Pee Aar Securities Ltd

Colgate-Palmolive (India) Ltd

A legacy of trust and innovation in oral care.

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BSE: 500830 NSE: COLPAL

RESEARCH REPORT AS ON 18-07-2025

Low price all time₹ 89.6
High price all time₹ 3,893

Current Stock Price: ₹2,394

Market Cap: ₹65,131 Cr.

Introduction: Reasons to Smile

Colgate-Palmolive (India) Limitedisn't justaname in the Fast-Moving Consumer Goods (FMCG) sector—it's a household friend that has been part of daily life in India for generations. Since opening its doors in 1937, Colgate-Palmolive has grown alongside the people of India, guided by a heartfelt mission: Giving India Reasons to Smile.
The company manufactures and markets toothpastes, toothpowder, toothbrushes, oil pulling products and mouthwashes under the "Colgate" brand, and a specialized range of personal care products under the "Palmolive" brand.

For nearly a decade, Colgate has left an indelible mark on Indian households by consistently being recognized as the nation's most trusted oral care brand. Nielsen, has ranked Colgate as India's number one brand in oral care, reflecting the unshakeable faith Indian consumers place in its products.

This accolade is not a one-off achievement but statement to the enduring relationship Colgate has built with millions of families across the country.

Colgate has earned similar recognition from TRA's Brand Trust India Study Report, which, for nine consecutive years over the same period, has placed it at the top for oral hygiene trust. These widespread honors stem from the company's deep understanding of the daily routines, concerns, and aspirations of Indian consumers. By continually listening to its customers and innovating its product lines to meet evolving needs—from advanced dental care to targeted solutions for families.

Colgate has kept pace with the changing face of India while never losing sight of its commitment to quality

Board Of Directors

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Managing Director and

Mr. Surender Sharma

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M.S. Jacob

Whole-time Director &

Mukul Deoras

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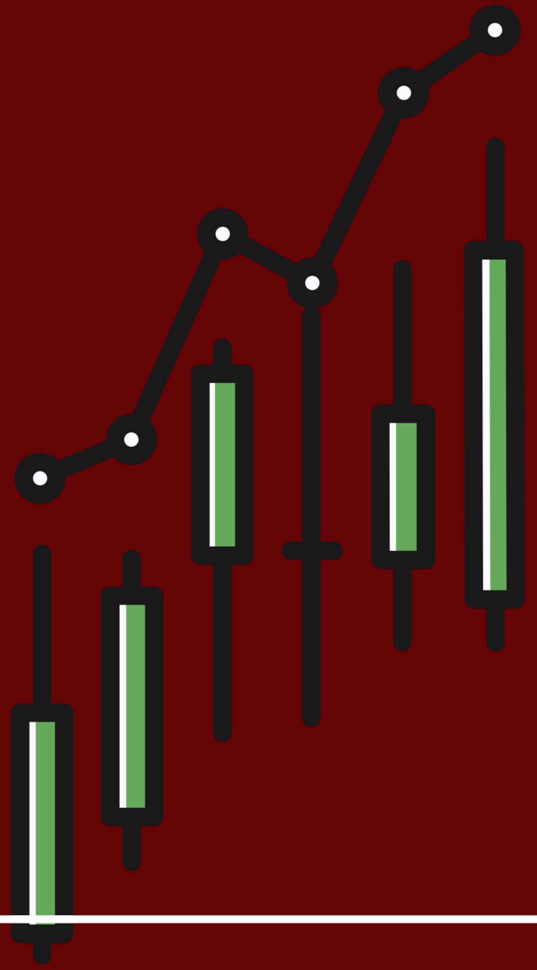
Ms. Gopika Pant

Non-executive &
Independent Director

Dr. Indu Bhushan

Non-executive &
Independent Director



India's Most Trusted Oral Care Brand

1

Consistent Recognition

Colgate has been India's most trusted oral care brand.

2

Prestigious Surveys

Ranked #1 by Economic Times Most Trusted Brands Survey (Nielsen) and TRA's Brand Trust India Study Report.

3

Consumer Trust

Accolades reflect unshakeable faith built with millions of Indian families.

A Legacy of Innovation: Global Roots

1806: William Colgate's Venture

Established a modest business in NewYork,producing starch, soap, and candles.

1

1896: Toothpaste Innovation

Introduced the first toothpaste in a collapsible tube, revolutionising oral care.

2

1928: Merger with Palmolive-Peet

Formed Colgate-Palmolive-Peet Company, combining dental care and popular soap formulations.

3

Colgate's Entry into India

1937: Indian Market Entry

Colgate-Palmolive (India) Limited established as a private limited company on September 23rd.

Initial Focus

Began with manufacturing and marketing dental care products like Colgate Dental Cream toothpaste and powder.

Distribution Network

Developed a robust network with warehouses in Mumbai, Chennai, and Kolkata for widespread availability.

Strategic Product Adaptation: Tooth Powder

Market Entry Strategy

Introduced tooth powder in 1937, aligning with existing Indian oral hygiene habits.

Accessibility & Economy

Easier to manufacture and distribute in varied climates; more economical for a larger population

Gradual Modernisation

Built awareness and trust, gradually expanding to toothpaste as it became popular.

Subsidiaries

Colgate-Palmolive (India) Limited currently operates in India primarily through its core company and does not publicly list any major subsidiaries in the traditional sense (i.e., separately registered companies owned by Colgate-Palmolive India Ltd). Its portfolio in India is structured around leading brands rather than subsidiary companies.

