

CORPORATE GOVERNANCE REPORT

This report on Corporate Governance is divided into the following parts:

- Philosophy on Code of Corporate Governance
- Board of Directors
- Audit Committee
- Remuneration Committee
- Shareholders' Committee
- General Body Meetings
- Disclosures
- Means of Communication
- General Shareholder Information

I. PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Basic Philosophy

Corporate Governance encompasses laws, procedures, practices and implicit rules that determine a management's ability to take sound decisions vis-à-vis all its stakeholders – in particular, its shareholders, creditors, employees and the State. There is a global consensus on the objective of Good Corporate Governance: Maximising long-term shareholder value.

Since shareholders are residual claimants, this objective follows from a premise that in well-performing capital and financial markets, whatever maximises shareholder value must necessarily maximise corporate value and best satisfy the claims of creditors, employees and the State.

A Company which is proactively compliant with the law and which adds value to itself through Corporate Governance initiatives would also command a higher value in the eyes of present and prospective shareholders.

Marico therefore believes that Corporate Governance is not an end in itself but is a catalyst in the process towards maximisation of shareholder value. Therefore, shareholder value as an objective is woven into all aspects of Corporate Governance, the underlying philosophy, development of roles, creation of structures and continuous compliance with standard practices.

Corporate Governance as a concept has gained considerable importance of late, primarily because of the proposal to enshrine many of the accepted good governance principles into corporate law. For Marico, however, Good Corporate Governance has been a cornerstone of the entire management process, the emphasis being on professional management, with a decision making model based on decentralisation, empowerment and meritocracy.

Risk Assessment and Risk Mitigation Framework

Marico believes that:

- Risks are an integral part of any business environment and it is essential that we create structures that are capable of identifying and mitigating them in a continuous and vibrant manner.
- Risks are multi-dimensional and therefore have to be looked at in a holistic manner, straddling both, the external environment and the internal processes.

Marico's Risk Management processes therefore envisage that all significant activities are analysed keeping in mind the following types of risks:

- ❖ Business Risks
- ❖ Controls Risks
- ❖ Governance Risks

CORPORATE GOVERNANCE REPORT

This analysis is followed by the relevant Function(s) in Marico tracking the risk elements, both internal and external, and reporting status at periodic management reviews. This is aimed at ensuring that adequate checks and balances are in place with reference to each significant risk.

We believe that this framework ensures a unified and comprehensive perspective.

Cornerstones

Marico thus follows Corporate Governance Practices around the following philosophical cornerstones:

Generative Transparency and Openness in Information Sharing

Marico believes that sharing and explaining all relevant information on the Company's policies and actions to all those to whom it has responsibilities, with transparency and openness, generates an ambience which helps all stakeholders to take informed decisions about the Company. This reflects externally in making maximum appropriate disclosures without jeopardising the Company's strategic interests and as also internally in the Company's relationship with its employees and in the conduct of its business. Such transparency and openness is however judiciously tempered with discretion to ensure that the Company's strategic interests and competitive position are not compromised.

Constructive Separation of Ownership and Management

Marico believes that constructive separation of the Management of the Company from its owners results in maximising the effectiveness of both, by sharpening their respective accountability.

Value-adding Checks & Balances

Marico relies on a robust structure with value adding checks and balances designed:

- ❖ To prevent misuse of authority
- ❖ To facilitate timely response to change and
- ❖ To ensure effective management of risks, especially those relating to statutory compliance

At the same time, the structure provides scope for adequate executive freedom, so that bureaucracies do not take value away from the Governance Objective.

Board / Committee Proceedings

The process of the conduct of the Board and Committee proceedings is explained in detail later on in this report.

Other Significant Practices

Other significant Corporate Governance Practices followed by Marico are listed below:

Information Sharing

- ❖ Operational performance details are circulated through Media releases and Information updates useful to analysts amongst others
- ❖ All material information is included in the Annual Report
- ❖ All relevant information is also posted on the Corporate Website
- ❖ Financial results are posted on the Intranet for employees
- ❖ Financial results are published in leading newspapers
- ❖ Stock exchanges are informed of all material developments

Ownership Separated from Management

- ❖ 8 out of 9 Directors are Non-Executive and 7 are independent.
- ❖ No related party transactions exist except for those with subsidiaries and for remuneration to Chairman and Managing Director (CMD) and relatives of CMD. These can be referred to in Notes to Accounts annexed to the financial statements for the year ended March 31, 2007.

CORPORATE GOVERNANCE REPORT

- ❖ As and when required, senior management personnel are present at Board / Committee meetings so that the Board/ Committees can seek and get explanations as required from them.
- ❖ All Directors and employees are required to comply with internal code of conduct (Share Dealing Rules) for trading in Company securities in addition to concerned SEBI regulations.

