firm Registration No. P1991MH040400

S.N. ANANTHASUBRAMANIAN
Partner
C.P No: 1774

Date: 12th May, 2017
Place: Thane

Annexure - 5

FORM No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

i)	CIN	L24200MH1937PLC002700
ii)	Registration Date	September 23, 1937
iii)	Name of the Company	Colgate-Palmolive (India) Limited
iv)	Category/Sub-Category of the Company	Public Company limited by shares
v)	Address of the Registered office and contact details	Colgate Research Centre, Main Street Hiranandani Gardens, Powai, Mumbai 400 076, India
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact details of Registrars & Transfer Agent, if any	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083 Tel : **91-22-4918 6000** Fax : **91-22-4918 6060** E-mail : **rnt.helpdesk@linkintime.co.in**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated :

Sr. No.	Name and Description of main Products/Services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Toothpaste	Group 202 Class 2023 Sub-Class 20235	79.46
2.	Tooth Powder		–
3.	Toothbrush *		15.23

*No NIC Code is available for Toothbrush.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1.	Colgate-Palmolive Co., 300, Park Avenue, New York, NY 10022, United States	Foreign Co.	Holding	40.06	2 (46)
2.	Colgate-Palmolive (Asia) Pte. Ltd. 24, Raffles Place #15-00 Clifford Centre Singapore 048621	Foreign Co.	Holding	10.94	2 (46)
3.	Norwood International Incorporated 300, Park Avenue, New York, NY 10022, United States	Foreign Co.	Holding	–	2 (46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2016)				No. of Shares held at the end of the year (March 31, 2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/HUF	–	–	–	–	–	–	–	–	–
b) State Govt.(s)	–	–	–	–	–	–	–	–	–
c) Bodies Corporate	–	–	–	–	–	–	–	–	–
d) Banks/FI	–	–	–	–	–	–	–	–	–
e) Any Others	–	–	–	–	–	–	–	–	–
Sub-Total (A) (1)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
2) Foreign									
a) NRIs – Individuals	–	–	–	–	–	–	–	–	–
b) Other – Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corporate	138712672	–	138712672	51.00	138712672	–	138712672	51.00	–
d) Banks/FI	–	–	–	–	–	–	–	–	–
e) Any Others	–	–	–	–	–	–	–	–	–
Sub Total (A)(2)	**138712672**	**–**	**138712672**	**51.00**	**138712672**	**–**	**138712672**	**51.00**	**–**
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	**138712672**	**–**	**138712672**	**51.00**	**138712672**	**–**	**138712672**	**51.00**	**–**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds/UTI	5551631	10234	5561865	2.04	5307393	10234	5317627	1.96	-0.08
b) Banks/FI	1503855	11140	1514995	0.56	441888	11140	453028	0.16	-0.40
c) Central Govt.	298662	–	298662	0.11	–	–	–	–	–
d) State Govt.(s)	–	–	–	–	1000	–	1000	0.00	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	14788788	100	14788888	5.44	18835423	100	18835523	6.93	1.49
g) FIIs	27624541	5900	27630441	10.16	13780412	5900	13786312	5.07	-5.09
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)									
- Foreign Portfolio Corp.	16384953	–	16384953	6.02	30420478	–	30420478	11.18	5.16
- Foreign Bank	–	–	–	–	400	–	400	–	–
Sub-total (B) (1)	**66152430**	**27374**	**66179804**	**24.33**	**68786994**	**27374**	**68814368**	**25.30**	**0.97**

2.	**Non- Institutions**									
a)	Bodies Corporate									
i)	Indian (Domestic)	5154155	30924	5185079	1.91	4572562	–	4572562	1.68	-0.23
ii)	Overseas	–	–	–	–	–	–	–	–	–
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto ₹1 Lac	49659953	7819282	57479235	21.13	47048666	7333646	54382312	19.99	-1.14
ii)	Individual shareholders holding nominal share capital in excess of ₹1 Lac	1439722	–	1439722	0.53	102000	–	102000	0.04	-0.49
c)	Others (specify):									
	– Trust	1521978	–	1521978	0.56	2355735	–	2355735	0.87	0.32
	– Hindu Undivided Family	–	–	–	–	1106940	–	1106940	0.41	–
	– NRI (Repat)	589444	3000	592444	0.22	627594	3000	630594	0.23	0.01
	– NRI (Non-Repat)	848942	19318	868260	0.32	859645	13686	873331	0.32	–
	– Foreign Portfolio Investor (Individuals)	–	–	–	–	600	–	600	0.00	–
	– Foreign Nationals	–	–	–	–	5370	–	5370	0.00	–
	– OCB	3880	2560	6440	–	3880	2560	6440	0.00	–
	– Clearing Member	–	–	–	–	422710	–	422710	0.16	–
Sub-total (B)(2)		**59218074**	**7875084**	**67093158**	**24.67**	**57105702**	**7352892**	**64458594**	**23.70**	**-0.97**
Total Public Shareholding (B) = (B)(1) + (B)(2)		**125370504**	**7902458**	**133272962**	**49.00**	**125892696**	**7380266**	**133272962**	**49.00**	**–**
C.	Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)		**264083176**	**7902458**	**271985634**	**100.00**	**264605368**	**7380266**	**271985634**	**100.00**	**–**

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2016)			Shareholding at the end of the year (March 31, 2017)			% Change in Share-holding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to total shares	
1.	Colgate-Palmolive Co.	108952694	40.06	–	108952694	40.06	–	–
2.	Colgate-Palmolive (Asia) Pte. Ltd.	29758852	10.94	–	29758852	10.94	–	–
3.	Norwood International Incorporated	1126	–	–	1126	–	–	–
	Total	**138712672**	**51.00**	**–**	**138712672**	**51.00**	**–**	**–**

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year (April 1, 2016)		Cumulative shareholding during the year (March 31, 2017)	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	138712672	51.00	138712672	51.00
	Datewise increase/Decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat Equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	138712672	51.00	138712672	51.00

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.		Shareholding at the beginning of the year (April 1, 2016)		Cumulative Shareholding during the year (March 31, 2017)	
	Top Ten Shareholders	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	Life Insurance Corpn. of India	12868698	4.73	16940676	6.23
2.	Arisaig Partners (Asia) Pte. Ltd A/c. Arisaig India Fund Ltd.	9187394	3.38	9187394	3.38
3.	Government of Singapore	2290290	0.84	2205996	0.81
4.	NPS Trust – A/c. UTI Retirement Solutions Pension fund Scheme – State Govt.	1450723	0.53	2029307	0.75
5.	First State Investments ICVC – Stewart Investors Global Emerging Markets Leaders Fund	–	–	1992571	0.73
6.	Arisaig Partners (Asia) Pte Ltd. A/c. Arisaig Global Emerging Markets Consumer Fund (Singapore) Pte. Ltd.	1164684	0.43	1824600	0.67
7.	J P Morgan Funds	827078	0.30	1592028	0.59
8.	UTI-MNC Fund	1159068	0.43	1292068	0.48
9.	First State Indian Subcontinent Fund	512410	0.19	1258714	0.46
10.	Fidelity Investment Trust – Fidelity Emerging Markets Ltd.	1354322	0.50	1239871	0.46
11.	General Insurance Corporation of India	1165318	0.43	825840	0.30
12.	Virtus Emerging Markets Opportunities Fund	2238792	0.82	–	–
13.	Vontobel Fund – Emerging Markets Equity	1549839	0.57	–	–
14.	Vontobel India Fund	1266883	0.47	–	–

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.			Shareholding at the beginning of the year (April 1, 2016)		Cumulative Shareholding during the year (March 31, 2017)	
	For each of the Directors and KMP	Name of the Director	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year					
		Mr. P. K. Ghosh	14676	0.0054	14676	0.0054
		Mr. M. Chandrasekar *	–	–	400	–
	Datewise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)		–	–	–	–
	At the end of the year		14676	0.0054	15076	0.0054

*Appointed as an Additional Director (Whole-time Director) effective January 2, 2017

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment : Not Applicable

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No.	Particulars of Remuneration	Name of MD/WTD					Total Amount (₹ Lacs)
		I. Bachaalani	N. Ghate*	M. S. Jacob**	G. Nthunzi ***	M. Chandrasekar ****	
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	8,52.77#	63.57	36.10	2,72.24	23.94	12,48.62
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1,07.70	90.01	50.06	37.81	17.24	3,02.82
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	–	–	–	–	–	–
2.	Stock Option&	2,96.79	2,28.64	–	74.40	–	5,99.83
3.	Sweat Equity	–	–	–	–	–	–
4.	Commission - As % of profit - Others specify Executive Incentive Compensation Plan/Bonus	74.94	52.66	–	–	–	1,27.60
5.	Others, please specify: Employer contribution to Provident Fund	26.38	7.62	4.32	12.39	2.87	53.58
	Total	**13,58.58**	**4,42.50**	**90.48**	**3,96.84**	**44.05**	**23,32.45**
	Ceiling as per Section 198 of the Companies Act, 2013						**86,63.47**

* Ceased to be the Whole-time Director & Company Secretary effective December 31, 2016

** Appointed as an Additional Director (Whole-time Director) effective October 28, 2016

*** Ceased to be the Whole-time Director effective October 28, 2016

**** Appointed as an Additional Director (Whole-time Director) effective January 2, 2017

Includes tax equalization allowance of ₹ 3.53 crore related to taxes arising in a foreign jurisdiction solely as a result of the Executive Director's expatriate status.

& Includes exercise of stock options and restricted stock awards in the current financial year, which were granted in prior years by Colgate-Palmolive Company,U.S.A., the Parent Company, pursuant to its incentive plan.

B.	Remuneration to other directors								
Sr. No.	Particulars of Remuneration		Name of Directors						Total Amount (₹ Lacs)
1)	Independent Directors		R. A. Shah	P. K. Ghosh	J. K. Setna	V. S. Mehta	I. Shahani (Ms.)	S. Gopinath (Ms.)	
	*	Fee for attending Board Committee meetings	10.30	7.65	9.80	10.80	9.55	8.75	56.85
	*	Commission	5.00	5.00	5.00	5.00	5.00	5.00	30.00
	*	Others, please specify	–	–	–	–	–	–	–
	Total (1)		**15.30**	**12.65**	**14.80**	**15.80**	**14.55**	**13.75**	**86.85**
2)	Other Non-executive Directors								
	*	Fee for attending Board Committee Meetings							
	*	Commission							
	*	Others, please specify	**NOT APPLICABALE**						
	Total (2)								
	Total (B) = (1 + 2)		**15.30**	**12.65**	**14.80**	**15.80**	**14.55**	**13.75**	**86.85**
	Total Managerial Remuneration								
	Overall Ceiling as per the Act:		1% of the Net Profits of the Company.						

C.	Remuneration to Key Managerial Personnel other than MD/Manager/WTD	
Sr. No.	Particulars of Remuneration	Key Managerial Personnel
		M. Karnataki*
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	8.00
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	8.26
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	–
2.	Stock Option	–
3.	Sweat Equity	–
4.	Commission - As % of profit - Others, specify Executive Incentive Compensation/ Bonus	–
5.	Others, please specify Employer contribution to Provident Fund	0.96
	Total	**17.22**

* Remuneration from January 2, 2017 - the date of appointment as the KMP.

VII. Penalties / Punishment / Compounding of offences : NONE

Annexure - 6

Disclosure pursuant to Section 197 (12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year is as follows :

	Name of the Executive Director	Ratio
1.	Mr. Issam Bachaalani	1:119
2.	Mr. Godfrey Nthunzi* (Whole-time Director & CFO)	N.A.
3.	Mr. Niket Ghate* (Whole-time Director & Company Secretary)	N.A.
4.	Mr. M. S. Jacob#	N.A.
5.	Mr. M. Chandrasekar #	N.A.

* Associated with the Company for part of the year.

\# Appointed as the Whole-time Directors on October 28, 2016 and January 2, 2017 respectively.

Employees for the above purpose includes all employees excluding Associates at the manufacturing locations of the Company.

Non-Executive Directors :

The Non-Executive & Independent Directors of the Company are paid only 'Sitting fees' for attending the Meetings of the Board, the Committees including meetings of Independent Directors. They are also paid a fixed Commission of ₹ 5 Lacs per annum as per the Shareholders approval. The Non-Executive & Non-Independent Directors of the Company does not receive any remuneration from the Company.

2. The percentage increase in remuneration of each Executive Director and Key Managerial Personnel in the financial year is as follows:

Sr. No.	Name of the Executive Director	Approx. increase in percentage in F.Y. 2016-17 as compared to F.Y. 2015-16 (without earnings from exercise of ESOPs)
1.	Mr. Issam Bachaalani* (Managing Director)	7%
2.	Mr. Godfrey Nthunzi** (Whole-time Director & CFO)	N.A.
3.	Mr. Niket Ghate** (Whole-time Director & Company Secretary)	N.A.
4.	Mr. M. S. Jacob#	N.A.
5.	Mr. M. Chandrasekar#	N.A.
6.	Mr. M. Karnataki$	N.A.

* Increase in percentage excludes tax equalization allowance in both periods since these payments are driven by applicable tax laws, the impact of which can vary significantly year to year. Including tax equalization allowance, percentage increase stands at approx. 60%.

** Associated with the Company for part of the year.

\# Appointed as the Whole-time Directors on October 28, 2016 and January 2, 2017 respectively.

$ Appointed as the Key Managerial Personnel on January 2, 2017.

3. The percentage increase in the median remuneration of employees in the financial year :

The percentage increase in the median remuneration of all the Salaried & Clerical (S&C) employees in the Financial Year 2016-17 was 10.7% as compared to Financial Year 2015-16.

4. The number of permanent employees on the rolls of the Company :

The number of Permanent employees on the rolls of the Company as on March 31, 2017 is 2,414.

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

In Financial Year 2016-17, there is an average increase of 6% in the fixed remuneration of all the employees (other than the managerial personnel) as compared to increase of 8% in the fixed remuneration of the Executive Directors.

6. Affirmation :

Remuneration paid by the Company to its Executive Directors, Key Managerial Personnel and Senior Management employees is as per the Nomination & Remuneration Policy of the Company.

Issam Bachaalani Managing Director (DIN : 06975320)	R. A. Shah Vice-Chairman (DIN : 00009851)

Mumbai, May 15, 2017

Annexure - 7

Business Responsibility Report

Colgate-Palmolive (India) Limited ('Colgate') is committed to doing business ethically. There is a clear business mandate that governs all actions at Colgate through a Code of Conduct that every employee and business partner is familiar with. We, at Colgate, believe while it is important to fulfill our primary goal of doing business – 'how' we achieve our goals is critical. Colgate is committed to act with compassion, integrity, honesty and high ethics in all situations. The Company is also committed to protect global environment, to enhance the welfare of communities where Colgate people live and work, and to be compliant with laws and regulations of the country.

Section A : General Information about the Company

1. Corporate Identity Number (CIN) of the Company : **L24200MH1937PLC002700**
2. Name of the Company : **Colgate-Palmolive (India) Limited**
3. Registered address : **Colgate Research Centre, Main Street, Hiranandani Gardens, Powai, Mumbai – 400 076, India**
4. Website : **www.colgatepalmolive.co.in**
5. E-mail ID : **brr_info@colpal.com**
6. Financial Year reported : **April 1, 2016 – March 31, 2017**
7. Sector(s) that the Company is engaged in (industrial activity code-wise) :
   The Company's Business Segment is "Personal Care" (including Oral Care).
8. List three key products/services that the Company manufactures/provides (as in balance sheet) :
   The Company manufactures/provides following key products; namely –
   i. Toothpaste
   ii. Toothbrush
   iii. Mouth Wash
9. Total number of locations where business activity is undertaken by the Company :
   i. Number of International Locations : None
   ii. Number of National Locations : 8 (Factories, Head Office & Branches)
10. Markets served by the Company - Local/State/National/International :

LOCAL	STATE	NATIONAL	INTERNATIONAL
Yes	Yes	Yes	Yes

Section B : Financial Details of the Company (₹ in Lacs)

1. Paid up Capital (INR) : 27,20
2. Total Turnover (INR) : 4,48,985
3. Total profit after taxes (INR) : 57,743
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) : 2%
5. List of activities in which expenditure in 4 above has been incurred :
   a) Bright Smiles, Bright Futures™ – Promoting preventive health care
   b) Oral Health Month – Promoting preventive health care

c) Pratham – Promoting education

d) Seva Mandir – Conservation of natural resources, health, education and other allied areas

e) Network in Thane by People Living with HIV – Empowerment of women and addressing inequalities

f) SEEDS – Vocational and Skills training for upliftment of economically weaker youth

g) Water for People – Focuses on providing drinking water availability, accessibility, and quality

More information about Corporate Social Responsibility (CSR) Activities of the Company are available in the Annual CSR Report.

Section C : Other Details

1. Does the Company have any Subsidiary Company/Companies?

– The Company does not have any Subsidiary.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the Parent Company? If Yes, then indicate the number of such Subsidiary Company(s).

– Not applicable.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If Yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]

– Yes, the Company shares its ethical business practices, Code of Conduct, Anti-Bribery Policy and Supplier Code of Conduct with its contract manufacturers, suppliers and major third parties associated with the Company.

Section D : BR Information

1. Details of Director/Directors responsible for Business Responsibility

a) Details of the Director/Directors responsible for implementation of the BR policy/policies of the BR head

Sr. No.	Particulars	Details
1.	Name	Mr. Issam Bachaalani
2.	DIN Number (if applicable)	06975320
3.	Designation	Managing Director
4.	Telephone number	022 – 6709 5050
5.	e-mail ID	brr_info@colpal.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

Principle 3: Businesses should promote the well-being of all employees.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Principle 5: Businesses should respect and promote human rights.

Principle 6: Businesses should respect, protect and make efforts to restore the environment.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Principle 8: Businesses should support inclusive growth and equitable development.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sr. No.	Questions	Business Ethics	Sustainability	Employees' Well-being	Stakeholders' Welfare	Human Rights	Environment	Regulatory Policy	Equitable Development	Customer Responsibility
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for...	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	–	Y	Y
3.	Does the policy conform to any national/international standards? If yes, specify? (50 words) #	Y	Y	Y	Y	Y	Y	–	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?*	Y	Y	Y	Y	Y	Y	–	Y	Y
5.	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	–	Y	Y
6.	Indicate the link for the policy to be viewed online?	#	#	#	#	#	#	–	#	#
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	–	Y	Y
8.	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	–	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	–	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	N	N	N	N	N	–	N	Y

http://www.colgate.co.in/app/Colgate/IN/Corp/LivingOurValues/CodeOfConduct.cvsp

* Colgate has a globally accepted Code of Conduct policy approved by the CEO of the parent company, Colgate-Palmolive Company, U.S.A. which is also followed by the Company, being one of its subsidiaries.

2a. If answer to S. No. 1 against any principle, is 'No', please explain why:

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the principles	–	–	–	–	–	–	–	–	–
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	–	–	–	–	–	–	–	–	–
3.	The Company does not have financial or manpower resources available for the task	–	–	–	–	–	–	–	–	–
4.	It is planned to be done within the next 6 months	–	–	–	–	–	–	–	–	–
5.	It is planned to be done within the next 1 year	–	–	–	–	–	–	–	–	–
6.	Any other reason (please specify)#	–	–	–	–	–	–	✓	–	–

The Company currently does not find it necessary to frame a policy on principle #7.

3. Governance related to BR

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meets to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year :**

  – The Committee meets periodically to evaluate the BR performance of the Company.

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

  – The Company publishes the 'information on sustainability' in the Directors' Report which forms a part of the Annual Report of the Company. The hyperlink to view the Annual Report is : http://www.colgate.co.in/Colgate/IN/Corp_v2/Investor/FinancialReports/annual-report-2016-17.pdf

Section E: Principle-wise performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?**

   Colgate is committed to do business with integrity and adhere to ethical business practices. It acts with integrity in all aspects of its business. Colgate's well earned reputation for integrity is a business asset. It is reliant upon the commitment of all Colgate Directors, Officers and Employees everywhere, to act in accordance with Colgate's Code of Conduct and all applicable laws and regulations.

   Colgate-Palmolive Company, U.S.A. is the Parent Company of Colgate-Palmolive (India) Limited. The parent company's Code of Conduct ('Colgate Code of Conduct') applies to all Colgate People, including Directors, Officers and all Employees of the Company and its subsidiaries globally. 'Colgate Code of Conduct' also applies to contract manufacturers, suppliers and major third parties associated with the Company.