The key brands and product segments managed by Colgate-Palmolive (India) include:
Colgate: Market leader in oral care, offering toothpaste, toothbrushes, and mouthwash.

- Palmolive: Focused on personal care with a premium range of body wash and hand wash products.
- Cibaca: Oral care brand specifically marketed for value-conscious consumers in India.
- Digitally focused, India-specific brands like Colgate Purple and the Max Fresh Sensories range, which are primarily aimed at e-commerce channels

Key Takeaways

- *Colgate-Palmolive (India) is a trusted FMCGleadersince 1937, consistently ranked #1 in oral care.*
- *The company's global history includes pioneering innovations like the collapsible toothpaste tube.*
- *Strategic entry into India with tooth powder adapted to local habits, building trust and market presence.*
- *Continuous product innovation, robust distribution, and strong commitment to social responsibility.*

Future Goals & Planning

In 2024-25, Colgate-Palmolive (India) made everyday oral care more exciting and caring than ever. They brought out fun, innovative products—like a toothpaste that makes your teeth visibly whiter, another that tingles with cooling crystals, and a fresh take on their classic Lemon Fresh. They also improved formulas for even stronger teeth and introduced new tech-powered solutions for fighting plaque.

Behind the scenes, Colgate makes sure every product is carefully crafted in their own factories across India and reaches every corner of the country—even tiny villages—thanks to their vast network and smart technology. No matter where you shop, Colgate is there, whether it's your local store or online.

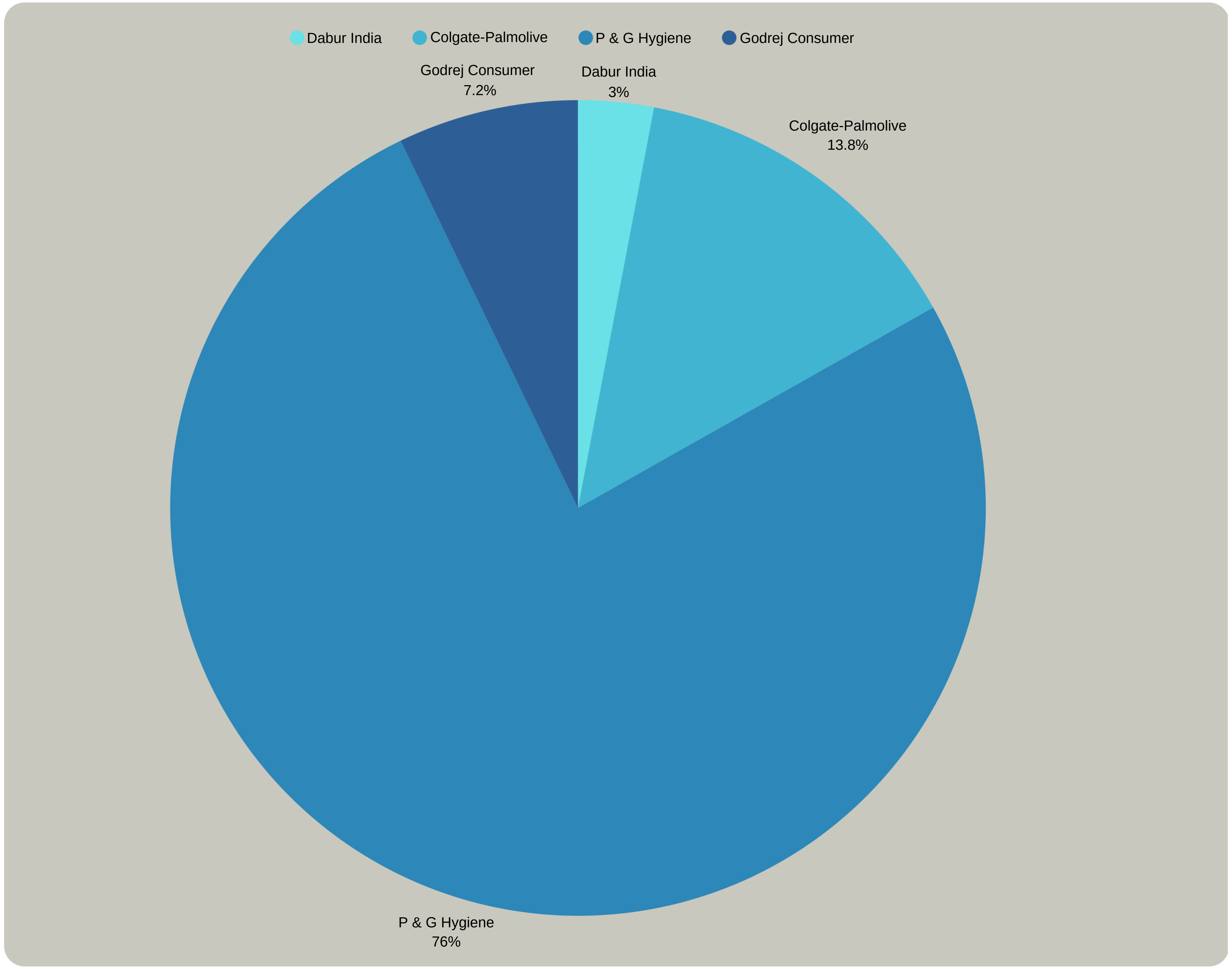
But for Colgate, it's about more than products; it's about giving back. Through helpful educational programs and cutting-edge tools, they helped millions of children and families learn the importance of good oral health—helping everyone start each day with a confident, healthy smile.