Checks & Balances

- ❖ All Directors are provided with complete information relating to operations and Company finances to enable them to participate effectively in board discussions.
- ❖ Proceedings of Board are logically segregated and matters are delegated to Committees as under:
 - Administrative Committee covers routine transactional issues.
 - Investment and Borrowing Committee covers management of funds.
 - Audit Committee covers internal control systems, financial reporting and compliance issues.
 - Corporate Governance Committee (erstwhile Remuneration Committee) covers remuneration of Directors and Corporate Governance policies and practices.
 - Share Transfer Committee covers transfer formalities and other share-related procedures.
 - Shareholders' Committee covers redressal of investor grievances.
 - Securities Issue Committee covers the matters relating to the issue and allotment of securities and allied matters.
 - Committee for investing in new office premises covers matters relating to purchase / setting up of new office complex and allied matters.
 - Constituted committees meet frequently to review operations.
- ❖ Each Non-Executive Director brings value through a specialisation.
- ❖ Directorships held are within the ceiling limits specified.
- ❖ Committee memberships and chairmanship of Directors are within overall limits.
- ❖ Statutory compliance report along with a Compliance Certificate is placed before the Audit Committee / Board at every meeting.
- ❖ Audit Committee is chaired by Independent Director to check control systems and review them.
- ❖ All Directors endeavour to attend all the Board/Committee meetings as also the Annual General Meeting. The Chairman of the Audit Committee attends the Annual General Meeting to answer queries, if any, on accounts.
- ❖ The Chairman of the Board / Committee, in consultation with the Chief Financial Officer and the Company Secretary, formalises the agenda for each of the Board Meetings.
- ❖ The Board / Committee, at its discretion, invites Senior Managers of the Company and / or outside Advisors to any meeting(s) of the Board/Committee.
- ❖ The Audit Committee has, during the year considered, all important Company policies having a financial or control angle viz: materials, risk management, internal controls, compliances across the Company. It has regularly monitored the effectiveness of policies, need for strengthening internal controls etc.

Reconstitution of the Board and its Committees

The Board and its various Committees were reconstituted on April 26, 2007. Mr. Anand Kripalu joined the Company's Board as an Additional (Non-Executive) Director. The various Committees of the Board were reconstituted as a result of organisational restructuring.

CORPORATE GOVERNANCE REPORT

Compliance with Clause 49 of the Listing Agreement

The Company has complied with the provisions of clause 49 of the Listing Agreement.

The Company already has a Code of Conduct for the Board of Directors and Senior Members and a Whistle Blower Policy in place.

The Code of Conduct prescribes certain dos and don'ts to the Directors, Senior Management comprising key personnel of the Company and other employees of the Company to promote ethical conduct in accordance with the stated values of Marico and also to meet statutory requirements.

The CEO declaration has been included in the CEO Certificate given elsewhere in the Annual Report.

II. BOARD OF DIRECTORS

(I) Composition and categories of Directors (As on May 18, 2007):-

Name	Category
Mr. Harsh Mariwala	Chairman & Managing Director (Promoter)
Mr. Rajeev Bakshi	Non-Executive and Independent
Mr. Atul Choksey	Non-Executive and Independent
Mr. Nikhil Khattau	Non-Executive and Independent
Mr. Jacob Kurian	Non-Executive and Independent
Mr. Anand Kripalu*	Non-Executive and Independent
Mr. Rajen Mariwala	Non-Executive (Promoter)
Ms. Hema Ravichandar	Non-Executive and Independent
Mr. Bipin Shah	Non-Executive and Independent

*Member of the Board w.e.f. April 26, 2007.

(II) Attendance of each Director at the Board meetings and the last Annual General Meeting :

Six meetings of the Board of Directors were held during the period April 01, 2006 to March 31, 2007 viz: April 20, 2006; July 25, 2006; October 18, 2006; January 12, 2007; January 19, 2007 and March 23, 2007. The attendance record of all Directors is as under: -

Name	No. of Board Meetings		Attendance at Last AGM
	Held	Attended	
Mr. Harsh Mariwala	6	6	Yes
Mr. Rajeev Bakshi	6	2	No
Mr. Atul Choksey	6	4	No
Mr. Nikhil Khattau	6	5	No
Mr. Jacob Kurian	6	3	No
Mr. Rajen Mariwala	6	5	No
Ms. Hema Ravichandar	6	4	No
Mr. Bipin Shah	6	6	Yes

CORPORATE GOVERNANCE REPORT

(III) Number of Board or Board Committees of which a Director is a member or chairperson (Only the membership(s)/ chairmanship(s) of Audit Committee and Shareholders' Committee is considered as per Clause 49 of the Listing Agreement)

