Marico – Information Update for Q4FY16 (Quarter ended March 31, 2016)

Executive Summary: Consolidated Results

Particulars (INR Cr)	Q4FY16	Growth	FY16	Growth
Revenue from Operations	1,307	7%	6,132	7%
EBITDA	217	26%	1,063	22%
EBITDA Margin (%)	16.6%		17.3%	
Profit After Tax	138	26%	725	26%
India Volume Growth (%)		8.4%		7%
Overall Volume Growth (%)		10.5%		7%

During the quarter, Marico delivered a healthy volume growth of 10.5%, on the back of 10.5% volume growth in Q3FY16. Revenue from Operations of INR 1,307 crore (USD 195 million) grew by about 7% over Q4FY15. The India business recorded a robust volume growth of 8.4% while the International business posted a constant currency top line growth of 11% (13% on a like-to-like basis).

During the quarter, the Company sold the Goa plant property which was non-operational for over two years since the plant was shut. The sale resulted in a gain of INR 7.5 Crores post tax, which is included under "Other Income" in the published financials. The growth in Profit after Tax (excluding this one-time gain) was 19% for the quarter.

The Company declared three interim dividends during the year of 175% (INR 1.75 per share) on the pre bonus paid up equity share capital of INR 64.5 crores, 150% (INR 1.5 per share) and 100% (INR 1 per share) on the post bonus paid up equity share capital of INR 129 crores .The dividend payout ratio for FY16 is 69%. The Company will endeavor to have a healthy dividend payout ratio depending on its fund requirements towards expansion.

Other salient points relating to the quarterly performance are as follows:

- Parachute back to the medium term growth guidance, Q4 FY16 volume growth of 6%
- Saffola continues its growth momentum, registering a healthy volume growth of 13%
- Continued momentum of double digit volume growth of 11% in Value Added Hair Oils (VAHO) franchise in India.
- All international territories grew in constant currency terms - near term outlook is positive for all territories
- Market share gains continue in more than 80% of the portfolio on 12 months MAT basis; almost the entire India portfolio gained share.
- Gross margins expanded by 630 basis points in a deflationary environment – Up 448 basis points in FY16
- Higher Gross margins ploughed back in brand building - Advertising and Sales Promotion (ASP) spends up by 34% - ASP to Sales Ratio at 14%
- EBITDA margins expanded by 260 basis points to 16.6% - India 23.6% & International 14.4%

Summary of value growth across Businesses:

Categories/Businesses	Q4FY16	FY16	Share of Group's Turnover basis FY16 results
Group	***7%***	***7%***	
India FMCG Business	4%	7%	78%
International FMCG Business	16%	7%	22%

Volume Market Shares in Top 10 Categories - Basis Moving Annual Total (MAT)

Brand & Territory	~MS%	Rank	Brand & Territory	~MS%	Rank
Coconut Oils (India) (Parachute and Nihar)	59%	1st	Parachute Coconut Oil (Bangladesh)	82%	1st
Saffola (Refined Oils) – Super Premium Refined Oils in Consumer Packs (India)	63%	1st	Post wash Leave-On Serums (India) (Livon and Silk & Shine)	79%	1st
Hair Oils (India) (Parachute Advansed, Nihar, Hair & Care)	32%	1st	*X-Men Men's Shampoo (Vietnam)	38%	1st
Value Added Hair Oils (Bangladesh)	16%	3rd	*Hair Code & Fiancée Gels/Cream (Egypt)	56%	1st
Deodorants (India) (Set Wet and Zatak)	3%	7th	*Hair Creams/Gels (India) (Set Wet and Parachute After shower)	59%	1st
*Saffola Oats (India)	27%	2nd	Parachute Advansed Body Lotion (India)	5%	4th

***Value market shares** **All Market Share numbers are basis new panel.**

All numbers mentioned in INR in this note are converted to USD basis INR/USD of 67, being the average rate for the quarter.

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India Business

The FMCG Business in India achieved a turnover of INR 986 crore (USD 147 million) during the quarter and INR 4,755 crore (USD 710 million) during the year, a growth of 4% and 7% respectively over the same period last year. The Business continues to gain market share in more than 95% of the portfolio.

The healthy volume growth of 8.4% was backed by continued growth momentum in categories of Parachute Rigid Coconut Oil, Edible Oils and VAHO and arresting the decline in Youth portfolio. An overall deflation of 5% during the quarter was primarily on account of the price corrections in Parachute coconut oil.

The operating margin during Q4FY16 and FY16 was 23.6% and 21.6% respectively before corporate allocation. Higher operating margins can be attributed mainly to gross margin expansion led by softer inputs costs. In the near term, the EBITDA margins are likely to remain in higher band (20-22%) although the Company would be comfortable with a band of 18-19% in the medium term.

The table below summarizes volume and value growths across key segments:

Categories	Q4FY16		FY16		% of Group's FY16 Turnover
	Value Growth	Volume Growth	Value Growth	Volume Growth	
Marico India	4%	8.4%	7%	7%	78%
Parachute Coconut Oil (Rigid packs)	-5%	6%	5%	7%	27%
Value Added Hair Oils portfolio	12%	11%	16%	14%	20%
Saffola (Refined Edible Oil)	14%	13%	10%	9%	14%

Parachute and Nihar – *Commodity prices continue to soften – Market Share gains*

Marico participates in the INR 4,900 crore (USD 731 million) branded coconut oil market through Parachute and Nihar. Parachute's rigid portfolio (packs in blue bottles), continued the volume growth momentum by growing at 6% for Q4FY16 over Q4FY15. At the beginning of the quarter, the company had initiated another 6% price reduction making it a cumulative decrease of 12% for the year. The input costs have come down by 41% as compared to Q4FY15 and by 19% as compared to Q3FY16. The full year decline in copra prices is 27%. The company has continued to respond to the decline in commodity prices judiciously using mix of tactical price offs and strategic price correction to maintain volume growth momentum. The franchise continues to outperform the category growth, which is evident from the fact that during the 12 months ended March 2016, Parachute along with Nihar increased its market share by more than 63 bps to 59%.

Further, in line with its philosophy to protect the consumer franchise & maintain the volume momentum, in April 2016, the Company has further taken a weighted average MRP correction of 6% across SKU's after observing fall in copra prices over the past few months in addition to the price reduction taken in FY16.

The non-focused part of the portfolio (mainly pouch packs) witnessed contraction as the Company maintained minimum threshold of margins in an environment where the commodity prices have corrected substantially.

Of the total coconut oil market, approximately 30-35% in volume terms is in loose form. This loose component provides headroom for growth to branded players. The Company's flagship brand Parachute, being the market leader, is well placed to capture a significant share of this growth potential on a sustainable basis. The Company would continue to exercise a bias for franchise expansion as long as margins remain within a band.

