

Smile and get started.

Annual Report | **2020**



COLGATE-PALMOLIVE (INDIA) LIMITED

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Our values:

We are Colgate-Palmolive, a caring, innovative growth company that's re-imagining a healthier future for people and our planet. Our three fundamental values – **Caring, Teamwork and Continuous Improvement** – are a part of everything we do. These values are reflected not only in the quality of our products and the reputation of our Company but also in our dedication to serving the communities.





Message to shareholders

Dear Shareholder Family

It is my pleasure to share with you the results for the year 2019–20. The past 12 months and more recent 3–4 months have certainly been tumultuous, to say the least. Heading into the more recent COVID-19 pandemic, the categories were already seeing a slowdown, especially in rural India. Despite this, your company was able to deliver positive growth of 1.2% during the financial year. The COVID-19 pandemic did have an impact on the year. Heading in March 2020, your Company was growing at mid-single-digit growth vs the same period, a year ago. Your company continued to deliver industry-leading EBITA of 26.8% with a strong NPAT growth of 5.3%.

Our commitment to driving sustainable profitable growth remains unaltered. This mindset is reflected in every activity we undertook over the past 12 months and it begins with our relentless focus on the consumer and how we can continue to enrich their lives with our brands.

I am pleased to inform you that Colgate continues to be the most trusted oral care brand in the country for the 9th consecutive year as reported by the latest Brand Equity-Nielsen consumer survey of The Economic Times. Another proud milestone for us was the award of the Guinness Book of World Records for most people brushing

together at a single place. In partnership with the Kalinga Institute of Social Sciences, Bhubaneswar, and the Indian Association of Public Health Dentistry, this achievement was a moment of pride as a Nation, and as a Company with 80 plus years of history in India.

We continued our efforts to strengthen our brands through a series of initiatives. Beginning with bringing the brand purpose of Colgate, where we believe that ‘Everyone deserves a future they can smile about’. As a brand, Colgate champions optimism and we believe that our recent ‘Smile karo aur shuru ho jao’ campaign perfectly epitomises this philosophy. The campaign brought to life true stories of championing optimism from across the country.

Innovation continues to be a key driver for growth. The past year saw a healthy stream of innovation being brought to the market. Pivotal among these was the relaunch of our flagship variant, Colgate Dental Cream Strong Teeth. This patented technology helps to strengthen teeth from within. It was created over a decade of research with more than 18,000 people in over 20 clinicals and is a true revolution in oral health.

Additionally, the year also saw the launch of Colgate Charcoal Clean, India’s first black toothpaste with an

exhilarating flavour. The kids' portfolio was strengthened with the launch of the 'Zero' line catering to new and emerging needs of our consumers. The toothbrush business saw the launch of Zig Zag Neem and Charcoal as well as our entry into the Battery operated segment with the launch of our B150 series.

The Palmolive portfolio saw some 'on-trend' innovation including the launch of our Luminous Oils range of Body Wash and Liquid hand soaps. In response to an amplified focus on health and hygiene, we also launched our Palmolive Hand Sanitizer.

In our continued efforts to strengthen our executional excellence and be future ready, we stepped up our focus on e-commerce with a fully dedicated cross-functional team. Our progress in advanced analytics included the use of tools such as predictive modelling to improve the quality of assortment across retail environments.

Last but certainly not the least, we continue to remain committed in our efforts to elevate oral health in the country as well as make the planet a better and healthier place to live.

Our flagship oral care education program, Bright Smiles, Bright Futures™ reached over 7 million children in the year. In Delhi and Mumbai, we enabled in-school-brushing of 400,000 children with a focus on adding 'one more brushing' to their daily oral health regimen. We continue with our Keep India Smiling Foundational Scholarship initiative in partnership with the ShikshaDaan Foundation and Buddy4Study.

Our partnerships with Seva Mandir and Water For People continue to uplift societies by empowering women and providing access to water, respectively. As part of our

efforts during COVID, we partnered with Action Aid and Goonj to provide food rations and essential health products to needy communities across the country.

A special note of thanks to Mr. R. A. Shah and Mr. P. K. Ghosh:

I would like to take the opportunity to pass on our heartfelt thanks and appreciation to two of our retiring board members, Mr. R. A. Shah and Mr. P. K. Ghosh.

Mr. Shah has been on the board for almost four decades and has been a true guardian of your Company. His unparalleled knowledge of the law, his rich and diverse experience, and most importantly, his astuteness and personal leadership have been critical in successfully steering your Company over close to four decades.