In short, Colgate-Palmolive (India) is blending innovation and heart, brightening not just smiles, but lives, across the nation.

Expanding Horizons & Social Responsibility

- They aim to make oral care not just a routine, but a lifelong habit—educating and encouraging people to embrace good oral health from a young age and keep it through every stage of life. Their goal is to deepen the connection people have with oral care, turning it into a natural and important part of daily life.
- On the innovation front, they are passionate about science-led advancements that don't merely clean teeth but offer superior care and enhance the overall experience. This means bringing premium and thoughtfully designed products that truly meet the evolving needs of Indian consumers.
- Recognizing the diversity in Indian households, they plan to expand their product choices, introducing a broad portfolio including select global personal and home care products, tailored for the Indian market and its unique preferences.
- Technology plays a key role in their strategy too. By harnessing AI and data, Colgate-Palmolive India is sharpening its agility—quickly responding to consumer needs and market changes with precision and efficiency.
- Beyond business growth, their commitment to the environment stands out. They are on track to achieve 100% recyclable toothpaste tubes by the end of 2025 and are increasing the use of renewable energy in their factories. Their goal is to reduce waste drastically through initiatives like collecting more than 100% of plastic waste under Extended Producer Responsibility and striving for TRUE Zero Waste to Landfill certification at all manufacturing sites.
- In essence, Colgate-Palmolive India is more than a company selling products; they are nurturing healthier smiles and a greener future for millions—investing in wellbeing and sustainability, one small step at a time.
- This vision reflects a genuine dedication to the health and happiness of India's people and the planet, making every smile meaningful and every action responsible

Market division the peers



- Godrej Consumer – ₹1,28,009 Cr
- Dabur India – ₹91,965.90 Cr
- Colgate-Palmolive – ₹65,303.77 Cr
- P & G Hygiene – ₹42,799.81 Cr
- Gillette India – ₹36,109.71 Cr

SWOT Analysis

Strengths:

Leading oral care brand in India with strong recognition and trust, holding around 50% market share in the segment.
Extensive distribution network, reaching both urban and rural markets—over 7 million retail outlets and 80% rural reach.

Weaknesses:

Heavy dependency on the toothpaste segment, which accounts for most sales (about 85%). Slow growth in niche and advanced oral care habits/products, and limited penetration in some rural areas. High advertising costs may affect profit margins. Growth increasingly tied to premium products, which might limit appeal in low-income or highly price-sensitive segments.

Opportunities:

Rural market expansion and increasing purchasing power outside urban centers.
Market shift toward premium, natural, and eco-friendly products; strong potential for further innovation.
Digital transformation and stronger e-commerce presence.

Threats:

Intense competition from both global and local brands (e.g., Unilever, Dabur, Patanjali).
Changing consumer preferences, especially toward herbal/natural products.
Regulatory changes (e.g., packaging, ingredients) may raise costs or prompt reformulation.
Exposure to economic headwinds (inflation, rural demand shocks) and potential health-related product perceptions.