In the near term, the copra prices are likely to trade in a narrow band compared to current prices. We will invest behind brand building and tactical inputs to remain competitive. The Company may selectivity take price increases, should the input costs firm up in the second half of FY17 to maintain margins. The company expects to deliver a volume growth of 5-7% in the near term.

Saffola: Super premium refined edible oils and breakfast cereals – *The double digit growth continues in Oils, Saffola Foods franchise crosses the INR 1 Billion mark*

The Saffola refined edible oils franchise demonstrated a healthy 13% growth in volume terms during the quarter.

Over the recent years, Saffola has been leveraging the consumer trend of proactively managing a healthy lifestyle. Adopting Saffola is one of the shifts that consumers continue to make. The Saffola range of blended refined oils (available in four variants) operates in the premium niche of the refined edible oils market. With rising awareness about healthy living in the country, this provides significant headroom for growth. The Company continued focus on the key task of driving relevance amongst the proactively health conscious consumers through key marketing input of Saffola Active communication of "Use not just less Oil but Right Oil as well – to stay fit & active".

Inflation in other base oils also aided the volume growths.

The near term outlook for this franchise is positive with double digit volume growth prospects. Over the medium term, we are also looking at the innovation pipeline especially in the premium segment. The Company is confident of maintaining double digit growths over the medium term.

The brand gained market share of 322 bps and further strengthened its leadership position in the super premium refined edible oils segment to 63% during the 12 months ended March 2016.

Saffola's foray into healthy foods, Saffola Oats, has emerged as a strong no.2 brand in the oats category with a value market share of 27%. Saffola Masala Oats launched two new exciting flavors viz. "Chinese and Italian" during January 2016. These flavors have been developed keeping in mind that consumers crave for novel and exciting flavors during snacking occasions. The brand has also signed on celebrity chef Kunal Kapoor as its brand ambassador to partner with the brand in creating many more superior product offerings for the consumers. Focus on value added offerings in the oats segment has enabled the Company to capture 70% value share in the flavored oats market on a MAT basis. The portfolio is consistently gaining share with Q4FY16 value market share of 72%. The franchise crosses INR 100 crore (USD 15 million) of top line in this fiscal and is well poised to cross INR 200 Crore (USD 30 million) landmark by FY18. The Company's ability to localize the product to suit the Indian palate and drive consumption by increasing the occasion of use apart from breakfast to in-between meals has been the key catalyst in creating and succeeding in this category. The Company has also driven distribution expansion to improve availability. Focus on improving the margins in this franchise with focused cost management initiatives will ensure long term sustainable profitable growth.

Value Added Hair Oils (Parachute Advansed, Nihar Naturals and Hair & Care) – *Continued double digit growth and market share consolidation*

Marico's value added hair oil brands registered a growth of 11% during the quarter. Marico continues to grow faster than the value added hair oils market of INR 6,100 crore (USD 910 million). Consequently, during the quarter, the Company further strengthened its market leadership by 179 bps to 32% volume share (for 12 months ended March 2016) and with value share gain of 132 bps to 25% for the same period. Going forward, the Company will continue its focus on premiumization to drive growth in the category. The Company's Value Added Hair Oils portfolio crossed INR 1,200 crore (USD 179 million) landmark this year with 4 strong brands.

Nihar Shanti Amla continues to gain market share and achieved a volume market share of about 37% for the 12 months ended March 2016 in the Amla hair oil category (MAT March'15: 32%). The exit market share of Nihar Shanti Amla was more than 38% reflecting a continued strong trajectory of growth. The increased scale of the franchise enables the Company to benefit from operating leverage thereby improving net margins despite competitive pricing. A new Rs. 5 spout pack is being prototyped in Northern Rural India.

Nihar Naturals Sarson Kesh Tel, a value added mustard oil targeting loose mustard pool was launched across markets in North and parts of East India after promising results from the prototype in Rajasthan.

Hair Fall Control (Clocked a top line of circa INR 60 Crores in this fiscal)

- Parachute Advansed Ayurvedic Oil, with presence in southern states, continues to grow rapidly.
- Parachute Advansed Ayurvedic Gold Hair oil, after its successful prototype in Maharashtra has now been extended to all the Non-Southern States in February 2016. With a different formulation (Sesame oil) compared to the Parachute Advansed Ayurvedic Oil (Coconut Oil), this variant is aimed at a more broad-based play in northern and eastern India.

The company expects to cross top line milestone of INR 100 Crore (USD 15 million) by FY18.

The Value Added Hair Oils category has been amongst the fastest growing large sized FMCG segments in India and compares very well with other highly penetrated personal care categories. There is also an emergence of new age hair oils in the developed markets that could create a super-premium segment in India too. This serves to emphasize that hair oils can drive both beauty and nourishment. Marico will continue to focus on upgrading the portfolio by playing across segments that cater to consumer needs of nourishment and problem solution.

Youth brands – *Hair Gels gaining MS aggressively; Livon and Deodorants restage results under observation; near term growth plan looks promising*

Overall, in this quarter, the Youth brands grew by 19% in value terms. However, for the full year, the business did not witness growth. The Youth brands portfolio plays in three categories i.e., Hairs Gels, Leave-in serums and Deodorants. The Set Wet gels and Livon portfolio (which also consists of a hair gain tonic) forms 3/4th of the Youth portfolio.

Set Wet Gel brand completed one full year after it was re-launched in Q4 FY15. Riding on focused brand building efforts, new pack and expanded distribution, the portfolio continued to grow handsomely in double digits in the 4th quarter too. It has also been gaining market share consistently which is testimony to the effectiveness of the revamped strategy. The market share has grown by 1197 bps in last 12 months and currently stands at 54%. The Gels now comprise circa 40% of total Youth Portfolio. The Gels category has grown in strong double digits for FY16 driven entirely by Set Wet Gels.

Taking a leaf from the Set Wet Gel success book, the **'Sada Sexy Raho'** campaign has been extended to Set Wet Deodorants too. Ranveer Singh, as the brand's ambassador, will help Deodorants get back lost volumes and market share. The refreshed new product which hit the markets in March, 2016 promotes the 'day usage' practice unlike the other brands which focus only on 'party / night usage'. The Company will continue to support the new deodorant launch over the coming months and continuously optimize the inputs. The medium term objective is to regain lost ground.

Livon Franchise declined in Q4 FY 16 over same quarter last year. The Livon Hair Gain franchise got impacted by counterfeits (especially in the E-Commerce channel) and the resultant loss in credibility in the Hair Gain segment. The Brand launched its new communication showcasing real life consumer experiences with the objective to build credibility about the product's efficacy. The anti-counterfeit measures on the pack were also strengthened with the introduction of Unique Identification Number on each pack. Results of these initiatives are under observation.