Name	Number of Outside Directorships held	*Number of Committee Memberships	*Number of Committees in which Chairperson
Mr. Harsh Mariwala	5	2	2
Mr. Rajeev Bakshi	2	3**	Nil
Mr. Atul Choksey	10	Nil	Nil
Mr. Nikhil Khattau	2	2	1
Mr. Jacob Kurian	1	1**	Nil
Mr. Rajen Mariwala	2	2***	Nil
Ms. Hema Ravichandar	Nil	1**	Nil
Mr. Bipin Shah	3	4	2

* includes committee membership(s)/chairmanship(s) with Marico Limited

** member of Audit Committee of Board of Directors of Marico Limited upto April 20, 2006

*** member of Audit Committee of Board of Directors of Marico Limited w.e.f. April 20, 2006

III. AUDIT COMMITTEE

Constitution:

The Audit Committee was constituted by the Board of Directors at its meeting held on January 23, 2001, in accordance with Section 292 A of the Companies Act, 1956. The Audit Committee was last re-constituted by the Board of Directors on April 26, 2007. The Audit Committee now comprises the following Members:

Mr. Bipin Shah	-	Chairman
Mr. Nikhil Khattau	-	Member
Mr. Rajen Mariwala	-	Member
Mr. Vinod Kaushal	-	Secretary to the Committee
Mr. Harsh Mariwala	-	Permanent Invitee

The terms of reference of the Audit Committee are as stated in Clause 49 of the Standard Listing Agreement, Section 292 A of the Companies Act, 1956 and includes:

1. Review of the financial reporting process of the Company.
2. Recommending to the Board, the appointment, re-appointment and if required the replacement or removal of the Statutory Auditor and the fixation of Audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by Statutory Auditors.
4. Reviewing with the management the annual financial statements before submission to the Board for approval with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement.
 - b) Changes if any in the accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgement by the management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.

CORPORATE GOVERNANCE REPORT

- f) Disclosure of any related party transactions.
- g) Qualifications in the draft Audit Report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, performance of Statutory and Internal Auditors.
7. Review of management letters issued by Statutory Auditors.
8. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
9. Discussing with the Internal Auditors any significant findings and followup thereon.
10. Reviewing the findings of any internal investigations by the Internal Auditors.
11. Discussion with Statutory Auditors before commencement of the audit about the nature and scope of audit and concern areas, if any, post audit.
12. To look into substantial defaults in the payment to depositors, debenture holders, shareholders and creditors.
13. To review the functioning of the Whistle Blower mechanism.
14. Reviewing mandatorily the following:
 - a) Management Discussion and Analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions;
 - c) The appointment, removal and terms of remuneration of the Chief Internal Auditor.

The Committee had 4 meetings during the period April 01, 2006 to March 31, 2007 viz: April 20, 2006; July 25, 2006; October 18, 2006 and January 19, 2007.

Name	No. of Audit Committee Meetings	
	Held	Attended
Mr. Rajeev Bakshi*	4	1
Mr. Nikhil Khattau	4	4
Mr. Jacob Kurian*	4	NIL
Mr. Rajen Mariwala**	4	3
Mr. Harsh Mariwala	4	4
Ms. Hema Ravichandar*	4	1
Mr. Bipin Shah	4	4

* ceased as member on April 20, 2006

** appointed as member on April 20, 2006

IV. CORPORATE GOVERNANCE COMMITTEE

Constitution:

The Board of Directors had at its meeting held on October 25, 2005, renamed the Remuneration Committee as the Corporate Governance Committee with terms of reference relating to overseeing and continuously improving the Corporate Governance policies and practices in the Company. The primary purpose of the Corporate Governance Committee is "to enable" the Board function effectively in strategic and core issues of management.

CORPORATE GOVERNANCE REPORT

The Corporate Governance Committee reviews and oversees the Remuneration strategy and Performance Management Philosophy of Marico, especially for Directors and senior employees. Similarly, the Committee will also act as the Nomination Committee, with the details of this role being defined at an appropriate and relevant time in the future.

The Corporate Governance Committee comprises the following Directors:

Ms. Hema Ravichandar	- Chairperson
Mr. Rajeev Bakshi	- Member
Mr. Jacob Kurian	- Member
Mr. Milind Sarwate	- Secretary to the Committee
Mr. Harsh Mariwala	- Permanent Invitee

The Corporate Governance Committee (erstwhile Remuneration Committee) had met 3 times during the period April 01, 2006 to March 31, 2007, viz: April 20, 2006; July 25, 2006 and October 18, 2006.

