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Board of Directors

	<i>Chairman</i>	J. Skala
	<i>Vice-Chairman</i>	R. A. Shah
	<i>Deputy Chairman</i>	P. K. Ghosh
	<i>Managing Director</i>	R. D. Calmeyer
	<i>Whole-time Director</i>	M. A. Elias
	<i>Whole-time Director</i>	K. V. Vaidyanathan
		J. K. Setna
		V. S. Mehta
	<i>Company Secretary</i>	K. V. Vaidyanathan
Management Committee	<i>Managing Director</i>	R. D. Calmeyer
	<i>Finance</i>	M. A. Elias
	<i>Legal</i>	K. V. Vaidyanathan
	<i>Marketing</i>	P. Parameswaran (Ms.)
	<i>Sales</i>	S. Bharatwaj
	<i>R&D</i>	S. Manek
	<i>Manufacturing & Supply Chain</i>	L. Wheeler
	<i>Human Resources</i>	A. Singh
Audit Committee	<i>Chairperson</i>	R. A. Shah
		P. K. Ghosh
		J. K. Setna
		V. S. Mehta
	<i>Secretary</i>	K. V. Vaidyanathan
Shareholders'/Investors' Grievance Committee	<i>Chairperson</i>	P. K. Ghosh
		R. D. Calmeyer
		J. K. Setna
		K. V. Vaidyanathan
	<i>Solicitors</i>	Crawford Bayley & Co.
	<i>Auditors</i>	Price Waterhouse Chartered Accountants
	<i>Registered Office</i>	Colgate Research Centre, Main Street, Hiranandani Gardens, Powai, Mumbai 400 076.
	<i>Factories</i>	Plot No. B 14/10 MIDC, Waluj Industrial Area, Aurangabad 431 136.
		Plot No. 78, EPIP Phase I, Jharmajri, Baddi, District Solan, [H.P.] 174 103.
	<i>Registrars & Share Transfer Agents</i>	Sharepro Services (India) Private Limited

Ten-year Highlights

Rs. Lacs

	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
A. Operating Results :										
Sales	1,089,58#	1,176,88	1,160,89	1,056,89	1,042,08	1,072,53	1,217,50	1,385,38	1,553,21	1,758,16
Other Income	22,89#	29,51	30,95	35,76	29,92	34,23	46,09#	67,00	84,78	107,76
Net Profit After Tax	51,79	62,50	69,79	88,66	108,00	113,29	137,60	160,17	231,71	290,22
Cash Profits	75,00	82,72	91,94	108,13	132,26	135,66	169,03	175,42	251,56	313,17
B. Financial Position :										
Fixed Assets (Net)	215,58	196,93#	172,31	158,02	93,95	147,21	169,12	192,03	198,99	178,59
Current Assets (Net)	80,31	31,26#	56,86	29,52	36,77	(62,83)	(49,64)	(66,23)	(132,51)	(13,63)
Others (Net)	11,08	23,97#	27,72	89,62	115,76	169,37	155,95	159,00	100,41	56,02
TOTAL ASSETS	306,97	252,16	256,89	277,16	246,48	253,75	275,43	284,80	166,89	220,98
Share Capital	135,99	135,99	135,99	135,99	135,99	135,99	135,99	135,99	13,60	13,60
Reserves and Surplus	164,26	103,12	111,65	139,03	108,32	113,78	135,08	144,53	148,61	202,70
SHAREHOLDERS' FUNDS	300,25	239,11	247,64	275,02	244,31	249,77	271,07	280,52	162,21	216,30
Loan Funds	6,72	13,05	9,25	2,14	2,17	3,98	4,36	4,28	4,68	4,68
TOTAL CAPITAL EMPLOYED	306,97	252,16	256,89	277,16	246,48	253,75	275,43	284,80	166,89	220,98
C. Equity Share Data :										
Earnings Per Share (Rs.)	3.81	4.60	5.13	6.52	7.94	8.33	10.12	11.78	17.04	21.34
Dividend Per Share (Rs.)	3.00	8.25*	4.25	4.25	6.00**	7.00	7.50	9.50***	13.00	15.00
Number of Shares (in Lacs)	13,60	13,60	13,60	13,60	13,60	13,60	13,60	13,60	13,60	13,60
Number of Shareholders (in '000s)	2,30	2,22	2,15	2,07	1,85	1,59	1,41	1,40	1,33	1,26

Re-grouped

* Including one-time special dividend of Rs. 4.75 per share.