In order to revive the growth in Serums category, the Company restaged Livon Serum in Q2 FY16. Key pillars of the restage include a better formulation, refreshed packaging, celebrity brand ambassador, new communication campaign and low unit packs at Rs 5. The results of the restage are being closely monitored. While the medium term prospects for this brand are promising, in the near term, it will take couple of quarters to return to growth path, given the category creation task.

The Hair Gels and Creams (Set Wet and Parachute) and Leave-in Conditioners (Livon and Silk and Shine) now have 59% 12 months MAT value share and 79% 12 months MAT volume share in their respective categories. These categories are at a very nascent stage as their penetration in India is far lower as compared to other emerging markets. Being market leaders, the Company is well poised to innovate and grow the market. Overall, given the initiatives rolled out for all the three verticals, the Company is confident of a double digit (>20%) value growth in near term.

Input Costs and Pricing

During the quarter, the average market price of copra was down by 19% sequentially and 41% Y-o-Y owing to better arrivals at the beginning of peak season.

The market price of the other key inputs, Rice Bran oil was up 3% and Liquid Paraffin (LP) was down 25% during the quarter as compared to Q4FY15. The drop in crude oil price has resulted in LLP prices being down by 5% compared to Q3 FY16. HDPE (a key ingredient in packaging material) price was down 6% compared to Q4FY15.

There are signals that input costs may have bottomed out with will go up gradually, especially in H2 FY17. The Company derives comfort and confidence from the pricing power that its brands enjoy and will respond with suitable price changes to maintain a balanced trade-off between franchise expansion and margins.

Markets/Distribution Channels

Marico's rural and urban sales grew by 3% in Q4 FY16. The continued focus on distribution expansion in rural markets has pushed the Company's rural sales to 34% of total India sales in FY16. In rural, incremental direct coverage provides an ideal platform to enhance the reach of the Value Added Hair Oils portfolio. As a step towards increasing rural reach, the Company is prototyping INR 5 spout pack of Nihar Shanti Amla in rural India.

Sales in Modern Trade (9% of the India turnover) continued the good run with growth of 17% in Q4FY16. CSD and Institutional sales (8% of the India turnover) grew at 12% in Q4FY16.

Project ONE (Outlet Network Expansion) was conceived with an objective of increasing Marico's direct coverage in its top 6 metros. Project ONE has significantly augmented the reach of the Company's brands by improving assortment and availability at the outlet. It gives retailers convenience of service and access to promotions. With the coverage objective achieved, the initiative has been merged into regular distributor coverage. The project has resulted in optimizing distributor sales and store delivery apart from reducing service costs to these stores. Incremental Turnover of INR circa 60crore (USD 9 million) was garnered through Project ONE in FY16. The Company has expanded the coverage of this initiative to the next level of 14 towns.

The journey to refresh and reconfigure the IT systems within the company with robust infrastructure including digital initiatives is underway.

The Company has completed the rollout of its technology driven collaboration platform for its customers in India. This new Order Management Platform enables automatic ordering through the system, which has helped increase the fill rates and brought about a greater visibility to stock-outs and thus impacted sales positively. Marico has also embarked on changing its point of sale as well as Distributor Management systems. This is an enabler to improve sales force productivity, visibility and commercial controls in the areas where it has already been rolled out. This is giving a strong backbone to drive data visibility and future analytics resulting in better execution in the market.

Marico has set up the analytics architecture in the back end to handle the visibility of digital data and use of the same across different functions.

The prototype on use of Advanced Analytics to predict store level assortment in one of the major cities is underway. The results have been encouraging and the pilot has been extended to all the outlets in that city from January 2016.

As part of its plan to remain relevant to the internet-savvy new age consumers & other stakeholders, the Company, in coming quarters, will focus a lot on various digital Initiatives. As a result, E-commerce has become an important pivot of growth. The Company has taken definitive steps to stay ahead of the curve in this space and has identified and appointed dedicated resources for e-commerce. As a result of these initiatives, Company has been able to double its annual revenue in e-commerce channel as compared to FY15.

International Business

The summary of top line performance of the International Business is as under:

Particulars	Q4FY16	FY16
Turnover (Rs/Cr)	321	1,376
Reported Growth	16%	7%
Constant Currency Growth	11%	4%
Exchange Rate impact (Favorable)	4%	3%

Marico's International business delivered double digit constant currency growth for the second quarter in a row, albeit on a lower base last year. The constant currency Growth for Q4FY16 and FY16 was 13% and 5% respectively excluding the sales of the divested BCS business in Vietnam from the base. The Core markets delivered good growths with Bangladesh growing at 11%, MENA at 13%, South East Asia (Excluding BCS from the base) at 15% and South Africa at 10% on constant currency basis. The plan of expansion in adjacent markets such as Pakistan, Cambodia, Myanmar, Sri Lanka, North & East Africa etc., is largely on track. The business in Nepal, where the company was facing short term headwinds due to border blockade resumed in Q4 FY16. Overall, the strategy of focusing on strengthening the core and investing behind capabilities seems to have started showing positive results.

The operating margins (before corporate allocations) are at 14.4% and 17.7% in Q4 FY16 and FY16 respectively as against 16.6% and 17.1% for the same period last year. The lower margin in this quarter can be attributed to the higher A&P spends. The Company shall endeavor to maintain international margins at ~ 17% and continue to invest and plough back savings to drive growth.

Bangladesh (45% of the International Business)

The Bangladesh business reported a constant currency topline growth of 11% in Q4FY16 albeit on a lower base of Q4 FY15.

Parachute coconut oil grew by 5% in constant currency terms due to price correction (volume growth: 15%) maintaining leadership position with 82% share. Given that the scope of growth in coconut oil segment is limited as the category has matured, the Company has taken substantial measures in driving adjacent sources of growth to diversify the portfolio.

During the quarter, the Company's value added hair oils portfolio grew at a rate of 45% in constant currency terms. Flagship brand 'Beliphool' was launched in new PET pack. Q4 witnessed recovery in 'Beliphool' market share with a healthy growth in offtake. Quantity Purchase Scheme program was rolled out nationally to accelerate distribution of 'Nihar Shanti Amla'.

In the last couple of years, the Company has made significant investments to expand its non-coconut oil portfolio such as Value Added Hair Oils (VAHO), Hair Dyes, Deodorants, Leave-in conditioners, Masala Oats and Premium Edible oils. These products have been accepted well and are expected to create a portfolio of the future in Bangladesh. During Q4 FY16 and FY16, the non-coconut oil portfolio grew at a rate of 37% and 13% respectively in constant currency terms. In FY16, the entire value growth has come from non-Coconut Oil portfolio considering the deflation in Parachute Coconut Oil.