   Colgate also has an Anti-bribery Policy. The Company conducts a Due Diligence with its Vendors, Suppliers and other stakeholders dealing with the Government or statutory authorities on behalf of the Company, in accordance with its Anti-bribery Policy. The Company has a zero tolerance for any breach of its Policy. As a pro-active initiative, the Company regularly provides training with respect to Ethics and Anti-bribery Policy to stakeholders.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

   The Company received 5 stakeholder complaints which were duly investigated and appropriate actions were taken.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   - Re-designing of packaging material that result in low impact on the environment through change in Technology. Cartons that have lower thickness contribute to improved biodegradability and recyclability.
   - Most of the cartons are made of recycled paper board which can be further re-cycled.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   i. **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

      We endeavour to source material from suppliers of raw material and packaging located close to our manufacturing facilities. In most of the cases, we source packaging material locally. The secondary & tertiary packaging material has the potential of being reused and recycled.

   ii. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

      We have been imparting education on oral hygiene and have given a message of saving water while brushing teeth to 8.4 millions of school children.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

   Most of our plants are situated close to raw material suppliers, thereby reducing transportation and carbon emission.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Colgate's 'Enhance Supplier Management' program helps suppliers improve their quality, efficiencies, productiveness and waste reduction through regular audits, recommendations and an inspection process.

5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Yes. About 82% of the waste is recycled/reused.

Some of the containers for our primary packaging material are recycled and reused. Most of the material used for transportation of primary & secondary packaging material is recycled and reused.

Solid waste/sludge from Waste Water Treatment Plants and process waste from the factories located at Sanand, Gujarat and Sricity, Andhra Pradesh is sent to cement manufacturing companies in Gujarat and Andhra Pradesh. It is co-processed to be converted into cement. A small portion of the waste is not environment friendly and is therefore disposed in a controlled manner to government approved Common Hazardous Waste Treatment Storage and Disposal Facility (CHWTSDF).

Principle 3: Businesses should promote the well-being of all employees.

Colgate's commitment to caring for people is manifested in the workplace through a variety of programs designed to promote and reward individual and team achievements. Specifically, in matters of employment :

- It is the policy, practice and aim of Colgate to provide employment opportunities to all qualified persons on an equal basis. The Company will not discriminate against any employee or applicant for employment on the basis of race, religion, disability, ethnicity, marital status or any other characteristic protected by law.
- The Company does not employ/engage child labour.
- It provides training, education and promotion opportunities that permit development and career advancement to the Company's workforce.
- It prohibits sexual harassment by any person in the workplace or while conducting Company business.
- It provides wellness programs for the employees.
- Free health check-ups are arranged for the employees.

1. **Please indicate the Total number of employees:**

Total number of employees : 2,414

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis:**

The total number of employees hired on temporary contractual/casual basis : 659

3. **Please indicate the Number of permanent women employees:**

Number of permanent women employees : 164

4. **Please indicate the Number of permanent employees with disabilities:**

Number of permanent employees with disabilities: NIL

5. **Do you have an employee association that is recognized by management:**

No. There are no unions / employee associations recognized by the management. However, we have signed long term settlements with the majority union at Goa factory which has multiple unions.

6. **What percentage of your permanent employees is members of this recognized employee association?**

There are total 1507 workmen in the factories. Of these, about 407 workmen i.e. 27% forms part of union recognized by the management.

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as at the end of the financial year.**

The Company has not received any complaint relating to child labour, involuntary labour and on discriminatory employment during the year 2016-17. During the year, 4 complaints on sexual harassment were received by the Company, which were thoroughly investigated and necessary actions were promptly taken by the management as per applicable law and policies of the Company.

There are no complaints pending as at the end of the financial year.

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- Permanent Employees : 100%
- Permanent Women Employees : 100%
- Contractual Manpower : 100%
- Employees with Disabilities : N.A.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. **Has the Company mapped its internal and external stakeholders?**

   Yes, the Company has mapped its internal and external stakeholders.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

   Yes, the Company has identified the disadvantaged, vulnerable and marginalized stakeholders.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

   The Company has focused on the education of less privileged children in society. Also, the Company supports a program called 'A Positive Step' with an NGO working for the well-being of children infected/affected by HIV. More steps like Saksham, etc. are mentioned in the annexed Annual CSR Report.

Principle 5: Businesses should respect and promote human rights.

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs/Others?**

   The policy for human rights forms part of the Code of Conduct and the Third Party Code of Conduct of the Company. The Third Party Code of Conduct extends to the contract manufacturers, suppliers and major third parties associated with the Company.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   We have not received any complaints under the Human Rights in the past financial year.

Principle 6: Business should respect, protect and make efforts to restore the environment.

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/others?**

   The policy extends to the major third parties associated with the Company through the Third Party Code of Conduct.

2. **Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If Yes, please give hyperlink for webpage etc.**

   Yes, the Company does have strategies/initiatives to address the global environmental issues. The hyperlink for the same is: http://www.colgate.co.in/app/Colgate/IN/Corp/livingourvalues/sustainability.cvsp

3. **Does the Company identify and assess potential environmental risks? Y/N**

   Yes, the Company identifies and assesses potential environmental risks through audit and assessments.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   The Company does not have a project related to Clean Development Mechanism.

5. **Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If Yes, please give hyperlink for web page etc.**

   Yes, the Company has undertaken initiatives on energy efficiency. Factories conducted energy treasure hunts, an initiative to identify opportunities for saving energy. Sricity Plant purchases electricity from solar power producers. The hyperlink for the same is:

   http://www.colgate.co.in/app/Colgate/IN/Corp/livingourvalues/sustainability.cvsp

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, during the Financial year 2016-17, the Emissions/Waste generated by the Company are within the permissible limits given by Central Pollution Control Board/State Pollution Control Board for the financial year 2016-17.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

NIL

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is associated/is a member of the following Associations :

a) The Advertising Standards Council of India

b) Indian Beauty & Hygiene Association

c) The Associated Chambers of Commerce and Industry of India

d) American Chamber of Commerce in India

e) Confederation of Indian Industry

f) Bombay Management Association

g) Federation of Indian Chambers of Commerce and Industry

h) Bombay Chamber of Commerce and Industry

i) Council for Fair Business Practices

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if Yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others).

Although the Company is a member of the aforesaid Associations, it has not lobbied in the above areas.

Principle 8: Businesses should support inclusive growth and equitable development.

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If Yes, details thereof.

Yes, the Company have programmes/initiatives/ projects in pursuit of the policy related to Principle 8. Please refer to **Annexure - 3** to the Board's Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?

The Company conducts two major community involvement programs - Bright Smiles, Bright Futures™ and Oral Health Month that are undertaken both directly and along with ground organizations given the massive scale of these programs. The Company also has NGO supported programs with 'Pratham' that works towards the education of less privileged children in Municipal Schools and NTP+ that supports children affected and impacted by HIV. Also, the Company in partnership with 'Seva Mandir', a not-for-profit Organisation, conducts programs in health, education, natural resource development and women and child care.

3. Have you done any impact assessment of your initiative?

The nature of these programs - Bright Smiles, Bright Futures™ and Oral Health Month are on ground CSR initiatives. Feedback and appreciation of the community work undertaken is instant, not dependent on continuous monitoring process not requiring a formal impact assessment.

The NGOs supported by Colgate India – Pratham, Seva Mandir and Saksham. They conduct regular assessment programs to ensure the impact of their initiatives.

4. What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

The Company spent an amount of ₹ 15.58 Crore on major community involvement projects, viz. The details of the projects are available in **Annexure - 3** to the Board's Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   The importance of following and maintaining good oral hygiene message is carried home by the child, thereby spreading the message in the community. Thus having a larger impact beyond the school education. The CSR projects have been constantly evaluated to ensure maximum impact of their initiatives in the geographies they work in.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Since the Company's business is consumer products, our success depends upon consumer satisfaction, trust and goodwill. When a consumer expresses dissatisfaction, we address the problem promptly, courteously and fairly, and make every responsible effort to sustain or regain the consumers' goodwill and continued purchase of Colgate products. The Company believes that the consumer opinions, concerns and inquiries communicated to the Company regarding the products are important sources of information. To strengthen further the existing customer care system, the Company has set up a call center at Pune by partnering with Aegis Limited, which acts as a contact center for our consumer providing inbound and outbound customer care. The Company understands the consumer needs and uses its world-class technology to create products that cater to the evolving needs of the consumers. The Company has fair, equitable and transparent terms for all consumers.

1. **What percentage of customer complaints/ consumer cases are pending as on the end of financial year:**

   There are total 12 consumer cases pending in different consumer courts/forums and the same are *sub-judice.*

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information).**

   Yes. The Company displays the product information on the product label, over and above what is mandated as per local laws. Few examples are efficacy of the product, technology used in the product and claims attributed to the product.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   There are no cases filed against the Company regarding unfair trade practices or anti-competitive behaviour. The Company received few complaints with respect to the advertisement of its products from The Advertising Standards Council of India (ASCI). The complaints have been resolved satisfactorily.

4. **Did your Company carry out any consumer survey/consumer satisfaction trends?**

   Yes, the Company regularly conducts consumer surveys/consumer satisfaction trends.

Independent Auditors' Report

To the Members of Colgate-Palmolive (India) Limited

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying Ind AS financial statements of Colgate-Palmolive (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial

Independent Auditors' Report (Contd.)

statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 24, 2016 and May 19, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
    (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
    (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
    (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
    (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
        i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its Ind AS financial statements – Refer Note 25 and Note 32;
        ii. The Company has long-term contracts as at March 31, 2017 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2017;
        iii. Read with Note 23 of the Ind AS Financial Statements, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
        iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 43.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Pradip Kanakia
Partner
Membership Number - 039985

Mumbai
May 15, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Colgate-Palmolive (India) Limited on the Ind AS financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Colgate-Palmolive (India) Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Annexure to Independent Auditors' Report (Contd.)

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Colgate-Palmolive (India) Limited on the Ind AS financial statements for the year ended March 31, 2017

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Pradip Kanakia
Partner
Membership Number - 039985

Mumbai
May 15, 2017

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Colgate-Palmolive (India) Limited on the Ind AS financial statements for the year ended March 31, 2017

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties other than self-constructed properties, as disclosed in Note 3 on Property, Plant and Equipment to the Ind AS financial statements, are held in the name of the Company, except for the following leasehold properties:

(1) Lease rights in respect of leasehold land at Sanand with gross carrying value of ₹ 52,62.04 Lacs and net book value of ₹ 51,52.22 Lacs is yet pending execution with the concerned authorities.

(2) Leasehold land at Sewri with gross and net book value of Nil where formal transfer of lease rights in favour of the Company is pending.

(3) Lease rights in respect of one plot of leasehold land at Aurangabad with gross and net book value of ₹ 5.59 Lacs is yet pending execution with the concerned authorities (Refer Note 15 - Other Current Assets to the Ind AS financial statements).

ii. The physical verification of inventory, including stocks with third parties, have been conducted at reasonable intervals by Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed thereunder to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duty of custom which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, duty of excise and value added tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Annexure B to Independent Auditors' Report (Contd.)

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Colgate-Palmolive (India) Limited on the Ind AS financial statements for the year ended March 31, 2017

Sr. No.	Name of the Statute	Nature of the Dues and period to which the amount relates	Amount # (₹ Lacs)	Forum where dispute is pending
1	**Income Tax**			
	The Income Tax Act, 1961	Income tax liability for the Financial Years 2005-2006 and 2006-2007.	2,33.59	First Appellate Authorities
		Income tax liability for the Financial Years 2008-2009, 2010-2011 and 2011-2012.	122,61.64	Income Tax Appellate Tribunal
		Income tax liability for the Financial Years 1995-1996 to 1999-2000 and 2003-2004.	**13,35.86	High Court
		** The matter was decided in favour of the Company, but department has preferred appeal at higher level.		
	Total		**138,31.09**	
2	**Sales Tax**			
	As per the Statutes applicable in the following states – New Delhi, Maharashtra, Madhya Pradesh, Bihar, Orissa, Kerala, Andhra Pradesh, West Bengal, Uttar Pradesh, Gujarat, Assam, Tripura, Rajasthan, Jharkhand, Karnataka and Goa	Sales tax liability for the Financial Years 1995-1996, 1998-1999, 2000-2001 to 2014-2015.	9,15.58	Assessing Authorities and First Appellate Authorities of various states
		Sales tax liability for the Financial Years 1987-1988 to 1988-1989, 1990-1991, 1995-96 to 1997-1998, 1999-2000 to 2001-2002, 2003-2004, 2011-2012 and 2013-2014.	3,52.33	Sales tax Appellate Tribunal of various states.
		Sales tax liability for the Financial Years 1993-1994 and 2004-2005.	51.86	High Court
	Total		**13,19.77**	
3	**Service Tax**			
	The Finance Act, 1994	Service tax liability for the Financial Years 2002-2003, 2004-2005 to 2009-2010.	71.00	First Appellate Authorities
		Service tax liability for the Financial Years 1997-1998 to 2000-2001, 2007-2008 and 2008-2009.	72.84	Customs, Excise and Service Tax Appellate Tribunal
		Service tax liability for the Financial Years 1997-1998 to 2000-2001, 2005-2006 and 2006-2007.	9,39.73	High Court
	Total		**10,83.57**	
4	**Excise Duty**			
	The Central Excise Act, 1944	Excise duty liability for the Financial Years 1994-1995 and 2000-2001 to 2010-2011.	9,94.66	Customs, Excise and Service Tax Appellate Tribunal
		Excise duty liability for the Financial Years 1998-1999 to 1999-2000, 2001-2002 to 2004-2005, 2009-2010, 2011-2012 to 2014-2015, February 2015 to October 2015 and November 2015 to August 2016.	7,64.37	First Appellate Authorities
	Total		**17,59.03**	

Net of amounts paid under Protest.

Annexure B to Independent Auditors' Report (Contd.)

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Colgate-Palmolive (India) Limited on the Ind AS financial statements for the year ended March 31, 2017

viii. As the Company does not have any loans or borrowings from any financial institution or bank or government nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Pradip Kanakia
Partner
Membership Number - 039985

Mumbai
May 15, 2017

Balance Sheet as at March 31, 2017

	Note	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs	As at April 01, 2015 ₹ Lacs
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3(A)	**1,108,10.85**	1,008,13.88	781,58.22
Capital Work-in-Progress	3(B)	**166,59.11**	78,37.44	141,18.24
Goodwill		**–**	–	–
Other Intangible Assets	3(C)	**–**	–	–
Financial Assets				
(i) Investments	4	**31,15.76**	31,15.76	31,15.76
(ii) Loans	5	**2,67.20**	2,70.17	3,09.05
(iii) Others	6	**23,47.65**	22,95.51	18,55.62
Deferred Tax Assets (Net)	20	**–**	–	7,51.58
Other Non-Current Assets	7	**54,31.09**	24,81.09	35,66.76
Current Tax Assets (Net)	31(d)	**81,44.82**	59,69.26	28,59.46
Current Assets				
Inventories	8	**292,55.10**	291,53.01	252,22.53
Financial Assets				
(i) Investments	9	**–**	–	7,19.49
(ii) Trade Receivables	10	**129,89.62**	101,53.83	69,64.36
(iii) Cash and Cash Equivalents	11	**198,56.44**	193,24.77	132,57.48
(iv) Other Bank Balances [other than (iii) above]	12	**95,74.00**	95,40.82	122,08.17
(v) Loans	13	**62,95.36**	11,94.85	12,99.04
(vi) Others	14	**6,45.66**	4,84.88	6,57.02
Other Current Assets	15	**69,46.00**	76,53.38	87,17.08
Total Assets		**2,323,38.66**	2,002,88.65	1,737,79.86
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	16	**27,19.86**	27,19.86	13,59.93
Other Equity	17	**1,246,59.85**	1,003,83.95	766,61.15
Total Equity		**1,273,79.71**	1,031,03.81	780,21.08
Liabilities				
Non-current liabilities				
Financial Liabilities				
(i) Other Financial Liabilities	18	**1,14.23**	1,14.23	99.23
Provisions	19	**25,13.32**	17,88.17	18,05.55
Deferred Tax Liabilities (Net)	20	**27,47.76**	9,67.35	–
Other Non-Current Liabilities	21	**54.95**	54.73	55.12
Current Liabilities				
Financial Liabilities				
(i) Trade Payables	22	**601,20.47**	551,94.06	514,40.56
(ii) Other Financial Liabilities	23	**128,17.97**	102,41.32	139,02.42
Other Current Liabilities	24	**135,86.97**	135,80.53	146,84.16
Provisions	25	**56,42.21**	48,51.71	45,04.27
Current Tax Liabilities (Net)	31(e)	**73,61.07**	103,92.74	92,67.47
Total Liabilities		**1,049,58.95**	971,84.84	957,58.78
Total Equity and Liabilities		**2,323,38.66**	2,002,88.65	1,737,79.86

The accompanying notes are an integral part of these financial statements.

In terms of our report of even date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Pradip Kanakia
Partner
Membership Number - 039985

Mumbai, May 15, 2017

For and on behalf of the Board

R. A. Shah
Vice-Chairman
(DIN : 00009851)

I. Bachaalani
Managing Director
(DIN : 06975320)

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

M. Karnataki
Company Secretary
(A-14509)

Mumbai, May 15, 2017

Statement of Profit and Loss for the year ended March 31, 2017

	Note	₹ Lacs	Year ended March 31, 2017 ₹ Lacs	Year ended March 31, 2016 ₹ Lacs
Revenue from Operations	26		**4,520,19.82**	4,349,11.36
Other Income	27		**39,81.24**	39,50.88
			4,560,01.06	4,388,62.24
Expenses				
Cost of Materials Consumed [Refer Note 33]		**1,155,99.43**		1,126,83.80
Purchases of Stock-in-Trade		**314,75.29**		353,67.19
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	28	**5,58.40**		(4,25.09)
Excise Duty		**538,38.05**		480,92.02
Employee Benefits Expense	29	**288,50.25**		262,39.59
Depreciation and Amortisation Expense	3	**133,24.28**		111,41.11
Other Expenses	30	**1,272,12.43**		1,191,01.05
			3,708,58.13	3,521,99.67
Profit Before Exceptional Item and Tax			**851,42.93**	866,62.57
Exceptional Item	45		**–**	31,34.47
Profit Before Tax			**851,42.93**	835,28.10
Tax Expense:	31			
Current Tax [Net of prior period reversals ₹ 16,17.56 Lacs (Previous Year: ₹ 31,09.79 Lacs)]		**253,45.64**		236,29.10
Deferred Tax	20	**20,54.05**		17,81.82
			273,99.69	254,10.92
Profit for the year			**577,43.24**	581,17.18
Other Comprehensive Income (net of Tax)				
Items that will not be reclassified to Profit and Loss				
Less: Actuarial Loss on Defined Benefit Plan			**7,90.67**	1,81.72
Tax adjustment on above			**(2,73.64)**	(62.89)
Actuarial Loss on Defined Benefit Plan (Net)			**5,17.03**	1,18.83
Total Comprehensive Income			**572,26.21**	579,98.35
Earnings Per Equity Share attributable to the Owners of the Company (Rupees)	35			
[Face Value of ₹ 1 per Equity Share]				
Basic and Diluted			**21.23**	21.37

The accompanying notes are an integral part of these financial statements.

In terms of our report of even date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Pradip Kanakia
Partner
Membership Number - 039985

Mumbai, May 15, 2017

For and on behalf of the Board

R. A. Shah
Vice-Chairman
(DIN : 00009851)

I. Bachaalani
Managing Director
(DIN : 06975320)

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

M. Karnataki
Company Secretary
(A-14509)

Mumbai, May 15, 2017

Statement of Changes in Equity as at March 31, 2017

	Amount (₹ in Lacs)
(A) Equity Share Capital	
As at April 1, 2015	**13,59.93**
Add: 1:1 Bonus Shares issued during the year [Refer Note 44]	13,59.93
As at March 31, 2016	**27,19.86**
Increase during the year	–
As at March 31, 2017	**27,19.86**

(B) Other Equity ₹ in Lacs

Particulars	Reserves and Surplus			
	Securities Premium	General Reserve	Share Options Outstanding Account	Retained Earnings
Balance as at April 1, 2015	**12,79.93**	**397,97.06**	**15,63.00**	**340,21.16**
Profit for the year	–	–	–	581,17.18
Other Comprehensive Income	–	–	–	(1,81.72)
Tax Adjustment on Other Comprehensive Income	–	–	–	62.89
Total Comprehensive Income for the year	**12,79.93**	**397,97.06**	**15,63.00**	**920,19.51**
Transaction with owners in their capacity as owners:				
Utilised for issue of Bonus Shares [Refer Note 44]	–	(13,59.93)	–	–
Dividend paid (including dividend distribution tax)	–	–	–	(327,35.56)
Employee stock option expense	–	–	10,08.47	–
Transferred to Retained Earnings for employees transferred during the year	–	–	(2,42.61)	2,42.61
Employee stock option exercised during the year	–	–	(15,66.66)	–
Tax Adjustment on Employee stock option	–	–	3,78.13	–
Balance as at March 31, 2016	**12,79.93**	**384,37.13**	**11,40.33**	**595,26.56**
Profit for the year	–	–	–	577,43.24
Other Comprehensive Income	–	–	–	(7,90.67)
Tax Adjustment on Other Comprehensive Income	–	–	–	2,73.64
Total Comprehensive Income for the year	**–**	**–**	**–**	**572,26.21**
Transaction with owners in their capacity as owners:				
Dividend paid (including dividend distribution tax)	–	–	–	(327,35.56)
Employee stock option expense	–	–	8,85.70	–
Transferred from Share Options Outstanding account for employees transferred during the year	–	–	(3,64.60)	3,64.60
Employee stock option exercised during the year	–	–	(13,50.61)	–
Tax Adjustment on Employee stock option	–	–	2,50.16	–
Balance as at March 31, 2017	**12,79.93**	**384,37.13**	**5,60.98**	**843,81.81**

The accompanying notes are an integral part of these Financial Statements.