Mr. Ghosh has had a relationship with your Company for almost 45 years. From his days as the Finance Controller to the past 3 decades that he spent as a Board Member, Mr. Ghosh's contributions have been pivotal in shaping the future of the Company over the years. His sharp business acumen coupled with his integrity has ensured that your Company has continued to thrive over the past 4 decades.

It is times like these that allow us to truly appreciate the phenomenal work done by these two exemplary gentlemen. We cannot thank them enough for their service, passion and commitment. On behalf of the entire Colgate-Palmolive family, I wish them all the very best for the next chapter in their lives.

I would like to thank our partners, our employees, and most importantly, you, our shareholders. Your continued support and trust help to reinforce our commitment to deliver year after year.



Ram Raghavan

Managing Director

Colgate-Palmolive (India) Limited

DIN: 08511606



Making India smile

Our brands

Engaging through heart-warming stories



Smile karo aur shuru ho jao:

Our philosophy that everyone deserves a future they can smile about, underscores hope and optimism through the transformational power of a smile. Our storytelling revolves around 'Smile karo aur shuru ho jao' or Get started with a smile. Launched last year, this new integrated campaign helped strengthen the love the consumers have for our brand.

Celebrating real heroes of optimism:

Our aim – to inspire courage, champion optimism and show the unbelievable power of a smile – comes alive with the Real Stories of Real People. The stories of true heroes, their courageous journeys and how their smiles created a better future.



Sindhutai Sapkal

The homeless lady who had to beg on the streets now runs an orphanage and is a mother to 1,400 children.



Anand Arnold

A cancer survivor who refused to give up bodybuilding despite being confined to a wheelchair and became Mr. Olympia.



Haimanti Sen

A 22-year-old college student who turned a skywalk into a classroom for the underprivileged.



Divyanshu Ganatra

He lost his eyesight to glaucoma but went on to become India's first visually impaired solo paragliding pilot.



Yashasvi Jaiswal

A street vendor who lived in a tent and is now breaking international cricket records.



Vedshakti – a whole new conversation:

Our Vedshakti messaging has created a disruption in the category. For the first time, a toothpaste goes beyond just oral care and speaks about the mouth being an entry point for germs. Through our proposition of 'Mooch swachh toh aap healthy' we have highlighted the relevance of a healthy mouth.

Connecting with young India through MaxFresh:

Taking the message of 'Get started with a smile' to India's youth needed a different and relevant approach. Therefore the idea of 'Every moment is a fresh start', urging the youth to move forward by seizing the moment; endorsed by Ranveer Singh and Naga Chaitanya – celebrities who have a strong youth connect.



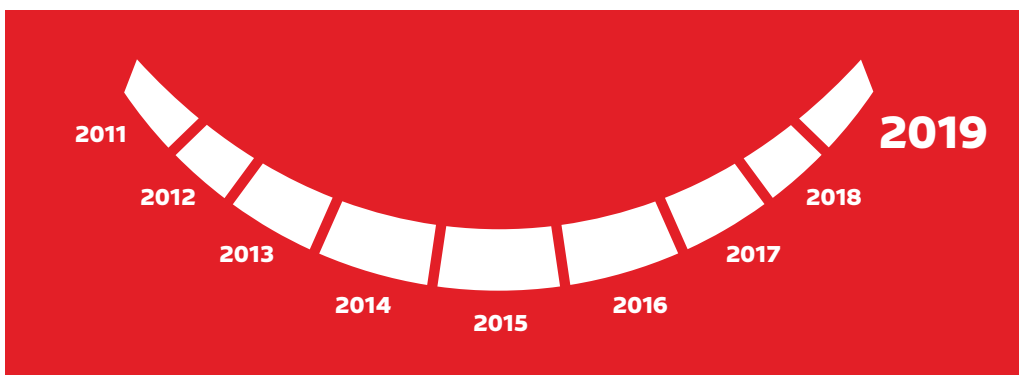
India's most flexible:

We told the story of this toothbrush with a flexible neck, by owning the idea of 'flexible'. We connected our product with a slice from the life of the real Jaspreet Singh Kalra, India's most flexible man.



Smiling our way to the Guinness Book of World Records:

In our continuous endeavour to create awareness about good oral hygiene through brushing, we received the Guinness World Record for the maximum number of people brushing together at a single venue. 26,382 people smiled their way through this record-breaking event, which was conducted at the Kalinga Institute of Social Sciences, Bhubaneswar, in partnership with the Indian Association of Public Health Dentistry.



The most trusted oral care brand for 9 years in a row:

Colgate was voted as India's Most Trusted Oral Care brand for the 9th consecutive year by The Economic Times Brand Equity Most Trusted Brand consumer survey conducted by Nielsen. A big 'thank you' to all our consumers for your continued trust on Colgate.



Innovations that spread smiles

Our new products