** Including one-time special 25th Anniversary Dividend (since becoming public in 1978) of Rs.1.25 per share.

*** Including one-time special 70th Anniversary Dividend of Rs. 2.00 per share.

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

Notice

NOTICE is hereby given that the Sixty-eighth Annual General Meeting of COLGATE-PALMOLIVE (INDIA) LIMITED will be held at Shri Bhaidas Maganlal Sabhagriha, Swami Bhaktivedanta Marg, J.V.P.D. Scheme, Vile-Parle (West), Mumbai 400 056 on Friday, July 17, 2009 at 3.30 p.m. to transact the following business :

1. To receive, consider and adopt the Balance Sheet as at March 31, 2009 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors.
2. To appoint a Director in place of Mr. R. A. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. K. V. Vaidyanathan, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modifications, the following resolution, as a Special Resolution :

“RESOLVED that pursuant to Section 163 of the Companies Act, 1956 (hereinafter called ‘the Act’) and in supersession of the Special Resolution passed at the Fifty-second Annual General Meeting of the Company held on September 23, 1993, the Company hereby approves that the Registers of Members, Indices of Members, copies of all Annual Returns prepared by the Company under Section 159 of the Act together with copies of Certificates and Documents required to be annexed thereto under Section 161 of the Act or any one or more of them and other related books shall, with effect from August 1, 2009, be kept at the offices of Messrs. Sharepro Services (India) Private Limited, the Registrars and Share Transfer Agents, at 912, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai 400 021 and/or at 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri - East, Mumbai 400 072 instead of at the Registered Office of the Company.

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 persons entitled thereto under the Act, be kept open for such 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.”

5. To appoint Auditors and to fix their remuneration.

By Order of the Board

K. V. Vaidyanathan
Whole-time Director &
Company Secretary

Date: May 29, 2009

Registered Office :
Colgate Research Centre,
Main Street, Hiranandani Gardens,
Powai, Mumbai 400 076.

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. 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 173 of the Companies Act, 1956 in respect of Item No. 4 to be transacted at the Meeting is appended hereto.
3. The Registers of Members and Share Transfer Books of the Company will remain closed from Friday, July 10, 2009 to Friday, July 17, 2009 (both days inclusive).
4. Share transfer documents and all correspondence relating thereto, should be addressed to the Registrars and Share Transfer Agents of the Company, Messrs. Sharepro Services (India)

Private Limited at 912, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai 400 021.

5. Members who hold shares in physical form are requested to notify immediately any change in their addresses to the Registrars and 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 electronic 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 in 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 are requested to fill-in the form which is available on the Company's website or can obtain it from the Company's Registrars and Share Transfer Agents and forward the same to the Company's Registrars and Share Transfer Agents if the shares are held in physical form and to the Depository Participant in case the shares are held in dematerialised form.
10. All unclaimed dividends upto the First Interim Dividend for 1995-96 paid by the Company on September 29, 1995 have been transferred to the General Revenue Account of the Central Government. The Members, who have not encashed the dividend warrants up to the said period are requested to claim the amount from

The Registrar of Companies, CGO Building, II Floor, A Wing, Belapur, Navi Mumbai.

Under the Companies Act, 1956, dividends that are unclaimed for a period of seven years are transferred to the 'Investor Education and Protection Fund', constituted by the Central Government. Accordingly, unclaimed dividends from the Second Interim Dividend for 1995-96 have been transferred to the said Fund. During the Financial Year 2008-09, unclaimed amount of dividend (Rs. 50,71,951/-) declared for the year 2000-2001 has been transferred to the Investor Education and Protection Fund on October 22, 2008.

