Independent Auditor's Report

To the Members of Marico Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Marico Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

Refer note (e) of Significant Accounting Policies and Note 19 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Revenue is recognised based on the arrangement with customers. Revenue is recognised when control of the underlying products has been transferred to the customer. There is a risk of revenue being overstated due to the pressure management may feel to achieve performance targets.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Evaluated appropriateness of the Group's revenue recognition accounting policies by comparing with applicable accounting standards. • Tested design, implementation and operating effectiveness of the Group's general IT controls and key IT/ manual application controls over the Group's systems which govern recording of revenue in the general ledger accounting system. • Performed substantive testing by selecting samples of revenue transactions recorded, and verifying the underlying documents i.e. sales invoices and shipping documents. • Inspected, on a sample basis, key customer contracts to identify terms and conditions for sale. • Tested manual journals posted to revenue to identify unusual items. • Performed analytical procedures on sales such as trend analysis to identify any unusual fluctuations.

Uncertain Tax Position

Refer note (h) of Significant Accounting Policies and Note 26 and 33 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Company operates in a complex tax jurisdiction with certain tax exemptions / deductions that may be subject to challenges and audits by tax authorities. There are significant open tax matters under litigation with tax authorities Judgement is required in assessing the level of provisions and disclosure of contingent liabilities required in respect of uncertain tax position that reflects management's best estimates of the most likely outcome based on the facts available.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: i. For uncertain tax positions, inspected select correspondences with tax authorities. ii. Evaluated management's judgment regarding the expected resolution of matters with various tax authorities, based on external tax expert/ counsel opinions and the use of past experience, where available, with the tax authorities. iii. Involved tax specialists to evaluate the status of ongoing tax litigations and judgemental tax positions in tax returns and their most likely outcome, basis their expertise, industry outcomes and company's own past experience in respect of similar matters. iv. Evaluated the adequacy of financial statement disclosures in respect of the tax provision / adjustments and contingencies.

Impairment assessment of goodwill and intangible assets with indefinite useful lives

Refer to note (j) of Significant Accounting Policies, Note 2(d) and 5 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The carrying amount of goodwill aggregates ₹ 862 crores and intangible assets with indefinite lives aggregates ₹ 545 crores i.e. 12% and 8% of the total assets of the Group respectively as at March 31, 2023. The annual impairment testing of goodwill and intangible assets with indefinite lives is considered to be a key audit matter due to complexity of the accounting requirements and significant judgements required in determining the assumptions to be used to estimate the recoverable amount. The recoverable amount of the relevant cash generating units (CGUs), which has been determined based on value in use, has been derived from discounted forecast cash flow models. These models use several key assumptions, including estimates of future sales value, operating costs, terminal value growth rates and the weighted-average cost of capital (discount rate).	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Evaluated the assumptions applied to key inputs such as sales value, operating costs, growth rates and discount rates. • Compared the inputs with the historical growth trends, evaluating the forecast used in prior year models to its actual performance of the business, agreeing current forecast to the board of directors / management approved plans as well as our own assessment based on our knowledge of the client. • Involved valuation specialists, where appropriate, to evaluate the reasonability of the methodology and the approach used in the valuation carried out for determining the carrying amount of the CGUs. • Challenged management with our own sensitivity analysis and evaluated the effect of possible reductions in growth rates and forecasted cash flows on the estimated headroom. • Evaluated the adequacy of financial statement disclosures in respect of the impairment assessment for goodwill and intangible assets with indefinite lives.

Impairment assessment of goodwill and intangible assets with indefinite useful lives

Refer to note (j) of Significant Accounting Policies, Note 2(d) and 5 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group acquired control of HW Wellness Solutions Private Limited (True Elements) effective May 23, 2022 and Beauty X Joint Stock Company effective January 31, 2023 for an aggregate consideration of ₹ 341 crore. Further, the Group has also incurred an obligation to buyout the non-controlling interest ('NCI') stake in True Elements, contingent on achievement of future business milestones, which has been recorded at the estimated present value of ₹ 248 crore as at acquisition date. Accounting for the acquisition involves judgement in order to: • Identify and measure the fair value of the identifiable assets acquired (including intangible assets) and liabilities assumed. • Allocate the consideration transferred between The measurement of identifiable assets and liabilities acquired at fair value, buyout obligation and economic useful life of acquired intangible assets is inherently judgemental. Given the complexity and judgement involved, this is considered a key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • We have read the underlying contract for the business acquisition to understand the key terms and conditions. • We have assessed the appropriateness of the accounting treatment followed in terms of the requirements of Ind AS 103 'Business Combinations' and Ind AS 109 'Financial Instruments's. • Obtained an understanding of the process followed by the Management to determine the fair value of identifiable assets and liabilities and allocation of the purchase price. Evaluated the objectivity and competence of the expert engaged by the Company. • We have evaluated the purchase price allocation adjustments, the identification and valuation of acquired intangible assets by involving valuation specialists and based on our knowledge of the Company and industry. • We have evaluated the buyout obligation accounted for based on the future cash flow forecasts considering the historical performance and business prospects • We have evaluated the economic useful life of intangible assets with reference to various factors such as expected usage, typical product life cycle, legal/other limits etcs. • We have assessed the adequacy of the Company's disclosures in respect of the acquisition.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under relevant laws and regulations.

Management's and Board of Directors'/Board of Trustees' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/trust and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors/Board of Trustees of the companies/trust included in the Group are responsible for assessing the ability of each company/trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors /Board of Trustees of the companies/trust included in the Group are responsible for overseeing the financial reporting process of each company/ trust.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. We did not audit the financial statements of 9 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 1,857 crore as at March 31, 2023, total revenues (before consolidation adjustments) of ₹ 2,677 crore and net cash flows (before consolidation adjustments) amounting to ₹ 372 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

b. The financial statements/financial information of 9 subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of ₹ 107 crore as at March 31, 2023, total revenues (before consolidation adjustments) of ₹ 52 crore and net cash flows (before consolidation adjustments) amounting to ₹ 67 crore for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial statements been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate/consolidated financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us

a. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2023 on the consolidated financial position of the Group. Refer Note 14 and Note 33 to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2023.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended March 31, 2023.

d (i) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 41 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 41 to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company only with effect from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiaries to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648
ICAI UDIN: 23048648BGWANE8117

Place: Mumbai
Date: May 05, 2023

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Marico Limited for the year ended 31st March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Sr. No.	Name of the entities	CIN	Holding Company/ Sub sidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Zed Lifestyle Private Limited	U74999GJ2016 PTC091839	Subsidiary	(xvii) *
2	Apcos Naturals Private Limited	U74999PB2018 PTC048652	Subsidiary	(xvii) *

* This clause pertains to cash losses incurred in the current Financial Year and/or previous Financial Year by the respective entities.

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report

Name of the entities	CIN	Subsidiary/ JV/ Associate
HW Wellness Solutions Private Limited	U51900PN2013PTC1498 64	Subsidiary

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648
ICAI UDIN: 23048648BGWANE8117

Place: Mumbai
Date: May 05, 2023

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Marico Limited for the year ended 31st March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Marico Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion the Holding Company and its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

The internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India and included in these consolidated financial statements, have not been audited either by us or by other auditors. In our opinion and according to the information and explanations given to us by the Management, such unaudited subsidiary company is not material to the Holding Company.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Sadashiv Shetty
Partner
Membership No.: 048648
ICAI UDIN: 23048648BGWANE8117