In terms of our report of even date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Pradip Kanakia
Partner
Membership Number - 039985

Mumbai, May 15, 2017

For and on behalf of the Board

R. A. Shah
Vice-Chairman
(DIN : 00009851)

I. Bachaalani
Managing Director
(DIN : 06975320)

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

M. Karnataki
Company Secretary
(A-14509)

Mumbai, May 15, 2017

Cash Flow Statement for the year ended March 31, 2017

	Year ended March 31, 2017 ₹ Lacs	Year ended March 31, 2016 ₹ Lacs
Cash flow from Operating Activities:		
Profit before Exceptional Item and Tax	**851,42.93**	866,62.57
Adjustment for:		
Unrealised Foreign Exchange Loss/(Gain) (Net)	**(2,38.78)**	2,25.70
Depreciation and Amortisation Expenses	**133,24.28**	111,41.11
Lease Rentals	**(1,98.45)**	(1,98.45)
Net loss/(gain) on disposal of property, plant and equipment	**(0.57)**	99.12
Interest Income on Financial Assets at Amortized Cost	**(28,16.82)**	(24,62.05)
Interest Income on Income tax Refund	**(52.58)**	–
Bad Debts Written Off	**37.21**	42.15
Interest income from Unwinding of discount on security deposits	**(1,01.70)**	(1,49.40)
Employee share-based payment expense	**8,85.70**	10,08.47
Provisions no Longer Required Written Back	**(1,48.11)**	(6,91.05)
Operating Profit before Working Capital Changes	**958,33.11**	956,78.17
Adjustment for (Increase)/Decrease in Working Capital:		
Inventories	**(1,02.09)**	(39,30.48)
Trade Receivables	**(27,36.15)**	(28,65.16)
Financial Assets	**(1,35.64)**	26,05.18
Other Assets	**1,71.37**	6,74.39
Financial Liabilities	**51,65.19**	35,27.80
Other Liabilities and Provisions	**7,42.90**	15,44.16
Cash Generated from Operations	**989,38.69**	972,34.06
Direct Taxes Paid (Net)	**(301,38.26)**	(252,35.50)
Net Cash Generated from Operations before Exceptional Item	**688,00.43**	719,98.56
Exceptional Item [Refer Note 45]	**–**	(31,25.79)
Net Cash Generated from Operating Activities (A)	**688,00.43**	688,72.77
Cash Flow from Investing Activities:		
Purchase of Property, Plant and Equipment	**(321,25.44)**	(272,68.77)
Proceeds from disposal of Property, Plant and Equipment	**0.70**	1,41.23
Proceeds from disposal of Current Investments	**–**	7,00.00
Lease Rental	**1,98.45**	1,98.45
Inter Corporate and Bank Deposits (Placed)/Matured (Net)	**(50,62.75)**	1,06.25
Interest Received	**27,73.27**	24,62.18
Net Cash used in Investing Activities (B)	**(342,15.77)**	(236,60.66)
Cash Flow from Financing Activities:		
Dividends Paid	**(271,65.39)**	(298,65.92)
Dividend Distribution Tax Paid	**(55,36.99)**	(77,12.24)
Employee share-based payments	**(13,50.61)**	(15,66.66)
Net Cash used in Financing Activities (C)	**(340,52.99)**	(391,44.82)
Net increase in Cash and Cash Equivalents (A+B+C)	**5,31.67**	60,67.29
Cash and Cash Equivalents at the beginning of the year	**193,24.77**	132,57.48
Cash and Cash Equivalents at the end of the year [Refer Note 11]	**198,56.44**	193,24.77

Cash Flow Statement for the year ended March 31, 2017 (Contd.)

Cash and Cash Equivalents comprise :	**As at March 31, 2017 ₹ Lacs**	As at March 31, 2016 ₹ Lacs
Bank Balances in:		
- Current Accounts	**7,56.58**	11,57.74
- Deposit Accounts (with less than 3 months original maturity)	**190,99.86**	181,67.03
Cash and Cash Equivalents as at the end of the year	**198,56.44**	193,24.77

Notes:

1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

In terms of our report of even date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Pradip Kanakia
Partner
Membership Number - 039985

Mumbai, May 15, 2017

For and on behalf of the Board

R. A. Shah
Vice-Chairman
(DIN : 00009851)

I. Bachaalani
Managing Director
(DIN : 06975320)

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

M. Karnataki
Company Secretary
(A-14509)

Mumbai, May 15, 2017

1A. Background:

Colgate-Palmolive (India) Limited is a subsidiary of Colgate-Palmolive, USA and a listed Company in India. The Company was incorporated on September 23, 1937. The Company is engaged in manufacturing/trading of toothpaste, tooth powder, toothbrush, mouth wash and personal care products.

These financial statements for the year ended March 31, 2017 were approved by the Board of Directors on May 15, 2017.

1B. Significant Accounting Policies:

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

i. Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2016 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous GAAP or IGAAP").

These financial statements are the first financial statement of the Company under Ind AS. In accordance of Ind AS 101, First-time Adoption of Indian Accounting Standard the Company has given an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows (Refer Note 41).

ii. Historical Cost Convention

These financial statements have been prepared on a historical cost basis, except as disclosed in the accounting policies below:

- Certain financial assets and liabilities is measured at fair value;
- Defined Benefit Plans - plan assets measured at fair value; and
- Share-Based payments
- Assets held for sale – measured at lower of cost and fair value less costs to sell

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of assets and liabilities.

(b) Foreign currency translation

i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Company's functional and presentation currency.

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss. Foreign currency denominated monetary assets and liabilities at the year-end are translated at the year-end exchange rates, and the resultant exchange difference is recognised in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

(c) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate

asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

The useful lives of the assets are based on technical estimates approved by the Management, and are lower than or same as the useful lives prescribed under schedule II to the Companies Act, 2013 in order to reflect the period over which depreciable assets are expected to be used by the Company. Depreciation is calculated on a pro-rata basis on the straight line method so as to write-down the cost of property, plant and equipment to its residual value systematically over its estimated useful life based on useful life of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013 except in case of following assets, wherein based on internal assessment and independent technical evaluation, a different useful life has been determined.

Asset Class	Useful Life
Residential and Office Buildings	40 years
Factory Buildings	20 years
Plant and Equipment	7 to 15 years
Dies and Moulds (included in Plant and Equipment)	3 years
Furniture and Fixtures	5 years
Office Equipment (including Computer Servers)	5 years

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

(d) Investment property

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment property recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the investment property.

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investment properties are depreciated using the straight line method over their estimated useful lives which is 40 years.

(e) Intangible assets

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment loss, if any.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

Amortisation

Intangible assets comprise of Goodwill, Trademarks, Copyright and Technical Know-how. Intangible assets (other than Goodwill)

are amortised over the useful life of assets, not exceeding 10 years.

The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Expenditure on research is recognized as an expense when it is incurred. Development costs of products are also charged to the Statement of Profit and Loss unless all the criteria for capitalization as set out on Paragraph 21 and 22 of Ind AS 38 have been met by the Company.

(f) Impairment of assets

At each balance sheet date, the Company reviews the carrying value of assets for any possible impairment. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is determined as higher of the asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the levels for which there are separately identifiable cash flows (cash generating unit). Assessment is done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting period may no longer exist or may have decreased. An impairment loss is reversed to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

(g) Inventories

Inventories of raw and packing materials, stores, work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost of work-in-progress and finished goods includes materials, labour and manufacturing overheads and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using standard cost method that approximates actual cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(h) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

(i) Cash and Cash equivalents

For the purpose of presentation in the Statement of cash flows, cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(j) Assets held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell except for assets such as deferred tax assets, assets arising from employee benefits financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised.

A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognized.

Assets classified as held for sale are presented separately from the other assets in the balance sheet under "Other Current Assets". The liabilities for assets held for sale are presented separately from other liabilities in the balance sheet.

(k) Financial Assets:

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset, except in the case of financial assets not recorded at fair value through profit or loss. Transaction costs of financial assets carried at fair value through profit or loss are expensed through the Statement of Profit and Loss.

ii. Subsequent measurement

For purposes of subsequent measurement, the Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through Other Comprehensive Income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through Profit or Loss is recognised in the Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

iii. Derecognition

A financial asset is derecognised only when:

- the rights to receive cash flows from the financial asset have expired, or

- the Company has transferred its rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows to one or more recipient.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(l) Financial Liabilities

i. Classification as liability or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii. Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit or loss.

iii. Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

iv. Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are usually unsecured. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at their fair value.

Provisions

The Company recognises a provision when there is a present legal or contructive obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liability

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

(m) Revenue recognition

i. Sale of goods

Revenue is at the fair value of the consideration that can be reliably measured including excise duty and net of returns, trade discounts, volume based incentives, cost of promotional

programs, sales tax and value added tax and other taxes as may be applicable, when all significant risk and rewards in the ownership of the goods are transferred to the buyer and it is probable that the future economic benefit will flow to the entity as per the terms of the contract, which usually co-inside with the delivery of the goods.

ii. Service Income

Service Income is recognised on cost plus basis as per the terms of the contract with customers, as the service is performed using the proportionate completion method.

iii. Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

iv. Rental income

Rental income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(n) Employee Benefits

i. Short Term Employee Benefits

Liabilities for salaries, wages and performance incentives including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits obligations in the Balance Sheet.

ii. Long term employee Benefits

- **Defined Contribution Plans**

Provident Fund, Superannuation Fund and Employee's State Insurance:

The Company has Defined Contribution Plans for its employees such as Provident Fund, Superannuation Fund, Employee's State Insurance etc. and contribution to these plans are charged to the Statement of Profit and Loss as incurred, as the Company has no further obligation beyond making the contributions.

- **Defined Benefit Plans**

Gratuity:

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of profit and loss as past service cost. Remeasurments are not reclassified to profit or loss in subsequent periods.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Provident Fund:

In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Company. The interest rate payable by the trust to the beneficiaries every year is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest as per the notified rate. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of the year. Measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost. Remeasurments are not reclassified to profit or loss in subsequent periods.

Pension:

The Company provides for retirement/post-retirement benefits for certain employees in the form of Pension (Non-funded) which are in the nature of Defined Benefit Plans. Such benefits are provided for on the basis of an independent actuarial valuation done at the year-end using Projected Unit Credit Method. Measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in Equity and in the Balance Sheet. Remeasurments are not reclassified to profit or loss in subsequent periods.

- **Compensated Absences:**

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year and are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year and are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

- **Voluntary Retirement Scheme:**

Expenditure on voluntary retirement scheme is charged to the Statement of Profit and Loss in the year in which incurred.

iii. Share based Payments

The Company does not provide any equity-based compensation to its employees. However, the parent Company, Colgate Palmolive Company, U.S.A. ("the grantor") maintains equity incentive plans that provide for the grant of stock-based awards to its executive directors and certain categories of officers and employees. The 2009 Executive Incentive Compensation Plan and 2013 Incentive Compensation Plan ("Incentive Plan") provides for the grant of non-qualified and incentive stock options, as well as restricted stock units. Exercise prices in the case of non-qualified and incentive stock options are not less than the fair value of the underlying common stock of the grantor on the date of grant.

A stock option gives an employee, the right to purchase shares of Colgate Palmolive Company common stock at a fixed price for a specific period of time. Stock options generally have a term of six years and vest over three years.

A restricted stock unit (RSU) provides an employee with a share of Colgate Palmolive Company common stock upon vesting. Restricted stock units vest in annual installments generally over a period of three years. Dividends will accrue with each restricted stock unit award granted subsequent to grant date.

Employee Stock Options (ESOPs') issued by the parent entity are accounted for as equity-settled as the Company has no obligation to settle the share-based payment transaction and also the shares are of parent Company.

Company recognises the expense over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied, as determined on the grant date, based on the fair value of the options/RSUs. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the Statement of Profit and Loss, with a corresponding adjustment to equity.

In case where there is a clear link between the recharge from the parent company and the expense, Company will account the recharge as capital distribution even if the amount of recharge is more than the expense recognised over the vesting period (as the recharge is based on the intrinsic value)

In case where the employee has not served the Company during the vesting period and for which they get the debit note from parent, the cost will be debited to management recharge expense.

Further, where the management recharge is not expected from the parent entity as the employee has been relocated to another group company i.e. the employee is not expected to render future services to the Company at the time of exercise of option, the Company transfers the proportionate amount of share options outstanding account related to such employees to Retained Earnings, after taking into consideration the probability of employees re-locating back to the Company.

(o) Income Tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with prevailing income tax law.

Deferred tax is recognised for all the temporary differences by using the liability method, only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

(p) Leases

As a Lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease

period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(q) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and Finance Director of the Company. The Company has identified 'Personal Care (including Oral Care)' as its only primary reportable segment, which primarily includes products such as Soaps, Cosmetics and Toilet Preparations.

(r) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

(s) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(t) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(u) Earnings Per share

i. Basic Earnings per Share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company.
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

ii. Diluted Earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2. Critical accounting estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- Estimation of defined benefit obligation (Note 29)
- Estimation of Useful life of Property, plant and equipment and intangibles (Note 3)

- Estimation of taxes (Note 20 and 31)
- Estimation of impairment of trade receivables (Note 10)
- Estimation of provision and contingent liabilities (Note 25 and 32)
- Estimation of Share based payments to employees (Note 37)

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

2A. Recent accounting pronouncements:

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of Cash Flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of Cash Flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that includes a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Company is evaluating the requirements of the amendment and the impact on the financial statements is being evaluated.

Notes to the Financial Statements for the year ended March 31, 2017

Note 3 (A) (I) : Property, Plant and Equipment

₹ Lacs

	Gross Carrying Value				Accumulated Depreciation				Net Carrying Amount
Particulars	Cost as at April 1, 2016	Additions	Disposals/ Transfers	**As at March 31, 2017**	As at April 1, 2016	Depreciation for the year	Disposals/ Transfers	**As at March 31, 2017**	**As at March 31, 2017**
Land-Leasehold [Refer Note (i) below]	67,66.10	7,55.27	–	**75,21.37**	72.90	73.02	–	**1,45.92**	**73,75.45**
Buildings [Refer Note (ii) and (v) below]	328,89.58	19,31.27	–	**348,20.85**	16,61.11	18,64.92	–	**35,26.03**	**312,94.82**
Plant and Equipment	684,26.07	186,52.68	0.20	**870,78.55**	85,22.54	103,72.01	0.12	**188,94.43**	**681,84.12**
Furniture and Fixtures	15,53.72	3,04.75	0.06	**18,58.41**	3,04.22	5,19.34	0.01	**8,23.55**	**10,34.86**
Office Equipment	22,09.16	16,77.41	–	**38,86.57**	4,69.98	4,94.99	–	**9,64.97**	**29,21.60**
Total Assets	**1,118,44.63**	**233,21.38**	**0.26**	**1,351,65.75**	**110,30.76**	**133,24.28**	**0.13**	**243,54.90**	**1,108,10.85**
Note 3 (B) (I) Capital Work-in-Progress [Refer Note (iii) below]									**166,59.11**
Total									**1,274,69.96**

(i) Land - Leasehold includes lease rights in respect of the land in the possession of the Company under Lease with Maharashtra Industrial Development Corporation (MIDC) at Aurangabad, Industrial Area Development Agency at Baddi, Goa, Daman and Diu Industrial Development Corporation at Goa and Sricity Developers at Sricity, Andhra Pradesh, Gujarat Industrial Development Corporation (GIDC) at Sanand. Lease rights in respect of the land in the possession of the Company at Sanand with GIDC are pending execution of lease deed.

(ii) Buildings include: (a) Factory Building at Sewri and leasehold rights in the land on which the building stands. While the ownership of the Factory Building is in the name of the Company, the Mumbai Port Trust (MPT) has not yet effected formal transfer of lease rights in the said land, in favour of the Company. As regards the plot of land adjoining the factory building, MPT has revoked its offer of assignment. The Company has made a representation to MPT in this respect and the matter is pending. The stamp duty and legal costs for such transfer will be capitalised when paid, (b) Research Centre at Powai, Mumbai, (c) Factory Building at Baddi, (d) Factory Buildings at Goa, (e) Factory Buildings at Sanand and (f) Factory Building at Sricity. Factory buildings at Sanand, Sricity and Baddi are self constructed.

(iii) Capital Work-in-Progress includes ₹ 5,08.19 Lacs being salary of ₹ 2,07.11 Lacs and other expenses of ₹ 3,01.08 Lacs incurred towards capital projects.

(iv) Refer to Note 33 for disclosures of contractual commitments for the acquisition of property, plant and equipment.

(v) Buildings include investment property with net carrying value of ₹ 2,64.38 Lacs (March 31, 2016 : ₹ 2,76.81 Lacs) and fair value of ₹ 33,60 Lacs (March 31, 2016 : ₹ 31,73 Lacs). The depreciation expense and rental income for the year ended March 31, 2017 are ₹ 12.43 Lacs and ₹ 1,98.45 Lacs respectively.

(vi) Bifurcation of closing net carrying value of Property, Plant and Equipment:

Particulars	As at March 31, 2016			**As at March 31, 2017**		
	Gross Carrying Value	Accumulated Depreciation	Net Carrying Amount	**Gross Carrying Value**	**Accumulated Depreciation**	**Net Carrying Amount**
Land- Leasehold	69,05.29	2,12.09	66,93.20	**76,60.56**	**2,85.11**	**73,75.45**
Buildings	388,74.20	76,45.73	312,28.47	**408,05.47**	**95,10.65**	**312,94.82**
Plant and Equipment	959,09.75	360,06.22	599,03.53	**1,144,61.55**	**462,77.43**	**681,84.12**
Furniture and Fixtures	27,62.30	15,12.80	12,49.50	**30,66.39**	**20,31.53**	**10,34.86**
Office Equipment	42,10.78	24,71.60	17,39.18	**58,88.19**	**29,66.59**	**29,21.60**
Total Assets	**1,486,62.32**	**478,48.44**	**1,008,13.88**	**1,718,82.16**	**610,71.31**	**1,108,10.85**

Note 3 (A) (II): Property, Plant and Equipment for the previous year ended March 31, 2016 **₹ Lacs**

Particulars			Gross Carrying Value				Accumulated Depreciation			Net Carrying Amount
	Gross Carrying Value as at April 1, 2015	Accumulated Depreciation as at April 1, 2015	Deemed Cost As at April 1, 2015	Additions	Disposals/ Transfers [Refer Note (iv) below]	**As at March 31, 2016**	Depreciation for the year	Disposals/ Transfers [Refer Note (iv) below]	**As at March 31, 2016**	**As at March 31, 2016**
Land-Leasehold [Refer Note (i) below]	68,09.83	1,51.89	66,57.94	141.16	33.00	**67,66.10**	73.16	0.26	**72.90**	**66,93.20**
Buildings [Refer Note (ii) and (vi) below]	318,31.90	71,35.88	246,96.02	83,08.83	1,15.27	**328,89.58**	17,68.34	1,07.23	**16,61.11**	**312,28.47**
Plant and Equipment	752,13.28	303,44.95	448,68.33	238,00.47	2,42.73	**684,26.07**	85,24.63	2.09	**85,22.54**	**599,03.53**
Furniture and Fixture	20,60.78	12,85.92	7,74.86	7,86.63	7.77	**15,53.72**	3,05.00	0.78	**3,04.22**	**12,49.50**
Office Equipment	33,03.61	21,42.54	11,61.07	10,49.47	1.38	**22,09.16**	4,69.98	–	**4,69.98**	**17,39.18**
Total Assets	**1,192,19.40**	**410,61.18**	**781,58.22**	**340,86.56**	**4,00.15**	**1,118,44.63**	**111,41.11**	**1,10.36**	**110,30.75**	**1,008,13.88**
Note 3 (B) (II) Capital Work-in-Progress [Refer Note (iii) below]										**78,37.44**
Total										**1,086,51.32**

(i) Land - Leasehold includes lease rights in respect of the land in the possession of the Company under Lease with Maharashtra Industrial Development Corporation (MIDC) at Aurangabad, Industrial Area Development Agency at Baddi, Goa, Daman and Diu Industrial Development Corporation at Goa and Sricity Developers at Sricity, Andhra Pradesh, Gujarat Industrial Development Corporation (GIDC) at Sanand. Lease rights in respect of the land in the possession of the Company at Sanand and one plot of land at Aurangabad with GIDC and MIDC respectively are pending execution of lease deed.

