



**Spreading Smiles  
across Generations**

**Annual Report  
2014 - 2015**

Ranked as India's **#1 Most Trusted Brand** across all categories\* for the 4<sup>th</sup> consecutive year, Colgate's uncompromising focus on delivering world class products to our consumers enables us to grow our business and generate significant value for our shareholders. As we continue to build a lifetime of healthy habits, we remain committed to innovating for growth, providing solutions to the consumers' evolving needs. In line with this endeavor, we have recently added 6 new products to our Product Portfolio :

**COLGATE ACTIVE SALT NEEM** is an innovation rooted in the Indian insight of the Neem plant's therapeutic oral care properties. Combining traditional know-how with contemporary technology, this 'made in India' innovation is focused on addressing the issue of gum problems or pyorrhea – which according to the IDA is prevalent among as many as 9 adults out of 10.



**COLGATE ZIGZAG BLACK** is a stylishly designed black toothbrush with yellow & orange multi-angle bristles that are specially designed for deep cleaning between teeth. The first black toothbrush in the mass segment, it is also equipped with a soft tongue cleaner that gently removes odor causing germs.

**COLGATE SENSITIVE PRO-RELIEF ENAMEL REPAIR** helps repair the worn-off enamel, and provides long-lasting relief from dentin-hypersensitivity. Formulated with the unique Pro-Argin Technology, the toothpaste not only helps prevent enamel erosion but also repairs worn-off enamel – the outermost layer of teeth – offering lasting protection from sensitivity.



**COLGATE PLAX ACTIVE SALT** is another innovation that has been built on the insight of salt water gargling, a practice traditionally followed across Indian households. This mouthwash provides both healthy gums and long-lasting fresh breath.

**COLGATE VISIBLE WHITE PLUS SHINE** gives you not just whiter but shinier teeth in just one week. It has micro crystals which work to provide that much desired shine. It is an extension of the very successful Visible White toothpaste that created a beauty segment within the Oral Care category.



**COLGATE SLIMSOFT CHARCOAL** is India's first toothbrush with charcoal infused slim tip bristles. It's 17 times slimmer tip bristles sweep away food particles trapped in narrow gaps between the teeth and remove plaque causing germs. Voted as the Product of the Year 2015\*, it is the first black toothbrush in a category that has otherwise been dominated by white, thus making the aesthetics significantly eye catching.



\*By Economic Times Brand Equity Survey conducted by Nielsen in 2014  
\*In toothbrush category, based on a research conducted among thousands of consumers by Nielsen for Product of the Year (India) Pvt. Ltd.

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<b>Board of Directors</b>	
<b>M. V. Deoras</b>	Chairman (Non-executive & Non-independent Director)
<b>R. A. Shah</b>	Vice-Chairman (Non-executive & Independent Director)
<b>P. K. Ghosh</b>	Deputy Chairman (Non-executive & Independent Director)
<b>J. K. Setna</b>	Non-executive & Independent Director
<b>V. S. Mehta</b>	Non-executive & Independent Director
<b>Dr. I. Shahani (Ms.)</b>	Non-executive & Independent Director
<b>S. Gopinath (Ms.)</b>	Additional (Non-executive & Independent) Director (effective May 19, 2015)
<b>I. Bachaalani</b>	Managing Director
<b>G. Nthunzi</b>	Whole-time Director & CFO
<b>N. Ghate</b>	Whole-time Director & Company Secretary

<b>Management Committee</b>			
I. Bachaalani	Managing Director	Dr. S. Potnis	India Global Technology Centre
G. Nthunzi	Finance	M. Yajid	Supply Chain (Toothpaste)
N. Ghate	Legal	M. K. Ajay	Human Resources (effective June 1, 2015)
E. Jumbert	Marketing	V. Ganesh	Supply Chain & Logistics
M. Chandrasekar	Customer Development	M. Mehrotra	Supply Chain (Toothbrush)

<b>Audit Committee</b>		<b>Risk Management Committee</b>		<b>Corporate Social Responsibility Committee</b>	
R. A. Shah	Chairperson	P. K. Ghosh	Chairperson	Dr. I. Shahani (Ms.)	Chairperson
P. K. Ghosh		V. S. Mehta		I. Bachaalani	
J. K. Setna		I. Bachaalani		N. Ghate	
V. S. Mehta		N. Ghate		H. Mehta (Ms.)	
Dr. I. Shahani (Ms.)		G. Nthunzi			
S. Gopinath (Ms.)		M. K. Ajay			
N. Ghate	Secretary				