Place: Mumbai
Date: May 05, 2023

Consolidated Balance Sheet

as at 31st March 2023

(₹ in Crore)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	633	600
Capital work-in-progress	3(c)	67	39
Right of use assets	3(b)	175	178
Investment properties	4	16	22
Goodwill	5	862	654
Other intangible assets	5	560	306
Financial assets			
(i) Investments	6(a)	518	187
(ii) Loans	6(c)	4	4
(iii) Other financial assets	6(f)	32	17
Deferred tax assets (net)	7	146	187
Non current tax assets (net)	17	67	57
Other non-current assets	8	46	30
Total non-current assets		**3,126**	**2,281**
Current assets			
Inventories	9	1,225	1,412
Financial assets			
(i) Investments	6(a)	578	641
(ii) Trade receivables	6(b)	1,015	652
(iii) Cash and cash equivalents	6(d)	207	276
(iv) Bank balances other than (iii) above	6(e)	549	303
(v) Loans	6(c)	4	5
(vi) Other financial assets	6(g)	4	2
Current Tax Asset (net)	17	2	1
Other current assets	10	229	213
Assets classified as held for sale	11	7	0
Total current assets		**3,820**	**3,505**
Total assets		**6,946**	**5,786**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12(a)	129	129
Share application money pending allotment		0	-
Other equity			
Reserves and surplus	12(b)	3,674	3,189
Other reserves	12(c)	(4)	30
Equity attributable to owners		3,799	3,348
Non-controlling interests	12(c)	157	57
Total equity		**3,956**	**3,405**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	13(a)	2	-
(ii) Lease Liabilities		91	91
(iii) Other financial liabilities	13(b)	266	-
Provisions		4	1
Employee benefit obligations (net)	15	20	27
Deferred tax liabilities (net)	16	178	109
Total non-current liabilities		**561**	**228**
Current liabilities			
Financial liabilities			
(i) Borrowings	13(a)	473	345
(ii) Trade payables	13(c)		
Total outstanding dues of micro enterprises and small enterprises		68	76
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,384	1,268
(iii) Lease Liabilities		42	43
(iv) Other financial liabilities	13(b)	40	45
Other current liabilities	18	217	224
Provisions	14	44	21
Employee benefit obligations (net)	15	74	64
Current tax liabilities (net)	17	87	67
Total current liabilities		**2,429**	**2,153**
Total liabilities		**2,990**	**2,381**
Total equity and liabilities		**6,946**	**5,786**

Significant accounting policies 1
Critical estimates and judgements 2

The above consolidated Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

SADASHIV SHETTY
Partner
Membership No. 048648

Place : Mumbai
Date : May 05, 2023

For and on behalf of the Board of Directors

HARSH MARIWALA
Chairman
[DIN 00210342]

SAUGATA GUPTA
Managing Director and CEO
[DIN 05251806]

PAWAN AGRAWAL
Chief Financial Officer

VINAY M A
Company Secretary
[Membership No. FCS 11362]

Place : Mumbai
Date : May 05, 2023

Consolidated Statement of Profit and Loss

for the year ended 31st March 2023

(₹ in Crore)

Particulars	Notes	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue:			
Revenue from operations	19	9,764	9,512
Other income	20	144	98
Total Income		**9,908**	**9,610**
Expenses			
Cost of materials consumed	21(a)	4,649	5,061
Purchases of stock-in-trade		541	491
Changes in inventories of finished goods, stock-in-trade and work-in progress	21(b)	161	(116)
Employee benefit expense	22	653	586
Finance costs	25	56	39
Depreciation and amortization expense	23	155	139
Other expenses	24	1,950	1,809
Total expenses		**8,165**	**8,009**
Profit before tax		1,743	**1,601**
Income tax expense			
Current tax	26	377	343
Deferred tax charge/(credit)	26	44	3
Tax expense for the current year		**421**	**346**
Profit for the year (A)		**1,322**	**1,255**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurements gain on post employment benefit obligations	15	2	5
Income tax relating to items that will not be reclassified to profit or loss in subsequent periods			
Remeasurements gain on post employment benefit obligations		(0)	(1)
Total		**2**	**4**
Items that will be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations	12 (c)	(34)	30
Change in fair value of hedging instruments	12 (c)	(0)	1
Income tax relating to items that will be reclassified to profit or loss in subsequent periods			
Change in fair value of hedging instruments	12 (c)	0	(0)
Total		(34)	31
Other comprehensive income for the year (B)		**(32)**	**35**
Total comprehensive income for the year (A+B)		**1,290**	**1,290**
Net Profit attributable to:			
Owners		1,302	1,225
Non-controlling interests		20	30
		1,322	**1,255**
Other comprehensive income attributable to:			
Owners		(32)	35
Non-controlling interests		0	0
		(32)	**35**
Total comprehensive income attributable to:			
Owners		1,270	1,260
Non-controlling interests		20	30
		1,290	**1,290**
Earnings per equity share for profit attributable to owners:	36		
Basic earnings per share		10.08	9.50
Diluted earnings per share		10.05	9.49
Significant accounting policies	1		
Critical estimates and judgements	2		

The above consolidated Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

SADASHIV SHETTY
Partner
Membership No. 048648

Place : Mumbai
Date : May 05, 2023

For and on behalf of the Board of Directors

HARSH MARIWALA
Chairman
[DIN 00210342]

SAUGATA GUPTA
Managing Director and CEO
[DIN 05251806]

PAWAN AGRAWAL
Chief Financial Officer

VINAY M A
Company Secretary
[Membership No. FCS 11362]

Place : Mumbai
Date : May 05, 2023

Consolidated Statement of Changes in Equity

For the year ended 31st March, 2023

A. Equity Share Capital

(₹ in Crore)

Balance as at April 01, 2022	Changes in equity share capital during the year due to prior period errors.	Restated balance as at April 01, 2021	Changes in equity share capital during the year*	Balance as at March 31, 2023
129	-	129	0	129
Balance as at April 01, 2021	**Changes in equity share capital during the year due to prior period errors.**	**Restated balance as at April 01, 2020**	**Changes in equity share capital during the year***	**Balance as at March 31, 2022**
129	-	129	0	129

* Refer note 12(a)

B. Other Equity

(₹ in Crore)

Particular	Note	Attributable to owners: Reserves and surplus: Securities premium (note a)	Retained earnings (note b)	General reserve (note c)	Share based option outstanding account (note d)	Treasury shares (note e)	Capital reduction (note h)	Weoma reserve (note e)	Other reserves: Effective portion of cash flow hedge (note f)	Foreign currency translation reserve (note g)	Total other Equity	Non-controlling interests	Total equity
Balance as at April 01, 2021		431	3,038	299	29	(40)	(724)	78	(0)	0	3,111	18	3,129
Profit for the year		-	1,225	-	-	-	-	-	-	-	1,225	30	1,255
Other comprehensive income for the year		-	4	-	-	-	-	-	1	30	35	0	35
Total comprehensive income for the year	-	-	1,229	-	-	-	-	-	1	30	1,260	30	1,290
Acquitions through business combinations	12(c)	-	-	-	-	-	-	-	-	-		35	35
(Purchase)/sale of treasury shares by the trust during the year (net)	12(b)	-	-	-	-	(18)	-	-	-	-	(18)	-	(18)
Income of the trust for the year	12(b)	-	-	-	-	-	-	10	-	-	10	-	10
Exercise of employee stock options	12(b)	53	-	-	(12)	-	-	-	-	-	41	-	41
Share based payment expense	12(b)	-	-	-	10	-	-	-	-	-	10	-	10
Other adjustments	12(c)	-	-	-	-	-	-	-	-	-	-	(4)	(4)
Transactions with owners in their capacity as owners:													
Dividends paid on equity shares	12(b)	-	(1,195)	-	-	-	-	-	-	-	(1,195)	(22)	(1,217)
Balance as at March 31, 2022		484	3,072	299	27	(58)	(724)	88	0	30	3,219	57	3,276
Balance as at April 01, 2022		484	3,072	299	27	(58)	(724)	88	0	30	3,219	57	3,276
Profit for the year		-	1,302	-	-	-	-	-	-	-	1,302	20	1,322
Other comprehensive income for the year		-	2	-	-	-	-	-	(0)	(34)	(32)	0	(32)
Total comprehensive income for the year	-	-	1,304	-	-	-	-	-	(0)	(34)	1,270	20	1,290
Acqusitions through business combinations (refer note no. 42)	12(c)	-	-	-	-	-	-	-	-	-	-	104	104
Remeasurement changes arising on liability towrds obligation to acquire non-controlling interest	13(b)	-	(266)	-	-	-	-	-	-	-	(266)		(266)
(Purchase)/sale of treasury shares by the trust during the year (net)	12(b)	-	-	-	-	(2)	-	-	-	-	(2)	-	(2)
Income of the trust for the year	12(b)	-	-	-	-	-	-	6	-	-	6	-	6
Exercise of employee stock options	12(b)	12	-	-	(3)	-	-	-	-	-	9	-	9
Share based payment expense	12(c)	-	-	-	19	-	-	-	-	-	19	-	19
Other adjustments		-	(2)	-	-	-	-	-	-	-	(2)	0	(2)
Transactions with owners in their capacity as owners:													
Dividends paid on equity shares	12(b)	-	(582)	-	-	-	-	-	-	-	(582)	(25)	(607)
Balance as at 31st March, 2023		496	3,526	299	43	(60)	(724)	94	0	(4)	3,670	157	3,827