The Remuneration paid to Non-Executive Directors for the Financial Year 2006-2007 is as under:

Name	Remuneration (payable annually) (Rs.)	Sitting Fees (Rs.)
Mr. Rajeev Bakshi	1,40,000	35,000
Mr. Atul Choksey	2,80,000	40,000
Mr. Nikhil Khattau	3,50,000	75,000
Mr. Jacob Kurian	2,10,000	40,000
Mr. Rajen Mariwala	3,50,000	70,000
Ms. Hema Ravichandar	2,80,000	60,000
Mr. Bipin Shah	4,20,000	80,000

The remuneration paid to Mr. Harsh Mariwala, Chairman & Managing Director, for the financial year 2006-2007 is as under:

Name	Salary and Perquisites (Rs.)	Annual Performance Incentive (Rs.)
Mr. Harsh Mariwala	1,48,07,455	21,85,000

For any termination of service contract, the Company and/or the Executive Director is required to give a notice of three months.

Shareholding of Non-Executive Directors

Name of Non-Executive Director	No. of Shares held (As on March 31, 2007)
Mr. Rajeev Bakshi	0
Mr. Atul Choksey	60,000
Mr. Nikhil Khattau	0
Mr. Jacob Kurian	5,000
Mr. Rajen Mariwala	73,63,200
Ms. Hema Ravichandar	0
Mr. Bipin Shah	44,000
Total	74,72,200

CORPORATE GOVERNANCE REPORT

REMUNERATION POLICY OF THE COMPANY

Remuneration Policy for Executive Director(s)

The Marico Board presently consists of only one Executive Director namely Mr. Harsh Mariwala, Chairman & Managing Director. Therefore, the remuneration policy for Executive Directors presently covers only the Chairman & Managing Director.

The remuneration of the Chairman & Managing Director is governed by the agreement dated June 28, 2006 executed between the Company and Mr. Harsh Mariwala. The terms of this agreement have already been shared with the Members. The remuneration to Chairman & Managing Director comprises of two broad terms – Fixed Remuneration and Variable Remuneration in the form of performance incentive.

The performance incentive is based on internally developed detailed performance related matrix which is verified by the HR department.

Remuneration Policy for Non-Executive Directors

Non-Executive Directors of a Company's Board of Directors can add substantial value to the Company through their contribution to the Management of the Company. In addition, they can safeguard the interests of the investors at large by playing an appropriate control role. For best utilizing the Non-Executive Directors, Marico has constituted certain Committees of the Board, viz. Corporate Governance Committee, Audit Committee and Shareholders' Committee.

Non-Executive Directors bring in their long experience and expertise to bear on the deliberations of the Marico Board and its Committees. Although the Non-Executive Directors would contribute to Marico in several ways, including off-line deliberations with the Managing Director, the bulk of their measurable inputs come in the form of their contribution to Board/Committee Meetings. Marico therefore has a structure for remuneration to Non-Executive Directors, based on engagement levels of the Board members linked to their attendance at Board / Committee Meetings.

The shareholders of the Company had on July 26, 2005 approved payment to Non-Executive Directors for a period of five years up to a limit of 3% of the net profits of the Company calculated in accordance with the provisions of the Companies Act, 1956. The Board of Directors was allowed freedom, within this limit, to decide the mode, the quantum, the recipients and the frequency of payment of such remuneration.

V. SHAREHOLDERS' COMMITTEE

Constitution:

The Shareholders' Committee was constituted by the Board of Directors at its meeting held on October 23, 2001 and was last re-constituted on April 26, 2007.

The terms of reference of the Shareholders' Committee are to specifically look into the redressal of shareholders' and investors' complaints relating to transfer of shares, non-receipt of balance sheet, non-receipt of dividends etc.

The Shareholders' Committee now comprises the following Directors (All Non-Executive):

- Mr. Nikhil Khattau - Chairman
- Mr. Rajen Mariwala - Member
- Mr. Vinod Kaushal - Secretary to the Committee

During the financial year 2006-2007, one meeting of the Committee was held on January 19, 2007.

Name and Designation of Compliance Officer:

Mr. Vinod Kaushal, Company Secretary & Compliance Officer

Status Report of Investor Complaints for the year ended March 31, 2007:

No. of Complaints Received	-	72
No. of Complaints Resolved	-	72
No. of Complaints Pending	-	NIL

All valid requests for share transfer received during the year have been acted upon and no such transfer is pending.