(ii) Buildings include : (a) Factory Building at Sewri and leasehold rights in the land on which the building stands. While the ownership of the Factory Building is in the name of the Company, the Mumbai Port Trust (MPT) has not yet effected formal transfer of lease rights in the said land, in favour of the Company. As regards the plot of land adjoining the factory building, MPT has revoked its offer of assignment. The Company has made a representation to MPT in this respect and the matter is pending. The stamp duty and legal costs for such transfer will be capitalised when paid, (b) Research Centre at Powai, Mumbai, (c) Factory Building at Baddi, (d) Factory Buildings at Goa, (e) Factory Buildings at Sanand and (f) Factory Building at Sricity. Factory buildings at Sanand, Sricity, Baddi and Aurangabad are self constructed.

(iii) Capital Work-in-Progress includes ₹ 2,82.93 Lacs being salary of ₹ 61.51 Lacs and other expenses of ₹ 2,21.42 Lacs incurred towards capital projects.

(iv) Disposals/Transfers include Assets aggregating Net carrying value ₹ 40.76 Lacs shown as Assets held for sale under Other Current Assets [Refer Note 15 and Note 45].

(v) Refer to Note 33 for disclosures of contractual commitments for the acquisition of property, plant and equipment.

(vi) Buildings include investment property with net carrying value of ₹ 2,76.81 Lacs (April 1, 2015 : ₹ 2,89.39 Lacs) and fair value of ₹ 31,73 Lacs (April 01, 2015 : ₹ 30,16 Lacs). The depreciation expense and rental income for the year ended March 31, 2016 are ₹ 12.58 Lacs and ₹ 1,98.45 lacs respectively.

(vii) Bifurcation of closing net carrying value of Property, Plant and Equipment:

Particulars	As at March 31, 2016		
	Gross Carrying Value	Accumulated Depreciation	**Net Carrying Amount**
Land-Leasehold	69,05.29	2,12.09	**66,93.20**
Buildings	388,74.20	76,45.73	**312,28.47**
Plant and Equipment	959,09.75	360,06.22	**599,03.53**
Furniture and Fixtures	27,62.30	15,12.80	**12,49.50**
Office Equipment	42,10.78	24,71.60	**17,39.18**
Total Assets	**1,486,62.32**	**478,48.44**	**1,008,13.88**

Notes to the Financial Statements for the year ended March 31, 2017

Note 3 (C): Intangible Assets **₹ Lacs**

Particulars				Net Carrying Amount
	Gross Carrying Value as at April 1, 2015	Accumulated Depreciation as at April 1, 2015	Deemed Cost As at April 1, 2015	**As at March 31, 2016**
Goodwill	27,07.61	27,07.61	–	**–**
Trademarks	22.20	22.20	–	**–**
Copyrights	13,52.90	13,52.90	–	**–**
Technical Know-how	49,83.70	49,83.70	–	**–**
Total Assets	**90,66.41**	**90,66.41**	–	**–**

(i) Bifurcation of net book value of Intangible assets:

₹ Lacs

Particulars	As at March 31, 2017		
	Gross Carrying Value	**Accumulated Depreciation**	**Net Carrying Amount**
Goodwill	**27,07.61**	**27,07.61**	**–**
Trademarks	**22.20**	**22.20**	**–**
Copyrights	**13,52.90**	**13,52.90**	**–**
Technical Know-how	**49,83.70**	**49,83.70**	**–**
Total Assets	**90,66.41**	**90,66.41**	**–**

Note: There are no additions or disposals made during the year ended March 31, 2016 and March 31, 2017.

Notes to the Financial Statements for the year ended March 31, 2017

	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs	As at April 1, 2015 ₹ Lacs
Note 4: Non-Current Investments			
Investment in Bonds at amortised cost (Unquoted):			
1,200 6.70% (Tax-Free) Indian Railway Finance Corporation Bonds (Series-68B) of face value of ₹ 100,000 each	**12,53.74**	12,53.74	12,53.74
800 7.51% (Tax- Free) Secured, Redeemable, Non-Convertible Bonds of Power Finance Corporation Limited (Series-79A) of face value of ₹ 100,000 each	**8,27.65**	8,27.65	8,27.65
99,675 8.20% (Tax-Free) Secured, Redeemable, Non-Convertible Bonds of Power Finance Corporation Limited (Series-I) of face value of ₹ 1,000 each	**10,34.37**	10,34.37	10,34.37
	31,15.76	31,15.76	31,15.76
Aggregate amount of unquoted investments	**31,15.76**	31,15.76	31,15.76
Aggregate amount of impairment in the value of investments	**–**	–	–
Note 5: Non-Current Loans			
Secured and Considered Good	**2,67.20**	2,70.17	3,09.05
Loans to Employees	**2,67.20**	2,70.17	3,09.05
Note 6: Other Non-Current Financial Assets			
Security Deposits	**19,47.39**	19,08.00	14,81.35
Deposits with banks (with maturity period of more than 12 months)*	**4,00.26**	3,87.51	3,74.27
	23,47.65	22,95.51	18,55.62
*Held as lien by Banks against Bank Guarantees issued to Regulatory authorities in the normal course of business.			
Note 7: Other Non-current Assets			
Capital Advances	**30,99.65**	5,73.79	20,89.53
Other Deposits	**20,98.47**	13,94.29	9,26.27
Prepaid Expenses	**2,32.97**	5,13.01	5,50.96
	54,31.09	24,81.09	35,66.76
Note 8: Inventories			
Raw and Packing Materials	**45,76.40**	44,94.55	43,13.18
Work-in-Progress	**12,65.31**	15,74.33	9,68.85
Finished Goods	**169,35.70**	165,75.84	135,54.08
Stock-in-Trade [includes goods in transit ₹ 4,06.07 Lacs, (March 31, 2016: ₹ 3,43.52 Lacs, April 1, 2015: ₹ 4,81.04 Lacs)]	**44,60.05**	47,68.81	49,77.10
Stores and Spares	**20,17.64**	17,39.48	14,09.32
	292,55.10	291,53.01	252,22.53

Notes to the Financial Statements for the year ended March 31, 2017

	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs	As at April 1, 2015 ₹ Lacs
Note 9: Current Investments			
Investment in Bonds at amortised cost (Unquoted):			
700 6.05% (Tax-Free) Indian Railway Finance Corporation Bonds (Series-73) of face value of ₹ 100,000 each	**–**	–	7,19.49
	–	–	7,19.49
Aggregate amount of unquoted investments	**–**	–	7,19.49
Aggregate amount of impairment in the value of investments	**–**	–	–
Note 10: Trade Receivables			
Trade Receivables	**96,18.82**	74,06.78	55,21.15
Receivables from related parties [Refer Note 36]	**38,61.74**	33,74.84	24,37.46
Less : Allowance for doubtful debts	**(4,90.94)**	(6,27.79)	(9,94.25)
	129,89.62	101,53.83	69,64.36
Unsecured and Considered Good	**129,89.62**	101,53.83	69,64.36
Doubtful	**4,90.94**	6,27.79	9,94.25
Allowance for doubtful debts	**(4,90.94)**	(6,27.79)	(9,94.25)
Total Trade Receivables	**129,89.62**	101,53.83	69,64.36
Note 11: Cash and Cash Equivalents			
Bank Balances in:			
– Current Accounts	**7,56.58**	11,57.74	25,90.74
– Deposit Accounts (with less than 3 months original maturity)	**190,99.86**	181,67.03	106,66.74
	198,56.44	193,24.77	132,57.48
Note 12: Other Bank Balances			
Earmarked balances with Banks in:			
– Unpaid Dividend Account - Third Interim Dividend	**81,59.57**	81,59.57	108,79.43
– Unpaid Dividend Account	**13,41.68**	13,13.80	12,64.86
– Unpaid Share Capital Reduction Account (Year 2007)	**72.75**	67.45	63.88
	95,74.00	95,40.82	122,08.17
Note 13: Current Loans			
Secured and Considered Good			
Loans to Employees	**73.57**	66.61	70.67
Unsecured and Considered Good			
Inter-Corporate Deposits	**62,21.79**	11,28.24	12,28.37
	62,95.36	11,94.85	12,99.04

Notes to the Financial Statements for the year ended March 31, 2017

	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs	As at April 1, 2015 ₹ Lacs
Note 14: Other Current Financial Assets			
Receivables from Related Parties [Refer Note 36]	**3,08.87**	2,15.00	1,81.90
Security Deposits	**3,28.52**	2,39.55	4,67.27
Insurance Claims Receivable	**8.27**	30.33	7.85
	6,45.66	4,84.88	6,57.02
Note 15: Other Current Assets			
Balances with Government Authorities	**38,63.76**	38,10.16	60,05.13
Prepaid Expenses	**9,63.04**	7,79.91	6,89.82
Advances to Suppliers	**18,80.77**	26,91.47	16,63.12
Employee Advances	**1,27.89**	1,49.43	1,77.36
Assets held for sale* [Refer Note 45]	**40.76**	40.76	–
Fringe Benefit Advance Tax	**69.78**	1,81.65	1,81.65
	69,46.00	76,53.38	87,17.08

* Includes Lease Rights in respect of one plot of Land at Aurangabad pending execution of Lease Deed between the Company and MIDC

Note 16: Equity Share Capital

Authorised Equity Share Capital:

	Number of shares	**Amount (₹ in Lacs)**
As at April 1, 2015	1,37,00,00,000	137,00.00
Increase during the year	–	–
As at March 31, 2016	1,37,00,00,000	137,00.00
Increase during the year	–	–
As at March 31, 2017	**1,37,00,00,000**	**137,00.00**

Issued, Subscribed and Paid-up:

(A) Movement in Equity Share Capital

	Number of shares	**Equity Share Capital (par value in Lacs)**
As at April 1, 2015	13,59,92,817	13,59.93
Add: 1:1 Bonus Shares issued during the year [Refer Note 44]	13,59,92,817	13,59.93
As at March 31, 2016	27,19,85,634	27,19.86
Increase during the year	–	–
As at March 31, 2017	**27,19,85,634**	**27,19.86**

(B) Rights, Preferences and Restrictions attached to Shares:

The Company has one class of Equity Shares having par value of ₹ 1 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 16: Equity Share Capital (Contd.)

(C) Shares held by Ultimate Holding Company and its Subsidiaries:

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Colgate-Palmolive Company, U.S.A., the Ultimate Holding Company	**10,89,52,694**	10,89,52,694	5,44,76,347
Colgate-Palmolive (Asia) Pte Ltd., Singapore, Subsidiary of the Ultimate Holding Company	**2,97,58,852**	2,97,58,852	1,48,79,426
Norwood International Incorporated, U.S.A., Subsidiary of the Ultimate Holding Company	**1,126**	1,126	563

The increase in shareholding represents the bonus shares issued during the year ended March 31, 2016. (Refer Note 44)

(D) Details of Shareholders holding more than 5% of the aggregate Shares in the Company:

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Colgate-Palmolive Company, U.S.A.			
Number of Shares	**10,89,52,694**	10,89,52,694	5,44,76,347
% of Holding	**40.06**	40.06	40.06
Colgate-Palmolive (Asia) Pte Ltd., Singapore			
Number of Shares	**2,97,58,852**	2,97,58,852	1,48,79,426
% of Holding	**10.94**	10.94	10.94
Life Insurance Corporation of India (LIC)			
Number of Shares	**1,50,76,523**	1,29,03,778	36,90,123
% of Holding	**5.54**	4.74	2.71

(E) Aggregate number of shares allotted as fully paid up by way of bonus shares (during 5 years immediately preceding March 31, 2017):

	Year ended March 31, 2017	Year ended March 31, 2016
Equity shares allotted as fully paid up bonus shares (in 1:1 ratio) by capitalization of General Reserve [Refer Note 44]	–	13,59,92,817

Notes to the Financial Statements for the year ended March 31, 2017

	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs	As at April 1, 2015 ₹ Lacs
Note 17: Other Equity			
Securities Premium Account	**12,79.93**	12,79.93	12,79.93
General Reserve	**384,37.13**	384,37.13	397,97.06
Share Options Outstanding Account	**5,60.98**	11,40.33	15,63.00
Retained Earnings	**843,81.81**	595,26.56	340,21.16
Total Other Equity	**1,246,59.85**	1,003,83.95	766,61.15
(i) Securities Premium reserve			
Balance at the beginning of the year	**12,79.93**	12,79.93	
Add: Movement during the year	**–**	–	
Balance at the end of the year	**12,79.93**	12,79.93	
(Securities Premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act)			
(ii) General Reserve			
Balance at the beginning of the year	**384,37.13**	397,97.06	
Less: Utilised for issue of Bonus Shares [Refer Note 44]	**–**	(13,59.93)	
Balance at the end of the year	**384,37.13**	384,37.13	
(iii) Share Options Outstanding account [Refer Note 37]			
Balance at the beginning of the year	**11,40.33**	15,63.00	
Add: Employee stock option expense	**8,85.70**	10,08.47	
Less: Transferred to Retained Earnings for employees transferred during the year	**(3,64.60)**	(2,42.61)	
Less: Employee stock option exercised during the year	**(13,50.61)**	(15,66.66)	
Add: Tax Adjustment on above	**2,50.16**	3,78.13	
Balance at the end of the year	**5,60.98**	11,40.33	
(iv) Retained Earnings			
Balance at the beginning of the year	**595,26.56**	340,21.16	
Add: Profit for the year	**577,43.24**	581,17.18	
Less: Other Comprehensive Income	**(5,17.03)**	(1,18.83)	
Add: Transferred from Share Options Outstanding account for employees transferred during the year	**3,64.60**	2,42.61	
Less: Appropriations			
– First Interim Dividend	**(108,79.43)**	(108,79.43)	
– Second Interim Dividend	**(81,59.57)**	(81,59.57)	
– Third Interim Dividend	**(81,59.57)**	(81,59.57)	
– Dividend Distribution Tax	**(55,36.99)**	(55,36.99)	
Balance at the end of the year	**843,81.81**	595,26.56	
	1,246,59.85	1,003,83.95	

Notes to the Financial Statements for the year ended March 31, 2017

	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs	As at April 1, 2015 ₹ Lacs
Note 18: Other Non-Current Financial Liabilities			
Security Deposits	**1,14.23**	1,14.23	99.23
	1,14.23	1,14.23	99.23
Note 19: Non-Current Provisions			
Provision for Employee Benefits:			
– Gratuity [Refer Note 29 II (B) (iv) (a)]	**5,23.57**	63.13	1,70.01
– Pension [Refer Note 29 II (B) (v)]	**72.41**	57.38	49.06
– Compensated Absences [Refer Note 29 III]	**19,17.34**	16,67.66	14,77.49
– Provident Fund [Refer Note 29 II (B) (iv) (b)]	**–**	–	1,08.99
	25,13.32	17,88.17	18,05.55
Note 20: Deferred Tax (Assets)/Liabilities [Net]			
The balance comprises temporary differences attributable to:			
Deferred Tax Liabilities:			
Timing Difference between book and tax depreciation	**62,97.03**	45,78.45	28,86.00
Deferred Tax Assets:			
Voluntary Retirement Scheme (VRS) allowable over a period of five years in Income Tax	**(6,07.49)**	(8,09.99)	(54.28)
Accrual for expenses allowable only on payment and disallowance u/s 40(a)(ia)	**(29,41.78)**	(28,01.11)	(35,83.30)
	27,47.76	9,67.35	(7,51.58)

Movement in Deferred Tax (Assets)/Liabilities

Particulars	**Property, Plant and Equipment**	**VRS allowable over 5 years**	**Accrual for expenses allowable on payment**	**Total**
At April 1, 2015	28,86.00	(54.28)	(35,83.30)	(7,51.58)
Charged / (credited)				
– to Statement of Profit and Loss	16,92.45	(7,55.71)	8,45.08	17,81.82
– to other comprehensive income	–	–	(62.89)	(62.89)
At March 31, 2016	45,78.45	(8,09.99)	(28,01.11)	9,67.35
Charged / (credited)				
– to Statement of Profit and Loss	17,18.58	2,02.50	1,32.97	20,54.05
– to other comprehensive income	–	–	(2,73.64)	(2,73.64)
At March 31, 2017	**62,97.03**	**(6,07.49)**	**(29,41.78)**	**27,47.76**

Notes to the Financial Statements for the year ended March 31, 2017

	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs	As at April 1, 2015 ₹ Lacs
Note 21: Other Non-Current Liabilities			
Payable under Voluntary Retirement Scheme	**54.95**	54.73	55.12
	54.95	54.73	55.12
Note 22: Trade Payables			
Trade Payables [Refer Note 42]	**474,15.09**	444,65.27	425,20.59
Trade Payable to related parties [Refer Note 36]	**127,05.38**	107,28.79	89,19.97
	601,20.47	551,94.06	514,40.56
Note 23: Other Current Financial Liabilities			
Security Deposit	**–**	–	15.00
Unpaid Dividends* :			
– Third Interim Dividend	**81,59.57**	81,59.57	108,79.43
– Others	**13,41.68**	13,13.80	12,64.86
Unpaid Balance for Share Capital Reduction (Year 2007)	**72.75**	67.45	63.88
Payable towards purchase of Fixed Assets	**32,43.97**	7,00.50	16,79.25
	128,17.97	102,41.32	139,02.42
Note 24: Other Current Liabilities			
Payable towards Statutory Liabilities	**69,63.81**	61,40.65	56,74.79
Employee Benefits Payable	**60,53.15**	68,23.06	63,39.40
Payable under Voluntary Retirement Scheme	**4.83**	7.46	9.66
Advances from Customers	**5,65.18**	6,09.36	4,85.06
Dividend Distribution Tax	**–**	–	21,75.25
	135,86.97	135,80.53	146,84.16

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end as per the Company records. The Company has been advised by a banker on May 10, 2017 that there are four unclaimed dividend bank accounts in the name of the Company with an aggregate balance of ₹ 4.36 Lacs pertaining to earlier years, wherein the last activity has been reported on various dates ranging from April 1994 to November 2003. The Company is currently seeking details pertaining to such bank accounts from the said banker with a view to initiating appropriate action.

Notes to the Financial Statements for the year ended March 31, 2017

	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs	As at April 1, 2015 ₹ Lacs
Note 25: Current Provisions			
Provision for Employee Benefits :			
– Compensated Absences [Refer Note 29 III]	**2,30.43**	2,14.84	1,90.86
– Provident Fund [Refer Note 29 II (B) (iv) (b)]	**–**	–	32.97
Others:			
Indirect Tax Matters [Refer Note (A)]	**33,90.41**	29,21.09	28,42.93
Other Matter [Refer Note (B)]	**20,21.37**	17,15.78	14,37.51
	56,42.21	48,51.71	45,04.27
(A) Indirect Tax Matters			
Opening Balance	**29,21.09**	28,42.93	27,78.32
Add: Provision made	**4,80.58**	4,07.46	78.99
Less: Provision Utilised/Reversed	**(11.26)**	(3,29.30)	(14.38)
Closing Balance	**33,90.41**	29,21.09	28,42.93
Future cash flow in respect of the above, if any, is determinable only on receipt of judgements/ decisions pending with relevant authorities.			
(B) Other Matter			
Opening Balance	**17,15.78**	14,37.51	11,96.62
Add: Provision made	**3,05.59**	2,78.27	2,40.89
Closing Balance	**20,21.37**	17,15.78	14,37.51
Provision for other matter represents claim against the Company not acknowledged as debt that may materialise in respect of matter of a Leased Property in dispute.			

Notes to the Financial Statements for the year ended March 31, 2017

			Year ended March 31, 2017 ₹ Lacs	Year ended March 31, 2016 ₹ Lacs
Note 26: Revenue from Operations				
Sale of Products (including excise duty)			**4,489,84.55**	4,318,98.18
Other Operating Revenue				
– Service Income			**26,99.79**	27,21.37
– Scrap Sales			**3,35.48**	2,91.81
			4,520,19.82	4,349,11.36
Note 27: Other Income				
Interest income on Financial Assets at Amortised cost			**28,16.82**	24,62.05
Interest income from Unwinding of discount on security deposits			**1,01.70**	1,49.40
Interest Income on Income tax Refund			**52.58**	–
Lease Rentals [Refer Note 33 (B) (ii)]			**1,98.45**	1,98.45
Exchange Gain (Net)			**1,82.14**	–
Net gain on disposal of property, plant and equipment			**0.57**	–
Provisions no Longer Required Written Back			**1,48.11**	6,91.05
Miscellaneous Income			**4,80.87**	4,49.93
			39,81.24	39,50.88
Note 28: Changes in inventories of Finished Goods, Stock-in-Trade, and Work-in-Progress:				
Opening Stock				
Finished Goods	**165,75.84**			135,54.08
Stock-in-Trade	**47,68.81**			49,77.10
Work-in-Progress	**15,74.33**			9,68.85
			229,18.98	195,00.03
Less: Closing Stock				
Finished Goods	**169,35.70**			165,75.84
Stock-in-Trade	**44,60.05**			47,68.81
Work-in-Progress	**12,65.31**			15,74.33
			226,61.06	229,18.98
Increase in Excise Duty on Finished Goods			**3,00.48**	29,93.86
			5,58.40	(4,25.09)

Notes to the Financial Statements for the year ended March 31, 2017

	Year ended March 31, 2017 ₹ Lacs	Year ended March 31, 2016 ₹ Lacs
Note 29: Employee Benefits Expense		
Salaries, Wages and Bonus	**246,02.06**	221,61.98
Contribution to Provident Fund, Gratuity and Other Funds	**19,58.62**	17,51.50
Share Based Payments to Employees [Refer Note 37 (c)]	**8,85.70**	10,08.47
Compensated Absences	**4,54.16**	3,80.43
Staff Welfare Expenses	**9,49.71**	9,37.21
	288,50.25	262,39.59

I. Defined Contribution Plans

Charge to Statement of Profit and Loss for Defined Contribution Plans:		
– Employers' Contribution to Provident Fund	**70.85**	48.13
– Employers' Contribution to Superannuation Fund	**1,56.35**	1,57.39
– Employers' Contribution to Employee's State Insurance	**32.07**	17.17
– Employers' Contribution to Employee's Pension Scheme 1995	**3,21.59**	3,01.00
– Employers' Contribution to National Pension Scheme	**90.08**	79.49
(Included in Employee Benefits Expense - Contribution to Provident Fund, Gratuity and Other Funds)		
Total	**6,70.94**	6,03.18

II. Defined Benefit Plans

Contribution to Gratuity Fund (Funded Scheme), Provident Fund (Funded Scheme) and accrued liability towards Pension Scheme (Non-Funded Scheme). In accordance with Ind AS 19, Actuarial valuation was performed in respect of the aforesaid defined benefit plans.