Consolidated Statement of Changes in Equity

For the year ended 31st March, 2023

Nature and purpose of reserves

a) Securities premium accounts

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

b) Retained earnings

Retained earnings are the net profits and remeasurement of post-employment benefit obligations (net of tax) attributable to owners earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

c) General Reserve

The general reserve is used from time to time to record transfer of profit from retained earnings for appropriation purposes. As general reserve is created by transfer from one component of equity to another and it is not an item of other comprehensive income, item included in the general reserve will not be reclassified subsequently to profit or loss.

d) Share based option outstanding account

The Company has established various equity settled share based payment plans for certain category of employees of the group. Refer note 35 for further details of these plans.

e) WEOMA reserve and Treasury shares

The company has formed Welfare of Mariconions Trust (WEOMA trust) for implementation of the schemes that are notified or may be notified from time to time by the Company under the plan, providing share based payment to its employees. WEOMA purchases shares of the Company out of funds borrowed from the Company. The Company treats WEOMA as its extension and shares held by WEOMA are treated as treasury shares. Profit on sale of treasury shares (net of tax) and dividend earned on the same by WEOMA trust is recognised in WEOMA reserve.

f) Hedge Reserve

The Company uses forward and options contracts to hedge its risks associated with foreign currency transactions relating to certain firm commitments and forecasted transactions. The Company also uses Interest rates swap contracts to hedge its interest rate risk exposure. The Company designates these as cash flow hedges. These contracts are marked to market as at the year end and resultant exchange differences, to the extent they represent effective portion of the hedge, are recognized directly in hedge reserve. The ineffective portion of the same is recognized immediately in the Statement of Profit and Loss. Exchange differences taken to hedge reserve account are recognized in the Statement of Profit and Loss upon crystallization of firm commitments or occurrence of forecasted transactions or upon discontinuation of hedge accounting resulting from expiry / sale / termination of hedge instrument or upon hedge becoming ineffective.

g) Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

h) Adjustment pursuant to the Scheme of Capital Reduction of MCCL

During the year ended March 31, 2014, Hon'ble High Court of Bombay had approved the Scheme of Capital Reduction vide its order dated June 21, 2013 in accordance with the provisions of Section 78 (read with Sections 100 to 103) of the Companies Act, 1956, pertaining in the Group's wholly owned subsidiary, Marico Consumer Care Limited (MCCL). Pursuant to the Capital Reduction Scheme, intangible assets aggregating ₹ 724 Crore, were adjusted against the Share capital to the extent of ₹ 54 Crore and securities premium to the extent of ₹ 670 Crore. Consequently, in the consolidated financial statements of Marico Limited, intangible assets to the extent of ₹ 724 Crore were adjusted under Reserves and Surplus.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

The above consolidated Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

SADASHIV SHETTY
Partner
Membership No. 048648

Place : Mumbai
Date : May 05, 2023

For and on behalf of the Board of Directors

HARSH MARIWALA
Chairman
[DIN 00210342]

SAUGATA GUPTA
Managing Director and CEO
[DIN 05251806]

PAWAN AGRAWAL
Chief Financial Officer

VINAY M A
Company Secretary
[Membership No. FCS 11362]

Place : Mumbai
Date : May 05, 2023

Consolidated statement of Cash Flows

For the year ended 31st March, 2023

(₹ in Crore)

	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
A	CASH FLOW FROM OPERATING ACTIVITIES		
	PROFIT BEFORE INCOME TAX	1,743	1,601
	Adjustments for:		
	Depreciation and amortization expense	155	139
	Finance costs	56	39
	Interest income from financial assets	(49)	(59)
	(Gain)/ Loss on disposal of property, plant and equipment and Right of Use Assets (NET)	(28)	(0)
	Net fair value changes in financial assets and profit on sale of investments	(50)	(29)
	Employees stock option charge	19	10
	Provision for doubtful debts	1	8
		1,847	1,709
	Change in operating assets and liabilities:		
	(Increase) / Decrease in inventories	191	(286)
	(Increase) / Decrease in trade receivables	(360)	(272)
	(Increase) / Decrease in other financials assets	13	3
	(Increase) / Decrease in other non-current assets	(4)	(0)
	(Increase) / Decrease in other current assets	(13)	11
	(Increase) / Decrease in loans	1	1
	(Decrease) / Increase in provisions	26	1
	(Decrease) / Increase in employee benefit obligations	5	(7)
	(Decrease) / Increase in other current liabilities	(9)	(3)
	(Decrease) / Increase in trade payables	99	210
	(Decrease) / Increase in other financial liabilities	(8)	0
	Changes in Working Capital	(59)	(342)
	Cash generated from operations	1,788	1,367
	Income taxes paid (net of refunds)	(369)	(351)
	NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	1,419	1,016
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Payment for property, plant and equipment and intangible assets	(182)	(132)
	Acquisition of Subsidiary under Business Combination (refer note 42)	(341)	(55)
	Proceeds from sale of property, plant and equipment	25	3
	(Payment for) / Proceeds from purchase/sale of investments (NET)	(130)	(146)
	(Purchase)/ Redemption of Inter-corporate deposits (NET)	(90)	215
	(Investment) /Redemption of bank deposits (having original maturity more than 3 months) (NET)	(259)	483
	Interest received	48	57
	NET CASH GENERATED FROM / (UTILISED IN) INVESTING ACTIVITIES (B)	(929)	425

(₹ in Crore)

	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from issuance of share capital	9	41
	Purchase of investments by WEOMA trust (NET)	4	(8)
	Other borrowings (repaid) / taken (NET)	128	(3)
	Dividend paid to Non Controlling Interest	(25)	(22)
	Interest paid Interest paid on borrowings	(42)	(28)
	Repayment of Principal portion of lease liabilities	(41)	(64)
	Interest paid on lease liabilities	(11)	(11)
	Dividends paid to company's shareholders	(582)	(1,195)
	NET CASH UTILISED IN FINANCING ACTIVITIES (C)	(560)	(1,290)
D	Effect of exchange difference on translation of foreign currency (D)	(63)	2
E	NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C+D)	(133)	153
F	Cash and cash equivalents at the beginning of the financial year	276	109
	Cash and cash equivalents acquired on Business Combination (refer note 42)	64	14
G	Cash and cash equivalents at end of the year (Refer note 6 (d))	207	276

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

Reconciliation of the movements of liabilities to cash flows arising from financing activities

(₹ in Crore)

Particulars	Year ended 31st March, 2023			Year ended 31st March, 2022		
	Lease Liabilities	Borrowings	Total	Lease Liabilities	Borrowings	Total
Balance at April 1,	134	345	479	160	348	508
Changes from financing cash flows						
Repayment of lease liabilities - principal portion	(41)	-	(41)	(64)	-	(64)
Payment of interest on lease liabilities	(11)	-	(11)	(11)	-	(11)
Other borrowings (repaid) / taken (net)	-	128	128	-	(3)	(3)
Payment of interest on borrowings from banks and financial institutions	-	(42)	(42)	-	(28)	(28)
Total changes from financing cash flows	(52)	87	35	(75)	(31)	(106)
Other changes						
New leases net off closures/disposals	38	-	38	38	-	38
Interest expense on lease liabilities	11	-	11	11	-	11
Interest expense on borrowings from banks and financial institutions	-	46	46	-	28	28
Other borrowing costs	-	-	-	-	-	-
Acquisitions through business combinations (refer note no. 42)	-	(2)	(2)	-	0	0
Total changes	49	44	93	49	28	77
Balance at March 31, 2023	131	476	607	134	345	479

The above consolidated Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

SADASHIV SHETTY
Partner
Membership No. 048648

Place : Mumbai
Date : May 05, 2023

For and on behalf of the Board of Directors

HARSH MARIWALA
Chairman
[DIN 00210342]

SAUGATA GUPTA
Managing Director and CEO
[DIN 05251806]

PAWAN AGRAWAL
Chief Financial Officer

VINAY M A
Company Secretary
[Membership No. FCS 11362]

Place : Mumbai
Date : May 05, 2023

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

Background and operations

Marico Limited (herein after referred to as 'the Company'), headquartered in Mumbai, Maharashtra, India, together with its subsidiaries is referred as 'Marico' or 'Group'. Marico carries on business in branded consumer products. In India, Marico manufactures and markets products under the brands such as Parachute, Parachute Advansed, Nihar, Nihar Naturals, Saffola, Hair & Care, Revive, Mediker, Livon, Set-wet, etc. Marico's international portfolio includes brands such as Parachute, Parachute Advansed, Fiancée, Hair Code, Caivil, Hercules, Black Chic, Code 10, Ingwe, X-men, Thuan Phat etc.