CORPORATE GOVERNANCE REPORT

VI. GENERAL BODY MEETINGS

Annual General Meetings

YEAR	VENUE	DATE	TIME
2004	'Kohinoor Hall', Kohinoor Corner, Opposite Siddhivinayak Mandir, Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025	July 21, 2004	9.00 a.m.
2005	'Kohinoor Hall', Kohinoor Corner, Opposite Siddhivinayak Mandir, Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025	July 26, 2005	9.30 a.m.
2006	Indian Education Society, Gate No. 6, Manik Sabhagriha, Opposite Leelavati Hospital, Bandra Reclamation, Bandra (W), Mumbai - 400 050	July 25, 2006	9.15 a.m.

Details of Special Resolution passed at any of previous three Annual General Meetings

A special resolution was passed for payment of remuneration to Non-Executive Directors in the Annual General Meeting held on July 26, 2005.

Postal ballot

Postal ballot process was undertaken by the Company for the purpose of obtaining approval of the Shareholders for various matters, results whereof were declared by the Chairman on June 15, 2006. The following special resolutions were passed by the Company through aforesaid Postal Ballot process:

- (a) Issue of Securities
- (b) Amendment to the Articles of Association of the Company consequent upon the increase in Authorised Capital
- (c) Appointment of Ms. Rajvi Mariwala as an employee of the Company under Section 314 of the Companies Act, 1956
- (d) Appointment of Mr. Rishabh Mariwala as an employee of the Company under Section 314 of the Companies Act, 1956

Mr. D.B. Dixit was appointed as the Scrutinizer for the postal ballot process. The last date for receiving the postal ballot forms was closing hours of June 12, 2006. The Scrutinizer had submitted his report to the Chairman on June 14, 2006. The voting pattern of the postal ballot was as follows :

Particulars	No. of Postal Ballot Forms
(a) Total postal ballot forms received	839
(b) Less: Invalid postal ballot forms	27
(c) Valid postal ballot forms	812

CORPORATE GOVERNANCE REPORT

Details of votes cast for and against each item of the postal ballot is as under:

Sr. No.	Particulars	No. of shares		No. of postal ballot forms		% of valid votes cast	
		Denoting Assent	Denoting Dissent	Denoting Assent	Denoting Dissent	For	Against
1	Issue of Securities *	41,527,626	969,690	740	14	97.72	2.28
2	Increase in Authorised Share Capital and amendment to Memorandum of Association of the Company	41,537,469	969,400	786	14	97.72	2.28
3	Amendment to Articles of Association of the Company *	41,536,747	969,720	779	16	97.72	2.28
4	Increase in Borrowing powers of the Board	41,532,431	974,188	758	39	97.71	2.29
5	Creation of Charge/ Mortgage on Company's properties	41,523,366	982,546	738	54	97.69	2.31
6	Re-appointment of Mr. Harsh Mariwala as Managing Director	42,507,814	349	790	10	100.00	0.00
7	Appointment of Ms. Rajvi Mariwala as an employee of the Company *	42,503,131	4,072	770	26	99.99	0.01
8	Appointment of Mr. Rishabh Mariwala as an employee of the Company *	42,502,441	4,587	766	28	99.99	0.01

All the resolutions are carried with requisite majority.

* The number of votes cast in favour of the resolution being more than three times the number of votes cast against, the proposed resolution is carried with requisite majority and passed as a special resolution.

VII. DISCLOSURES

There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the last three years.

During the year 2006-2007, there were no materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of Company at large.

The Company has a well-defined Whistle Blower Policy and it is fully implemented by the Management. No personnel has been denied access to the Audit Committee.

During the year 2006-2007, the Company raised money through private placement of 29 Lakh Equity Shares of Rs. 10/- (Rupees Ten) each under SEBI (Securities Exchange Board of India) QIP (Qualified Institutional Placement) Guidelines. Disclosure of use/application of the issue proceeds were made to the Audit Committee from time to time as stipulated under Clause 49 of the Listing Agreement. The utilisation of the proceeds is in line with the issue purpose mentioned in the Placement Document filed with various authorities.

Compliance with mandatory and non-mandatory requirements of Clause 49 of the Listing Agreement

The Company has complied with mandatory requirement of Clause 49 of the Listing Agreement requiring it to obtain a certificate from either the Auditors or Practising Company Secretaries regarding compliance of conditions of Corporate Governance as stipulated in this clause and annex the certificate with the Directors' Report, which is sent annually to all the shareholders of the Company. We have obtained a certificate to this effect and the same is given as an annexure to the Directors' Report.

CORPORATE GOVERNANCE REPORT

The clause further states that the non-mandatory requirements may be implemented as per our discretion. However, the disclosures of the compliance with mandatory requirements and adoption (and compliance) / non-adoption of the non-mandatory requirements shall be made in the section on Corporate Governance of the Annual Report. We comply with the following non-mandatory requirements:

Remuneration Committee

The scope of the Remuneration Committee was expanded and designated as the Corporate Governance Committee by the Board of Directors at its meeting held on October 25, 2005. A detailed note on the Committee is provided elsewhere in this report.