A) Significant actuarial assumptions were as follows:

	Year ended March 31, 2017	Year ended March 31, 2016
Discount Rate (per annum)	**7.20%**	8.05%
Rate of increase in Compensation levels	**7.00%**	7.00%

B) Balance Sheet Amounts

i) Balance sheet amounts - Gratuity

The Company provides for gratuity for employees as per the Company policy. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of Gratuity is payable on retirement/termination of the employee's based on last drawn basic salary per month multiplied for the number of years of service. The Company has established 'Colgate-Palmolive India Gratuity Fund for Workmen' and 'Colgate-Palmolive India Gratuity Fund for Non-Workmen' to which the Company makes contribution.

B) Balance Sheet Amounts (Contd.)

i) Balance sheet amounts - Gratuity

₹ Lacs

Particulars	Present value of obligation (A)	Fair value of plan assets (B)	Net Amount (A)-(B)
Beginning Balance as on April 1, 2015	50,47.23	43,77.22	6,70.01
Current service cost	4,18.37	–	4,18.37
Interest expense	3,82.63	3,49.45	33.18
Total amount recognised in the Statement of Profit and Loss	**8,01.00**	**3,49.45**	**4,51.55**
Remeasurements			
Return on Plan Assets, excluding amounts included in interest expense/(income)	–	(2,10.12)	2,10.12
Gain from change in financial assumptions	(1,00.83)	–	(1,00.83)
Experience losses	2,02.29	–	2,02.29
Total amount recognised in other comprehensive income	**1,01.46**	**(2,10.12)**	**3,11.58**
Employers contributions	–	6,70.01	(6,70.01)
Benefit payments	(8,22.72)	(8,22.72)	–
Ending Balance as on March 31, 2016	**51,26.97**	**43,63.84**	**7,63.13**
Beginning Balance as on April 1, 2016	51,26.97	43,63.84	7,63.13
Current service cost	4,55.06	–	4,55.06
Interest expense	4,01.77	3,68.51	33.26
Total amount recognised in the Statement of Profit and Loss	**8,56.83**	**3,68.51**	**4,88.32**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	–	2,38.49	(2,38.49)
Loss from change in financial assumptions	6,86.95	–	6,86.95
Experience losses	3,49.09	–	3,49.09
Gain from change in demographic assumptions	(12.59)	–	(12.59)
Total amount recognised in other comprehensive income	**10,23.45**	**2,38.49**	**7,84.96**
Employers contributions	–	7,62.84	(7,62.84)
Benefit payments	(7,09.11)	(7,09.11)	–
Ending Balance as on March 31, 2017	**62,98.14**	**50,24.57**	**12,73.57**

ii) Balance sheet amounts - Provident Fund

The Company has established 'Colgate-Palmolive (India) Limited Provident Fund' in respect of certain employees to which both the employee and the employer make contribution. Such contribution to the provident fund for all employees, are charged to the Statement of Profit and Loss. In case of any liability arising due to shortfall between the return from its investments and the guaranteed specified interest rate, the same is provided for by the Company. The actuary has provided an actuarial valuation and the interest shortfall liability, if any, has been provided in the books of accounts after considering the assets available with the Company's Provident Fund Trust.

B) Balance Sheet Amounts (Contd.)

ii) Balance sheet amounts - Provident Fund

₹ Lacs

Particulars	Present value of obligation (A)	Fair value of plan assets (B)	Net Amount (A)-(B)
Beginning Balance as on April 1, 2015	126,07.13	124,65.17	1,41.96
Current service cost	7,59.89	–	7,59.89
Interest expense	9,87.88	9,87.88	–
Total amount recognised in the Statement of Profit and Loss	**17,47.77**	**9,87.88**	**7,59.89**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	–	79.93	(79.93)
Gain from change in financial assumptions	(1,43.34)	–	(1,43.34)
Experience losses	81.31	–	81.31
Total amount recognised in other comprehensive income	**(62.03)**	**79.93**	**(1,41.96)**
Contributions:			
Employers	–	7,59.89	(7,59.89)
Employees	11,51.56	11,51.56	–
Payment for plan:			
Benefit payments	(17,24.30)	(17,24.30)	–
Settlements	49.62	49.62	–
Ending Balance as on March 31, 2016	**137,69.75**	**137,69.75**	**–**
Beginning Balance as on April 1, 2016	137,69.75	137,69.75	–
Current service cost	8,53.24	–	8,53.24
Interest expense	11,38.08	11,38.08	–
Total amount recognised in the Statement of Profit and Loss	**19,91.32**	**11,38.08**	**8,53.24**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	–	65.24	(65.24)
Experience losses	65.24	–	65.24
Total amount recognised in other comprehensive income	**65.24**	**65.24**	**–**
Contributions:			
Employers	–	8,53.24	(8,53.24)
Employee	14,14.88	14,14.88	–
Payment for plan:			
Benefit payments	(9,70.80)	(9,70.80)	–
Settlements	(1,24.26)	(1,24.26)	–
Ending Balance as on March 31, 2017	**161,46.13**	**161,46.13**	**–**

B) Balance Sheet Amounts (Contd.)

iii) Balance sheet amounts- Pension (Non Funded Scheme) ₹ Lacs

Particulars	**Present value of obligation**
Beginning Balance as on April 1, 2015	49.06
Current service cost	4.31
Interest expense	3.88
Total amount recognised in the Statement of Profit and Loss	**8.19**
Remeasurements	
Gain from change in financial assumptions	(0.55)
Experience losses	12.65
Total amount recognised in other comprehensive income	**12.10**
Benefit payments	(11.97)
Ending Balance as on March 31, 2016	**57.38**
Beginning Balance as on April 1, 2016	57.38
Current service cost	4.68
Interest expense	4.62
Total amount recognised in Statement of Profit and Loss	**9.30**
Remeasurements	
Loss from change in financial assumptions	3.38
Experience losses	2.35
Total amount recognised in other comprehensive income	**5.73**
Benefit payments	–
Ending Balance as on March 31, 2017	**72.41**

(iv) Amount recognised in the Balance Sheet (Funded Scheme)

a) Gratuity

	Year ended		
	March 31, 2017	March 31, 2016	April 1, 2015
	₹ Lacs	₹ Lacs	₹ Lacs
Present Value of Obligation as at the end of the year	**62,98.14**	51,26.97	50,47.23
Fair Value of Funded Plan Assets as at the end of the year	**(50,24.57)**	(43,63.84)	(43,77.22)
Liability recognised in the Balance Sheet	**12,73.57**	7,63.13	6,70.01

[Included in Non-Current Provisions ₹ 5,23.57 Lacs (March 31, 2016 ₹ 63.13 Lacs and April 1, 2015 ₹ 1,70.01 Lacs) (Refer Note 19) and ₹ 7,50.00 Lacs (March 31, 2016 ₹ 7,00.00 Lacs and April 1, 2015 ₹ 5,00.00 Lacs) expected to be contributed in next year as included in "Employee Benefits Payable" under "Other Current Liabilities" (Refer Note 24)].

B) Balance Sheet Amounts (Contd.)

b) Provident Fund

	Year ended		
	March 31, 2017	March 31, 2016	April 1, 2015
	₹ Lacs	₹ Lacs	₹ Lacs
Present Value of Obligation of Funded Plan as at the end of the year	**161,46.13**	137,69.75	126,07.13
Fair Value of Funded Plan Assets as at the end of the year	**161,46.13**	137,69.75	124,65.17
Liability recognised in the Balance Sheet	**–**	–	1,41.96

[Included in Non-Current Provisions ₹ Nil (March 31, 2016 ₹ Nil and April 1, 2015 ₹ 1,08.99 Lacs) (Refer Note 19) and Current Provisions ₹ Nil (March 31, 2016 ₹ Nil and April 1, 2015 ₹ 32.97 Lacs) (Refer Note 25)

(v) Amount recognised in the Balance Sheet (Non-funded Scheme: Pension)

a) Pension

	Year ended		
	March 31, 2017	March 31, 2016	April 1, 2015
	₹ Lacs	₹ Lacs	₹ Lacs
Present Value of Obligation of Unfunded Plan as at the end of the year	**72.41**	57.38	49.06
Liability recognised in the Balance Sheet	**72.41**	57.38	49.06

[Included in Non-Current Provisions ₹ 72.41 Lacs (March 31, 2016 ₹ 57.38 Lacs and April 1, 2015 ₹ 49.06 Lacs) (Refer Note 19)]

(vi) Percentage of each category of Plan Assets to Total Fair Value of Plan Assets

	Year ended	
	March 31, 2017	March 31, 2016
	%	%
a) Gratuity		
Category of Assets (% Allocation)		
Government of India Securities	**1%**	2%
Insurer Managed Funds	**98%**	96%
Others	**1%**	2%
b) Provident Fund		
Category of Assets (% Allocation)		
Government of India Securities	**40%**	39%
Other Debt Instruments	**37%**	37%
Equity instruments	**3%**	2%
Others	**20%**	22%

C) Sensitivity Analysis

	Year ended	
	March 31, 2017	March 31, 2016
i) Gratuity		
Discount Rate:		
Impact of increase in 50 bps on DBO	**-6.63%**	-6.18%
Impact of decrease in 50 bps on DBO	**7.29%**	6.77%
Salary Escalation Rate:		
Impact of increase in 50 bps on DBO	**7.24%**	6.81%
Impact of decrease in 50 bps on DBO	**-6.67%**	-6.27%
ii) Provident Fund		
Guaranted Rate of Return:		
Impact of increase in 100 bps on DBO	**7.11%**	2.52%
Impact of decrease in 100 bps on DBO	**–**	–
iii) Pension		
Discount Rate:		
Impact of increase in 50 bps on DBO	**-2.79%**	-3.08%
Impact of decrease in 50 bps on DBO	**2.93%**	3.23%

D) Projected Plan Cash flow:

The expected contribution payable to the Gratuity plan for the year ending March 31, 2018 is ₹ 7,50 Lacs
The weighted average duration to the payment of these cash flows for Gratuity is 13.89 years (March 31, 2016 : 12.93 years) and for Pension is 5.72 years (March 31, 2016 : 6.31 years)

	Year ended	
	March 31, 2017	March 31, 2016
Expected cash flow profile of the benefits to be paid to the current membership of the plan: Gratuity		
Less than a year	**3,77.19**	2,72.05
Between 1-2 years	**2,74.82**	2,72.12
Between 2-5 years	**3,83.83**	5,01.30
Between 5-9 years	**18,26.67**	11,98.60
10 years and above	**181,58.03**	162,87.95
Expected cash flow profile of the benefits to be paid to the current membership of the plan: Pension		
Between 2-5 years	**45.00**	42.00
10 years and above	**71.00**	62.00

III Other Employee Benefit

The liability for Compensated Absences as at the year end is ₹ **21,47.77 Lacs** (March 31, 2016 : ₹ 18,82.50 Lacs, April 1, 2015 : ₹ 16,68.35 Lacs).

	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs	As at April 1, 2015 ₹ Lacs
Included in :			
Non-Current Provisions (Refer Note 19)	**19,17.34**	16,67.66	14,77.49
Current Provisions (Refer Note 25)	**2,30.43**	2,14.84	1,90.86
	21,47.77	18,82.50	16,68.35
Movement of Compensated Absences:			
Balance at the beginning of the year	**18,82.50**	16,68.35	
Add: Charge during the year	**4,54.16**	3,80.43	
Less: Amount paid during the year	**1,88.89**	1,66.28	
Balance at the end of the year	**21,47.77**	18,82.50	

Notes to the Financial Statements for the year ended March 31, 2017

			Year ended March 31, 2017 ₹ Lacs	Year ended March 31, 2016 ₹ Lacs
Note 30: Other Expenses				
Consumption of Stores and Spares			**19,93.26**	18,87.04
Processing Charges			**9,07.01**	6,63.01
Power and Fuel			**44,04.44**	37,84.16
Freight and Forwarding Charges			**142,36.87**	139,04.07
Lease Rentals [Refer Note 33 (i)]			**40,56.25**	39,53.37
Rates and Taxes			**11,81.95**	17,52.42
Insurance			**3,72.67**	3,81.35
Repairs and Maintenance				
– Plant and Machinery	**26,18.78**			22,96.44
– Buildings	**1,16.48**			1,79.83
– Others	**71.10**			1,04.79
			28,06.36	25,81.06
Advertising			**511,73.03**	447,55.09
Fees and Commission to Independent Directors			**86.85**	89.45
Auditors' Remuneration [Refer Note (A) below]			**1,49.50**	1,49.08
Royalty			**208,51.32**	220,83.06
Expenditure towards Corporate Social Responsibility [Refer Note (B) below]			**15,58.07**	14,32.56
Bad Debts Written Off			**37.21**	42.15
Net loss on disposal of property, plant and equipment			**–**	99.12
Exchange Loss (Net)			**–**	2,21.84
Travel and Conference Expenses			**30,25.75**	34,92.04
Outside Services			**109,99.56**	102,97.99
Miscellaneous			**93,72.33**	75,32.19
			1,272,12.43	1,191,01.05
(A) Auditors' Remuneration (excluding service tax) :				
As Auditor :				
– Statutory Audit			**53.20**	61.63
– Limited Review			**29.10**	29.11
– Tax Audit			**17.09**	17.09
– Certification			**0.35**	0.25
Other Services			**45.90**	37.47
Reimbursement of Expenses			**3.86**	3.53
			1,49.50	1,49.08
(B) Corporate Social Responsibility Expenditure				
(I) Gross amount required to be spent by the Company during the year			**15,46.00**	14,17.89
(II) Amount spent during the year:				
(A) In cash -				
(i) Construction/acquisition of any asset			**–**	–
(ii) On purposes other than (i) above:				
– Promoting preventive health care			**12,47.04**	9,62.08
– Empowerment of women and addressing inequalities			**14.89**	50.51
– Promoting education			**90.00**	27.00
– Conservation of natural resources, Health, Education and other allied areas			**1,30.00**	80.00
– Vocational and skill training for upliftment of economically weaker youth			**65.00**	55.00
(B) Yet to be paid in cash -				
– Promoting preventive health care			**11.14**	2,57.97
			15,58.07	14,32.56

Notes to the Financial Statements for the year ended March 31, 2017

	Year ended March 31, 2017 ₹ Lacs	Year ended March 31, 2016 ₹ Lacs
Note 31 : Income Tax expenses		
(a) Income tax expense		
Current tax	**269,63.20**	267,38.89
Current tax on profit for the year		
Adjustments for current tax of prior periods	**(16,17.56)**	(31,09.79)
Total current tax expenses	**253,45.64**	236,29.10
Deferred tax		
Decrease in deferred tax assets	**3,35.47**	89.37
Increase in deferred tax liabilities	**17,18.58**	16,92.45
Total deferred tax expense	**20,54.05**	17,81.82
Income tax expenses	**273,99.69**	254,10.92
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expense	**851,42.93**	835,28.10
Tax at the Indian tax rate of 34.608% (2015-2016 - 34.608%)	**294,66.27**	289,07.40
Tax effect of amounts which are not deductible (allowable) in calculating taxable income:		
Depreciation on Land	**25.27**	25.32
Corporate social responsibility expenditure	**5,39.22**	4,95.78
Investment Allowance	**(10,77.14)**	(8,81.88)
Tax Free Interest	**(76.90)**	(87.72)
Other items	**1,40.53**	61.81
Adjustments for current tax of prior periods	**(16,17.56)**	(31,09.79)
Income tax expense	**273,99.69**	254,10.92
(c) Amounts Recognised directly in Equity		
Current Tax Impact arising in the reporting period in respect of distribution of Employee Stock Option directly recognised in Equity	**2,50.16**	3,78.13

	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs	As at April 1, 2015 ₹ Lacs
(d) Current Tax Assets (Net)			
Current Tax Assets (Net) [Net of Provision of Tax ₹ **662,63.81 Lacs**, March 31, 2016: ₹ 398,05.46 Lacs, April 01, 2015 ₹ 429,15.25 Lacs]	**81,44.82**	59,69.26	28,59.46
(e) Current Tax Liabilities (Net)			
Current Tax Liabilities (Net) [Net of Advance Tax payments ₹ **917,68.25** lacs, March 31, 2016 : ₹ 900,99.45 lacs, April 01, 2015: ₹ 648,63.96 Lacs]	**73,61.07**	103,92.74	92,67.47

Notes to the Financial Statements for the year ended March 31, 2017

	As at March 31, 2017 ₹ Lacs	As at March 31, 2016 ₹ Lacs	As at April 01, 2015 ₹ Lacs
Note 32: Contingent Liabilities			
(To the extent not provided for)			
Claims against the Company not acknowledged as debts:			
– Excise and Related Matters	**44,16.92**	42,93.77	38,63.23
– Service Tax Matters	**2,57.03**	2,57.03	5,81.62
– Sales Tax Matters	**4,13.79**	1,89.74	–
– Income Tax Matters	**184,17.51**	2,67.07	2,67.07
– Provident Fund Matters	**7.37**	7.37	7.37
– Commercial Matters	**1,32.99**	1,28.39	1,35.55

Future cash flow in respect of the above, if any, is determinable only on receipt of judgements/decisions pending with the relevant authorities.

Note 33: Commitments

A) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances of ₹ **30,99.65 Lacs** (March 31, 2016 : ₹ 5,73.79 Lacs, April 1, 2015 : ₹ 20,89.53 Lacs)]	**15,34.74**	94,07.52	29,19.05

B) Operating Leases

(i) The Company has taken operating leases for machinery, office premises, residential premises, warehouses, laptops, printers and vehicles. These lease arrangements include both cancellable and non-cancellable leases.

Description of significant operating lease arrangements in respect of premises (including warehouses):

The Company has given refundable interest free security deposit under the lease agreements.

All agreements contain provision for renewal at the option of either party and also include escalation clause.

All agreements provide for restriction on sub lease.

Future minimum lease payments under non-cancellable operating leases are as follows:

	Year ended March 31, 2017 ₹ Lacs	Year ended March 31, 2016 ₹ Lacs
Upto 1 year	**24,94.87**	26,18.97
Greater than 1 year but less than 5 years	**63,93.65**	83,19.94
Greater than 5 years	**–**	5,29.05
Lease payments recognised in Statement of Profit and Loss are shown as "Lease Rentals" under Other Expenses in Note 30.	**40,56.25**	39,53.37
Operating lease expense pertaining to Contract Manufacturer's included in Cost of Materials Consumed	**9,88.82**	8,21.78

Note 33: Commitments (Contd.)

(ii) The Company has given office premise space under non-cancellable operating lease for a period of 3 years. The rental income from the asset given on lease of ₹ 1,98.45 lacs (March 31, 2016 : ₹ 1,98.45 Lacs) has been disclosed as "Lease Rentals" under Other Income in Note 27 to the Statement of Profit and Loss.

Description of significant operating lease arrangements in respect of premises:

The Company has given refundable interest free security deposit under the lease agreements.

Agreement contain provision for renewal at the option of either party.

Agreement provide for restriction on sub lease.

The parties to the lease agreement agreed to terminate the lease agreement during the current financial year.

Future minimum lease payments that the Company is expected to receive under the non-cancellable lease are as under:

	Year ended March 31, 2017 ₹ **Lacs**	Year ended March 31, 2016 ₹ Lacs
Upto 1 year	**–**	1,98.45
Greater than 1 year but less than 5 years	**–**	57.88

Note 34: Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and Finance Director of the Company. The Company operates only in one Business Segment i.e. 'Personal Care (including Oral Care)' which primarily includes products such as Soaps, Cosmetics and Toilet Preparations and the activities incidental thereto within India, hence does not have any reportable Segments as per Ind AS 108 "Operating Segments". The performance of the Company is mainly driven by sales made locally and hence, no separate geographical segment is identified.