Note 1: Significant accounting policies:

This note provides a list of the significant accounting policies adopted in preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

The consolidated financial statements of the Group for the year ended March 31, 2023 were approved for issue in accordance with the resolution of the Board of Directors on May 5, 2023.

a) Basis of preparation:

i. Compliance with IND AS :

These consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 & other relevant provisions of the Act.

ii. Current versus non-current classification:

All assets and liabilities have been classified as current or non-current as per the Groups normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

iii. Historical cost convention :

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial instruments (including derivative instruments) and contingent consideration that are measured at fair value (Refer Note 27);
- assets held for sale measured at lower of cost or fair value less cost to sell;
- defined benefit plan assets / liabilities measured at fair value; and
- share-based payments liability measured at fair value

b) Principles of consolidation and equity accounting

i. Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated.

ii. Joint ventures

Interests in joint ventures are accounted for using the equity method (see (iii) below), after initially being recognised at cost in the consolidated balance sheet.

iii. Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in consolidated profit and loss, and the group's share of other comprehensive income of the investee in consolidated other comprehensive income.

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity- accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

iv. Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

c) Segment Reporting:

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). The Managing Director and CEO is designated as the CODM.

d) Foreign currency transactions:

i) Functional and presentation currencies:

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in ₹ which is the functional and presentation currency for Marico Limited.

ii) Transactions & Balances:

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the year-end exchange rates are generally recognized in the Statement of Profit and Loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis.

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign subsidiaries are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined.

iii) Group Companies:

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate as on that balance sheet date.
- income and expenses are translated at average exchange rates, and
- All resulting exchange differences are recognised in other comprehensive income

When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

e) Revenue recognition:

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at a point in time i.e at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

The Group recognizes revenue when the amount can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

i. Sale of goods:

Timing of recognition: Sale of goods is recognized when control of the goods has transferred to the customers, depending on individual terms, i.e. at the time of dispatch, delivery or formal customer acceptance depending on agreed terms.

Measurement of revenue: Accumulated experience is used to estimate and provide for discounts, rebates, incentives & subsidies. No element of financing is deemed present as the sales are made with credit terms, which is consistent with market practice.

ii. Sale of services:

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

f) Income recognition

i. Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) The expected credit losses are considered if the credit risk on that financial instrument has increased significantly since initial recognition.

ii. Dividends are recognised in Statement of Profit and Loss account only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

iii. Revenue from royalty income is recognized on accrual basis.

g) Government Grants:

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and reduced from corresponding cost.

Income from incentives such as government budgetary support scheme, premium on sale of import licenses, duty drawback etc. are recognized under other operating income on accrual basis to the extent the ultimate realization is reasonably certain.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.

h) Income Tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income and any adjustments to taxes in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the Balance Sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income-tax is recognized as an item in deferred tax asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of fifteen succeeding assessment years.

i) Property, plant and equipment :

Property, plant and equipment is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Property, plant and equipment is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any.

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost, less accumulated depreciation/amortisation and impairments, if any. Historical cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation. Borrowing costs attributable to acquisition, construction of qualifying asset are capitalized until such time as the assets are substantially ready for their intended use. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalized.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs & maintenance are charged to profit or loss during the reporting ¬period in which they are incurred.

Capital work-in-progress comprises cost of Property, Plant and Equipments that are not yet ready for their intended use at the year end.

Depreciation and amortization:

Depreciation is calculated using the straight-line method to allocate the cost of Property, Plant and Equipment, net of their residual values, over their estimated useful lives.

As per technical evaluation of the Group, the useful life considered for the following items is lower than the life stipulated in Schedule II to the Companies Act, 2013:

Assets	Useful life (years)
Motor vehicle – motor car, bus and lorries, motor cycle, scooter	5
Office equipment – mobile and communication tools	2
Computer – Server network	3
Plant & equipment - Moulds	3 – 5
Leasehold land	Lease period
Right to Use Asset	Lease period

Apart from the above, the useful lives of other class of assets are in line with that prescribed in the Schedule II to the Companies Act, 2013.

Extra shift depreciation is provided on "Plant" basis.

Depreciation in respect of assets of foreign subsidiaries is provided on a straight line basis based on useful life of the assets as estimated by the Management which are as under:

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Assets	Useful life (years)
Factory and office buildings	5 to 25
Plant and machinery	2 to 15
Furniture and fixtures (including leasehold improvements)	2 to 15
Vehicles	3 to 10

Assets individually costing ₹ 25,000 or less are depreciated fully in the year of acquisition.

Fixtures in leasehold premises are amortized over the primary period of the lease or useful life of the fixtures, whichever is lower.

Depreciation on additions / deletions during the year is provided from the month in which the asset is capitalized up to the month in which the asset is disposed off.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income.

j) Intangible Assets:

i. Goodwill:

Goodwill on acquisitions of subsidiaries is included in intangible assets. It is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses arising on the disposal of an entity are calculated after netting of the carrying amount of Goodwill relating to the entity sold, from the proceeds of disposal.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

ii. Intangible assets with finite useful life:

Intangible assets with finite useful life are stated at cost of acquisition, less accumulated amortisation and impairment loss, if any. Cost includes taxes, duties and other incidental expenses related to acquisition and other incidental expenses.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of respective intangible assets, but not exceeding the useful lives given here under:

Assets	Useful life (years)
Computer software	3

iii. Intangible assets with indefinite useful life:

The Intangible assets with indefinite useful life comprises of Trademark and Copyrights.

Intangible assets with indefinite useful lives are measured at cost and are not amortised, but are tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

iv. Research & Development:

Capital expenditure on research and development is capitalized and depreciated as per accounting policy mentioned in para i & j above. Revenue expenditure is charged off in the year in which it is incurred.

k) Investment property

Property (land or a building or part of a building or both) that is held (by the owner or by the lessee under a lease) for long term rental yields or for capital appreciation or both, rather than for:

(a) use in the production or supply of goods or services or for administrative purposes; or

(b) sale in the ordinary course of business; is recognized as investment property in the books.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred, when part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

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Depreciation is provided on all Investment Property on straight line basis, based on useful life of the assets determined in accordance with para "i" above.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

l) Non-Current Asset held for Sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

m) Lease

(i) As a lessee

The Group's lease asset classes primarily consist of leases for Land and Buildings and Plant & Equipment. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

i) the contract involves the use of an identified asset

ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(ii) As a lessor

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

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n) Investment & financial assets:

i. Classification:

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

Classification of debt assets will be driven by the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

ii. Measurement:

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. However, trade receivables are measured at transaction price.

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset.

- **Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cashflows & for selling the financial assets, where the asset's cash flow represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive the dividend is established.

iii. Impairment of financial assets:

The Group assesses if there is any significant increase in credit risk pertaining to the assets and accordingly creates necessary provisions, wherever required.

iv. Derecognition of financial assets:

A financial asset is derecognised only when

- the Group has transferred the rights to receive cash flows from the financial asset or
- The Group retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows so received to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

o) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges) or
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges),

The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 27. Movements in the hedging reserve in shareholders' equity are shown in Note 12(c). The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Cash flow hedge reserve

The effective part of the changes in fair value of hedge instruments is recognized in other comprehensive income, while any ineffective part is recognized immediately in the statement of profit and loss.

p) Inventories:

Raw materials, packing materials, stores and spares are valued at lower of cost and net realizable value.

Work-in-progress, finished goods and stock-in-trade (traded goods) are valued at lower of cost and net realizable value.

By-products and unserviceable / damaged finished goods are valued at estimated net realizable value.

Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Cost is assigned on the basis of weighted average method. In case of Marico Middle East FZE costs of inventories are ascertained on First In First Out basis instead of weighted average basis, the impact of which is not material. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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To Consolidated Financial Statements for the year ended 31st March, 2023

q) Trade Receivables:

Trade receivables are recognised initially at transaction price and subsequently measured at cost less provision made for doubtful trade receivables as per expected credit loss method over the life of the asset depending on the customer ageing, customer category, specific credit circumstances and the historical experience of the Group.

r) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Group prior to the end of Financial Year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

s) Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

t) Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

u) Employee Benefits:

i. Short term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Defined contribution plan:

a. Superannuation Fund:

The Group makes contribution to the Superannuation Scheme, a defined contribution scheme, administered by insurance companies. The Group has no obligation to the scheme beyond its monthly contributions.

b. Provident fund:

Provident fund contributions are made to a trust administered by the Group in India. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year and any shortfall in the fund balance maintained by the Trust set up by the Group is additionally provided for in India. Actuarial losses and gains are recognized in other comprehensive income and shall not be reclassified to the Statement of Profit and Loss in a subsequent period.

iii. Defined benefit plan:

a. Gratuity:

Liabilities with regard to the gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method and contributed to Employees Gratuity Fund. Actuarial gains and losses arising from changes in actuarial assumptions are recognized in other comprehensive income and shall not be reclassified to the Statement of Profit and Loss in a subsequent period.