Fundamental Statement Analysis

Income Statement

Years	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	LTM
Income Statement											
Sales	₹ 3,868.2	₹ 3,981.8	₹ 4,188.0	₹ 4,462.4	₹ 4,525.1	₹ 4,841.2	₹ 5,099.8	₹ 5,226.2	₹ 5,680.4	₹ 6,040.2	₹ 6,040.2
Sales Growth	-	2.94%	5.18%	6.55%	1.40%	6.99%	5.34%	2.48%	8.69%	6.33%	0.00%
COGS	₹ 1,931.7	₹ 1,976.8	₹ 2,019.6	₹ 2,103.5	₹ 2,172.5	₹ 2,164.6	₹ 2,314.8	₹ 2,446.3	₹ 2,424.8	₹ 2,590.5	₹ 4,082.1
COGS % Sales	49.94%	49.65%	48.22%	47.14%	48.01%	44.71%	45.39%	46.81%	42.69%	42.89%	67.58%
Gross Profit	₹ 1,936.51	₹ 2,005.02	₹ 2,168.33	₹ 2,358.96	₹ 2,352.61	₹ 2,676.64	₹ 2,785.00	₹ 2,779.95	₹ 3,255.67	₹ 3,449.66	₹ 1,958.06
Gross Margins	50.06%	50.35%	51.78%	52.86%	51.99%	55.29%	54.61%	53.19%	57.31%	57.11%	32.42%
Selling & General Expenses	₹ 996.99	₹ 1,061.47	₹ 1,054.44	₹ 1,122.90	₹ 1,150.93	₹ 1,166.32	₹ 1,218.90	₹ 1,232.93	₹ 1,354.60	₹ 1,491.60	
S&G Exp % Sales	25.77%	26.66%	25.18%		25.43%	24.09%	23.90%	23.59%	23.85%	24.69%	0.00%
EBITDA	₹ 939.52	₹ 943.55	₹ 1,113.89	₹ 1,236.06	₹ 1,201.68	₹ 1,510.32	₹ 1,566.10	₹ 1,547.02	₹ 1,901.07	₹ 1,958.06	₹ 2,096.90
EBITDA Margins	24.29%	23.70%	26.60%	27.70%	26.56%	31.20%	30.71%	29.60%	33.47%	32.42%	34.72%
Interest	₹ 0.00	₹ 0.00	₹ 0.00	₹ 2.50	₹ 9.62	₹ 7.26	₹ 5.89	₹ 4.91	₹ 5.00	₹ 4.32	₹ 4.32
Interest % Sales	0.00%	0.00%	0.00%	0.06%	0.21%	0.15%	0.12%	0.09%	0.09%	0.07%	0.07%
Depreciation	₹ 111.41	₹ 133.24	₹ 156.51	₹ 159.17	₹ 197.94	₹ 182.50	₹ 177.30	₹ 174.80	₹ 171.51	₹ 162.74	₹ 162.74
Depreciation%Sales	2.88%	3.35%	3.74%	3.57%	4.37%	3.77%	3.48%	3.34%	3.02%	2.69%	2.69%
Earnings Before Tax	₹ 828.11	₹ 810.31	₹ 957.38	₹ 1,074.39	₹ 994.12	₹ 1,320.56	₹ 1,382.9	₹ 1,367.3	₹ 1,724.6	₹ 1,791.0	₹ 1,929.8
EBT % Sales	21.41%	20.35%	22.86%	24.08%	21.97%	27.28%	27.12%	26.16%	30.36%	29.65%	31.95%
Tax	₹ 254.1	₹ 274.0	₹ 309.7	₹ 367.0	₹ 226.9	₹ 314.8	₹ 330.7	₹ 362.5	₹ 457.7	₹ 493.0	₹ 493.0
Effective Tax Rate	30.69%	33.81%	32.34%	34.16%	22.82%	23.84%	23.91%	26.51%	26.54%	27.53%	25.55%
Net Profit	₹ 574.0	₹ 536.3	₹ 647.7	₹ 707.4	₹ 767.2	₹ 1,005.7	₹ 1,052.2	₹ 1,004.8	₹ 1,266.9	₹ 1,298.0	₹ 1,436.8
Net Margins	14.84%	13.47%	15.47%	15.85%	16.96%	20.77%	20.63%	19.23%	22.30%	21.49%	23.79%
No of Equity Shares	27.2	27.2	27.2	27.2	27.2	27.2	27.2	27.2	27.2	27.2	27.2
Earnings per Share	₹ 21.10	₹ 19.72	₹ 23.81	₹ 26.01	₹ 28.21	₹ 36.98	₹ 38.68	₹ 36.94	₹ 46.58	₹ 47.72	₹ 52.82
EPS Growth %		-6.57%	20.77%	9.21%	8.46%	31.09%	4.62%	-4.51%	26.09%	2.45%	10.70%
Dividend per Share	₹ 10.0	₹ 10.0	₹ 24.0	₹ 23.0	₹ 28.0	₹ 38.0	₹ 40.0	₹ 39.0	₹ 58.0	₹ 51.0	-
Dividend payout ratio	47.39%	50.72%	100.78%	88.44%	99.27%	102.77%	103.40%	105.58%	124.53%	106.87%	0.00%
Retained Earnings	52.61%	49.28%	0.00%	11.56%	0.73%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%