Note 35: Earnings Per Share (EPS)

		Year ended March 31, 2017	Year ended March 31, 2016
i)	**Basic and Diluted Earnings Per Share (₹)**		
	Profit After Taxation (₹ Lacs)	**577,43.24**	581,17.18
	Weighted average number of shares for Basic and Diluted EPS (Nos.)	**27,19,85,634**	27,19,85,634
	Nominal Value of shares outstanding (₹)	**1**	1
	Basic and Diluted Earnings Per Share (₹)	**21.23**	21.37
ii)	**Weighted average number of shares used as the denominator**		
	Opening Balance	**27,19,85,634**	13,59,92,817
	Bonus Issue during the year (1:1)	**–**	13,59,92,817
	Weighted average number of shares used as the denominator for calculating basic and diluted earnings per share	**27,19,85,634**	27,19,85,634

Notes to the Financial Statements for the year ended March 31, 2017

Note 36: Disclosure of Related Parties

Related Party Disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below :

A)	**Ultimate Holding Company**	:	Colgate-Palmolive Company, U.S.A.
B)	**Group Companies where common control exists**	:	Colgate-Palmolive Mktg. SDN BHD, Malaysia
		:	Colgate-Palmolive East Africa Ltd., Kenya
		:	Colgate-Palmolive Morocco, Morocco
		:	Colgate-Palmolive Pty. Ltd., South Africa
		:	Colgate-Palmolive (Thailand) Ltd., Thailand
		:	Colgate-Palmolive (H.K.) Ltd., Hongkong
		:	Colgate-Palmolive Management Services (H.K.) Limited, Hongkong
		:	Colgate-Palmolive (China) Co. Ltd., China
		:	Colgate Palmolive (Vietnam) Ltd, Vietnam
		:	Colgate Sanxiao Company Limited, China
		:	Colgate-Palmolive SAS, Columbes*
		:	Colgate Palmolive Temizlik Urunleri Sanayi ve Ticaret S.A., Turkey
		:	Colgate-Palmolive Cameroun S.A., Cameroun
		:	Colgate-Palmolive Romania srl., Romania*
		:	Hawley & Hazel Chemical Co., (Zhangshan) Ltd, China*
		:	Colgate-Palmolive (Eastern) Pte. Ltd., Singapore
		:	Colgate-Palmolive Indústrial Ltda., Brazil
		:	Colgate-Palmolive (Asia) Pte. Ltd. Singapore
		:	Norwood International Incorporated, U.S.A.
		:	Colgate-Palmolive Tanzania Limited, Tanzania
		:	Colgate-Palmolive Pty. Ltd., Boksburg
		:	Colgate Global Business Services Pvt. Ltd., India
		:	Colgate-Palmolive Zambia Inc., Zambia
		:	Colgate-Palmolive Europe SARL, Poland
		:	Colgate-Palmolive Services (Poland) Sp.z.o.o, Poland
		:	Colgate-Palmolive (Kazakhstan) LLP, Kazakhstan*
		:	Colgate-Palmolive Europe SARL, Italy
		:	Mission Hills S.A. DE. C. V., Mexico*
		:	Colgate Palmolive Bt. Ltd., (Blantyre), Malawi
		:	Colgate Oral Pharmaceuticals Inc. Carrollton, U.S.A.
		:	Colgate-Palmolive Senegal, Senegal
		:	Colgate-Palmolive Italia S.r.l., Italy*
		:	Colgate-Palmolive (Pakistan) Limited, Pakistan
		:	Colgate Philippines Inc., Philippines
		:	Colgate-Palmolive Mocambique Limitada
		:	Colgate-Palmolive S.P.A., Italy
		:	Hill's-Colgate (Japan) Ltd., Japan*
		:	Colgate Palmolive West East Investments, U.S.A.
		:	Tom's Of Maine, U.S.A.
		:	Colgate-Palmolive Ghana Ltd., Ghana
		:	Colgate-Palmolive Europe Sarleu Div

Notes to the Financial Statements for the year ended March 31, 2017

Note 36: Disclosure of Related Parties (Contd.)

		: CP Middle East Exports Ltd.
		: Colgate-Palmolive (Myanmar) Limited, Myanmar
		: Colgate Palmolive Espana S.A.,Spain
		: Hawley & Hazel Chemical Co., China
C)	**Directors of the Company**	
(i)	**Executive Directors**	: I. Bachaalani
		: G. Nthunzi (Up to October 28, 2016)
		: M. Jacob (effective October 28, 2016)
		: N. Ghate (Up to December 31, 2016)
		: M. Chandrasekar (effective January 02, 2017)
(ii)	**Non-Executive & Non Independent Director**	: V. Nambiar
(iii)	**Non-Executive & Independent Directors**	: R. A. Shah
		: P. K. Ghosh
		: J. K. Setna
		: V. S. Mehta
		: I. Shahani
		: S. Gopinath
D)	**Post Employment Benefit Funds**	: Colgate-Palmolive (India) Limited Provident Fund
		: Colgate-Palmolive India Gratuity Fund for Workmen
		: Colgate-Palmolive India Gratuity Fund for Non-Workmen

* There are no transactions with the Company during the current year.

Note 36: Disclosure of Related Parties (Contd.)

(i) Transactions entered into with Parties referred to in Category A and B

₹ Lacs

Nature of Transaction	Parties referred to in Category A		Parties referred to in Category B		Total	
	Year ended		Year ended		Year ended	
	March 31, 2017	March 31, 2016	**March 31, 2017**	March 31, 2016	**March 31, 2017**	March 31, 2016
Purchase of Goods/Materials						
Colgate Palmolive (Vietnam) Ltd.	**–**	–	**–**	17,65.56	**–**	17,65.56
Colgate Sanxiao Company Limited	**–**	–	**10,17.15**	24,39.79	**10,17.15**	24,39.79
Colgate-Palmolive (Thailand) Ltd.	**–**	–	**19,82.98**	18,22.65	**19,82.98**	18,22.65
Colgate-Palmolive Company, U.S.A.	**55.09**	72.39	**–**	–	**55.09**	72.39
Others	**–**	–	**4,52.00**	2,82.56	**4,52.00**	2,82.56
Sub-Total	**55.09**	72.39	**34,52.13**	63,10.56	**35,07.22**	63,82.95
Sale of Goods/Materials						
Colgate-Palmolive East Africa Ltd., Kenya	**–**	–	**10,48.96**	6,21.26	**10,48.96**	6,21.26
Colgate-Palmolive Pty. Ltd., South Africa	**–**	–	**10,48.34**	–	**10,48.34**	–
Colgate-Palmolive Zambia Inc.	**–**	–	**–**	6,99.73	**–**	6,99.73
Colgate-Palmolive Pty. Ltd., Boksburg	**–**	–	**50,66.45**	28,46.97	**50,66.45**	28,46.97
Others	**–**	–	**16,32.25**	12,90.37	**16,32.25**	12,90.37
Sub-Total	**–**	–	**87,96.00**	54,58.33	**87,96.00**	54,58.33
Purchase of Fixed Assets/Spares						
Colgate Sanxiao Company Limited	**–**	–	**75.34**	9,83.17	**75.34**	9,83.17
Colgate-Palmolive Company, U.S.A.	**5,09.88**	–	**–**	–	**5,09.88**	–
Others	**–**	–	**64.04**	53.01	**64.04**	53.01
Sub-Total	**5,09.88**	–	**1,39.38**	10,36.18	**6,49.26**	10,36.18
Services Rendered (inclusive of Service Tax)						
Colgate-Palmolive Company, U.S.A.	**30,20.89**	30,23.61	**–**	–	**30,20.89**	30,23.61
Others	**–**	–	**6.35**	9.04	**6.35**	9.04
Sub-Total	**30,20.89**	30,23.61	**6.35**	9.04	**30,27.24**	30,32.65
Services Received						
Colgate-Palmolive Company, U.S.A.	**81,46.41**	67,57.92	**–**	–	**81,46.41**	67,57.92
Colgate Global Business Services Pvt. Ltd.	**–**	–	**5,54.23**	5,61.58	**5,54.23**	5,61.58
Sub-Total	**81,46.41**	67,57.92	**5,54.23**	5,61.58	**87,00.64**	73,19.50
Reimbursement of Expenses Charged by the Company/(on the Company)						
Colgate-Palmolive Company, U.S.A.	**(50,24.24)**	(53,46.19)	**–**	–	**(50,24.24)**	(53,46.19)
Others	**–**	–	**5,95.14**	1,88.04	**5,95.14**	1,88.04
Sub-Total	**(50,24.24)**	(53,46.19)	**5,95.14**	1,88.04	**(44,29.10)**	(51,58.15)
Dividend Paid						
Colgate-Palmolive Company, U.S.A.	**108,95.27**	119,84.80	**–**	–	**108,95.27**	119,84.80
Colgate-Palmolive (Asia) Pte. Ltd., Singapore	**–**	–	**29,75.89**	32,73.47	**29,75.89**	32,73.47
Norwood International Incorporated, U.S.A.	**–**	–	**0.11**	0.13	**0.11**	0.13
Sub-Total	**108,95.27**	119,84.80	**29,76.00**	32,73.60	**138,71.27**	152,58.40
Issue of Bonus Shares [Refer Note 44]						
Colgate-Palmolive Company, U.S.A.	**–**	5,44.76	**–**	–	**–**	5,44.76
Colgate-Palmolive (Asia) Pte. Ltd., Singapore	**–**	–	**–**	1,48.79	**–**	1,48.79
Norwood International Incorporated, U.S.A.	**–**	–	**–**	0.01	**–**	0.01
Sub-Total	**–**	5,44.76	**–**	1,48.80	**–**	6,93.56
Royalty (exclusive of Royalty Tax)						
Colgate-Palmolive Company, U.S.A.	**185,96.25**	196,94.78	**–**	–	**185,96.25**	196,94.78
Sub-Total	**185,96.25**	196,94.78	**–**	–	**185,96.25**	196,94.78

Notes to the Financial Statements for the year ended March 31, 2017

	Year ended March 31, 2017	₹ Lacs Year ended March 31, 2016
Note 36: Disclosure of Related Parties (Contd.)		
(ii) Transactions entered into with Parties referred to in Category C		
Executive Directors		
Remuneration	**19,10.92**	13,19.79
Contribution to Provident and Other Funds *	**53.58**	54.73
Share Based Payments	**3,67.95**	2,93.75
Sub-Total	**23,32.45**	16,68.27
*As the liabilities for defined benefit plan are provided on acturial basis for the Company as a whole, the amount pertaining to key managerial persons are not included.		
– Executive Directors		
I. Bachaalani	**13,58.58**	6,95.17
G. Nthunzi	**3,96.84**	5,79.85
N. Ghate	**4,42.50**	3,93.25
Others	**1,34.53**	–
Sub Total	**23,32.45**	16,68.27
– Independent Directors		
Sitting Fees and Commission		
R. A. Shah	**15.30**	16.10
P. K. Ghosh	**12.65**	16.35
J. K. Setna	**14.80**	15.85
V. S. Mehta	**15.80**	14.75
I. Shahani	**14.55**	12.65
S. Gopinath	**13.75**	13.75
Sub-Total	**86.85**	89.45
(iii) Transactions entered into with Parties referred to in Category D		
Contribution made by the Company in the following funds:		
Colgate-Palmolive (India) Limited Provident Fund	**8,53.24**	7,59.89
Colgate-Palmolive India Gratuity Fund for Workmen	**1,02.95**	99.78
Colgate-Palmolive India Gratuity Fund for Non-Workmen	**6,59.89**	5,70.23

Note 36: Disclosure of Related Parties (Contd.)

₹ Lacs

Outstanding Balance	Parties referred to in Category A			Parties referred to in Category B		
	Year ended			Year ended		
	March 31, 2017	March 31, 2016	April 1, 2015	**March 31, 2017**	March 31, 2016	April 1, 2015
Trade Receivables						
Colgate-Palmolive Company, U.S.A.	**4,30.92**	7,85.65	6,83.50	**–**	–	–
Colgate-Palmolive Zambia Inc.	**–**	–	–	**19.51**	6,43.59	20.55
Colgate-Palmolive Pty. Ltd., Boksburg	**–**	–	–	**22,78.76**	12,57.40	7,23.30
Colgate-Palmolive East Africa Ltd., Kenya	**–**	–	–	**4,15.77**	1,66.52	3,96.70
Others	**–**	–	–	**7,16.78**	5,21.68	6,13.41
Sub-Total (Refer Note 10)	**4,30.92**	7,85.65	6,83.50	**34,30.82**	25,89.19	17,53.96
Trade Payables						
Colgate-Palmolive Company, U.S.A.	**117,25.15**	93,51.04	69,68.51	**–**	–	–
Colgate Sanxiao Company Limited	**–**	–	–	**2,20.21**	3,90.80	12,00.64
Others	**–**	–	–	**7,60.02**	9,86.95	7,50.82
Sub-Total (Refer Note 22)	**117,25.15**	93,51.04	69,68.51	**9,80.23**	13,77.75	19,51.46
Other Receivables (included in Other Current Financial Assets)						
Colgate-Palmolive Company, U.S.A.	**50.00**	45.75	26.42	**–**	–	–
Colgate-Palmolive Management Services (H.K.) Limited	**–**	–	–	**83.84**	98.94	29.75
Colgate-Palmolive Europe Sarleu Div	**–**	–	–	**59.48**	–	36.34
Others	**–**	–	–	**1,15.55**	70.31	89.39
Sub-Total (Refer Note 14)	**50.00**	45.75	26.42	**2,58.87**	1,69.25	1,55.48

Terms and conditions:

Transactions relating to dividends and bonus shares were on the same terms and conditions that apply to other shareholders.

Goods and Services procured or provided from/ to related parties are generally priced at arm's length. Other reimbursement of expenses to/ from related parties is on Cost basis.

All other transactions were made on normal commercial terms and conditions and at market rates.

All outstanding balances are unsecured and are repayable/ receivable in cash.

Note 37 - Share Based Payments

(a) Employee option plan

The Company does not provide any equity-based compensation to its employees. However, the parent company, Colgate-Palmolive Company, U.S.A. ("the grantor") maintains equity incentive plans that provide for the grant of stock-based awards to its executive directors and certain categories of officers and employees. The Parent's Incentive Plan provides for the grant of non-qualified and incentive stock options, as well as restricted stock units. Exercise prices in the case of non-qualified and incentive stock options are not less than the fair value of the underlying common stock on the date of grant.

A stock option gives an employee, the right to purchase shares of Colgate-Palmolive Company common stock at a fixed price for a specific period of time. Stock options generally have a term of six years from the date of grant and vest over three years.

A restricted stock unit provides an employee with a share of Colgate-Palmolive Company common stock upon vesting. Restricted stock units vest generally over a period of three years. Dividends will accrue with each restricted stock unit award granted subsequent to grant date.

The details pertaining to number of options, weighted average price and assumptions considered for fair value are disclosed below:

Particulars	**March 31, 2017**		March 31, 2016	
	Weighted Average Exercise price	**Number of options**	Weighted Average Exercise price	Number of options
Options outstanding at the beginning of the year	**3,480**	**4,13,128**	3,011	3,88,483
Options granted/transferred during the year	**4,789**	**1,03,617**	3,891	1,46,130
Exercised during the year	**2,851**	**(89,015)**	1,489	(79,361)
Transferred to other group companies during the year	**3,712**	**(66,397)**	2,814	(42,124)
Lapsed during the year	**3,959**	**(1,256)**	–	–
Options outstanding at the end of the year	**3,921**	**3,60,077**	3,480	4,13,128
Options vested and exercisable at the end of the year		**2,03,945**		2,08,671

The weighted average share price at the dates of exercise of options exercised during the year ended March 31, 2017 was ₹ 4,175 (March 31, 2016 : ₹ 4,433)

Share options outstanding at the end of the year have the following expiry dates and exercise prices

Grant year	**Expiry Year**	**Exercise price (₹)**	**March 31, 2017**	March 31, 2016	April 1, 2015
			Number of options	Number of options	Number of options
2009 - 2010	2014 - 2016	1,752 - 1,940	**–**	12,450	49,884
2011 - 2013	2017 - 2019	2,109 - 3,475	**1,08,573**	1,77,979	2,37,067
2014 - 2016	2017 - 2022	3,906 - 4,890	**2,51,504**	2,22,699	1,01,532
Total			**3,60,077**	4,13,128	3,88,483
Weighted average remaining contractual life of options outstanding at end of year			**3.65 Years**	3.82 years	3.55 years

Fair Value of options granted

The fair value at the grant date of options granted during the year ended March 31, 2017 was ₹ **542.70** per option (March 31, 2016 : ₹ 465.45 per option). The fair value at grant date is determined using the Black-Scholes Model which takes into account the exercise price, expected volatility, option's life, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for the options granted during the year ended March 31, 2017 and March 31, 2016 are as below:

Particulars	**March 31, 2017**	March 31, 2016
Expected volatility (%)	**16.66%**	17.61%
Expected life of the options	**4.5 years**	4.5 years
Risk free interest rate(%)	**1.17%**	1.51%
Grant Year	**2016**	2015
Expiry Year	**2022**	2021
Expected dividend (%)	**2.14%**	2.45%

The risk free interest rates are determined based on the zero-coupon sovereign bond yields with maturity equal to the expected term of the option. The expected volatility was determined based on the volatility of the equity share for the period of one year prior to issue of the option. Volatility calculation is based on historical stock prices using standard deviation of daily change in stock price. The historical period is taken into account to match the expected life of the option. Dividend yield has been calculated taking into account expected rate of dividend on equity share price as on grant date.

(b) Restricted Stock Units (RSU's)

	March 31, 2017		March 31, 2016	
Particulars	**Weighted Average Grant date Fair value**	**Number of Units**	Weighted Average Grant date Fair value	Number of Units
Units outstanding at the beginning of the year	**3,755**	**42,148**	3,358	43,117
Units granted / transferred during the year	**4,721**	**14,228**	4,082	16,357
Exercised during the year	**2,877**	**(13,183)**	2,754	(10,533)
Transferred to other group companies during the year	**3,324**	**(6,385)**	3,530	(6,793)
Lapsed during the year	**4,024**	**(3,086)**	–	–
Units outstanding at the end of the year	**4,365**	**33,722**	3,755	42,148

Restricted Stock Units outstanding at the end of the year have the following expiry date and exercise prices

	March 31, 2017	March 31, 2016	April 1, 2015
Weighted average remaining contractual life of RSUs outstanding at end of year	**1.54 Years**	1.22 Years	1.31 years

The weighted average fair value at the date of exercise of RSU's exercised during the year ended March 31, 2017 was ₹ 4,881 (March 31, 2016 **:** ₹ 4,171).

(c) Expenses Arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in statement of profit or loss as part of employee benefit expense were as follows: ₹ Lacs

Particulars	**March 31, 2017**	March 31, 2016
Employee share based payment expense [Refer Note 29]	**8,85.70**	10,08.47

Notes to the Financial Statements for the year ended March 31, 2017

Note 38: Fair value measurements

(i) Financial Instruments by Category

₹ Lacs

	March 31, 2017			March 31, 2016			April 1, 2015		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets									
(i) Investments	–	–	**31,15.76**	–	–	31,15.76	–	–	38,35.25
(ii) Trade Receivable	–	–	**129,89.62**	–	–	101,53.83	–	–	69,64.36
(iii) Cash and Cash Equivalents	–	–	**198,56.44**	–	–	193,24.77	–	–	132,57.48
(iv) Other Bank Balances	–	–	**95,74.00**	–	–	95,40.82	–	–	122,08.17
(v) Loans	–	–	**65,62.56**	–	–	14,65.02	–	–	16,08.09
(vi) Receivable from Related Parties	–	–	**3,08.87**	–	–	2,15.00	–	–	1,81.90
(vii) Security Deposits	–	–	**22,75.91**	–	–	21,47.55	–	–	19,48.62
(viii) Insurance Claim Receivables	–	–	**8.27**	–	–	30.33	–	–	7.85
(ix) Deposits with Banks	–	–	**4,00.26**	–	–	3,87.51	–	–	3,74.27
Total Financial Assets	**–**	**–**	**550,91.69**	**–**	**–**	**463,80.59**	**–**	**–**	**403,85.99**
Financial Liabilities									
(i) Trade payables	–	–	**601,20.47**	–	–	551,94.06	–	–	514,40.56
(ii) Security Deposits	–	–	**1,14.23**	–	–	1,14.23	–	–	1,14.23
(iii) Payable towards purchase of Fixed Assets	–	–	**32,43.97**	–	–	7,00.50	–	–	16,79.25
(iv) Unpaid Dividends	–	–	**95,01.25**	–	–	94,73.37	–	–	121,44.29
(v) Unpaid Balance of Share Capital Reduction	–	–	**72.75**	–	–	67.45	–	–	63.88
Total Financial Liabilities	**–**	**–**	**730,52.67**	**–**	**–**	**655,49.61**	**–**	**–**	**654,42.21**

(ii) Assets and Liabilities that are disclosed at Amortised Cost for which Fair values are disclosed are classified as Level 3.