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b. Leave encashment / Compensated absences:

The Group provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each Balance Sheet date on the basis of an independent actuarial valuation and classified as long term and short term. Actuarial gains and losses arising from changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

iv. Share based payments:

- **Employee Stock Option Plan:**

The fair value of options granted under the Group's employee stock option scheme (excess of the fair value over the exercise price of the option at the date of grant) is recognised as an employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the entity's share price),
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

- **Employee Stock Appreciation Rights Scheme:**

Liability for the Group's Employee Stock Appreciation Rights (STAR), granted pursuant to the Group's Employee Stock Appreciation Rights Plan, is measured, initially and at the end of each reporting period until settled, at the fair value of the STARs, by applying an option pricing model, and is recognized as employee benefit expense over the relevant service period. The liability is presented as employee benefit obligation in the Balance Sheet.

v. Treasury Shares:

The Company has created a "Welfare of Mariconians Trust", (WEOMA) for providing share-based payment to its employees under the STAR scheme. In order to fund the STAR schemes, the Trust, upon intimation from the Company, carries out secondary market acquisition of the equity shares, of the Company. They are equivalent to STARs granted to its employees. The Company provides loan to the Trust for enabling such secondary acquisition. As and when the STARs vest in eligible employees, upon intimation of such details by the Company, the Trust sells the equivalent shares and hands over the net proceeds to the Company in accordance with the Trust Rules framed. The company treats, WEOMA as its extension and shares held by WEOMA are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase or sale of the Company's own equity instruments. Any difference between the carrying amount and the consideration is recognised in WEOMA reserve.

v) Provisions and Contingent Liabilities:

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present

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To Consolidated Financial Statements for the year ended 31st March, 2023

value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

w) Commitments:

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

(i) estimated amount of contracts remaining to be executed on capital account and not provided for;

(ii) uncalled liability on shares and other investments partly paid;

(iii) funding related commitment to subsidiary, associate and joint venture companies; and

(iv) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

x) Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdraft.

y) Exceptional items:

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and disclosed as such in the financial statements.

z) Impairment of assets:

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

aa) Earnings Per Share:

(i) Basic earnings per share:

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share:

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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ab) Contributed Equity:

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

ac) Dividend:

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

ad) Business Combinations:

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

Business combinations arising from transfers of interests in entities that are under common control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognized at their carrying amounts. The identity of the reserves is preserved and they appear in the financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to Other equity in a separate reserve account.

ae) Rounding off:

All amounts disclosed in the consolidated financial statement and notes have been rounded off to the nearest crores, unless otherwise stated.

Transactions and balances with values below the rounding off norm adopted by the Group have been reflected as "0" in the relevant notes in these financial statements.

af) Obligation to acquire non-controlling interest:

As part of the acquisition of a subsidiary, when the Group enters into an arrangement to acquire shares of the subsidiary held by non controlling shareholders for settlement in cash or in another financial asset, a financial liability is recognised for the present value of the amount of the obligation.

In cases where the non-controlling shareholders still have present access to the returns associated with the underlying ownership interests in the subsidiary, the Group continues to recognise non controlling interest as a separate component of equity. The financial liability for the obligation to purchase non controlling interest is recognised with a corresponding debit to retained earning.

Subsequent to initial recognition of the financial liability, the Group recognises the changes in the carrying amount of the financial liability within retained earning

ag) Recent Indian Accounting Standards (Ind AS):

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting

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Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

a. Ind AS 1 – Presentation of Financial Statements.

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

b. Ind AS 12 – Income Taxes.

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

c. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

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2 Critical Estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The preparation of the financial statements in conformity with GAAP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. These estimates & associated assumptions are based on historical experience & management's best knowledge of current events & actions the Group may take in future.

Information about critical estimates & assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets & liabilities are included in the following notes:

(a) Impairment of financial assets (including trade receivable) (Note 28)

(b) Estimation of defined benefit obligations (Note 15)

(c) Estimation of current tax expenses and payable (Note 26)

(d) Estimated impairment of goodwill & intangible assets with indefinite useful life (Note 5)

(e) Estimation of provisions & contingencies (Note 14 and 33)

(f) Recognition of deferred tax assets including MAT credit (Note 7)

(g) Lease Accounting (Note 3 (b))

(h) Estimation and assumption used in discounted cash flow (DCF) projection (Note 42)

(a) Impairment of financial assets (including trade receivable)

Impairment testing for financial assets (other than trade receivables) is done at least once annually and upon occurrence of an indication of impairment. The recoverable amount of the individual financial asset is determined based on value-in-use calculations which required use of assumptions.

Allowance for doubtful trade receivables represent the estimate of losses that could arise due to inability of the Customer to make payments when due. These estimates are based on the customer ageing, customer category, specific credit circumstances & the historical experience of the Group as well as forward looking estimates at the end of each reporting period.

(b) Estimation of defined benefit obligations

The liabilities of the Group arising from employee benefit obligations & the related current service cost, are determined on an actuarial basis using various assumptions. Refer Note 15 for significant assumptions used.

(c) Estimation of current and deferred tax expenses and payable

The Group's tax charge is the sum of total current and deferred tax charges. Taxes recognized in the financial statements reflect management's best estimate of the outcome based on the facts known at the balance sheet date. These facts include but are not limited to interpretation of tax laws of various jurisdictions where the Group operates.

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To Consolidated Financial Statements for the year ended 31st March, 2023

Any difference between the estimates & final tax assessments will impact the income tax as well as the resulting assets & liabilities.

(d) Estimated impairment of goodwill & intangible assets with indefinite useful life

The Intangible assets with indefinite useful life comprises of Trademark and Copyrights Impairment testing for Goodwill & intangible assets with indefinite useful life is done at least once annually and upon occurrence of an indication of impairment. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions.

Goodwill and intangible assets with indefinite useful life held in Zed Lifestyle Private Limited ('Zed Life'), APCOS Private Limited ('APCOS'), HW Wellness solution Private Limited ('HWW'), Vietnam (Marico South East Asia Limited), South Africa (Marico South Africa Consumer Care (Pty) Limited) and Beauty X Joint Stock Company ('BTYX') business, are considered significant CGUs in terms of size & sensitivity to assumptions used. No other CGUs are considered significant in this respect.

As at 31st March 2023

(₹ in Crore)

CGU	Goodwill	Intangible assets with indefinite useful life
Vietnam	557	-
Zed Life	98	164
South Africa	8	26
Apcos	17	72
HWW	46	213
BTYX	135	47
Others	1	25
Total	**862**	**546**

Particulars	Vietnam	BTYX	HWW	Apcos	Zed Life	South Africa
Period of Cash flow projections	9 years	10 years	10 years	10 years	10 years	8 years
Avg Sales Growth (%)	8.0%	11.0%	34.0%	25.0%	19.0%	6.4%
Avg Gross Margins %	51.0%	50.6%	33.0%	65.0%	51.0%	29.8%
Terminal Sales Growth %	2.0%	5.0%	5.0%	5.0%	5%	2.0%
Post tax discount rate	12.8%	20.0%	20.6%	24.6%	13.0%	20.9%

As at 31st March 2022

(₹ in Crore)

CGU	Goodwill	Intangible assets with indefinite useful life
Vietnam	529	-
Zed Life	98	164
South Africa	9	30
Apcos	17	72
Others	1	25
Total	**654**	**291**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

Particulars	Vietnam	Apcos	Zed Life	South Africa
Period of Cash flow projections	10 years	5 years	10 years	9 years
Avg Sales Growth (%)	8.9%	22.0%	21.4%	6.3%
Avg Gross Margins %	49.9%	62.9%	60.9%	30.3%
Terminal Sales Growth %	2.0%	7.5%	5%	2.0%
Post tax discount rate	12.8%	24.6%	13.0%	21.0%

The growth rates & margins used to make estimate future performance are based on past performance & our estimates of future growths & margins achievable in the CGUs. Post-tax discount rates reflect specific risks relating to the relevant segments & geographies in which the CGUs operate.

Based on sensitivity analyses performed around the base assumptions, there were no reasonably possible changes in key assumptions that would cause the carrying amount to exceed the recoverable amount.