CashFlow Statements

Years	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
# Cash Flow Statements										
Operating Activities										
Profit from operations	₹ 38,626.0	₹ 28,840.0	₹ 33,312.0	₹ 28,771.0	₹ 23,352.0	₹ 31,198.0	₹ 26,943.0	₹ 41,694.0	₹ 65,106.0	₹ 58,937.0
Receivables	(₹ 2,223.0)	(₹ 4,152.0)	(₹ 10,688.0)	(₹ 9,109.0)	₹ 9,950.0	(₹ 5,505.0)	₹ 185.0	(₹ 2,213.0)	(₹ 1,876.0)	₹ 3,573.0
Inventory	(₹ 5,743.0)	(₹ 6,621.0)	(₹ 3,560.0)	₹ 2,069.0	₹ 2,326.0	₹ 3,814.0	₹ 472.0	(₹ 5,665.0)	(₹ 7,265.0)	₹ 2,127.0
Payables	₹ 3,947.0	₹ 9,301.0	₹ 7,320.0	(₹ 4,692.0)	(₹ 8,085.0)	₹ 5,748.0	(₹ 7,012.0)	₹ 6,945.0	₹ 13,706.0	₹ 1,303.0
Loans Advances	(₹ 520.0)	-	-	-	-	-	-	-	-	-
Other WC items	₹ 5,852.0	₹ 4,727.0	₹ 494.0	₹ 4,512.0	₹ 875.0	(₹ 4,150.0)	(₹ 4,396.0)	(₹ 2,194.0)	₹ 2,760.0	₹ 1,153.0
Working capital changes	₹ 1,313.0	₹ 3,254.0	(₹ 6,434.0)	(₹ 7,221.0)	₹ 5,065.0	(₹ 93.0)	(₹ 10,750.0)	(₹ 3,127.0)	₹ 7,325.0	₹ 8,156.0
Direct taxes	(₹ 2,040.0)	(₹ 1,895.0)	(₹ 3,021.0)	(₹ 2,659.0)	(₹ 1,785.0)	(₹ 2,105.0)	(₹ 1,910.0)	(₹ 3,179.0)	(₹ 4,516.0)	(₹ 3,991.0)
Cashflow Operating Activities	₹ 37,899.0	₹ 30,199.0	₹ 23,857.0	₹ 18,891.0	₹ 26,632.0	₹ 29,000.0	₹ 14,283.0	₹ 35,388.0	₹ 67,915.0	₹ 63,102.0
Investing Activities										
Fixed assets purchased	(₹ 31,503.0)	(₹ 16,072.0)	(₹ 35,079.0)	(₹ 35,304.0)	(₹ 29,702.0)	(₹ 20,205.0)	(₹ 15,168.0)	(₹ 19,230.0)	(₹ 31,414.0)	(₹ 38,042.0)
Fixed assets sold	₹ 59.0	₹ 53.0	₹ 30.0	₹ 67.0	₹ 171.0	₹ 351.0	₹ 230.0	₹ 285.0	₹ 231.0	₹ 974.0
Investments purchased	(₹ 4,728.0)	(₹ 6.0)	(₹ 329.0)	(₹ 130.0)	(₹ 1,439.0)	(₹ 7,530.0)	(₹ 3,008.0)	(₹ 50.0)	(₹ 74.0)	(₹ 12,677.0)
Investments sold	₹ 89.0	₹ 1,965.0	₹ 2,381.0	₹ 5,644.0	₹ 21.0	₹ 226.0	₹ 104.0	₹ 6,895.0	₹ 10,821.0	₹ 111.0
Interest received	₹ 731.0	₹ 638.0	₹ 690.0	₹ 761.0	₹ 1,104.0	₹ 428.0	₹ 653.0	₹ 973.0	₹ 2,493.0	₹ 2,420.0
Dividends received	₹ 58.0	₹ 620.0	₹ 1,797.0	₹ 232.0	₹ 21.0	₹ 18.0	₹ 32.0	₹ 46.0	₹ 47.0	₹ 64.0
Investment in group cos	-	(₹ 107.0)	(₹ 4.0)	(₹ 9.0)	(₹ 606.0)	(₹ 10.0)	-	-	(₹ 150.0)	-
Redemp n Canc of Shares	-	-	₹ 14.0	₹ 533.0	-	-	-	₹ 19.0	₹ 107.0	₹ 765.0
Acquisition of companies	(₹ 111.0)	-	-	(₹ 8.0)	(₹ 27.0)	-	(₹ 98.0)	-	-	(₹ 688.0)
Inter corporate deposits	-	-	-	-	-	-	-	-	(₹ 25.0)	(₹ 20.0)
Other investing items	(₹ 1,289.0)	(₹ 26,663.0)	₹ 5,360.0	₹ 7,335.0	(₹ 2,659.0)	₹ 1,051.0	₹ 12,813.0	(₹ 4,357.0)	(₹ 4,817.0)	(₹ 2,889.0)
Cash from Investing Activities	(₹ 36,694.0)	(₹ 39,572.0)	(₹ 25,140.0)	(₹ 20,879.0)	(₹ 33,116.0)	(₹ 25,671.0)	(₹ 4,442.0)	(₹ 15,419.0)	(₹ 22,781.0)	(₹ 49,982.0)
Financing Activities										
Proceeds from shares	₹ 7,433.0	₹ 5.0	-	-	₹ 3,889.0	₹ 2,603.0	₹ 19.0	₹ 20.0	₹ 82.0	₹ 1,108.0
Redemption of debentures	-	-	-	-	-	-	-	-	-	-
Proceeds from borrowings	₹ 19,519.0	₹ 33,390.0	₹ 37,482.0	₹ 51,128.0	₹ 38,297.0	₹ 46,641.0	₹ 46,578.0	₹ 43,934.0	₹ 18,829.0	₹ 13,384.0
Repayment of borrowings	(₹ 24,924.0)	(₹ 21,732.0)	(₹ 29,964.0)	(₹ 35,198.0)	(₹ 29,847.0)	(₹ 29,709.0)	(₹ 42,816.0)	(₹ 62,557.0)	(₹ 47,414.0)	(₹ 21,443.0)
Proceeds from deposits	(₹ 5,716.0)	(₹ 5,336.0)	(₹ 5,411.0)	(₹ 7,005.0)	(₹ 7,518.0)	(₹ 8,123.0)	(₹ 9,251.0)	(₹ 9,336.0)	(₹ 9,332.0)	(₹ 5,814.0)
Interest paid fin	(₹ 108.0)	(₹ 121.0)	(₹ 96.0)	(₹ 95.0)	(₹ 57.0)	(₹ 30.0)	(₹ 100.0)	(₹ 141.0)	(₹ 1,059.0)	(₹ 2,492.0)
Dividends paid	-	-	-	-	(₹ 1,346.0)	(₹ 1,477.0)	(₹ 1,559.0)	(₹ 1,517.0)	(₹ 1,924.0)	(₹ 2,393.0)
Financial liabilities	-	-	-	-	(₹ 29.0)	-	₹ 3,750.0	₹ 3,355.0	₹ 3,812.0	(₹ 1,136.0)
Other financing items	-	-	-	-	-	-	-	-	-	-
Cash from Financing Activities	(₹ 3,796.0)	₹ 6,206.0	₹ 2,011.0	₹ 8,830.0	₹ 3,389.0	₹ 9,905.0	(₹ 3,379.0)	(₹ 26,242.0)	(₹ 37,006.0)	(₹ 18,786.0)
Net Cash Flow	(₹ 2,591.0)	(₹ 3,167.0)	₹ 728.0	₹ 6,842.0	(₹ 3,095.0)	₹ 13,234.0	₹ 6,462.0	(₹ 6,273.0)	₹ 8,128.0	(₹ 5,666.0)