Consequent to these initiatives, the non-coconut oil portfolio is now more than 20% of the total business in Bangladesh as compared to 10% three years back. The new launches offer a substantial proposition for future roadmap in Bangladesh. The Company expects to leverage its strong distribution network and learning from the India market to quickly scale up its new product introductions in Bangladesh. From FY17 onwards, more than 80% of the incremental growth in the Bangladesh business is expected to come from the non-coconut oil portfolio backed by modest growth in core coconut oil business.

Middle East and North Africa (20% of the International Business)

The MENA business on an overall basis grew by 13% (constant currency basis) during Q4FY16 as compared to Q4FY15.

In the Middle East business, the Parachute franchise of Hair Oils and Creams was re-launched with improved formulations and packaging. It targets the Arab consumers who are looking for nourishment & problem solutions in modern contemporary formats. The Business continued its positive momentum and grew on constant currency basis by 19% in Q4FY16. Thus, the business has grown in double digits in all the quarters in FY15 & FY16. The business has reported operating profits for the quarter and also for the full year. This trend of improvement is expected to continue and the management expects the business to become consistently profitable in FY17.

The Company had undertaken a distribution transition in Egypt in the second half of FY15. The transition was aimed at eliminating dependence on a single distributor and achieving better go-to-market (GTM) model for realizing the maximum distribution potential. Many transformational benefits such as increased direct distribution, improved retail selling and reduced working capital requirement resulting in lower credit risk have started to accrue. The transformation has started to yield results from Q3 FY16; the business grew by 4% in constant currency over Q4 FY15. However, given the tough macro-economic conditions, the recovery is likely to be gradual. We remain positive about the medium term outlook on this market.

South East Asia (25% of the International Business)

Business in South East Asia (of which Vietnam is a significant contributor) grew by 8% in constant currency terms. On a like to like basis (without considering BCS, which was divested during Q1FY16), the constant currency growth was 15%. X-Men maintained its leadership in male shampoos and the number two position in male deodorants. Over the medium term, the Company remains well poised to participate in the category growths when economic growth picks up.

The Company continues to scale up its presence in neighboring countries like Malaysia and Myanmar. Myanmar ended the year with a turnover of USD 6 million. Myanmar Kyats (MMK) has depreciated by 5% over last 12 months putting pressure on margins and value growth.

South Africa (7% of the International Business)

The business reported a constant currency growth of 10% during the quarter despite challenging macro conditions. The rapidly depreciating South African Rand (ZAR), however, impacted the top line growths. The currency has devaluated by 22% over last 12 months.

The Company has initiated its organic footprint in sub-Saharan African markets. The Company commenced exports to four countries. Plans for entry in other markets are on track. We believe these markets are "Invest to Grow" markets and will be backed by adequate marketing initiatives.

Note: The country wise contribution to International Business revenue is based on FY16 turnover.

OPERATING MARGIN STRUCTURE FOR MARICO FMCG Business

% to Sales & Services (net of excise)	Q4FY16	Q4FY15	Q3FY16	FY16	FY15
Material Cost (Raw + Packaging)	45.7	52.0	48.2	49.9	54.4
Advertising & Sales Promotion (ASP)	14.0	11.2	12.1	12.8	11.3
Personnel Costs	7.1	6.4	5.9	5.9	5.7
Other Expenses	16.5	16.4	15.0	14.0	13.4
PBDIT margins	16.6	14.0	18.9	17.3	15.2
PBDIT before ASP	30.6	25.2	30.9	30.1	26.5

(a) The average market price of copra, the largest component of input costs, was 41% lower in Q4FY16 as compared to Q4FY15. Also, the market prices of liquid paraffin were 25% lower as compared to Q4FY15. The market price of safflower oil was up by 5% and rice bran oil was up by 3%. The consumption prices may differ from market prices depending on the stock positions the Company has taken. On an overall basis, the gross margins improved by 630 bps during the quarter and 448 bps of the full year.

(b) Overall increase in ASP spends during the quarter and full year was 34% and 21% respectively. Significant part of the overall ASP was invested behind new products such as Value Added Hair Oils, Foods and Youth portfolio in India. ASP investments were higher across businesses. The Company intends to plough back savings from lower commodity costs partially into business through higher advertising spends for ensuring long-term sustainable growth. The Company expects to operate in a band of 11-12% in the medium term.

(c) Personnel Costs in Q4FY16 increased by 19% over Q4FY15. The increase in employee cost is mainly due to increase in headcount, however, for the full year, the personnel costs are increasing only by 12%.

(d) The other expenses include certain items which are variable in nature (almost 2/3rd of other expenses). Other expenses are likely to remain in the range of 12-15% of Turnover in the medium term.

   a. Fixed Expenses include items such as rent, legal and professional charges, foreign exchange losses and donation. The incremental hit on account of realized foreign exchange losses during the quarter is INR 14 crores which pertains to hedging part of ECB loan taken for funding ICP acquisition. Excluding the same, other fixed expenses have increased by 11% largely due to increased Legal & Professional charges.

   b. Variable Expenses include items such as freight, subcontracting charges, power and fuel, warehousing, input and output taxes etc. The variable expenses have decreased by 5% on account of reversals of excess provisions during the quarter.

Other Expenses	**Q4FY16**	**Q4FY15**	**% variation**	**FY16**	**FY15**	**% variation**
Fixed	92.7	71.3	30%	294.5	221.6	33%
Variable	123.4	129.9	-5%	563.6	547.3	3%
Total	216.1	201.2	7%	858.1	768.9	12%

The detailed Financial Results and other related useful information are available on Marico's website – http://marico.com/india/investors/documentation/quarterly-updates

Capital Expenditure and Depreciation

The estimated capital expenditure in each of the years FY17 and FY18 is likely to be around INR 100–125 crore (USD 15-19 million).

Depreciation during Q4FY16 was INR 32.6 crore (USD 4.9 million) compared to INR 20.0 crore (USD 3.0 million) in Q4FY15. For the full year, depreciation was at INR 101.8 crore (USD 15.2 million) as compared to INR 84.3 crore (USD 12.6 million) in FY15. The increase is on account of change in useful life of moulds, capital asset additions and impairment provisions in the current quarter.

Direct Taxation

The Effective Tax Rate (ETR) during Q4FY16 is 31.4% as compared to 32.0% during Q4FY15. For the full year, the ETR was 29.1% as compared to 28.8% in FY15.

The expected ETR during FY17 and FY18 could be around 28-30%. It should be noted that this tax rate is basis the accounting charge in the P&L account. The Company will continue to pay basis MAT and therefore from the cash flow point of view there is no change. The current MAT credit of about INR 57 Crore as of 31st March, 2016 is expected to be utilised by the Company over the next few years, starting with the current fiscal (total utilization of INR 62 Crore in FY16).