(e) Estimation of provisions and contingencies

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Group. The Group exercises judgement & estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgement is necessary in assessing the likelihood of the success of the pending claim & to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

(f) Recognition of deferred tax assets including MAT credit

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(g) Lease Accounting

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

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To Consolidated Financial Statements for the year ended 31st March, 2023

The Group has considered leases with term up to 12 (Twelve) months as short term leases. Also leases where the value of the asset is less than ₹ 350,000 have been considered as low value. Such short term and low value leases are accordingly excluded from the scope for the purpose of Ind As 116 reporting.

(h) Estimation and assumption used in discounted cash flow (DCF) projection

The estimated value of investment or Business is based on future cashflow projection. The DCF projections assumes that the value of its future cash flows, which are discounted at an appropriate discount rate to reflect the time value of money and the risk associated with the investment.

The Group determines the fair value of the identifiable assets in the business combination using DCF model.

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

3(a) Property, Plant and Equipment

(₹ in Crore)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office Equipment	Leasehold improvements	Total
Year ended March 31, 2022								
Gross carrying amount								
Opening gross carrying amount	**17**	**317**	**584**	**32**	**6**	**23**	**19**	**999**
Acqusitions through business combinations	-	-	0	0	0	0	-	1
Additions	-	10	98	3	0	4	0	115
Disposals / transfers	-	(1)	(20)	(0)	(0)	(2)	-	(23)
Exchange Differences	0	1	2	0	(0)	0	-	3
Closing gross carrying amount	**17**	**327**	**664**	**36**	**6**	**26**	**19**	**1,095**
Accumulated depreciation								
Opening accumulated depreciation	**-**	**77**	**300**	**21**	**2**	**19**	**7**	**426**
Depreciation charge during the year	-	11	67	4	1	4	2	89
Disposals / transfers	-	(0)	(19)	(0)	(0)	(2)	-	(21)
Exchange Differences	-	0	1	0	(0)	0	-	1
Closing accumulated depreciation	**-**	**88**	**349**	**25**	**3**	**21**	**9**	**495**
Net carrying amount	**17**	**239**	**315**	**11**	**3**	**5**	**10**	**600**
Year ended 31st March, 2023								
Gross carrying amount								
Opening gross carrying amount	**17**	**327**	**664**	**36**	**6**	**26**	**19**	**1,095**
Acqusitions through business combinations (refer note no. 42)	-	-	1	0	0	0	-	2
Additions	-	28	106	5	0	4	2	145
Disposals / transfers	-	(0)	(33)	(1)	-	(1)	-	(35)
Adjustments	(2)	-	-	-	-	-	-	(2)
Exchange Differences	(1)	(5)	(13)	(1)	(0)	(1)	-	(21)
Closing gross carrying amount	**14**	**350**	**725**	**39**	**6**	**29**	**21**	**1,184**
Accumulated depreciation								
Opening accumulated depreciation	**-**	**88**	**349**	**25**	**3**	**21**	**9**	**495**
Depreciation charge during the year	-	19	72	4	1	4	2	102
Disposals / transfers	-	(0)	(32)	(1)	-	(1)	-	(35)
Exchange Differences	-	(2)	(8)	(1)	(0)	(0)	-	(11)
Closing accumulated depreciation	**-**	**105**	**381**	**27**	**4**	**23**	**11**	**551**
Net carrying amount	**14**	**245**	**344**	**12**	**2**	**6**	**10**	**633**

(i) Contractual obligations
Refer to Note 34 for disclosure of contractual commitments for acquisition of property, plant and equipment.

(ii) Buildings
Buildings include Nil (March 31, 2022: Nil) being the value of shares in co-operative housing societies.

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To Consolidated Financial Statements for the year ended 31st March, 2023

3(b) Right of Use Assets

(₹ in Crore)

Particulars	Leasehold land	Buildings	Plant and equipment	Total
Year ended March 31, 2022				
Gross carrying amount				
Opening gross carrying amount	**56**	**261**	**6**	**323**
Acqusitions through business combinations	-	1		1
Additions	-	30	1	31
Disposals / transfers	-	(21)	-	(21)
Adjustments (refer note i. below)	7	-	-	7
Exchange Differences	1	3	0	4
Closing gross carrying amount	**64**	**274**	**7**	**345**
Accumulated amortisation				
Opening accumulated amortisation	**5**	**138**	**0**	**143**
Amortisation charge during the year	1	39	0	40
Disposals / transfers	-	(16)	-	(16)
Adjustments	0	-	-	0
Exchange Differences	(1)	1	0	0
Closing accumulated amortisation	**5**	**162**	**0**	**167**
Net carrying amount	**59**	**112**	**7**	**178**
Year ended March 31, 2023				
Gross carrying amount				
Opening gross carrying amount	**64**	**274**	**7**	**345**
Acqusitions through business combinations (refer note no. 42)	-	1	-	1
Additions	-	45	16	61
Disposals / transfers	(8)	(41)	0	(48)
Exchange Differences	1	(6)	(0)	(5)
Closing gross carrying amount	**57**	**274**	**23**	**354**
Accumulated amortisation				
Opening accumulated amortisation	**5**	**162**	**0**	**167**
Amortisation charge during the year	1	41	2	44
Disposals / transfers	(0)	(30)	-	(30)
Exchange Differences	0	(2)	0	(1)
Closing accumulated amortisation	**6**	**171**	**3**	**180**
Net carrying amount	**51**	**103**	**20**	**174**

i. During the year March 31, 2022 Land use rights in Subsidiary in Vietanam have been reclassified from investment property to Right of use assets

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

Leased assets

Gross carrying amount of leasehold land represents amounts paid under lease agreements which are due for renewal in the years ranging from 2070 to 2117. In one case where the lease is expiring in 2070, the company has an option to purchase the property.

3(c) Capital work-in-progress

(₹ in Crore)

31st March, 2022					
Particulars	**Amount in CWIP for a period of**				**Total**
	< 1 Year	**1 - 2 Year**	**2 - 3 Year**	**> 3 Years**	
Project in Progress	39	0	-	-	39
Projects temporarily suspended	-	-	-	-	-
Total	**39**	**0**	**-**	**-**	**39**

31st March, 2023	**Amount in CWIP for a period of**				**Total**
Particulars	**< 1 Year**	**1 - 2 Year**	**2 - 3 Year**	**> 3 Years**	
Project in Progress	53	14	0	-	67
Projects temporarily suspended	-	-	-	-	-
Total	**53**	**14**	**0**	**-**	**67**

For capital-work-in progress, whose completion is overdue compared to its original plan

31st March, 2022					
Project	**To be Completed in**				**Total**
	< 1 Year	**1 - 2 Year**	**2 - 3 Year**	**> 3 Years**	
Jalgaon plant - Saffola Oodles New Capacity	9	-	-	-	9
Pondicherry plant - Packing design optimization/ transition for Parachute	3	-	-	-	3
Guwahati plant-Packing design optimization/ transition for Value added Hair oil	3	-	-	-	3
Guwahati plant 2 - Capacity Planning FY22	1	-	-	-	1
3P unit - FOODS Capacity Augment	1	-	-	-	1
Sanand plant - Saffola Masala Oats	3	-	-	-	3
Peundurai plant - Replacement of Expeller	2	-	-	-	2
Total	**22**	**-**	**-**	**-**	**22**

31st March, 2023	**To be Completed in**				**Total**
Project	**< 1 Year**	**1 - 2 Year**	**2 - 3 Year**	**> 3 Years**	
Capacity Expansion Jalgaon PSI	12	-	-	-	12
Oats TDC-Saffola Masala Otas	0	-	-	-	0
Infra Improvement	1	-	-	-	1
CNO LTCP	1	-	-	-	1
Total	**14**	**-**	**-**	**-**	**14**

Note: There were no material projects, which have exceeded their original plan cost as on March 31,2023 and March 31, 2022.

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

4 Investment Property

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Gross carrying amount		
Opening gross carrying amount	**94**	**18**
Additions	0	-
Reclassified to Right of use assets	-	(7)
Reclassified to held for Sale	(72)	-
Reclassified from held for sale	-	83
Closing gross carrying amount	**22**	**94**
Accumulated Depreciation	**72**	**1**
Depreciation charge during the year*	1	3
Reclassified to Right of use assets	-	(0)
Reclassified to held for Sale	(66)	(0)
Reclassified from held for sale	-	68
Closing accumulated depreciation	**7**	**72**
Net carrying amount	**15**	**22**

* Includes exchange differences

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Amounts recognised in profit or loss for investment properties		
Rental income	1	1
Direct operating expenses for property that generated rental income	0	0
Profit from investment properties before depreciation	**1**	**1**
Depreciation	(0)	(0)
Profit from investment properties	**1**	**1**

(ii) Leasing arrangements

Investment properties are leased to tenants under long-term leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Within one year	1	1
Later than one year but not later than 5 years	1	0
Later than 5 years	-	-

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

(iii) Fair value

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investment properties	28	62

Estimation of fair value

(iv) The Group obtains independent valuations for its investment properties at least annually. The fair values of investment properties have been determined by a Registered Valuer in terms of Section 247 of the Companies Act, 2013. The Main inputs used are stamp duty ready recknor rates of the location where the properties are situated and other features of the respective property such as the built up area, the age of the property, Estimated future life, structural features e.t.c.