Balance Sheet

Years	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Balance Sheet										
Equity Share Capital	₹ 27.2	₹ 27.2	₹ 27.2	₹ 27.2	₹ 27.2	₹ 27.2	₹ 27.2	₹ 27.2	₹ 27.2	₹ 27.2
Reserves	₹ 1,003.8	₹ 1,246.6	₹ 1,497.4	₹ 1,419.6	₹ 1,567.0	₹ 1,138.7	₹ 1,707.5	₹ 1,689.2	₹ 1,847.2	₹ 1,637.3
Borrowings	-	-	-	₹ 83.1	₹ 101.5	₹ 91.2	₹ 83.1	₹ 69.0	₹ 71.8	₹ 60.8
Other Liabilities	₹ 971.9	₹ 1,036.9	₹ 1,039.3	₹ 1,096.6	₹ 908.3	₹ 1,637.0	₹ 1,084.1	₹ 1,097.6	₹ 1,250.4	₹ 1,293.2
Total Liabilities	**₹ 2,002.9**	**₹ 2,310.7**	**₹ 2,563.9**	**₹ 2,626.5**	**₹ 2,604.0**	**₹ 2,894.0**	**₹ 2,901.8**	**₹ 2,883.0**	**₹ 3,196.5**	**₹ 3,018.6**
Fixed Assets Net Block	₹ 1,008.1	₹ 1,108.1	₹ 1,145.9	₹ 1,190.9	₹ 1,122.9	₹ 1,064.7	₹ 963.0	₹ 861.8	₹ 794.1	₹ 776.5
Capital Work in Progress	₹ 78.4	₹ 166.6	₹ 158.6	₹ 198.7	₹ 190.0	₹ 144.9	₹ 121.8	₹ 114.1	₹ 110.3	₹ 38.4
Investments	₹ 31.2	₹ 31.2	₹ 31.2	₹ 31.2	₹ 18.6	₹ 18.6	-	-	-	-
Other Assets	₹ 203.5	₹ 288.0	₹ 344.3	₹ 348.1	₹ 421.7	₹ 345.3	₹ 480.4	₹ 491.3	₹ 454.6	₹ 505.0
Total Non Current Assets	**₹ 1,321.2**	**₹ 1,593.9**	**₹ 1,680.0**	**₹ 1,768.8**	**₹ 1,753.2**	**₹ 1,573.5**	**₹ 1,565.3**	**₹ 1,467.2**	**₹ 1,359.0**	**₹ 1,319.9**
Receivables	₹ 101.5	₹ 129.9	₹ 201.0	₹ 209.8	₹ 132.6	₹ 117.1	₹ 224.7	₹ 157.4	₹ 167.4	₹ 226.3
Inventory	₹ 291.5	₹ 292.6	₹ 226.7	₹ 248.6	₹ 296.9	₹ 335.8	₹ 357.2	₹ 335.5	₹ 296.4	₹ 377.3
Cash & Bank	₹ 288.7	₹ 294.3	₹ 456.2	₹ 399.4	₹ 421.3	₹ 867.6	₹ 754.7	₹ 923.0	₹ 1,373.8	₹ 1,095.1
Total Current Assets	**₹ 681.7**	**₹ 716.8**	**₹ 883.9**	**₹ 857.7**	**₹ 850.8**	**₹ 1,320.5**	**₹ 1,336.6**	**₹ 1,415.8**	**₹ 1,837.6**	**₹ 1,698.6**
Total Assets	**₹ 2,002.9**	**₹ 2,310.7**	**₹ 2,563.9**	**₹ 2,626.5**	**₹ 2,604.0**	**₹ 2,894.0**	**₹ 2,901.8**	**₹ 2,883.0**	**₹ 3,196.5**	**₹ 3,018.6**