Capital Utilization (Marico Group)

Given below is a snapshot of various capital efficiency ratios for Marico:

Ratio	FY16	FY15
Return on Capital Employed	44.8%	38.9%
Return on Net Worth	37.0%	36.0%
Working Capital Ratios (Group) - Debtors Turnover (Days) - Inventory Turnover (Days) - Net Working Capital (Days) including surplus cash	 13 57 46	 13 57 45
Debt: Equity (Group)	0.19	0.35
Finance Costs to Turnover (%) (Group)	0.3%	0.4%

* Turnover Ratios calculated on the basis of average balances

1. The variation in ratios is due to:
    1. Improvement in ROCE is because of increase in EBIT margins.
    2. Improved in RONW is on account of higher PAT and higher dividend payout ratio.
    3. Increase in net working capital days is primarily on account of cash surplus.

2. The Net Debt position of the Marico Group as of March 31,2016 is as below-

Particulars (INR/Cr)	Mar 31, 2016	Dec 31, 2015	Mar 31, 2015
Gross Debt	331	374	428
Cash/Cash Equivalents and Investments (Marico Ltd: INR 593 Crore. Marico International: INR 205 Crore)	798	1,138	512
Net Debt/(Surplus)	**(466)**	**(764)**	**(84)**
Foreign Currency Denominated out of the total gross debt (72% of Gross Debt hedged) (Also refer to Note 5 below)	316	367	419
Foreign Currency Denominated : Payable in One Year	316	267	251
Foreign Currency Debt as a % age of Gross Debt	95%	98%	98%
Rupee Debt out of the total gross debt	15	7	9
Rupee Debt : Payable in One Year	15	7	9
Total Debt Payable within One year	331	275	259
Average Cost of Debt (%) : Pre tax	3.3%	2.3%	2.8%

The company may roll over some of the loans when they fall due during the year or redeem investments for repayment. Marico has adequate cash flows to maintain healthy debt service coverage.

3. The Debt denominated in foreign currency is either hedged or enjoys a natural hedge against future probable exports. Hence the MTM differences are routed through the balance sheet (Hedge Reserve) rather than the income statement. (Also refer note 5 below)
4. The Company periodically reviews and hedges the variable interest liability for long term loans using Interest Rate Swaps.
5. The Company had, opted for early adoption of Accounting Standard 30 “Financial Instruments: Recognition and Measurement” to the extent it does not conflict with existing mandatory accounting standards and other authoritative pronouncements. Accordingly, the net unrealized loss of INR 23.5 Crores as at March 31, 2016 (INR 73.8 Crores as at March 31, 2015) in respect of outstanding derivative instruments and foreign currency loans at the period end which qualify for hedge accounting, stands in the ‘Hedge Reserve’, which is recognized in the Statement of Profit and Loss on occurrence of the underlying transactions or forecast revenue. The exchange loss transferred to Statement of Profit and Loss for Q4FY16 due to hedging of USD 10 million ECB is INR 21.8 Crore (USD 3.3 million) (also refer paragraph (d) under the section of Operating Margin Structure).

6. The future growth strategy is anchored primarily in healthy organic growth. The Company will also actively explore strategic acquisitions. The leverage ratios are comfortable should there be a need to borrow. Considering the overall fund situation, the Company has declared 3 interim dividends during the year increasing the payout ratio to 69% as against 30% during FY15. In FY17, the Company aims at maintaining a healthy dividend pay-out ratio.

Sustainability & Corporate Social Responsibility (CSR) Initiatives

Sustainability

Marico believes that social, environmental and economic values are interlinked and we belong to an Interdependent Ecosystem comprising Shareholders, Consumers, Associates, Employees, Government, Environment and Society. Our stated purpose is to **"Make a Difference"** by ensuring a positive impact of our existence on all stakeholders. A firm has to work closely with its ecosystem to create a sustainable & inclusive growth for all.

We have a focused approach in identifying sustainability goals in line with our business strategy and purpose. A firm cannot do this in isolation; it needs support and participation from its ecosystem. For the past two years, the company has been sharing an update on its sustainability initiatives. This year, the Company will publish a comprehensive Sustainability Report for FY16 voluntarily basis Global Reporting Initiative: G4 guidelines as part of the Annual Report.

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates Business Responsibility Reporting (BRR) for Top 100 listed companies by market capitalisation. These Regulations apply to Marico and the Company will publish a BRR report as a part of Annual Report for financial year 2015-16.

CSR Initiatives

CSR initiatives are an integral part of our sustainability efforts and Marico is committed to making a sustainable impact on the society. Marico Group's CSR initiatives are anchored through various initiatives.

- Marico Innovation Foundation (MIF): MIF is a not-for-profit subsidiary of Marico. It is incorporated to accelerate the innovation journey in the country. MIF works with various social enterprises through the Social Innovation Acceleration Program (SIAP) with the objective of providing customized capacity building support to various innovative organizations. MIF also leverages student teams from leading B-Schools to help these social organizations with research (primary and secondary) and critical inputs on their businesses.
- Marico's brands play a very crucial role in the Company's CSR efforts. Nihar Shanti Amla, a hair oil brand funds girl child education initiatives. Saffolalife, an initiative funded by Saffola, works towards creating awareness on women heart health in India.
- Farmer initiatives - Marico works closely with farmers to improve the farm productivity for coconuts and other agricultural commodities leading to their economic and social upliftment.
- Marico Bangladesh Limited (MBL), Marico's listed subsidiary in Bangladesh has funded child education initiatives in collaboration with a not-for-profit organization.
- Brand Hercules, a health care brand operating in South Africa has also sponsored CSR initiatives in that country.

Awards

Corporate Awards:

- Marico won two awards at the Big Data and Analytics Awards for **'Best Practices in Data Warehousing'** and **'Excellence in Business Intelligence'**.

Brand Awards:

- **Parachute Aromatherapy** won Gold at the IAMAI 6th Digital Awards for the 'Best Display Campaign'.
- Marico brands won 6 awards at the *Goafest Media ABBY Awards 2016*; **Saffola*life*** won a Silver and 2 Bronze, **Nihar PCN** won a Silver, **Parachute Advansed Aromatherapy** won a Bronze and **Bio Oil** received a Bronze
- **Saffola** featured in the 11th edition of *Afaqs' India's Buzziest Brands* amongst 60 brands
- **Parachute Advansed Super (Mini Sachet)** won the Socially Relevant and Impactful category at the *9th Product of the Year Awards.*
- **Saffola Oil has ranked 19th in the first edition of The Hindu Businessline's Top Most Influential Brands in India.**

Individual Awards:

- **Mr Saugata Gupta, MD and CEO** was ranked as India's most valuable CEOs by Business World. He was featured in the **Top 3 CEOs** in the Large (INR 2500-7499 Crore) Category & the Dynamic Dozen List.
- **Ms Anuradha Aggarwal, Chief Marketing Officer Ranks** 10th in Impact 50's **Most Influential Women** 2016.
- The Business World magazine has featured Mr **Vivek Karve, CFO** as the first runner up in the **Consistency Liquidity Management** category of Yes Bank & **Business World Best CFO** Awards 2015-16.
- CQA India Head Mr **Shailesh Ghodekar** wins **Innovative Leadership** in Quality award.