5 Goodwill and Other intangible assets

(₹ in Crore)

Particulars	Trademarks and copyrights (Refer note (i) below)	Computer software	Non Compete fees	Customer Database	Total	Goodwill
Year ended March 31, 2022						
Opening gross carrying amount	**217**	**26**	**2**	**7**	**252**	**613**
Acqusitions through business combinations	72	0	5	3	81	17
Additions	-	1	-	-	1	-
Disposals	-	(0)	-	-	(0)	-
Exchange differences	2	0	-	-	2	24
Closing gross carrying amount	**291**	**27**	**7**	**10**	**335**	**654**
Accumulated amortisation and impairment loss	**0**	**19**	**0**	**2**	**22**	**-**
Amortisation charge for the year	-	3	1	3	7	-
Disposals	-	(0)	-	-	(0)	-
Exchange differences	0	0	-	-	0	-
Closing accumulated amortisation	**0**	**22**	**1**	**5**	**29**	**-**
Closing net carrying amount	**291**	**5**	**6**	**5**	**306**	**654**
Year ended 31st March 2023						
Opening gross carrying amount	**291**	**27**	**7**	**10**	**335**	**654**
Acqusitions through business combinations (refer note no. 42)	260	-	6	-	266	181
Additions	-	1	-	-	1	-
Disposals	-	(5)	-	-	(5)	-
Exchange differences	(4)	(0)	-	-	(4)	27
Closing gross carrying amount	**547**	**23**	**13**	**10**	**593**	**862**
Accumulated amortisation and impairment loss	**0**	**22**	**1**	**5**	**29**	**-**
Amortisation charge for the year	0	3	3	3	8	-
Disposals	-	(5)	-	-	(5)	-
Exchange differences	0	(0)	-	-	(0)	-
Closing accumulated amortisation	**1**	**20**	**4**	**8**	**33**	**-**
Closing net carrying amount	**546**	**3**	**9**	**2**	**560**	**862**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

6(a) Investments

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non current investment		
Other investments		
(A) Quoted		
Tax free Bonds (at amortised cost)	**17**	17
	17	**17**
(B) Unquoted		
Equity instruments		
Others (at FVTPL)	1	1
Bonds (at amortised cost)	223	-
Debentures (at FVTPL)	-	110
Bonds (ETF) (at FVTPL)	226	59
Intercorporate deposits (at amortised cost)	50	-
Government securities (at amortised cost)	0	0
	501	**170**
Total Non-current Other Investments (A+B)	**518**	**187**
Current investments		
(C) Unquoted		
Intercorporate deposits (at amortised cost)	155	112
Debentures (at FVTPL)	-	107
Bonds (at amortised cost)	51	-
Mutual Funds (at FVTPL)	372	422
Total Current Investments (C)	**578**	**641**
Aggregate carrying amount of quoted investments	17	17
Market value/ Net asset value of quoted investments	17	19
Aggregate carrying amount of unquoted investments	**1,079**	811

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6(b) Trade Receivables

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables	1,032	668
Less: Allowance for doubtful debts	(17)	(16)
Total receivables	**1,015**	**652**
Current portion	1,015	652
Non-current portion	-	-
Break up of security details		
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	1,015	652
Trade receivables which have significant increase in credit risk	17	16
Less: Allowance for doubtful debts	(17)	(16)
Trade receivables - Credit impaired	-	-
Less: Allowance for doubtful debts	-	-
Total	**1,015**	**652**

For credit risk and provision for loss allowance refer note 28(A)

Trade Receivables ageing schedule

(₹ in Crore)

31st March, 2022

Particular	Outstanding for following periods from due date of payment						Total
	Not Due	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed Trade receivables – considered good	349	244	37	10	7	5	652
(ii) Undisputed Trade Receivables – Considered doubtful	-	0	0	11	1	1	14
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – Considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – Considered doubtful	-	-	-	-	-	2	2
(vi) Disputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
	349	**244**	**37**	**21**	**8**	**8**	**668**
Less: Allowance for doubtful debts	-	0	-	11	1	3	16
Total	**349**	**243**	**37**	**10**	**7**	**5**	**652**

31st March, 2023

Particular	Outstanding for following periods from due date of payment						Total
	Not Due	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed Trade receivables – considered good	557	415	16	16	11	1	1,015
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	1	-	0	0	1
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	2	0	0	11	4	16
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	557	**417**	**16**	**16**	**22**	**5**	**1,032**
Less: Allowance for doubtful debts	-	2	1	0	11	4	17
Total	**557**	**414**	**16**	**16**	**11**	**1**	**1,015**

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To Consolidated Financial Statements for the year ended 31st March, 2023

6(c) Loans

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non current		
Unsecured, considered good		
Loans to employees	4	4
Total non current loans	**4**	**4**
Current		
Unsecured, considered good		
Loan to employees	4	5
Total current loans	**4**	**5**

Note: Loans are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

6(d) Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with banks		
Bank balance in current accounts	194	113
Deposits with original maturity of less than three months	11	163
Remittance in Transit	2	-
Cash on hand	0	0
Total cash and cash equivalents	**207**	**276**

6(e) Bank balances other than cash and cash equivalents

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Fixed deposits with maturity more than 3 months but less than 12 months	547	301
Balances with banks for unclaimed dividend (refer note below)	2	2
Total bank balance other than cash and cash equivalents	**549**	**303**

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To Consolidated Financial Statements for the year ended 31st March, 2023

6(f) Other Non Current Financial Assets

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured considered good (unless otherwise stated)		
Fixed deposits-maturing after 12 months (refer note below)	16	0
Security deposits with public bodies and others		
Considered good	14	15
Considered doubtful	1	1
	15	**16**
Less: Provision for doubtful deposits	(1)	(1)
	14	**15**
Others	2	2
Total other non current financial assets	**32**	**17**

Note : Fixed deposits with banks includes deposits held as lien by banks against guarantees and for other earmarked balances.

6(g) Other Current Financial Assets

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Derivatives		
Foreign exchange forward contracts and options.	1	2
	1	**2**
(ii) Others		
Receivable from related parties (refer note 32)	0	0
Security deposits	0	0
Other deposits	1	0
Others	2	0
	3	**0**
Total other current financial assets	**4**	**2**

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7 Deferred Tax Assets (Net)

The balance comprises temporary differences attributable to :

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Liabilities / provisions that are deducted for tax purposes when paid	33	28
Tax Losses	13	3
Defined benefit obligations	0	1
On intangible assets adjusted against capital redemption reserve and securities premium account under the capital restructuring scheme	1	2
MAT Credit entitlement	131	173
	178	**207**
Other items:		
Other temporary differences	4	5
Allowance of doubtful debts	1	1
Leases	7	11
	12	**17**
Total deferred tax assets	**190**	**224**
Set off of deferred tax liabilities pursuant to set off provisions	(44)	(37)
Net deferred tax assets	**146**	**187**

Movement in deferred tax assets

Particulars	Liabilities / provisions that are deducted for tax purposes when paid	Tax Losses	Defined benefit obligations	On Intangible assets (refer note 1 below)	MAT Credit entitlement	Other items	Total deferred tax assets
As at March 31, 2021	**25**	**-**	**0**	**2**	**169**	**16**	**213**
(Charged)/credited :							
to Profit and loss	4	3	-	(0)	4	0	11
to other comprehensive income	-	-	(0)	-	-	(0)	(0)
Reclassified to deferred tax liability	-	-	-	-	-	-	-
Exchange translation Difference	-	-	0	-	-	0	0
As at March 31, 2022	**28**	**3**	**1**	**2**	**173**	**17**	**224**
(Charged)/credited :							
to Profit and loss	4	10	-	(0)	(42)	(5)	(34)
to other comprehensive income	-	-	(0)	-	-	-	(0)
Reclassified to deferred tax liability	-	-	-	-	-	-	-
Exchange translation Difference	1	-	-	-	-	(0)	1
As at March 31, 2023	**33**	**13**	**0**	**1**	**131**	**12**	**190**

Note 1: On intangible assets adjusted against capital redemption reserve and securities premium account under the capital restructuring scheme.