If one or more of the significant inputs is not based on observable market data, the respective assets and liabilities are considered under Level 3.

(iii) Fair value of financial assets and liabilities measured at amortised cost

₹ Lacs

	March 31, 2017		March 31, 2016		April 1, 2015	
	Carrying amount	**Fair value**	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets						
(i) Investments	**31,15.76**	**31,15.76**	31,15.76	31,15.76	38,35.25	38,35.25
(ii) Trade Receivable	**129,89.62**	**129,89.62**	101,53.83	101,53.83	69,64.36	69,64.36
(iii) Cash and Cash Equivalents	**198,56.44**	**198,56.44**	193,24.77	193,24.77	132,57.48	132,57.48
(iv) Other Bank Balances	**95,74.00**	**95,74.00**	95,40.82	95,40.82	122,08.17	122,08.17
(v) Loans	**65,62.56**	**65,62.56**	14,65.02	14,65.02	16,08.09	16,08.09
(vi) Receivable from Related Parties	**3,08.87**	**3,08.87**	2,15.00	2,15.00	1,81.90	1,81.90
(vii) Security Deposits	**22,75.91**	**22,75.91**	21,47.55	21,47.55	19,48.62	19,48.62
(viii) Insurance Claim Receivables	**8.27**	**8.27**	30.33	30.33	7.85	7.85
(ix) Deposits with Banks	**4,00.26**	**4,00.26**	3,87.51	3,87.51	3,74.27	3,74.27
Total Financial Assets	**550,91.69**	**550,91.69**	463,80.59	463,80.59	403,85.99	403,85.99
Financial Liabilities						
(i) Trade payables	**601,20.47**	**601,20.47**	551,94.06	551,94.06	514,40.56	514,40.56
(ii) Security Deposits	**1,14.23**	**1,14.23**	1,14.23	1,14.23	1,14.23	1,14.23
(iii) Payable towards purchase of Fixed Assets	**32,43.97**	**32,43.97**	7,00.50	7,00.50	16,79.25	16,79.25
(iv) Unpaid Dividends	**95,01.25**	**95,01.25**	94,73.37	94,73.37	121,44.29	121,44.29
(v) Unpaid Balance of Share Capital Reduction	**72.75**	**72.75**	67.45	67.45	63.88	63.88
Total Financial Liabilities	**730,52.67**	**730,52.67**	655,49.61	655,49.61	654,42.21	654,42.21

Note 39: Financial Risk Management

Inherent to the nature of the Company's business are a variety of financial risks, namely liquidity risk, market risk and credit risk. Developing policies and processes to assess, monitor, manage and address these risks is the responsibility of the Company's Management. The Risk Management Committee oversees this risk management framework in the Company and intervenes as necessary to ensure there exists an appropriate level of safeguards against the key risks. Updates on compliance, exceptions and mitigating action are placed before the Audit Committee periodically. Risk management policies and systems are reviewed regularly to reflect changes like major changes in ERP systems or go to market model, changes in organization structure, events denoting material change in the risk environment, etc.

The Company's Management works closely with its Treasury department and Internal Audit department to ensure there are appropriate policies and procedures governing the operations of the Company with a view to providing assurance that there is visibility into financial risks and that the business is being run in conformity with the stated risk objectives. Periodic reviews with concerned stakeholders provides an insight into risks to the business associated with currency movements, credit risks, commodity price fluctuations, etc. and necessary deliberations are undertaken to ensure there is an appropriate response to the developments.

A. MANAGEMENT OF LIQUIDITY RISK

The Company follows a conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure and dividend policies. The Company has a overdraft facility with banks to support any temporary funding requirements. The Company is cognizant of reputational risks that are associated with the liquidity risk and the risk is factored into the overall business strategy.

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

As at March 31, 2017, the Company had undrawn letter of credit facilities in aggregate of ₹ **1,98.90 Lacs** (March 31, 2016: ₹ 10,97.66 Lacs, April 1, 2015: ₹ 1,35.88 Lacs) with a 90 days term. As part of the regular annual process the Company's intention is that these facilities will again be renewed in financial year 2017-18.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

₹ Lacs

	Carrying amount	Payable on demand	Less than 3 months	3-12 months	More than 12 months	Total
As at March 31, 2017						
(i) Trade payables	601,20.47	–	601,20.47	–	–	601,20.47
(ii) Security Deposits	1,14.23	–	–	–	1,14.23	1,14.23
(iii) Payable towards purchase of Fixed Assets	32,43.97	–	32,43.97	–	–	32,43.97
(iv) Unpaid Dividends	95,01.25	13,41.68	81,59.57	–	–	95,01.25
(v) Unpaid Balance of Share Capital Reduction	72.75	72.75	–	–	–	72.75
As at March 31, 2016						
(i) Trade payables	551,94.06	–	551,94.06	–	–	551,94.06
(ii) Security Deposits	1,14.23	–	–	–	1,14.23	1,14.23
(iii) Payable towards purchase of Fixed Assets	7,00.50	–	7,00.50	–	–	7,00.50
(iv) Unpaid Dividends	94,73.37	13,13.80	81,59.57	–	–	94,73.37
(v) Unpaid Balance of Share Capital Reduction	67.45	67.45	–	–	–	67.45
As at April 01, 2015						
(i) Trade payables	514,40.56	–	514,40.56	–	–	514,40.56
(ii) Security Deposits	1,14.23	–	–	15.00	99.23	1,14.23
(iii) Payable towards purchase of Fixed Assets	16,79.25	–	16,79.25	–	–	16,79.25
(iv) Unpaid Dividends	121,44.29	12,64.86	108,79.43	–	–	121,44.29
(v) Unpaid Balance of Share Capital Reduction	63.88	63.88	–	–	–	63.88

B. MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- currency risk;
- commodity price risk;

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's Management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. CURRENCY RISK		
The Company is subject to the risk of changes in foreign currency values that impact costs of imported raw material (directly and by local suppliers), import of finished goods, equipment for expansion at the plants, expatriate costs, service related charges from overseas related and third parties as well as revenue from exports. Balance sheets foreign currency denominated Receivables and Payables will also be impacted. As at March 31, 2017, the unhedged exposure to the Company on holding financial assets and liabilities other than in its functional currency amounted to ₹ 36,36.99 Lacs and ₹ 90,53.06 Lacs respectively (March 31, 2016 : ₹ 45,32.89 Lacs and ₹ 63,72.34 Lacs, April 01, 2015 : ₹ 32,47.89 Lacs and ₹ 48,37.31 Lacs)	The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD, Euro, and Chinese Yuan. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented.	As an estimation of the approximate impact of the residual risk, with respect to financial instruments, the Company has calculated the impact of a 1% change in exchange rates. A 1% strengthening of the INR against key currencies to which the Company is exposed at year end would have led to approximately an additional ₹ 54.16 lacs gain in the Statement of Profit and Loss (2015-16 : ₹ 18.39 Lacs gain). A 1% weakening of the INR against these currencies would have led to an equal but opposite effect. A 1% strengthening of the INR against key currencies would have led to approximately an additional gain of ₹ 6,89 lacs in the Statement of Profit and Loss (2015-16 : ₹ 6,98 Lacs gain). A 1% weakening in currency prices would have led to an equal but opposite effect.
2. COMMODITY PRICE RISK		
The Company is exposed to the risk of changes in commodity prices in relation to its purchase of its raw materials especially corn, carton board, resins and palm oils.	The Company develops periodic financial forecasts based on commodity price forecasts by its Procurement group and appropriate actions including selling price changes and cost saving measures to reduce the impact of commodity price changes is considered as part of the financial modelling.	A 1% increase in commodity prices would have led to approximately an additional ₹ 5,97 lacs loss in the Statement of Profit and Loss (2015-16: ₹ 6,09 Lacs loss). A 1% weakening in commodity prices would have led to an equal but opposite effect.

C. MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or other counter-party fails to meet its contractual obligations.

Trade Receivables

Trade receivables are subject to credit limits, controls and approval processes. A majority of customers pay prior to shipment, thereby reducing exposure to trade receivables significantly. Due to a large customer base, the Company is not exposed to material concentration of credit risk. Basis the historical experience supported by the level of default, the credit risk in case of trade receivable is low and so trade receivables are considered to be a single class of financial assets. Basis of provision for doubtful receivables is dependent on the customer ageing, customer category and historical experience of the Company.

The gross carrying amount of trade receivables is ₹ 134,80.56 Lacs as at March 31, 2017 and ₹ 107,81.62 Lacs as at March 31, 2016

(I) Reconciliation of loss allowance provision - Trade receivables

₹ Lacs

	March 31, 2017	March 31, 2016
Loss allowance at the beginning of the year	**6,27.79**	9,94.25
Less: Changes in loss allowances	**(1,36.85)**	(3,66.46)
Loss allowance at the end of the year	**4,90.94**	6,27.79

(II) Ageing analysis of Trade receivables and provision of doubtful debts is as follows :

Position as on April 1, 2015 ₹ Lacs

	Not due	**0-180**	**>180**	**Total**
Ageing				
Gross carrying amount	28,34.58	39,52.99	11,71.04	79,58.61
Provision for doubtful debts	–	–	(9,94.25)	(9,94.25)
Carrying amount of trade receivables (net of Provision)	28,34.58	39,52.99	1,76.79	69,64.36

Position as on March 31, 2016

	Not due	**0-180**	**>180**	**Total**
Ageing				
Gross carrying amount	32,59.45	68,72.01	6,50.16	107,81.62
Provision for doubtful debts	–	–	(6,27.79)	(6,27.79)
Carrying amount of trade receivables (net of Provision)	32,59.45	68,72.01	22.37	101,53.83

Position as on March 31, 2017

	Not due	**0-180**	**>180**	**Total**
Ageing				
Gross carrying amount	**83,78.88**	**44,44.29**	**6,57.39**	**134,80.56**
Provision for doubtful debts	**–**	**–**	**(4,90.94)**	**(4,90.94)**
Carrying amount of trade receivables (net of Provision)	**83,78.88**	**44,44.29**	**1,66.45**	**129,89.62**

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks and investments in debt instruments. The Company has concentrated its main investment activities with a limited number of counter-parties which have secure credit ratings, to reduce this risk. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department.

The Company's maximum exposure to credit risk as at March 31, 2017, March 31, 2016 and April 01, 2015 is the carrying value of each class of financial assets as disclosed in Note 38(iii).

Note 40: Capital Management

The Company's objective in managing its capital is to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The Company considers the following components of its Balance Sheet to be managed capital:

1) Share Capital, 2) Share Premium and 3) Other Reserves comprising of General Reserve and Retained Earnings.

The Company's capital structure is based on the Managements assessment of the balances of key elements to ensure strategic decisions and day to day activities. The capital structure of the Company is managed with a view of the overall macro economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder, vendor and market confidence and sustain continuous growth and development of the Company.

The Company's focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company.

In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary. The Company does not have any debt or financial convenants.

Note 41: First-time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 1, 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act ("previous GAAP or IGAAP"). An explanation of how the transition from IGAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

In preparing these Ind AS financial statements, the Company has availed certain optional exemptions and mandatory exceptions in accordance with Ind AS 101 from IGAAP to Ind AS, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and IGAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its IGAAP financial statements, including the Balance Sheet as at April 1, 2015 and the financial statements as at and for the year ended March 31, 2016.

A1. Ind AS optional exemptions

(a) Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 'Intangible Assets' and Investment property covered by Ind AS 40 'Investment Properties'. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their IGAAP carrying value.

(b) Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The Company has elected to apply this exemption for such contracts/arrangements.

(c) Share-based payment transactions

Ind AS 101 permits a first-time adopter to not apply Ind AS 102 'Share-based payment' to equity instruments that vested before date of transition to Ind ASs. The Company has elected to apply this exemption for such arrangements.

(d) Business Combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

A2. Ind AS mandatory exceptions

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with IGAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in conformity with IGAAP. The Company made estimates for Impairment of financial assets based on expected credit loss model and fair value of the investment property in accordance with Ind AS at the date of transition as these were not required under IGAAP.

(b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Consequently, the Company has applied the above assessment based on facts and circumstances exist at the transition date.

(c) Derecognition of Financial Assets and Financial Liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a

first-time adopter to apply the de-recognition requirement provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the derecognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

B. Reconciliations between IGAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from IGAAP to Ind AS.

The presentation requirements under IGAAP differs from Ind AS and hence the IGAAP information has been reclassified for ease of reconciliation with Ind AS. The reclassified IGAAP information is derived based on the audited financial statements of the Company for the year ended March 31, 2015 and March 31, 2016.

Reconciliation of Equity as at date of transition (April 1, 2015)

₹ Lacs

	Notes to first time adoption	IGAAP*	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment		781,58.22	–	781,58.22
Capital Work-in-Progress		141,18.24	–	141,18.24
Goodwill		–	–	–
Other Intangible Assets		–	–	–
Financial Assets				
i. Investments		30,13.48	1,02.28	31,15.76
ii. Loans		3,09.05	–	3,09.05
iii. Others	1	25,82.21	(7,26.59)	18,55.62
Deferred Tax Assets (Net) [$]		–	7,51.58	7,51.58
Other Non-Current Assets	1	30,36.81	5,29.95	35,66.76
Current Tax Assets (Net)		28,59.46	–	28,59.46
Total Non-Current Assets		**1,040,77.47**	**6,57.22**	**1,047,34.69**
Current Assets				
Inventories		252,22.53	–	252,22.53
Financial Assets				
i. Investments		7,00.00	19.49	7,19.49
ii. Trade Receivables		69,64.36	–	69,64.36
iii. Cash and cash equivalents		132,36.83	20.65	132,57.48
iv. Other Bank Balances [other than (iii) above]		122,08.17	–	122,08.17
v. Loans		12,90.67	8.37	12,99.04
vi. Others	1	6,66.08	(9.06)	6,57.02
Other Current Assets	1	86,83.15	33.93	87,17.08
Total Current Assets		**689,71.79**	**73.38**	**690,45.17**
Total Assets		**1,730,49.26**	**7,30.60**	**1,737,79.86**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital		13,59.93	–	13,59.93
Other Equity	7	756,71.62	9,89.53	766,61.15
Total Equity		**770,31.55**	**9,89.53**	**780,21.08**

Notes to the Financial Statements for the year ended March 31, 2017

₹ Lacs

	Notes to first time adoption	IGAAP*	Ind AS adjustments	Ind AS
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
i. Other Financial Liabilities		99.23	–	99.23
Provisions		18,05.55	–	18,05.55
Deferred Tax Liabilities (Net) $	5	2,58.93	(2,58.93)	–
Other Non-Current Liabilities		55.12	–	55.12
Total Non-Current Liabilities		**22,18.83**	**(2,58.93)**	**19,59.90**
Current Liabilities				
Financial Liabilities				
i. Trade Payables		514,40.56	–	514,40.56
ii. Other Financial Liabilities		139,02.42	–	139,02.42
Other Current Liabilities		146,84.16	–	146,84.16
Provisions		45,04.27	–	45,04.27
Current Tax Liabilities (Net)		92,67.47	–	92,67.47
Total Current Liabilities		**937,98.88**	**–**	**937,98.88**
Total Liabilities		**960,17.71**	**(2,58.93)**	**957,58.78**
Total Equity and Liabilities		**1,730,49.26**	**7,30.60**	**1,737,79.86**

** As required under Paragraph (10C) of Ind AS 101, the Company has reclassified items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind ASs.*

$ Net Adjustment of Deferred Tax is of ₹ 10,10.51 Lacs.

Reconciliation of Equity as at March 31, 2016

₹ Lacs

	Notes to first time adoption	IGAAP*	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment		1,008,13.88	–	1,008,13.88
Capital Work-in-Progress		78,37.44	–	78,37.44
Goodwill		–	–	–
Other Intangible Assets		–	–	–
Financial Assets				
i. Investment		30,13.48	1,02.28	31,15.76
ii. Loans		2,70.17	–	2,70.17
iii. Other Financial Assets	1	30,32.22	(7,36.71)	22,95.51
Deferred Tax Assets (Net)		–	–	–
Other Non-Current Assets	1	19,68.03	5,13.06	24,81.09
Current Tax Assets (Net)		59,69.26	–	59,69.26
Total Non-Current Assets		**1,229,04.48**	**(1,21.37)**	**1,227,83.11**

Notes to the Financial Statements for the year ended March 31, 2017

₹ Lacs

	Notes to first time adoption	IGAAP*	Ind AS adjustments	Ind AS
Current Assets				
Inventories		292,66.15	(1,13.14)	291,53.01
Financial Assets				
i. Investments		–	–	–
ii. Trade Receivables		101,53.83	–	101,53.83
iii. Cash And Cash Equivalents		192,89.63	35.14	193,24.77
iv. Other Bank Balances [other than (iii) above]		95,40.82	–	95,40.82
v. Loans		11,86.61	8.24	11,94.85
vi. Other Financial Assets	1	4,85.62	(0.74)	4,84.88
Other Current Assets	1	75,09.17	1,44.21	76,53.38
Total Current Assets		**774,31.83**	**73.71**	**775,05.54**
Total Assets		**2,003,36.31**	**(47.66)**	**2,002,88.65**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital		27,19.86	–	27,19.86
Other Equity	7	992,27.21	11,56.74	1,003,83.95
Total Equity		**1,019,47.07**	**11,56.74**	**1,031,03.81**
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
i. Other Financial Liabilities		1,14.23	–	1,14.23
Provisions		17,88.17	–	17,88.17
Deferred Tax Liabilities (Net)	5	21,71.75	(12,04.40)	9,67.35
Other Non-Current Liabilities		54.73	–	54.73
Total Non-Current Liabilities		**41,28.88**	**(12,04.40)**	**29,24.48**
Current Liabilities				
Financial Liabilities				
i. Trade Payables		551,94.06	–	551,94.06
ii. Other Financial Liabilities		102,41.32	–	102,41.32
Other Current Liabilities		135,80.53	–	135,80.53
Provisions		48,51.71	–	48,51.71
Current Tax Liabilities (Net)		103,92.74	–	103,92.74
Total Current Liabilities		**942,60.36**	**–**	**942,60.36**
Total Liabilities		**983,89.24**	**(12,04.40)**	**971,84.84**
Total Equity And Liabilities		**2,003,36.31**	**(47.66)**	**2,002,88.65**

** As required under Paragraph (10C) of Ind AS 101, the Company has reclassified items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind ASs.*

Reconciliation of Total Comprehensive Income for the year ended March 31, 2016

₹ Lacs

	Notes to first time adoption	IGAAP*	Ind AS adjustments	Ind AS
Revenue from Operations	4,6	4,162,28.98	186,82.38	4,349,11.36
Other Income	1	39,60.51	(9.63)	39,50.88
Total income		**4,201,89.49**	**186,72.75**	**4,388,62.24**
Expenses				
Cost of Materials Consumed	6	1,145,87.12	(19,03.32)	1,126,83.80
Purchase of Stock-in-Trade		353,67.19	–	353,67.19
Change in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		(4,25.09)	–	(4,25.09)
Excise Duty	4	–	480,92.02	480,92.02
Employee Benefits Expense	2,8	269,79.50	(7,39.91)	262,39.59
Depreciation And Amortisation Expense		111,41.11	–	111,41.11
Other Expenses	6	1,465,90.32	(274,89.27)	1,191,01.05
Total expenses		**3,342,40.15**	**179,59.52**	**3,521,99.67**
Profit Before Exceptional Item and Tax		**859,49.34**	**7,13.23**	**866,62.57**
Exceptional Item		31,34.47	–	31,34.47
Profit Before Tax		828,14.87	7,13.23	835,28.10
Tax Expense				
- Current Tax	2	232,50.97	3,78.13	236,29.10
- Deferred Tax	5	19,12.82	(1,31.00)	17,81.82
Total Tax Expense		**251,63.79**	**2,47.13**	**254,10.92**
Profit for the year		**576,51.08**	**4,66.10**	**581,17.18**
Other Comprehensive Income (Net of Tax)	8	**–**	**(1,18.83)**	**(1,18.83)**
Total Comprehensive Income		**576,51.08**	**3,47.27**	**579,98.35**

** As required under Paragraph (10C) of Ind AS 101, the Company has reclassified items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind ASs.*

Reconciliation of Total Equity as at March 31, 2016 and April 1, 2015

₹ Lacs

	Notes to first time adoption	March 31, 2016	April 1, 2015
Total Equity (Shareholder's Funds) as per IGAAP		1,019,47.07	770,31.55
Adjustments:			
Tax impact on recognition of employee stock options/ restricted stock units	2,5	6,34.94	5,40.91
Tax impact on indexation of leasehold land	5	5,69.46	4,69.60
Net impact on Fair valuation of security deposits	1	(47.66)	(20.98)
Total Adjustments		**11,56.74**	**9,89.53**
Total Equity as per Ind AS		**1,031,03.81**	**780,21.08**

Notes to the Financial Statements for the year ended March 31, 2017

Reconciliation of Total Comprehensive Income for the year ended March 31, 2016

₹ Lacs

	Notes to first time adoption	March 31, 2016
Profit After Tax as per IGAAP		576,51.08
Adjustments:		
Impact on recognition of employee stock options/ restricted stock units	2	5,58.19
Actuarial Loss on Defined Benefit Plans considered under Other Comprehensive Income	3	1,81.72
Net impact on Fair valuation of security deposits	1	(26.68)
Tax effects of adjustments (as mentioned above)	5	(2,47.13)
Total Adjustments		**4,66.10**
Profit After Tax as per Ind AS		**581,17.18**
Other Comprehensive Income	**8**	**(1,18.83)**
Total Comprehensive Income as per Ind AS		**579,98.35**

Impact of Ind AS adoption on the statement of cash flows for the year ended March 31, 2016

₹ Lacs

	Notes to first time adoption	IGAAP*	Ind AS adjustments	Ind AS
Net cash generated from Operating Activities	2	673,06.11	15,66.66	688,72.77
Net cash used in Investing Activities		(236,75.15)	14.49	(236,60.66)
Net cash used in Financing Activities	2	(375,78.16)	(15,66.66)	(391,44.82)
Net increase in cash and cash equivalents		**60,52.80**	**14.49**	**60,67.29**
Cash and Cash Equivalents as at April 1, 2015		132,36.83	20.65	132,57.48
Cash and Cash Equivalents as at March 31, 2016		**192,89.63**	**35.14**	**193,24.77**

** As required under Paragraph (10C) of Ind AS 101, the Company has reclassified items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind ASs.*

Notes to the Reconciliations

Note 1: Security Deposits

Under the IGAAP, interest free lease deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid expense. Consequent to this change, the amount of security deposits decreased by ₹ 7,37.45 Lacs as at March 31, 2016 (April 1, 2015 : ₹ 7,35.65 Lacs). The prepaid expenses increased by ₹ 6,89.79 Lacs as at March 31, 2016 (April 1, 2015 : ₹ 7,14.67 Lacs). Total equity decreased by ₹ 20.98 Lacs as on April 1, 2015. The profit for the year and total equity as at March 31, 2016 decreased by ₹ 26.68 Lacs due to amortisation of the prepaid expenses of ₹ 1,76.08 Lacs which is partially off-set by the notional interest income of ₹ 1,49.40 Lacs recognised on security deposits.