Marico's Growth Philosophy

By 2020, Marico aspires to be an admired emerging market MNC with leadership in two core categories of nourishment and male styling in two continents – Asia and Africa. Marico plans to meet this aspiration by seeking to win amongst consumers, trade and talent. Towards this goal of 2020, the Company has identified 5 areas of Transformation where it will develop top quartile capability, processes and execution excellence. They are Innovation, Go To Market transformation, Talent Value Proposition, IT & Analytics and Cost Management.

The Company's philosophy of developing capability ahead of growth to drive a sustainable business model across both Indian and International markets will be executed synergistically under the One Marico umbrella. As the Company scales up, it has to maintain a delicate balance between entrepreneurial way of working while continuing to strengthen governance and processes. The Company's focus will be on creating winning brands, winning culture and a winning talent pool to create a virtuous cycle of great talent and an enabling culture driving innovation driven growth.

Near Term / Medium Term Outlook

Marico India

- The year has begun with deflationary pressures and a severe drought in many parts of the country, impacting at least 25% of the population. These headwinds may limit the volume growths in the short term. However, the forecast of a normal monsoon augers well for the country. This should help lift the consumption levels, especially in the second half of FY17.
- The Company will strive to drive volume growths and maintain medium-term growth rates in the range of 8-10% by growing the core and rapidly scaling New Products. In the near term, however, given the Y-o-Y deflation, the top line growth will be subdued.
- In Parachute Rigids, the Company aims to grow volumes in a range of 5-7%, both in the near term and medium term.
- Saffola is likely to grow by circa 10% in the near term due to combination of wider participation and selective pricing inputs. The medium term growth prospects are also similar.
- The Foods franchise is expected to contribute up to INR 200 Crore (USD 30 million) by FY18. This translates to aggressive growths in the coming two years.
- New launches / prototypes in value added hair oils space will aid in premiumizing the Company's offering and will further strengthen its Value market leadership. The launches will also help reaching the mass

market segment by widening the product offering thus extending the gains in volume market shares. In the medium term, the company aims to grow this franchise at a volume growth rate of 12-15%.

- The Anti-Hair fall franchise is expected to contribute up to INR 100 Crore (USD 15 million) by FY18.
- On the back of a continued healthy performance of Gels, renovation of Deodorants and expected demand due to restage of Livon serum, the Youth portfolio is expected to grow at high double-digit (>20%) in FY17 and at 15% in the medium term.
- The direct distribution initiative of Project ONE is expected to supplement volume growths in the Tier I and Tier II markets. Strategic initiatives in sales and supply chain will aim at ushering in efficiency in selling and go-to-market.
- Over the medium term, operating margin of about 18% to 19% is sustainable. However, in the near term, given the soft commodity price tables, the operating margin is likely to remain in the band of 20-22%.

Marico International

- Over the last 12-18 months, the company has systematically invested in the core international markets to strengthen both the brands and the organizational capability to handle growth. The company is confident that in FY17, each of these markets is well-poised to capitalize on the market opportunities.
- With such augmented efforts to build a robust organic growth capability and a stronger organization, the Company is also looking at inorganic growth both in terms of new markets and acquisitions / alliances to step up the overall growth in International markets leveraging the current management bandwidth.
- The Company believes that the core markets of Bangladesh, Vietnam and MENA are "Invest to Grow" markets and the Company will continue to drive growth with brand restages, new product launches and capability building initiatives apart from aggressively tapping and growing new markets.
- Rest of South East Asia and East Africa are the new growth engines for future. The Company will aim for organic and inorganic growth in these markets
- It expects to clock an organic top line growth of ~ 15% in constant currency in the medium term. However, in the near term, given the deflationary headwinds, especially in the Bangladesh market, the growths may be a tad lower.
- The structural shift in operating margins is expected to be sustained at around 17%.

Overall (India + International)

- The Company will aim at a volume growth of 8-10% and a topline growth of ~ 15% in the medium term. In the near term, though, the value growths may be in single digit given the Y-o-Y deflation in key commodities in core markets.
- The Company will focus on fewer but bigger innovations to create growth engines of the future.
- Market growth initiatives in core categories and expansion into adjacent categories will be supported by investments in ASP in a band of 11-12% of sales with focus on brand building. In the near term, Advertising Inputs to remain in the band of 12-13% taking advantage of lower input costs.
- The Company will continue to invest in increasing its direct reach and Go To Market transformation initiatives in all of its key markets.
- The Company is focusing on Digital initiatives in a big way to improve consumer engagement, drive sales through e-commerce for internet savvy consumers and build data Analytics capabilities
- In FY17, there are plans to revitalize the cost management initiatives with specific focus on front-end spend effectiveness.
- Operating margin is expected to be maintained in a band of 17-18% over the medium term. The Company will focus on deriving synergies from the unification of India and International FMCG businesses. This includes acceleration of cross pollination & portfolio harmonization, talent mobility, supply chain synergies and process harmonization leading to cost arbitrage. In the near term, however, given the soft commodity prices, the margins will witness an upward bias.
- The Company will continue to support various initiatives which are true to its Purpose of "Make a Difference".

THANK YOU FOR YOUR PATIENT READING

Performance of Marico India and Marico International for Q4FY16

Marico Group has only one reportable segment i.e., FMCG Business. However, for better appreciation of the financial results, the Company has provided a break-up of its India and international business performance.

INR Crore

Particulars	Q4FY16	Q4FY15	FY16	FY15
1. Segment Revenue				
i. India	986	949	4,755	4,449
ii. International	321	277	1376	1,284
2. Segment Result				
(Profit before Interest and Tax and exceptional items)				
i. India	214	160	973	748
ii. International	35	37	220	191
3. Segment Result as % of Segment Revenue				
i. India	21.7%	16.9%	20.5%	16.8%
ii. International	11.0%	13.3%	16.0%	14.9%
3. Capital Employed (Segment Assets - Segment Liabilities)				
i. India (refer Note 1 below)			669	751
ii. International (refer Note 1 below)			649	722

Note 1: Capital Employed has come down due to reduction in net working capital.

Indian Accounting Standards (Ind AS) Impact on FY16 Marico Consolidated numbers

Applicability of Ind AS

Ministry of Company Affairs (MCA) decided to migrate to global accounting standards and converge with International Financial Reporting Standards (IFRS).