11. The Company has designated an exclusive e-mail ID called **investor_grievance@colpal.com** for redressal of shareholders' complaints/grievances. In case you have any queries/complaints or grievances, then please write to us at **investor_grievance@colpal.com**.
12. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company at least 10 days before the Annual General Meeting so that the same can be suitably replied.
13. At the ensuing Annual General Meeting, Mr. R. A. Shah and Mr. K. V. Vaidyanathan shall retire by rotation and being eligible, offer themselves for re-appointment. Pursuant to Clause 49 of the Listing Agreement, the particulars of Mr. R. A. Shah and Mr. K. V. Vaidyanathan are given below :

Mr. R. A. Shah :

Mr. R. A. Shah is a leading Solicitor and a Senior Partner of M/s. Crawford Bayley & Company, a firm of Solicitors and Advocates. He specialises in a broad spectrum of corporate laws in general with special focus on foreign investments, joint ventures, technology and licence agreements, mergers and acquisitions, etc.

Mr. Shah does not hold any shares in the Company.

Mr. Shah is a Director and Member of Board's Committee of the following other companies :

Chairman of: Procter & Gamble Hygiene and Healthcare Ltd., Clariant Chemicals (India) Ltd., Godfrey Phillips India Ltd., Pfizer Ltd. and Roche Scientific Co. (I) Pvt. Ltd.

Director of: Abbott India Ltd., Asian Paints Ltd., ACC Ltd., The Bombay Dyeing & Mfg.

Co. Ltd., BASF India Ltd., Deepak Fertilisers & Petrochemicals Corporation Ltd., Jumbo World Holdings Ltd., Lupin Ltd., Piramal Healthcare Ltd. and Wockhardt Ltd.

Alternate Director of: Atul Ltd., BASF Polyurethanes India Ltd., Modicare Ltd., RPG Life Sciences Ltd., Schrader Duncan Ltd., Century Enka Ltd. and Uhde India Ltd.

Committee Memberships :

Chairman of the Audit Committee of the Boards of: Pfizer Ltd., Nicholas Piramal India Ltd. and Clariant Chemicals (India) Ltd.

Member of Audit Committee of: The Bombay Dyeing & Mfg. Co. Ltd., BASF India Ltd., Abbott India Ltd., Procter & Gamble Hygiene and Healthcare Ltd., Century Enka Ltd. and Wockhardt Ltd.

Member of the Remuneration Committee of: The Bombay Dyeing & Mfg. Co. Ltd. and Lupin Ltd.

Mr. K. V. Vaidyanathan :

Mr. K. V. Vaidyanathan is a lawyer with varied professional experience and expertise in a broad spectrum of corporate laws, economic laws and intellectual property rights and is also a Member of the Institute of Company Secretaries of India. He joined the Company as Company Secretary in 1991. He was appointed a Whole-time Director of the Company for an initial period of five years from April 1, 1997 and continued as such till March 31, 2007. He was thereafter re-appointed as a Whole-time Director for a further term of five years effective April 1, 2007. He has made several significant contributions to the Company's growth and implementation of investment plans and business strategies. His contributions have been invaluable.

Mr. Vaidyanathan is a Director of: Advanced Oral Care Products Pvt. Ltd., Professional Oral Care Products Pvt. Ltd. and CC Healthcare Products Pvt. Ltd.

Annexure to the Notice

Explanatory Statement under Section 173 of the Companies Act, 1956.

Item 4

Pursuant to a Special Resolution passed at the Annual General Meeting of the Company held on September 23, 1993, the Members had approved keeping of the

Registers of Members, Indices of Members, copies of all Annual Returns prepared by the Company under Section 159 of the Companies Act, 1956 ("the Act") together with copies of Certificates and Documents required to be annexed thereto with Messrs. Sharepro Services (India) Private Limited, the Registrars and Share Transfer Agents at 912, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai 400 021 and/or at Satam Industrial Estate, Cardinal Gracious Road, Above Bank of Baroda, Chakala, Andheri-East, Mumbai 400 099. Since the entire Satam Estate property at Chakala is going for re-development, the Registrars and Share Transfer Agents have decided to vacate their office at Chakala and shift their share operations to a bigger office at 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri - East, Mumbai 400 072. It is, therefore, proposed that the Registers of Members, Indices of Members, copies of Annual Returns together with the copies of the Certificates and Documents requiring to be annexed thereto and other related books be kept at their offices at 912, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai 400 021 and/or at 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri - East, Mumbai 400 072. The approval of shareholders by Special Resolution is sought to the proposed arrangement under Section 163 of the Act.