Whistle Blower Policy

We have established a mechanism for employees to report concerns about unethical behaviour actual or suspected fraud or violation of our code of conduct or ethics policy. This mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The guidelines are meant for all members of the Organization from the day they join and are designed to ensure that they may raise any specific concern on integrity, value adherence without fear of being punished for raising that concern. The guidelines also cover our associates who partner us in our organizational objectives and customers for whom we exist.

VIII. MEANS OF COMMUNICATION

Quarterly, Half-Yearly and Annual results for Marico Ltd. as also consolidated financial results for Marico group are published in an English financial daily (Free Press Journal) and a vernacular newspaper (Navashakti).

All official news releases and financial results are communicated by the Company through its corporate website - www.maricoindia.com. Presentations made to Institutional Investors/ analysts are also put up on the website for wider dissemination.

The Management Discussion and Analysis Report forms part of the Annual Report.

IX. GENERAL SHAREHOLDER INFORMATION

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting

Mr Rajeev Bakshi

Mr. Rajeev Bakshi (50 years of age) has a Bachelor of Arts (Economics) Honours Degree from St. Stephens College in Delhi and an MBA degree from the Indian Institute of Management, Bangalore. As Chairman of PepsiCo India Holdings Private Limited he was responsible for the company's business in India, Nepal, Bhutan, Bangladesh and Sri Lanka. Currently, he has moved to a new role as Senior Vice President Commercial – Asia of Pepsico International. At present, Mr. Rajeev Bakshi is on the Board of Directors of Cummins India Limited. He is also a member of the Audit Committee of the Board of Directors of Cummins India Limited and Philips India Limited. He has been on the Board of Directors of Marico Limited since July 17, 2003. He does not have any shareholding in the Company.

Mr. Anand Kripalu

Mr. Anand Kripalu (48 years of age) is a Bachelor in Electronics from the Indian Institute of Technology, Madras and an MBA from the Indian Institute of Management, Calcutta. He is currently the Managing Director of Cadbury, with responsibility for the Indian Sub-continent. He brings with him a rich experience of over 24 years in the FMCG industry and has held key positions in Sales, Marketing and Operations in Unilever. His key stints include setting up of the Dental Innovation Centre at Mumbai, Head of Market Research, Head of Marketing for the Laundry category for both India and the Central Asia Middle East Region, as well as General Manager – Sales & Customer Development for HLL's Detergents business. Prior to joining Cadbury, he was the Managing Director for Unilever's East African Operations. He does not have any shareholding in the Company.