MCA notified through a circular dated 16 February, 2015 that Ind AS shall be mandatorily applicable for following companies

I. Companies whose net worth is Rs. 500 crore or more as on 31-Mar-2014
II. Holding, subsidiary, joint venture or associate companies of above companies

Marico's net worth (at standalone level) was more than Rs 500 Crore as at 31st March 2014 and hence Ind AS will apply to Marico's consolidated and standalone financial statements.

The management has assessed the key differences between the existing Indian Generally Accepted Accounting Principles (Indian GAAP) and IND-AS and has identified the following impact on Marico Consolidated Financial Statements:

Summary Impact – Marico Consolidated FY16

Ind AS	Head	Rs. Crore		Remarks
		Revenue	Profit	
18	Revenue	(102)		Distributor reimbursements are netted off against revenue
102	Share based payment (STAR , ESOP)		(15)	Fair valuation of STAR Liability
109	Financial Instrument (Viz. Mutual Fund Investment, ECB loan)		(1)	Gain on fair valuation of investments and Time Value of Derivative reclassified to Other Comprehensive Income (OCI)
19	Employee benefit		2	Reclassification of actuarial loss to Other Comprehensive Income (OCI)
28	Intangible Asset		5	Reversal of amortization of Brand
Net Impact on Profit & Loss		(102)	(9)	

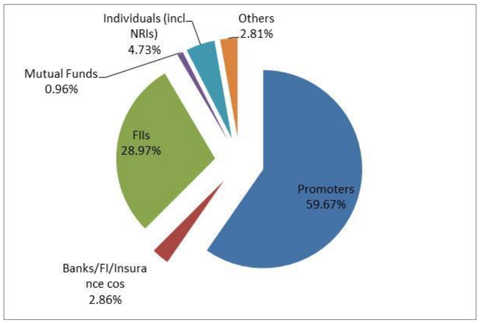
- The above numbers are unaudited and are purely based on management estimate

FY 16 Ratios – Marico Limited

Particulars	IGAAP	Ind AS	Difference
EBIDTA Margin	17.3%	17.5%	0.2%
Return on Capital Employed	44.8%	45.6%	0.8%
Profit after Tax to Turnover	11.8%	12.1%	0.3%
Debt/Equity	0.194	0.197	0.003

Annexure 1-A: SHAREHOLDING PATTERN

The Shareholding pattern as on March 31, 2016 is as given in the graph below:

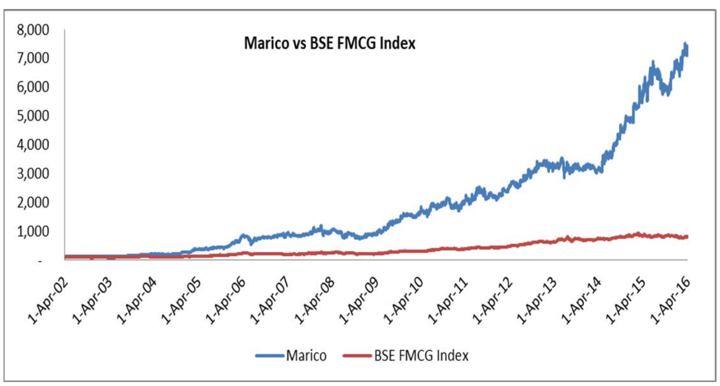


Details of ESOPs as on March 31, 2016:

Details of the Plan	Total Options Granted @	Options Forfeited	Options Exercised	Options pending to be exercised
ESOP Plan 2014	600,000	Nil	Nil	600,000
MD-CEO ESOP Plan 2014 – Scheme 1	93,200	Nil	Nil	93,200

*** Options pending to be exercised are less than 0.1% of the issued share capital @ the shares became ex-bonus from 22nd December, 2015**

Annexure 1-B: SHARE PERFORMANCE ON STOCK EXCHANGES



- Marico's long term performance on the exchange vis-a-vis its peer group is depicted in the graph alongside.
- Marico's market capitalization stood at INR 31,605 crore on March 31, 2016. The average daily volume on BSE and NSE during Q4FY16 was about 2,061,630 shares.
- In March, the Marico Script entered the FTSE Large Cap Index and FTSE Asian Personal & Household Goods Index.

 For further information / clarification, contact Marico on Tel (91-22) 6648 0480, E-mail: investor@maricoindia.net

Annexure 1-C: Average Market Prices of Input materials

(Based on simple average of daily market prices. Company's actual procurement prices may differ.)

	Rs/100KG	Rs/100KG	Rs/10KG	Rs/10KG	Rs /LT	Rs / KG
Month	**COCHIN CN OIL**	**COPRA CALICUT**	**KARDI OIL JALNA**	**RICE BRAN**	**LIQUID PARAFFIN**	**HDPE**
Jan-15	13,724	9,965	998	500	42	112
Feb-15	13,692	9,821	959	506	41	96
Mar-15	13,431	9,892	934	494	43	104
Apr-15	13,931	9,927	953	499	43	112
May-15	13,312	9,092	999	511	43	118
Jun-15	11,915	8,481	1,026	518	42	117
Jul-15	10,464	7,394	1,022	517	42	114
Aug-15	11,713	8,174	1,008	536	39	109
Sep-15	11,359	7,811	998	517	37	102
Oct-15	10,575	7,466	1,043	542	35	104
Nov-15	9,908	7,178	1,064	505	33	100
Dec-15	9,527	6,767	1,021	515	31	97
Jan-16	8,709	6,083	1,042	504	30	95
Feb-16	8,490	5,863	1,007	505	30	97
Mar-16	7,844	5,448	978	532	34	102
Q4FY16 vs Q4FY15	-39%	-41%	5%	3%	-25%	-6%
Q4FY16 vs Q3FY16	-17%	-19%	-3%	-1%	-5%	-2%
FY16 v FY15	-27%	-27%	10%	-3%	-31%	-10%

Annexure 1-D: Movements in Maximum Retail Prices (MRP) in key SKUs

	40 ml	100 ml	250 ml	500 ml	1 Ltr	1 Ltr	1 Ltr	1 Ltr
Month	**PCNO**	**PCNO**	**PCNO**	**PCNO**	**Saffola Total**	**Saffola Tasty**	**Saffola Gold**	**Saffola Active**
Jan-15	15	34	87	173	185	135	150	130
Feb-15	15	34	87	173	185	135	150	130
Mar-15	15	34	87	173	185	135	150	130
Apr-15	15	34	87	173	185	135	150	130
May-15	15	34	87	173	185	135	150	130
Jun-15	15	34	87	173	185	135	150	130
Jul-15	15	34	87	173	185	135	150	130
Aug-15	15	34	87	173	185	135	150	130
Sep-15	15	34	87	173	185	135	150	130
Oct-15	15 - 45 ml	34	87	173	185	135	150	130
Nov-15	15 - 45 ml	33	81	160	185	135	150	130
Dec-15	15 - 45 ml	33	81	160	185	135	150	130
Jan-16	15 - 45 ml	31	75	150	185	135	150	130
Feb-16	15 - 45 ml	31	75	150	185	135	150	130
Mar-16	15 - 45 ml	31	75	150	185	135	150	130

* The company has taken weighted average price reduction of 6% in Parachute Coconut Oil portfolio with effect from April, 2016.