Notes to the Financial Statements for the year ended March 31, 2017

Note 2: Employee stock option plan

Under the IGAAP, the cost of equity-settled employee share-based plan were recognised using the intrinsic value method. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date. Consequently, the amount recognised in share option outstanding account as at March 31, 2016 is ₹ 11,40.33 Lacs (April 1, 2015 : ₹ 15,63.00 Lacs). The profit for the year ended March 31, 2016 increased by ₹ 5,58.19 Lacs and the total equity has increased by ₹ 5,58.19 Lacs.

Note 3: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of the Statement of Profit and Loss. Under the IGAAP, these remeasurements were forming part of the Statement of Profit and Loss for the year. As a result of this change, the profit for the year ended March 31, 2016 increased by ₹ 1,81.72 Lacs. There is no impact on the total equity as at March 31, 2016.

Note 4: Excise Duty

Under the IGAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the Statement of Profit and Loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2016 by ₹ 480,92.02 Lacs. There is no impact on the total equity and profit.

Note 5: Deferred Tax

Under Ind AS deferred tax has been recognised on the adjustments made on transition to Ind AS. Leasehold land is a non-depreciable asset, Management is expecting that its carrying value will be recovered through sale and the indexation benefit at the time of disposal will be available, accordingly deferred tax asset on the difference between carrying value and indexed value has been created.

Note 6: Revenue related Adjustments

Company runs various promotional programmes for retailer, wholeseller and stockist. The Company estimates the fair value of those incentives/benefits given to the customer and reduce it from total sales consideration to record revenue on net basis. This change has resulted in a decrease in total revenue and decrease in total expenses for the year ended March 31, 2016 by ₹ 294,09.64 Lacs. There is no impact on the total equity and profit.

Note 7: Retained Earnings

Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

Note 8: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in the Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in Statement of Profit and Loss but are shown in the Statement of Profit and Loss as 'Other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under IGAAP.

Notes to the Financial Statements for the year ended March 31, 2017

Note 42:

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

₹ Lacs

Particulars		Year ended March 31, 2017	Year ended March 31, 2016	Year ended April 1, 2015
(i)	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end*	**1,55.41**	2,12.53	1,04.08
(ii)	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**0.17**	8.56	–
(iii)	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	**48,88.82**	12,99.39	–
(iv)	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**–**	–	–
(v)	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**–**	–	–
(vi)	Interest due and payable towards suppliers registered under MSMED Act, for payments already made**	**28.80**	8.50	–
(vii)	Further interest remaining due and payable for earlier years	**–**	–	–

* The principal amount represents amount outstanding (due as well as not due) as on the Balance Sheet date.

** Includes interest on amounts outstanding as at the beginning of the accounting year.

Note 43: Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016

₹ Lacs

	SBN	Other notes
Balance as on November 8, 2016	–	0.13
Add: Receipts for permitted transactions	–	0.60
Less: Paid for permitted transactions	–	(0.73)
Balance as on December 30, 2016	**–**	**–**

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economics affairs No. S. O. - 3407 (E) dated November 8, 2016.

Notes to the Financial Statements for the year ended March 31, 2017

Note 44:

The Shareholders of the Company through a postal ballot had approved the issue of bonus equity shares in the ratio of 1:1 by capitalization of general reserves. Accordingly, on September 28, 2015, the Company allotted 13,59,92,817 bonus equity shares of ₹ 1/- each fully paid-up to the existing shareholders as on the record date. The paid up share capital of the Company stands increased from ₹ 13,60 Lacs to ₹ 27,20 Lacs.

Note 45:

On April 29, 2015, the Company had announced a Voluntary Retirement Scheme (VRS) for the employees at the toothpowder manufacturing facility at Waluj, Aurangabad, Maharashtra. The scheme was accepted on May 04, 2015 by all affected employees. Post acceptance of the offer by all the workmen under the said Scheme, the toothpowder manufacturing operations at the Aurangabad factory were discontinued effective May 05, 2015. Exceptional items for the year ended March 31, 2016 comprise of VRS expenses of ₹ 29,25.54 Lacs and other expenses of ₹ 2,08.93 Lacs pertaining to the discontinuance of the operations at the Aurangabad Factory. Assets pertaining to Aurangabad Factory have been disclosed as Assets held for sale [Refer Note 15]. The Company is making progress in this matter by continuously engaging with the authorities in order to effect transfer of rights in respect of the aforesaid property.

Signature to Notes 1 to 45

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Pradip Kanakia
Partner
Membership Number - 039985

Mumbai, May 15, 2017

For and on behalf of the Board

R. A. Shah
Vice-Chairman
(DIN : 00009851)

I. Bachaalani
Managing Director
(DIN : 06975320)

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

M. Karnataki
Company Secretary
(A-14509)

Mumbai, May 15, 2017

Form No. SH-13 – Nomination Form

[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To,

(Name of the Company) _____

(Address of the Company)_____

_____ Pincode _____

I/We _____

residing at _____

_____ the holder(s) of the securities, particulars of which are given hereunder, wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1) Particulars of the Securities (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.	
				From	To

2) Particulars of Nominee

Name:		Date of Birth:	
Father's/Mother's/ Spouse's name:		Occupation:	Nationality:
E-mail id:			
Phone No:	Relationship with the security holder:		
Address: _____ _____ Pincode _____			

Please affix recent passport size photograph of the Nominee signed across

Signature of the Nominee

3) In case Nominee is a Minor

Date of birth:	Date of attaining Majority:	Name of guardian:
Address of guardian: _____ _____ Pincode _____		

4) Particulars of Nominee in case Minor Nominee dies before attaining age of majority

Name:		Date of Birth:	Please affix recent passport size photograph of the Nominee signed across
Father's/Mother's/ Spouse's name:		Occupation: / Nationality:	
E-mail id:			
Phone No:	Relationship with the security holder:		Signature
Address: _____ _____ Pincode _____			

Name of the Security Holder(s)	Signature
1.	
2.	
3.	

Name of Witness:		Signature of Witness with date
Address of Witness:_____ _____ Pincode _____		
Place:	Date:	

To
Messrs.
Link Intime India Private Limited
Unit : Colgate-Palmolive (India) Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West),
Mumbai 400 083

UPDATION OF E-MAIL ADDRESS AND BANK ACCOUNT DETAILS

Updation of E-mail address : Kindly update your email-id & contact details in the below mentioned block.

E-mail ID	
Tel. No./Mobile No.	

Bank Details :

Name of Sole/First shareholder	
Name of the Bank in Full & Branch	
MICR Code	
IFSC Code	
Bank Account No. as appearing on the cheque leaf	
PAN	

(Enclosed a cancelled cheque for verification and updating bank mandate)

Specimen Signature Block :

Physical Folio No. :			
First Holder Name :		First holder signature :	
Second Holder Name :		Second holder signature :	
Third Holder Name :		Third holder Signature :	

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company/the RTA responsible. I/We undertake to inform any subsequent changes in the above particulars before the relevant Book closure/Record Date(s). I/We further authories the Company to send me/us documents like Notices, Annual Report, Postal Ballot papers and other communication through the above e-mail.

Place:

Date: Signature of Sole/First Holder

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COLGATE-PALMOLIVE (INDIA) LIMITED

Registered Office: Colgate Research Centre, Main Street, Hiranandani Gardens, Powai, Mumbai 400 076.
CIN: L24200MH1937PLC002700
Tel. No.: 022 - 6709 5050 / 60, Fax No. : 022 – 2570 5088
E-mail ID: investors_grievance@colpal.com Website: www.colgatepalmolive.co.in

ATTENDANCE SLIP

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING HALL AND
HAND IT OVER AT THE ENTRANCE.

I/We hereby record my/our presence at the 76th Annual General Meeting (AGM) of Colgate-Palmolive (India) Limited held at Shri Bhaidas Maganlal Sabhagriha, Swami Bhaktivedanta Marg, J.V.P.D. Scheme, Vile-Parle (West), Mumbai 400 056 on Thursday, August 03, 2017 at 3.30. p.m.

Sr. No. : (for office use only)	
Ledger Folio No./CL.ID/DP ID No. if any.	
Name and Registered Address of the Shareholder(s).	
Joint Holder 1 Joint Holder 2	
No. of Shares held	
Name of the Proxy/Representative, if any	
Signature of the Member/s/Proxy	
Signature of the Representative	

FOR IMMEDIATE ATTENTION OF THE SHAREHOLDERS

Shareholders may please note the user id and password given below for the purpose of remote e-Voting in terms of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration), Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force, as amended by the Companies (Management and Administration) Amendment Rules, 2015] and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Detailed instructions for remote e-Voting are given in the Notes of the 76th AGM Notice.

EVEN (e-Voting Event Number)	USER ID	PASSWORD/PIN

The instructions for remote e-Voting are as under :

A. Members whose e-mail ID(s) are registered with the Company/Depository Participants (CDSL/NSDL), the procedure to vote electronically is as under:

(i) Click on the PDF file sent to you in the e-mail by NSDL. The file will prompt for a Password. Kindly input your Client ID or Folio No. as may be applicable in the box prompted for Password. The said PDF file contains your user ID and password/PIN for remote e-Voting. Please note that this password is an initial password and needs to be changed while doing first time login for security purpose.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file containing the User id and password.

(ii) Launch internet browser by typing the following URL : https://www.evoting.nsdl. com

(iii) Click on Shareholder – Login

(iv) Enter user ID and password as initial password/PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-Voting opens. Click on remote e-Voting : Active Voting Cycles.

(vii) Select the "EVEN" (e-Voting Event Number) of Colgate-Palmolive (India) Limited.

(viii) Now you are ready for remote e-Voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@snaco.net

B. Members whose e-mail ID(s) are not registered with the Company/Depository Participants or request for a physical copy, the procedure to vote electronically is as under:

(i) Initial password is provided in the following format at the bottom of the Attendance Slip of the AGM sent with the Annual Report:

EVEN (e-Voting Event Number)	USER ID	PASSWORD/PIN

(ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) of notes 13(A) above, to cast vote.

C. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-Voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or contact NSDL at the toll free No. 1800-222-990. Alternatively, you can also contact on evoting@nsdl.co.in for any queries or grievances connected with remote e-Voting service.

D. Any person who acquires shares of the Company after the dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. July 27, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in If you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID). In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No.).

E. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

F. The remote e-Voting period commences on Monday, July 31, 2017 (8 a.m.) and ends on Wednesday, August 2, 2017 (5 p.m.). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, July 27, 2017, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, shareholder shall not be allowed to change it subsequently. Electronic voting shall not be allowed beyond the said date and time.

G. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Thursday, July 27, 2017.

H. Mr. S. N. Ananthasubramanian (Membership No. F4206) has been appointed as the Scrutinizer for 76th Annual General Meeting. Scrutinizer will ensure that the remote e-Voting process is conducted in a fair and transparent manner.

I. The Scrutinizer shall, immediately after the conclusion of the voting at the AGM, first count the votes casted at the Meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two (2) witnesses not in the employment of the Company and make within a period not exceeding three (3) days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman, or an authorized person by him, of the Company.

J. The results shall be declared after receiving consolidated Scrutinizer's Report from the Scrutinizer. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.colgatepalmolive.co.in and on the websites of Stock Exchanges and NSDL.

K. The resolutions shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through a compilation of Voting results (i.e. remote e-Voting and the voting held at the AGM).

COLGATE-PALMOLIVE (INDIA) LIMITED

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	:	L24200MH1937PLC002700		
Name of the Company	:	Colgate-Palmolive (India) Limited		
Registered Office	:	Colgate Research Centre, Main Street, Hiranandani Gardens, Powai, Mumbai 400 076. Tel.No. : 022 - 6709 5050 / 60 Fax No. : 022 - 2570 5088 E-mail ID : investors_grievance@colpal.com Website : www.colgatepalmolive.co.in		
Name of the member(s)	:			
Registered address	:			
E-mail Id	:			
Folio No. / Client Id	:		DP ID:	

I/We, being the member(s) of _____ shares of the abovenamed Company, hereby appoint :

1.	Name			
	Address			
	E-mail Id		or failing him	
	Signature			
2.	Name			
	Address			
	E-mail Id		or failing him	
	Signature			
3.	Name			
	Address			
	E-mail Id		Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 76th Annual General meeting

of the Company to be held on Thursday, August 3, 2017 at 3.30 p.m. at Shri Bhaidas Maganlal Sabhagriha, Swami Bhaktivedanta Marg, J.V.P.D. Scheme, Vile-Parle (West), Mumbai 400 056 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
	Ordinary Business :
1.	Adoption of audited financial statements including Balance Sheet as at March 31, 2017 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors.
2.	Appointment of Statutory Auditors – M/s. S R B C & Co LLP, Chartered Accountants (Firm Registration Number 324982E/E300003)
	Special Business :
3.	Appointment of Mr. Jacob Sebastian Madukkakuzy (DIN : 07645510) as a Director of the Company.
4.	Appointment of Mr. Jacob Sebastian Madukkakuzy (DIN : 07645510) as the Whole-time Director & Chief Financial Officer of the Company.
5.	Appointment of Mr. Chandrasekar Meenakshi Sundaram (DIN : 07667965) as a Director of the Company.
6.	Appointment of Mr. Chandrasekar Meenakshi Sundaram (DIN : 07667965) as the Whole-time Director of the Company.
7.	Payment of commission to the Non-executive Independent Directors of the Company.
8.	Keeping and maintaining of the Registers of Members, Indices of Members, copies of all Annual Returns prepared by the Company under Section 88(1) of the Act together with copies of Certificates and Documents required to be annexed thereto and other related books at the office of the new Registrars & Share Transfer Agents (R&T Agents), Messrs. Link Intime India Private Limited C-101, 247, Park, L. B. S. Marg, Vikhroli (West), Mumbi 400 083 effective February 27, 2017 and/or at such places within Mumbai where the R&T Agents may have their office from time to time and/or at the Registered Office of the Company at Colgate Research Centre, Main Street. Hiranandani Gardens, Powai, Mumbai 400 076.

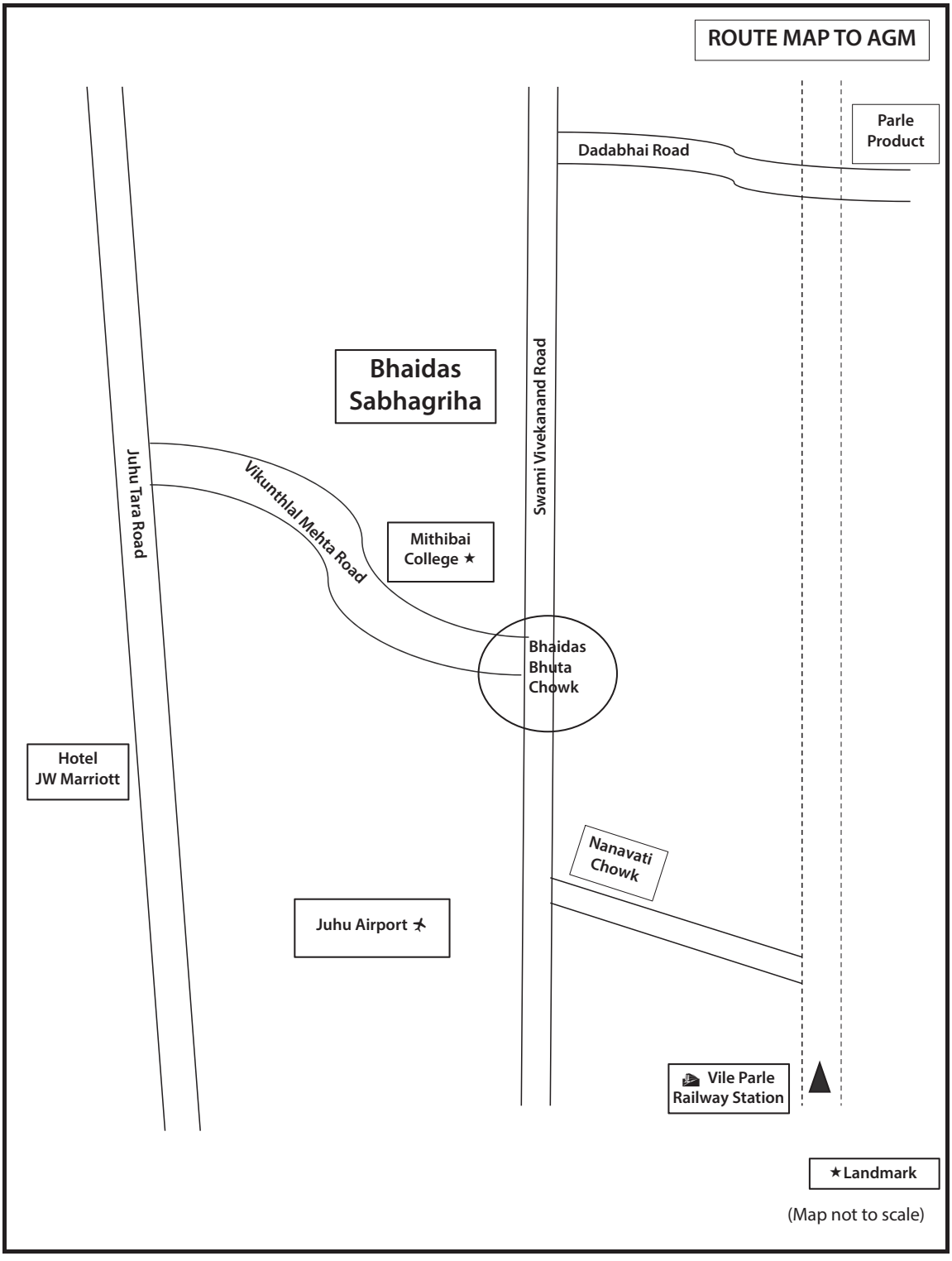
Signed this _____ day of _____ 2017

Signature of shareholder : _____

Signature of Proxyholder(s) : _____

Affix Revenue Stamp

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.


ROUTE MAP TO AGM
Parle Product
Dadabhai Road
Bhaidas Sabhagriha
Swami Vivekanand Road
Juhu Tara Road
Vikunthlal Mehta Road
Mithibai College ★
Bhaidas Bhuta Chowk
Hotel JW Marriott
Nanavati Chowk
Juhu Airport
Vile Parle Railway Station
★ Landmark
(Map not to scale)

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Colgate®









KEEP INDIA SMILING











80 years of trust

Spreading smiles across India for 80 years.



SAVE WATER

www.colgate.com/savewater

COLGATE-PALMOLIVE (INDIA) LIMITED

Colgate Research Centre, Main Street, Hiranandani Gardens, Powai, Mumbai - 400 076
Tel: 022-67095050

www.colgatepalmolive.co.in