MARICO LIMITED

Mr. Rajen Mariwala

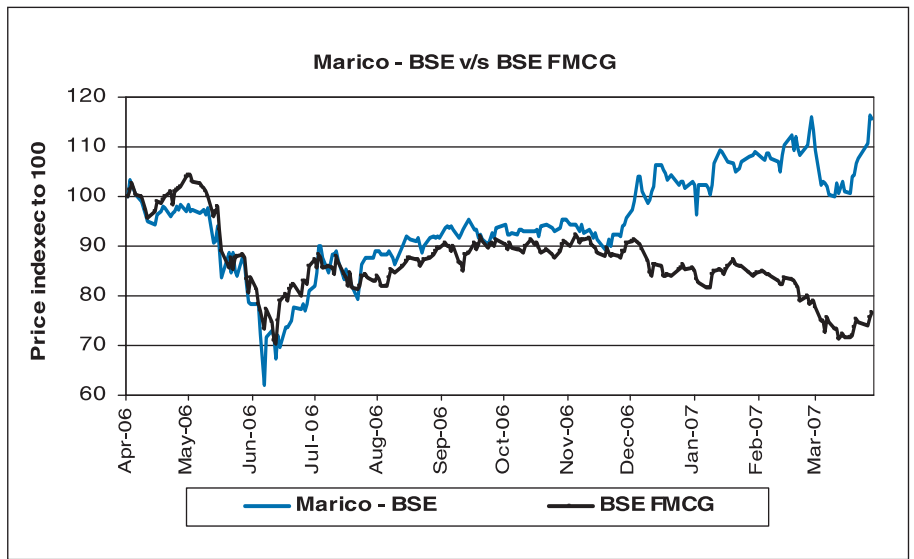
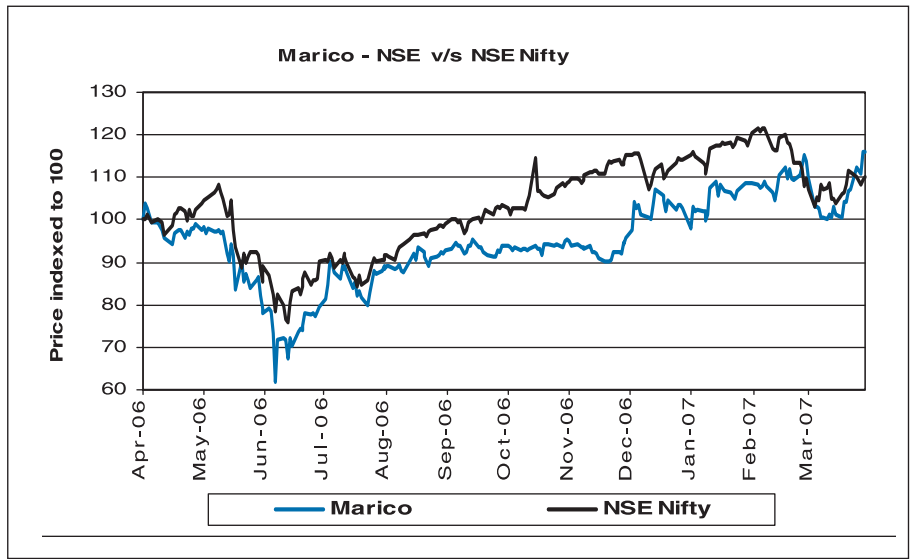
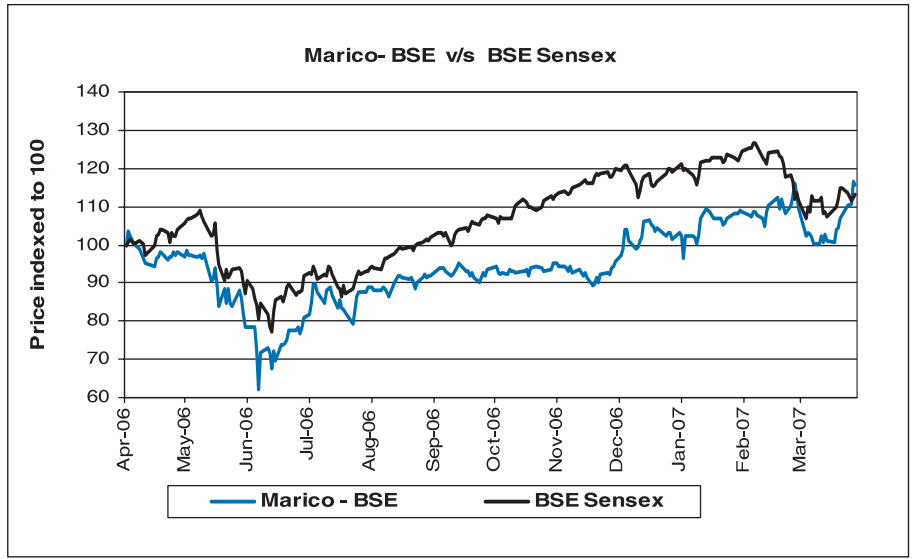
Mr. Rajen Mariwala (45 years of age) has done his Masters in Chemical Engineering from Cornell University, USA. He is presently the Managing Director of Hindustan Polyamides & Fibres Limited, a leading exporter of specialty chemicals - specifically chemicals for fragrances and personal care products. He brings with him a rich experience of over 16 years in leading a competitive global business in specialty chemicals. He has been on the Board of Directors of Marico Limited since July 26, 2005. He holds 73,63,200 shares of the Company.

Annual General Meeting – Date, Time and Venue :	2.30 p.m. on Wednesday, July 25, 2007 Mayfair Rooms, 'Mayfair South', 254- C, Dr. Annie Besant Road, Worli, Mumbai – 400 030
Financial Year :	April 01 - March 31
Book Closure Date :	Tuesday, June 26, 2007 to Friday, June 29, 2007, both days inclusive.
Dividend Payment Date :	August 16, 2006 (1 st Interim Equity Dividend 06-07) November 13, 2006 (2 nd Interim Equity Dividend 06-07) February 12, 2007 (3 rd Interim Equity Dividend 06-07) March 31, 2007 (4 th Interim Equity Dividend 06-07)
Listing on Stock Exchanges :	Bombay Stock Exchange Limited (BSE), Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. The National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra Kurla Complex, Mumbai - 400 051. Listing fees for Financial Year 2007-2008 have been paid.
Stock /Scrip Code :	BSE – 531642 NSE – MARICO
ISIN number :	INE 196A01026
Company Identification Number (CIN) :	L15140MH1988PLC049208
Unique Identification Number :	100067223
Market Price Data :	