Annexure 1-E: Consumer Offers for the Quarter

Edible Oils					
Saffola Gold	1 litre free	5 ltr	Jan	Extra Volume	National MT
Saffola Total	750 ml free	5 ltr	Feb	Extra Volume	National
Hair Oils					
Hair & Care	Price off Rs 10/-	200 ml	Jan	Price off	National
Nihar Naturals	Price off Rs 3/-	100 ml	Jan	Price off	National
Parachute Jasmine	Price off Rs 4/-	90 ml	Jan	Price off	National

Annexure 2: Profile giving Basic / Historical Information

Marico is a leading Indian Group in Consumer Products in the Global Beauty and Wellness space. Marico's Products in Hair care, Skin Care, Health Care and Male Grooming generated a Turnover of about INR 61 billion (USD 915 Million) during 2015-16. Marico markets well-known brands such as Parachute, Saffola, Hair & Care, Nihar, Parachute Advansed, Nihar Naturals, Mediker, Revive, Set Wet, Livon, Fiancée, HairCode, Caivil, Black Chic, Code 10, Ingwe, X-Men, and Thuan Phat. Marico's brands and their extensions occupy leadership positions in 90% of its portfolio. Marico's products are present in Bangladesh, other SAARC countries, the Middle East, Egypt, South and Sub-Saharan Africa, Malaysia, Myanmar and Vietnam.

Marico's own manufacturing facilities in India are located at Kanjikode, Perundurai, Pondicherry, Dehradun, Poanta Sahib and Baddi and are supported by subcontracting units. Marico's subsidiaries, Marico Bangladesh Limited, Egyptian American Investment and Industrial Development Corporation, Marico Egypt Industries Company (erstwhile Pyramid for Modern Industries), Marico South Africa Pty Ltd., and International Consumer Products Corporation have their manufacturing facilities at Mouchak and Shirir Chala, near Gazipur in Bangladesh, 6th October City, Egypt, Salheya City, Egypt, Sadaat City, Egypt, Mobeni in Durban, South Africa and Ho Chin Min City, Vietnam respectively.

Marico was incorporated in 1988 and during 1990 took over the then 40-year old consumer products business of The Bombay Oil Industries Limited. It made its initial public offer for equity shares in March 1996.

Reach

Marico today touches the lives of 1 out of every 3 Indians. Marico sells over 7.5 crore packs every month to around 7.5 crore households through about 4.6 million retail outlets services by its nationwide distribution network comprising 4 Regional Offices, 32 carrying & forwarding agents (CFAs) and about 5000 distributors and stockists. Marico's distribution network covers almost every Indian town with population over 20,000.

The table below provides an indicative summary of Marico's Distribution Network in India

	Urban	Rural
Sales Territories	160	55
Town's covered (000's)	4.1	49.0
Distributor	761	-
Super Distributor	-	140
Stockists	-	4,523

Financial Highlights

Marico's focus on sustainable profitable growth is manifest through its consistent financial performance, a CAGR of 16% in Turnover and 19% in Profits in the FMCG business over the past 5 years.

Particulars (INR crores)	FY12	FY13	FY14	FY15	FY16
Revenue from Operations	3,980	4,596	4,687	5,733	6,132
Material Cost	2,132	2,210	2,399	3,119	3,061
Employee Cost	307	381	285	325	364
ASP	426	598	561	650	786
Other Costs	703	869	693	769	858
Profit Before Tax	400	552	695	822	1,034
Net Profit (PAT)	317	396	485	573	725
Earnings per Share (Rs)	5.2	6.1	7.5	8.9	5.6*
Book Value per Share (Rs)	18.6	30.7	21.1	28.3	16.3*
Net Worth	1,143	1,982	1,361	1,825	2,097
EBITDA%	12.1%	13.6%	16.0%	15.2%	17.3%
ROCE %	26%	24%	32%	39%	45%

Note: FY14, FY15 & FY16 financials does not include Kaya
*EPS and Book Value per Share for the current year has been calculated on the post bonus number of shares.

Mode of Issue of this update

We have issued this Information Update, first to the Stock Exchanges, posted it on Marico's website and then sent it to the financial community members who are on Marico's regular mailing list.

Marico Investor Relations Team

Ravin Mody Head – Treasury, IR and M&A (ravinm@maricoindia.net)
Darren Lobo Manager – Investor Relations and M&A (darrenl@maricoindia.net)

Contents of this Update

1. Financial results and other developments during Q4FY16 for the Marico Group – Marico Limited, Marico Bangladesh Limited, MBL Industries Limited, Marico Middle East FZE, Marico South Africa Consumer Care (Pty) Limited, Marico South Africa (Pty) Limited, MEL Consumer Care SAE, Egyptian American Investment & Industrial Development Company SAE, Marico Egypt Industries Company SAE, Wind CO, Marico Malaysia Sdn. Bhd., International Consumer Products Corporation, Thuan Phat Foodstuff Joint stock Company and Marico Consumer Care Limited.

2. The Company has acquired 45% stake in Bellezimo Professionale Products Private Limited, a joint venture operation on October 21, 2015. Accordingly, the financial statement of the entity forms part of consolidated financial result for the quarter & twelve months ended March 31, 2016 from the said date.

3. A Profile containing basic/historical information on Marico.

We recommend that readers refer to the Marico Group financials to get a better appreciation of the business performance. A copy of the latest Annual Audited Financial Results of Marico Limited (Standalone and Consolidated) is available on Marico's website

Disclosure of Information, Communication with Investors / Analysts / Financial Community

Marico issues fresh information updates, like the one you are reading now on the day, it declares its Quarterly Financial Results. Some forward looking statements on projections, estimates, expectations, outlook etc. are included in such updates to help investors / analysts get a better comprehension of the Company's prospects and make informed investment decisions.

Actual results may, however, differ materially from those stated on account of factors such as changes in government regulations, tax regimes, economic developments within India and the countries within which the Company conducts its business, exchange rate and interest rate movements, impact of competing products and their pricing, product demand and supply constraints.

All the aforesaid information is also available on Marico's Website: www.marico.com In view of this, information contained in such updates is made public and thus not therefore constitutes unpublished price sensitive information under the SEBI (Prohibition of Insider Trading) Regulations, 1992.

Marico holds periodic meetings/ conference calls, from time to time, with individual members of the financial community.