Ratio Analysis

Ration Analysis - COLGATE-PALMOLIVE (INDIA) LTD													
Years	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	Trends	Mean	Median
SalesGrowth%	-	2.94%	5.18%	6.55%	1.40%	6.99%	5.34%	2.48%	8.69%	6.33%		5.10%	5.34%
EBITDA Growth		0.43%	18.05%	10.97%	-2.78%	25.68%	3.69%	-1.22%	22.89%	3.00%		8.97%	3.69%
EBIT Growth		-2.15%	18.15%	12.22%	-7.47%	32.84%	4.72%	-1.13%	26.13%	3.85%		9.68%	4.72%
Net Profit Growth		-6.57%	20.77%	9.21%	8.46%	31.09%	4.62%	-4.51%	26.09%	2.45%		10.18%	8.46%
Dividend Growth		0.00%	140.00%	-4.17%	21.74%	35.71%	5.26%	-2.50%	48.72%	-12.07%		25.86%	5.26%
EBITDA Margin	24.29%	23.70%	26.60%	27.70%	26.56%	31.20%	30.71%	29.60%	33.47%	32.42%		29.10%	29.60%
GROSS Margin	50.06%	50.35%	51.78%	52.86%	51.99%	55.29%	54.61%	53.19%	57.31%	57.11%		53.83%	53.19%
EBT Margin	21.41%	20.35%	22.86%	24.08%	21.97%	27.28%	27.12%	26.16%	30.36%	29.65%		25.54%	26.16%
EBIT Margin	21.41%	20.35%	22.86%	24.13%	22.18%	27.43%	27.23%	26.26%	30.45%	29.72%		25.62%	26.26%
Net Profit Margin	14.84%	13.47%	15.47%	15.85%	16.96%	20.77%	20.63%	19.23%	22.30%	21.49%			19.23%
SalesExpenses%Sales	25.77%	26.66%	25.18%		25.43%	24.09%	23.90%	23.59%	23.85%	24.69%		24.67%	24.39%
Depreciation%Sales	2.88%	3.35%	3.74%	3.57%	4.37%	3.77%	3.48%	3.34%	3.02%	2.69%		3.48%	3.48%
OperatingIncome%Sales	21.41%	20.35%	22.86%	24.13%	22.18%	27.43%	27.23%	26.26%	30.45%	29.72%		25.62%	26.26%
Return on Capital Employed	80.32%	63.61%	62.80%	70.39%	59.19%	105.63%	76.40%	76.86%	88.87%	104.06%		78.65%	76.40%
Retained Earnings%	52.61%	49.28%	0.00%	11.56%	0.73%	0.00%	0.00%	0.00%	0.00%	0.00%		6.84%	0.00%
Return on Equity%	55.67%	42.10%	42.48%	48.90%	48.13%	86.27%	60.66%	58.54%	67.59%	77.98%		59.18%	58.54%
Self Sustained Growth Rate	29.29%	20.75%	0.00%	5.65%	0.35%	0.00%	0.00%	0.00%	0.00%	0.00%		2.97%	0.00%
Interest Coverage Ratio	-7.67 X	-6.70 X	-9.97 X	-11.34 X	-17.61 X	-44.26 X	-13.89 X	-9.73 X	-1.63 X	-0.72 X		-1287.21%	-997.27%
Debtor Turnover Ratio	38.10 X	30.65 X	20.83 X	21.27 X	34.14 X	41.35 X	22.70 X	33.21 X	33.94 X	26.70 X		2942.02%	3065.30%
Creditor Turnover Ratio	3.98 X	3.84 X	4.03 X	4.07 X	4.98 X	2.96 X	4.70 X	4.76 X	4.54 X	4.67 X		428.42%	454.28%
Inventory Turnover	13.27X	13.61X	18.47X	17.95X	15.24X	14.42X	14.28X	15.58X	19.16X	16.01X		1608.04%	1557.97%
Fixed Asset Turnover	3.46X	3.05X	3.14X	3.14X	3.40X	3.94X	4.70X	5.36X	6.28X	7.41X		449.07%	394.18%
Capital Turnover Ratio	3.75X	3.13X	2.75X	3.08X	2.84X	4.15X	2.94X	3.04X	3.03X	3.63X		317.70%	304.49%
Debtor Days	10 days	12 days	18 days	17 days	11 days	9 days	16 days	11 days	11 days	14 days		1306.74%	1190.75%
Payable Days	92 days	95 days	91 days	90 days	73 days	123 days	78 days	77 days	80 days	78 days		8719.38%	8034.66%
Inventory Days	28 days	27 days	20 days	20 days	24 days	25 days	26 days	23 days	19 days	23 days		2300.14%	2342.80%
Cash Conversion Cycle	-55 days	-56 days	-53 days	-52 days	-39 days	-89 days	-36 days	-42 days	-51 days	-42 days		-5112.50%	-5054.48%
CFO/Sales	979.76%	758.42%	569.66%	423.33%	588.54%	599.02%	280.07%	677.13%	1195.60%	1044.71%		681.83%	599.02%
CFO/Total Assets	1892.22%	1306.95%	930.51%	719.25%	1022.75%	1002.07%	492.21%	1227.48%	2124.65%	2090.47%		1212.93%	1022.75%
CFO/Total Debt	0.00%	0.00%	0.00%	22721.91%	26238.42%	31805.22%	17198.07%	51316.71%	94655.05%	103717.95%		38628.15%	26238.42%

Ratio Analysis

Metric	Value (Cr)
Market Cap	₹61,442
Current Price	₹2,259
High Price	₹3,893
Low Price	₹2,257
Stock P/E	44.2
Price to Earnings	44.4
Book Value	₹61.20
Price to Book Value	37.2
Dividend Yield	2.21%
ROCE	105%
ROE	81.20%
Return on Assets	46.20%
Face Value	₹1.00
Sales	₹5,978 Cr.
Profit After Tax	₹1,393 Cr.
PAT (Quarter)	₹321 Cr.
Debt to Equity	0.04
EPS	₹51.20
Debt	₹60.8 Cr.
Promoter Holding	51.00%
Pledged Percentage	0.00%

Common Size Statement

Common Size Balance Sheet Statement - COLGATE-PALMOLIVE (INDIA) LTD

Particulars	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Total Liabilities	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
Equity Share Capita	1.36%	1.18%	1.06%	1.04%	1.04%	0.94%	0.94%	0.94%	0.85%	0.90%
Reserves	50.12%	53.95%	58.40%	54.05%	60.18%	39.35%	58.84%	58.59%	57.79%	54.24%
Borrowings	0.00%	0.00%	0.00%	3.17%	3.90%	3.15%	2.86%	2.39%	2.24%	2.02%
Other Liabilities	48.52%	44.87%	40.53%	41.75%	34.88%	56.56%	37.36%	38.07%	39.12%	42.84%
Total Assets	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
Net Block	50.33%	47.96%	44.69%	45.34%	43.12%	36.79%	33.18%	29.89%	24.84%	25.72%
Capital Work in Pro	3.91%	7.21%	6.19%	7.57%	7.30%	5.01%	4.20%	3.96%	3.45%	1.27%
Investments	1.56%	1.35%	1.22%	1.19%	0.72%	0.64%	0.00%	0.00%	0.00%	0.00%
Other Assets	10.16%	12.47%	13.43%	13.25%	16.19%	11.93%	16.56%	17.04%	14.22%	16.73%
Receivables	5.07%	5.62%	7.84%	7.99%	5.09%	4.05%	7.74%	5.46%	5.24%	7.50%
Inventory	14.56%	12.66%	8.84%	9.46%	11.40%	11.60%	12.31%	11.64%	9.27%	12.50%
Cash & Bank	14.41%	12.74%	17.79%	15.20%	16.18%	29.98%	26.01%	32.02%	42.98%	36.28%