The Special Resolution also specifies the time of inspection of the books and documents of the Company by its Members and others, namely, between the hours 11.00 a.m. and 1.00 p.m. on any working day excluding Saturday and except when the registers and the books are closed under the provisions of the Act or Articles of Association of the Company.

The Directors of the Company may be considered to be concerned or interested in the resolution at Item No. 4 to the extent of the shares, if any, held by them respectively.

By Order of the Board

K. V. Vaidyanathan
Whole-time Director &
Company Secretary

Date: May 29, 2009

Registered Office :

Colgate Research Centre,
Main Street, Hiranandani Gardens,
Powai, Mumbai 400 076.

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, 2009.

Financial Results

	(Rs: Crore)	
	2008-09	2007-08
Total Revenue	1,802.57	1,558.16
Sales (Excluding Excise Duty)	1,694.81	1,473.38
Other Income	107.76	84.78
Profit before Taxation	345.31	292.05
Provision for Taxation	55.09	60.34
Profit after Taxation	290.22	231.71
Balance brought forward	5.77	24.87
Profit available for appropriation	295.99	256.58
Appropriation :		
Dividend	203.99	176.79
Dividend Tax [includes Rs. Nil (previous year : Rs. 20.80 crore) on reduction of share capital]	34.14	50.85
General Reserve	29.02	23.17
Balance carried forward	28.84	5.77
	295.99	256.58

Business Performance

In the face of an intense competitive scenario and despite difficult economic conditions, your Company's business during the year grew in double digits. Your Company had to cope with the challenges of severe cost pressures and these were successfully tackled through active cost reduction programs across the entire organization, developing alternate sources for raw materials and vendor partnerships. Sales for the year increased by 15 per cent at Rs. 1,694.81 crore as against Rs. 1,473.38 crore. During the year, toothpaste registered an impressive volume growth of 13 per cent.

The profit after tax for the financial year 2008-09 grew by 25 per cent at Rs. 290.22 crore as against Rs. 231.71 crore in the previous year.

The underlying performance can be gauged from the following ratios :

	2008-09	2007-08
Earnings per share (Rs.)	21.3	17.0
Dividend per share (Rs.)	15.0	13.0
Return on Capital Employed (%)	155.0	110.9
Return on Networth (%)	153.4	104.7

Your Company continued to lay emphasis on cash generation and delivered strong operating cash flow during the year. Your Company is pleased with the continued strength of its Balance Sheet and Cash Flow. This was driven by strong business performance, efficiencies and cost savings across the organization and a continued efficient collection system. Your Company managed investments prudently by deployment of surplus funds in a balanced portfolio of safe and liquid debt market instruments after ensuring

that such investments satisfy the Company's criteria of security and liquidity.

Another factor instrumental for growing the Company's business was its sharp focus on the four clearly defined strategic initiatives, namely, getting closer to consumers, the profession and customers; driving innovation throughout all areas of business; increasing effectiveness and efficiency everywhere and strengthening the leadership. The benefits of this focus are not only reflected in the Company's business results during the year but also on the market shares of its Oral Care products – the volume market share during January 2008 – March 2009 of toothpaste significantly increased by 3 per cent to 52.2 per cent; toothpowder by 1.2 per cent to 48.9 per cent and maintained a high of 37.6 per cent in toothbrush.

Looking to the future, your Board is confident that the Company's positive business momentum will continue and enable your Company to deliver better results.

Dividend

The Company's strong cash generation and positive growth momentum led your Board to declare two interim dividends of Rs. 9 and Rs. 6 per share aggregating Rs. 15 per share for the financial year 2008-09. These dividends were paid on December 30, 2008 and April 23, 2009. Having declared two interim dividends, your Board has not recommended a final dividend for the financial year 2008-09.

Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors based on the representations received from the Operating 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 judgements 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, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) that they have prepared the annual accounts on a going concern basis.

Subsidiary Companies

Nepal Subsidiary :

Considering the state of political instability, the economic hardships and the deteriorating law and order situations in Nepal, your Company sold its entire shareholding in its wholly-owned subsidiary, Colgate-Palmolive (Nepal) Private Limited to Everest Hygiene Products Private Limited as a going concern for a consideration of Rs.1,06.25 lacs on November 19, 2008. Accordingly, your Company ceased its manufacturing operations at Nepal although it continues to export its products to service the Nepal market.

Indian Subsidiaries :

During the year, your Company acquired 75 per cent of the shareholding in CC Health Care Products Private Limited at Hyderabad for a total consideration of Rs. 1,93.83 lacs. This Company has been engaged in the manufacture of toothpowder and they have been supplying the same to your Company as its contract manufacturer.

Last year your Company acquired 75 per cent of the shareholding in SS Oral Hygiene Products Private Limited which was engaged in the manufacture of toothpaste at Hyderabad till November, 2008. During the year, the Company acquired the remaining 25 per cent of the shareholding at a total consideration of Rs. 77.70 lacs and proposed a tax efficient amalgamation of SS Oral Hygiene Products Private Limited with your Company. This proposal was sanctioned by the Andhra Pradesh High Court vide its order dated February 24, 2009 and accordingly the amalgamation of SS Oral Hygiene Products Private Limited with your Company became finally effective March 26, 2009.

The two subsidiaries of your Company at Goa, namely, Advanced Oral Care Products Private Limited and Professional Oral Care Products Private Limited filed petitions before the Bombay High Court at Goa for amalgamation and the High Court was pleased to sanction the same. The amalgamation will become finally effective on the High Court Order being filed with the Registrar of Companies at Goa as stipulated by the High Court in its Order. This amalgamation will help the amalgamated company avail of synergies to significantly improve its operational efficiencies.

The toothpaste undertakings at Goa have substantially expanded their productive capacities during the year. Your Company's entire toothpaste requirement will be met by the Goa and Baddi facilities.

The Audited Statements of Accounts and the Auditors' Reports thereon for the year ended March 31, 2009 along with the Reports of the Board of Directors of Company's three subsidiaries, namely, Advanced Oral

Care Products Private Limited, Professional Oral Care Products Private Limited and CC Health Care Products Private Limited have not been annexed. The Company will make available these documents upon request by any member of the Company interested in obtaining the same. However, the financial data of the said three subsidiaries for the year ended March 31, 2009 have been furnished under 'Subsidiary Companies Particulars' forming part of the Annual Report. Further, the Consolidated Financial Statements prepared pursuant to the applicable Accounting Standard issued by the Institute of Chartered Accountants of India and the Listing Agreement prescribed by SEBI includes the financial information of its subsidiaries.

Oral Health Month

Your Company in partnership with the Indian Dental Association, once again, organized a month-long program during the year covering a wide spectrum of activities designed to spread oral health awareness and good oral hygiene practice. The mission of this activity continued to be "Zero Tooth Decay" involving 10,000 dentists spread across 200 towns and covered 1.5 lac children from 190 schools across seven cities.

Corporate Governance

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

Employee Relations

Relations between the employees and the management continued to be cordial during the year.

Information as per Section 217(2A) of the Companies Act, 1956 ("the Act") read with the Companies (Particulars of Employees) Rules, 1975 forms part of this Report. As per the provisions of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent to the shareholders of the Company excluding the statement on particulars of employees under Section 217(2A) of the Act. Any shareholder interested in obtaining a copy of the said statement may write to the Secretarial Department at the Registered Office of the Company.

Trade Relations

Your Directors wish to record 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 strong links with its business partners.

Energy, Technology Absorption and Foreign Exchange

The information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Directors) Rules, 1988 with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo is appended hereto as Annexure 2 and forms part of this Report.