Month	Bombay Stock Exchange Limited (BSE) (In Rs.)		National Stock Exchange (NSE) (In Rs.)	
	*High	*Low	*High	*Low
April-06	58.60	45.10	58.69	49.50
May-06	55.10	37.26	55.38	38.02
June-06	49.50	33.00	47.50	33.10
July-06	51.90	43.22	50.90	43.50
Aug-06	52.99	45.00	52.88	47.80
Sep-06	53.40	49.70	54.00	50.30
Oct-06	54.90	50.05	53.50	50.50
Nov-06	53.30	49.40	53.77	49.50
Dec-06	58.00	51.80	57.27	51.80
Jan-07	61.00	52.03	60.89	52.40
Feb-07	63.00	55.00	61.70	51.80
Mar-07	67.50	51.80	67.50	49.10

Note : The Company had sub-divided the face value of its Equity Shares from Rs. 10 per share to Re. 1 per share, effective March 01, 2007. Accordingly, all figures (high/low) in the above table have been adjusted to reflect the comparable prices.

CORPORATE GOVERNANCE REPORT



CORPORATE GOVERNANCE REPORT

Share Transfer System : Transfers in physical form are registered by the Registrar and Share Transfer Agents immediately on receipt of completed documents and certificates are issued within one month of date of lodgement of transfer.

Invalid share transfers are returned within 15 days of receipt.

The Share Transfer Committee generally meets on fortnightly basis, as may be warranted by the number of share transfers received.

All requests for dematerialisation of shares are processed and the confirmation is given to respective Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited, generally within 20 days.

Registrar & Transfer Agents : M/s Intime Spectrum Registry Limited, (Unit : Marico Ltd.), C -13 Pannalal Silk Mills Compound, L.B.S. Road, Bhandup (West), Mumbai 400 078

Distribution of Shareholding as on March 31, 2007:

No of Equity Shares held	No of Shareholders	No. of Shares held	Percentage of Shareholding
0-50	2,581	87,127	0.01
51-500	9,690	2,301,955	0.38
501-1000	2,496	2,291,137	0.38
1001-5000	3,057	8,483,150	1.39
5001-10000	515	3,990,969	0.65
10001-50000	401	8,623,438	1.42
50001 & Above	192	583,222,224	95.77
Total	18,932	609,000,000	100.00

Categories of Shareholding- as on March 31, 2007:

No of Equity Shares held	No of Shareholders	No. of Shares held	Percentage of Shareholding
Promoters	25	386,406,520	63.45
Foreign Institutional Investors	44	104,003,333	17.08
NRIs and OCBs	401	2,274,648	0.37
Insurance Companies, Banks and other Financial Institutions	8	18,213,461	2.99
Mutual Funds, including Unit Trust of India	45	50,620,015	8.31
Public / Private Ltd. Companies	557	13,276,362	2.18
Resident Individuals, Trusts and In Transit	17,852	34,205,661	5.62
Total	18,932	609,000,000	100.00

CORPORATE GOVERNANCE REPORT

Dematerialization of Shares and Liquidity	:	As on March 31, 2007, 98.29 % of shareholding was held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. In terms of the notification issued by SEBI, trading in the equity shares of the Company is permitted only in dematerialised form with effect from May 31, 1999.
Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and impact on equity	:	The Company has not issued any GDR / ADR / Warrants or any convertible instruments.
Plant Locations	:	Kanjikode, Jalgaon, Saswad, Goa, Pondicherry, Daman and Dehradun
Address for correspondence	:	Shareholding related queries Company's Registrar & Transfer Agent: M/s Intime Spectrum Registry Limited Unit: Marico Limited C -13 Pannalal Silk Mills Compound, L.B.S. Road, Bhandup (West), Mumbai - 400 078 General Correspondence Marico Limited, Rang Sharda, Krishnachandra Marg, Bandra Reclamation, Bandra (West), Mumbai – 400 050.

CHIEF EXECUTIVE OFFICER (CEO) DECLARATION

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and senior Management. This Code of Conduct is available on the Company's website.

I confirm that the Company has in respect of the financial year ended March 31, 2007, received from the senior Management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, senior Management team means personnel as specified in the Annexure to the Code of Conduct.

For Marico Limited

HARSH MARIWALA

Chairman & Managing Director

Place: Mumbai

Date: May 18, 2007

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, to the best of our knowledge and belief, hereby certify that:

- (a) We have reviewed the financial statements and cash flow statement for the year ended March 31, 2007 and to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent or illegal or violative of the Company's policies.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) significant changes in internal control during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the Accounts; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system.

For Marico Limited

HARSH MARIWALA
Chairman & Managing Director

Place: Mumbai
Date: May 18, 2007

For Marico Limited

VINOD KAMATH
Chief - Finance & IT

Place: Mumbai
Date: May 18, 2007