Particulars	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Sales	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
Raw Material Cost	38.27%	36.94%	35.15%	35.48%	35.24%	32.50%	32.63%	34.26%	29.97%	31.27%
Change in Inventory	0.11%	-0.14%	-0.40%	0.55%	0.48%	0.49%	-0.07%	-0.08%	-0.36%	1.17%
Power and Fuel	0.98%	1.11%	1.05%	1.04%	1.00%	0.85%	0.85%	0.91%	0.85%	0.85%
Other Mfr. Exp	3.99%	4.20%	4.29%	4.52%	4.87%	4.27%	4.26%	4.32%	4.25%	4.54%
Employee Cost	6.81%	7.27%	7.33%	6.65%	7.38%	7.59%	7.58%	7.25%	7.25%	7.40%
Selling and admin	23.39%	23.87%	22.68%	22.79%	22.85%	21.47%	21.11%	20.84%	21.73%	21.91%
Other Expenses	2.39%	2.79%	2.50%	2.37%	2.58%	2.62%	2.79%	2.75%	2.12%	2.79%
Other Income	0.19%	1.03%	0.61%	1.53%	1.09%	0.61%	0.51%	0.81%	1.00%	2.30%
Depreciation	2.88%	3.35%	3.74%	3.57%	4.37%	3.77%	3.48%	3.34%	3.02%	2.69%
Interest	0.00%	0.00%	0.00%	0.06%	0.21%	0.15%	0.12%	0.09%	0.09%	0.07%
Profit before tax	21.59%	21.38%	23.47%	25.60%	23.06%	27.89%	27.63%	26.97%	31.36%	31.95%
Tax	6.57%	6.88%	7.39%	8.22%	5.01%	6.50%	6.48%	6.94%	8.06%	8.16%
Net profit	15.02%	14.50%	16.08%	17.38%	18.04%	21.39%	21.14%	20.04%	23.30%	23.79%
Dividend Amount	7.03%	6.83%	15.59%	14.02%	16.83%	21.35%	21.33%	20.30%	27.77%	22.97%
EBITDA	24.47%	24.73%	27.21%	29.23%	27.64%	31.81%	31.22%	30.41%	34.47%	34.72%

Key Lookouts From Common Size Statement

Expense Category	Amount (₹ in Lakhs)	Percentage of Total Expenses
Other Expenses	1,81,706	45.90%
Cost of Materials Consumed	1,57,911	39.90%
Employee Benefits Expense	44,678	11.30%
Purchases of Stock-in-Trade	30,986	7.80%
Depreciation and Amortisation Expense	16,274	4.10%
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	-7,070	-1.80%
Finance Costs	432	0.10%
Total Expenses	**3,95,617**	**100.00%**

Peer Comparison

Ratio / Stock	COLPAL	GODREJCP	DABUR	PGHH
PE	45.06	68.62	51.61	59.45
P/B	37.13	10.33	8.54	49.78
ROA	45.16	9.79	11.16	36.63
ROE	82.4	15.05	17.24	83.74
Debt To Equity	0.0093	0.326	0.071	0.004
Revenue	60401.70 M	143642 M	125630 M	42057.00 M
	6.33%	1.90%	1.28%	7.35%
Net Income	14368.10 M	18523.00 M	17676.30 M	6750.20 M
	8.55%	430.44%	4.07%	0.46%

The table below summarizes CPIL's comparative financial performance:

Metric	FY 2024-25 (₹ Crore)	FY 2023-24 (₹ Crore)	Growth (%)
Net Sales	5,999	5,644	6.30%
Net Profit After Tax	1,436.81	1,323.66	8.50%
Gross Margin (%)	69.70%	69.50%	0.2% pts
EBITDA	1,958	1,901	3.00%
Earnings Per Share (₹)	52.8	48.6	8.60%

YoY Comparison Between Ratios

Particulars	FY 2024-25	FY 2023-24
Debtors Turnover	34.76	30.48
Inventory Turnover	5.45	5.4
Interest Coverage Ratio	346.85	431.92
Current Ratio	1.54	1.38
Debt Equity Ratio	0.04	0.04
Return on Capital Employed (%)	99%	121%
Operating Profit Margin (%)	31%	30%
Net Profit Margin (%) (after tax)	23%	24%

Conclusion

Call: HOLD

Investment Verdict

- Colgate-Palmolive (India) Ltd remains a high-quality blue-chip with:
- Consistent margin expansion
- Leading return ratios
- A cash-rich, debt-free balance sheet
- Resilient brand in a staple category

Rationale:

- Positives: Market leadership, outstanding profitability, defensive balance sheet, and steady dividend.
- Concern: Valuation is elevated (high P/E, high P/B) even relative to other high-quality FMCG peers. Upside may be moderate unless there is a significant positive volume/market-share shift or accelerated EPS growth.
- For new investors: Consider accumulating on significant corrections.
- For existing holders: Continue to hold — enjoy dividends and await clearer signals on earnings acceleration or a more attractive valuation1.
- Note: If you seek low volatility, cash returns, and FMCG sector exposure, Colgate remains among the strongest choices, but the current price discounts much of the near-term upside.