Directors

Under Article 124 of the Company's Articles of Association, Mr. R. A. Shah and Mr. K. V. Vaidyanathan retire by rotation at the 68th Annual General Meeting and, being eligible, offer themselves for re-appointment.

Auditors

Messrs. Price Waterhouse, Chartered Accountants, retire and are eligible for re-appointment as Auditors.

Acknowledgements

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

On behalf of the Board

R. D. Calmeyer
Managing Director

P. K. Ghosh
Deputy Chairman

May 29, 2009

Persons constituting "Group" for inter se transfer of shares under Clause 3(1)(e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 include :

Colgate-Palmolive Company, New York, U.S.A.
Colgate-Palmolive (Asia) Pte. Ltd., Singapore
Colgate-Palmolive (Malaysia) Mktg. SDN BHD, Malaysia
Colgate-Palmolive (Thailand) Ltd., Thailand
Colgate-Palmolive (Guangzhou) Co. Ltd., China
Colgate-Palmolive (H.K.) Ltd., Hong Kong
Colgate-Palmolive (PNG) Limited, PNG
Colgate-Palmolive Philippines Inc., Philippines
Colgate-Palmolive Son Hai Ltd., Vietnam
Norwood International Incorporated, U.S.A.

Corporate Governance Report

The Board of Directors of the Company continues to lay great emphasis on the broad principles of Corporate Governance. Our pursuit towards achieving good governance is an ongoing process. In so far as compliance with the requirements under Clause 49 of the Stock Exchange Listing Agreement is concerned, the Company is in full compliance with the norms and disclosures that have to be made in corporate governance format.

1. Company's philosophy on Code of Governance

Colgate-Palmolive (India) Limited believes that good Corporate Governance is essential to achieving long term corporate goals and to enhancing stakeholders' value. In this pursuit, your Company's philosophy on Corporate Governance is led by a strong emphasis on transparency, accountability and integrity and your Company has been practicing the principles of Corporate Governance over the years. 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 consumers, shareholders and Government.

2. Composition of Board

The Board of Directors has a mix of Executive and Non-executive Directors. The Board comprises of three Whole-time Directors (the Managing Director and two Executive Directors) and five Non-executive Directors including the Chairman of the Board. Four of the five Non-executive Directors are Independent Directors. Accordingly, the composition of the Board is in conformity with the stock exchange listing agreement.

Except the Chairman and the Managing Director, all other directors are liable to retire by rotation as per the provisions of the Companies Act, 1956.

The composition of the Board and other relevant details relating to Directors are given below :

Name of Director	Category	No. of other Directorships - excluding Private Ltd. Companies and Alternate Directorships	No. of Memberships of other Board Committees	No. of other Board Committees of which the Director is a Chairperson
Mr. J. Skala	Non-executive	—	—	—
Mr. R. A. Shah	Non-executive	15 [@]	9	3
Mr. P. K. Ghosh	Non-executive	—	—	—
Mr. R. D. Calmeyer	Executive	3	—	—
Mr. M. A. Elias	Executive	3	—	—
Mr. K. V. Vaidyanathan	Executive	3	—	—
Mr. J. K. Setna	Non-executive	1	—	—
Mr. V. S. Mehta	Non-executive	—	—	—

[@] Includes Foreign bodies corporate

Note : None of the Directors is related to one another

Attendance of each Director at Board Meetings and last Annual General Meeting :

During the year 2008-09, eight Board Meetings were held on May 30, July 17, September 26, October 24, December 5, December 16, 2008; January 30 and March 30, 2009. The last Annual General Meeting of the Company was held on July 17, 2008.

The attendance details of each Director are given below :

Name of Director	No. of Board Meetings attended	Attendance at last AGM
Mr. J. Skala	1	Present
Mr. R. A. Shah	7	Present
Mr. P. K. Ghosh	5	Absent
Mr. R. D. Calmeyer	8	Present
Mr. M. A. Elias	8	Present
Mr. K. V. Vaidyanathan	8	Present
Mr. J. K. Setna	6	Present
Mr. V. S. Mehta	7	Present