

CHAIRMAN'S LETTER TO SHAREHOLDERS A PERSONAL MESSAGE

Dear Shareholders,

Four years ago, we had set ourselves a target of growing your Company from Rs.1000 crore to Rs.2000 crore in revenues. It gives me great pleasure to state that your Company has comfortably achieved this target and is well set to continue on its growth journey.

Over the last 3 years, your Company has maintained a top line CAGR of 24% and a sustainable bottom line CAGR of 28%. FY09 witnessed a high degree of turbulence in the environment with the global financial crisis, sharply rising and falling input costs and fluctuating foreign exchange markets. Marico nevertheless turned in a good performance with a top line growth of 25% and net profit growth, before extraordinary items, of 21%. A large segment of the Company's business is in items of daily consumption and it is less likely to be impacted by the economic slowdown.

Today, India suffers from a very high incidence of heart-related ailments, but awareness has been low. Saffola has played an important role in increasing the awareness amongst consumers in India and urging them to adopt a healthy lifestyle. The brand has also facilitated this lifestyle modification by introducing efficacious and innovative products. Marico's agri-extension and contract farming efforts include educating farmers with best farming practices and making high yielding varieties of the crop available. This has helped farmers improve productivity and earnings from their land while improving the sources of supply for your Company.

At its Jalgaon factory where Marico produces Saffola, the Company makes continuous efforts to preserve the environment. The Jalgaon factory has received awards for its efforts in water and energy conservation. All these efforts have resulted in building a sustainable and profitable franchise for the brand, thus creating wealth for shareholders.

Across all its brands, Marico has transformed in a sustainable manner, the lives of all those it touches - shareholders, consumers, members, associates and society at large.

Your Company's efforts have been recognized for the remarkable work done across its value chain. It was voted one of the most Innovative Companies by the Business Today - Monitor Group Innovation Study. Marico also won the Smart Workplace Award presented by the Economic Times in association with Acer and Intel, and the IMC Ramakrishna Bajaj National Quality Award.

Today, Marico is more than just a business. It is a principal agent of social change. We have the responsibility of defining, creating and distributing value to each of our stakeholders, by maximizing their potential through the brands we create and services we offer in the beauty and wellness space.

I believe the purpose of an organization has to go beyond functionality and profits, to define why we really exist for each of our stakeholders. It is something that's true to our culture, unique to our DNA, yet profitable to our business. It is something we live by every single day.

This year, we have given a voice to this purpose: Be more. Every day.

Thank you for placing your faith in the company. I look forward to your continued support and co-operation.

With warm regards



Harsh Mariwala
Chairman and Managing Director