<b>Stakeholders' Relationship Committee</b>		<b>Nomination &amp; Remuneration Committee</b>		<b>Business Responsibility Reporting Committee</b>	
J. K. Setna	Chairperson	R. A. Shah	Chairperson	I. Bachaalani	Chairperson
P. K. Ghosh		V. S. Mehta		N. Ghate	
I. Bachaalani		M. V. Deoras		M. K. Ajay	
N. Ghate		N. Ghate	Secretary	M. Mehrotra	
				H. Mehta (Ms.)	

**Plant Locations :**

- 1) Aurangabad, Maharashtra
- 2) Baddi, Himachal Pradesh
- 3) Kundaim, Goa
- 4) Sanand, Gujarat
- 5) Sricity, Andhra Pradesh

**Registrars & Share Transfer Agents**

Sharepro Services (India) Private Limited

**Solicitors**

Crawford Bayley & Co.

**Statutory Auditors**

Price Waterhouse, Chartered Accountants

**Registered office**

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

## Ten-year Highlights

	₹ Lacs									
	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
<b>A. Operating Results :</b>										
Sales	1,217,50	1,385,38	1,553,21	1,758,16	2,024,65	2,317,40	2,736,17	3,244,51	3,757,38	4,211,20
Other Operating revenue and Other Income	46,09	67,00	84,78	107,76	98,46	106,80	120,06	129,63	84,25	60,34
Net Profit After Tax	137,60	160,17	231,71	290,22	423,26	402,58	446,47	496,75	539,87	558,98
Cash Profits	169,03	175,42	251,56	313,17	460,83	436,83	485,78	540,45	590,62	634,00
<b>B. Financial Position :</b>										
Net Fixed Assets #	169,12	192,03	198,99	178,59	253,14	267,31	329,91	437,46	736,62	943,66
Investments	148,34	133,34	72,59	38,33	21,00	38,74	47,12	47,12	37,13	37,13
Other Assets/(Liabilities) (Net)	(42,03)	(40,57)	(104,69)	4,06	56,56	78,05	58,36	5,01	(173,87)	(210,47)
TOTAL ASSETS	275,43	284,80	166,89	220,98	330,70	384,10	435,39	489,59	599,88	770,32
Share Capital	135,99	135,99	13,60	13,60	13,60	13,60	13,60	13,60	13,60	13,60
Reserves and Surplus	135,08	144,53	148,61	202,70	312,51	370,45	421,79	475,99	586,28	756,72
SHAREHOLDERS' FUNDS	271,07	280,52	162,21	216,30	326,11	384,05	435,39	489,59	599,88	770,32
Loan Funds	4,36	4,28	4,68	4,68	4,59	5	—	—	—	—
TOTAL CAPITAL EMPLOYED	275,43	284,80	166,89	220,98	330,70	384,10	435,39	489,59	599,88	770,32
<b>C. Equity Share Data :</b>										
Earnings Per Share (₹)	10.12	11.78	17.04	21.34	31.12	29.60	32.83	36.53	39.70	41.10
Dividend Per Share (₹)	7.50	9.50*	13.00	15.00	20.00	22.00	25.00	28.00	27.00	24.00
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)	1,41	1,40	1,33	1,26	1,24	1,26	1,22	1,29	1,32	1,35

# Including Capital Advances

\* Including one-time special 70<sup>th</sup> Anniversary Dividend of ₹ 2.00 per share.

Previous year's figures have been regrouped 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

E-mail : [investors\\_grievance@colpal.com](mailto:investors_grievance@colpal.com)

Website : [www.colgatepalmolive.co.in](http://www.colgatepalmolive.co.in)

NOTICE is hereby given that the Seventy-Fourth Annual General Meeting of COLGATE-PALMOLIVE (INDIA) LIMITED will be held at Birla Matushri Sabhagar, No. 19, Vithaldas Thackersy Marg, New Marine Lines, Mumbai 400 020, Maharashtra on Thursday, July 30, 2015 at 3.30 p.m. to transact the following business :

#### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Balance Sheet as at March 31, 2015 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 appoint a Director in place of Mr. Godfrey Nthunzi (DIN : 06450693), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution :  
“RESOLVED THAT M/s. Price Waterhouse, Chartered Accountants (Firm Registration Number 301112E), be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

#### **SPECIAL BUSINESS :**

4. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution :  
“RESOLVED THAT pursuant to Sections 149, 150 and 152 of the Companies Act, 2013 (the ‘Act’) read

with Companies (Appointment and qualification of Directors) Rules, 2014 along with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement(s), Ms. Shyamala Gopinath (DIN : 02362921), an Additional Director (Non-executive & Independent) of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as a Non-executive & Independent Director of the Company, not liable to retire by rotation, for five (5) consecutive years effective July 30, 2015.”

5. To consider and, if thought fit, to pass 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’) and the rules made thereunder (including statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Act and Articles of Association of the Company and subject to the approval of Central Government, the consent of the shareholders of the Company be and is hereby accorded to appoint Mr. Issam Bachaalani (DIN : 06975320) as the Managing Director of the Company for a period of five years effective October 1, 2014 on the terms and conditions, including remuneration, as are set out in the draft agreement to be entered into between the Company and Mr. Issam Bachaalani, a copy of which, initialled by the Whole-time Director & Company Secretary for the purpose of identification, is placed before the 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. Issam Bachaalani subject to the 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 Managing Director, Mr. Issam Bachaalani 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.”

6. To consider and, if thought fit, to pass the following resolution as a Special Resolution :

“RESOLVED THAT pursuant to Section 14 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including the statutory modifications and re-enactments thereof for the time being in force) consent of the members be and is hereby accorded to adopt the new set of Articles of Association, as set out in the draft which is initialled by the Whole-time Director & Company Secretary and placed before the meeting for the purpose of identification, in substitution of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as deem necessary in relation thereto, and to file all the necessary documents with Registrar of Companies, for the purpose of giving effect to this resolution.”

By Order of the Board

Niket Ghate  
Whole-time Director &  
Company Secretary  
(DIN : 00001925)

Date : May 19, 2015

#### 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. 4, 5 and 6 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 24, 2015 to Thursday, July 30, 2015 (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, M/s. Sharepro Services (India) Private Limited at 13AB, Samhita Warehousing Complex, 2<sup>nd</sup> Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri – East, Mumbai 400 072.
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 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 are requested to fill in the form which is available on the Company 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 dematerialized form.
10. All unclaimed dividends up to 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 2014-15, unclaimed amount of dividends (₹16,37,737/-, ₹10,83,994/- and ₹26,64,978/-) declared for the years 2006-07 and 2007-08 have been transferred to the Investor Education and Protection Fund on April 30, 2014, September 16, 2014 and January 13, 2015 respectively.

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 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. **Voting Instructions :**

The Company is providing remote e-Voting and ballot forms to all the shareholders for voting. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM ("remote e-Voting") will be provided by the National Securities Depository Limited (NSDL).

A member can opt only one mode to vote either through ballot form or remote e-Voting. If member casts vote through both modes then only vote cast through remote e-Voting will prevail. Members who have not cast their vote by either mode that is through remote e-Voting or ballot form shall be allowed to vote at the 74<sup>th</sup> AGM, through poll.

The members who have cast their vote by remote e-Voting or ballot form shall not be entitled to cast their vote again at the 74<sup>th</sup> AGM, however, such members will be entitled to attend the AGM.

Members opting to vote in physical form should send duly completed ballot form (enclosed with the Annual Report) so as to reach the Scrutinizer (whose details are mentioned in point 'H' below) appointed by the Board of Directors of the Company, in the enclosed postage pre-paid, self-addressed envelope not later than Saturday, July 25, 2015 (5.00 p.m). Ballot forms received after

the aforesaid date & time and incomplete ballot forms shall be treated as invalid.

Pursuant to Section 108 of the Companies Act, 2013 and 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] members can exercise their right to vote at the 74<sup>th</sup> AGM by electronic means and the business may be transacted through remote e-Voting facility made available by the Company through National Securities Depository Limited (NSDL) :

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.
- (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 “REVEN” (remote 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](mailto: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 :

<b>REVEN (Remote e-Voting Event Number)</b>	<b>USER ID</b>	<b>PASSWORD/ PIN</b>

(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](http://www.evoting.nsdl.com) or contact NSDL at the toll free no.: 1800-222-990.