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To Consolidated Financial Statements for the year ended 31st March, 2023

8 Other Non-Current Assets

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital advances	27	15
Advances to vendors	3	1
Prepaid expenses	2	1
Deposits with statutory/government authorities	14	13
Total other non-current assets	**46**	**30**

9 Inventories

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw materials:		
In stock	437	440
In transit	11	24
Packing materials		
In stock	111	119
In transit	**1**	2
Work-in-progress	215	300
Finished goods:		
In stock	380	468
In transit	2	2
Stock in Trade	48	36
By-products	4	4
Stores and spares (refer note 39 3(b))	16	17
Total Inventories	**1,225**	**1,412**

Refer Note 1 (p) for basis for valuation

During the year an amount of ₹ 70 crores (March 31, 2022: ₹ 36 crores) was charged to the Statement of Profit and Loss on account of damaged and slow moving inventory. The reversal on account of above during the year amounted to ₹ Nil (March 31, 2022: Nil).

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

10 Other Current Assets

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advances to vendors	85	75
Balances with government authorities	56	51
Input tax credit receivable	70	73
Prepaid expenses	19	14
Total other current assets	**230**	**213**

11 Assets classified as held for sale

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Land and building	6	0
Plant and Machinery	1	-
Total assets classified as held for sale	**7**	**0**

Non-recurring fair value measurements

i. During the year ended March 31, 2023 following asset held for sale was reclassified from Investment property:

Plant and Machinery - ₹ 1 Crore

Building - ₹ 4 Crores

ii. During the year ended March 31, 2023 following asset held for sale was reclassified from Property, Plant and Equipments:

Building - ₹ 2 Crores

iii. The valuation of assets held for sale of the Company, is determined basis the details obtained from "The Ready Reckoner", location factor and physical verification of the property.

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

12 (a) Equity Share Capital

Particulars	No. of shares (in Crore)	Amount (₹ in Crore)
Authorised share capital		
As at March 31, 2022		
Equity shares of ₹ 1/- each	150	150
Equity shares of ₹ 10/- each	8	80
Preference shares of ₹ 10/- each	7	65
Total	**165**	**295**
As at March 31, 2023		
Equity shares of ₹ 1/- each	150	150
Equity shares of ₹ 10/- each	8	80
Preference shares of ₹ 10/- each	7	65
Total	**165**	**295**
Issued, subscribed and paid-up as at March 31, 2022		
1,292,787,278 equity shares of ₹ 1/- each fully paid-up	129	129
Total	**129**	**129**
Issued, subscribed and paid-up as at March 31, 2023		
1,293,084,378 equity shares of ₹ 1/- each fully paid-up	129	129
Total	**129**	**129**

(i) Movements in equity share capital

Particulars	No. of shares (in Crore)	Equity Share capital (par value)
As at April 01, 2021	**129**	**129**
Shares issued during the year - ESOP (Refer Note 35)	0	0
As at March 31, 2022	**129**	**129**
Shares issued during the year - ESOP (Refer Note 35)	0	0
As at March 31, 2023	**129**	**129**

(ii) Rights, preferences and restrictions attached to equity shares

Equity Shares: The authorised share capital of the Company comprises of 150 Crores equity share of ₹ 1 each and 8 Crores equity shares of ₹ 10 each.

Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

(iii) Shares reserved for issue under options

Information relating to Marico ESOP 2016, including details of options issued, exercised and lapsed during the Financial Year and options outstanding at the end of the reporting period, is set out in Note 35.

(iv) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of ₹ 1/- each fully paid-up				
Harsh C Mariwala with Kishore V Mariwala (For Valentine Family Trust)	143,884,950	11.13	143,884,950	11.13
Harsh C Mariwala with Kishore V Mariwala (For Aquarius Family Trust)	143,871,950	11.13	143,871,950	11.13
Harsh C Mariwala with Kishore V Mariwala (For Taurus Family Trust)	143,890,750	11.13	143,890,750	11.13
Harsh C Mariwala with Kishore V Mariwala (For Gemini Family Trust)	143,886,350	11.13	143,886,350	11.13
First State Investments Services (UK) Ltd (along with Persons acting in concert)	86,084,065	6.66	89,703,735	6.94

(v) For the period of preceding five years as on the Balance Sheet date, Issued, Subscribed and Paid-up Share Capital includes:

i. Aggregate of Nil (upto March 31, 2022: Nil) Equity shares of ₹ 1 each allotted as fully paid-up bonus , issued in year 2016

ii. Aggregate of 22,19,980 (March 31, 2022: 23,16,080) Equity shares allotted under the Employee stock option plan schemes as consideration for services rendered by employees for which only exercise price has been received in cash.

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

Shares held by Promoters at the end of the year i.e. March 31, 2023

Sr. No.	Promoter Name	No. of shares as on March 31, 2023	% of total shares as on March 31, 2023	No. of shares as on March 31, 2022	% of total shares as on March 31, 2022	Difference (i.e. March 31, 2023 - March 31, 2022)	% of change during the year
1	Harsh C Mariwala with Kishore V Mariwala for Taurus Family Trust	143,890,750	11.13%	143,890,750	11.13%	-	0.00%
2	Harsh C Mariwala with Kishore V Mariwala for Gemini Family Trust	143,886,350	11.13%	143,886,350	11.13%	-	0.00%
3	Harsh C Mariwala with Kishore V Mariwala for Valentine Family Trust	143,884,950	11.13%	143,884,950	11.13%	-	0.00%
4	Harsh C Mariwala with Kishore V Mariwala for Aquarius Family Trust	143,871,950	11.13%	143,871,950	11.13%	-	0.00%
5	Rajvi H Mariwala	28,408,000	2.20%	28,408,000	2.20%	-	0.00%
6	Harsh C Mariwala	28,102,900	2.17%	28,102,900	2.17%	-	0.00%
7	Rishabh H Mariwala	24,976,500	1.93%	24,976,500	1.93%	-	0.00%
8	Archana H Mariwala	16,966,600	1.31%	16,966,600	1.31%	-	0.00%
9	Ravindra K Mariwala	22,423,410	1.73%	20,503,540	1.59%	1,919,870	0.15%
10	Hema K Mariwala	0	0.00%	7,679,480	0.59%	(7,679,480)	-0.59%
11	Paula R Mariwala	12,383,470	0.96%	10,463,600	0.81%	1,919,870	0.15%
12	Anjali R Mariwala	14,254,440	1.10%	11,914,700	0.92%	2,339,740	0.18%
13	Rishabh Mariwala with Priyanjali Mariwala For Valley of Light Trust	5,400,000	0.42%	5,400,000	0.42%	-	0.00%
14	Rishabh Mariwala with Priyanjali Mariwala For Valour Trust	5,400,000	0.42%	5,400,000	0.42%	-	0.00%
15	Rajen K Mariwala	7,681,400	0.59%	7,681,400	0.59%	-	0.00%
16	Kishore V Mariwala	2,489,220	0.19%	2,489,220	0.19%	-	0.00%
17	Pallavi Jaikishan Panchal	1,832,000	0.14%	1,832,000	0.14%	-	0.00%
18	Malika Chirayu Amin	1,800,000	0.14%	1,800,000	0.14%	-	0.00%
19	Kishore V Mariwala for Anandita Trust	6,700	0.00%	6,700	0.00%	-	0.00%
20	Kishore V Mariwala for Arnav Trust	6,700	0.00%	6,700	0.00%	-	0.00%
21	Kishore V Mariwala for Vibhav Trust	6,700	0.00%	6,700	0.00%	-	0.00%
22	Kishore V Mariwala for Taarika Trust	6,700	0.00%	6,700	0.00%	-	0.00%
23	Sharrp Ventures Capital Private Limited (Formerly The Bombay Oil Private Limited)	18,297,000	1.42%	18,297,000	1.42%	-	0.00%
24	Vibhav Ravindra Mariwala	2,000	0.00%	2,000	0.00%	-	0.00%
25	Anandita Arjun Kothari	1,000,000	0.08%	250,000	0.02%	750,000	0.06%
26	Taarika Rajendra Mariwala	1,000,000	0.08%	250,000	0.02%	750,000	0.06%
27	Preeti Gautam Shah	400,000	0.03%	1,050,000	0.08%	(650,000)	-0.05%
	Total	**768,377,740**	**59.44%**	**769,027,740**	**59.49%**	**(650,000)**	**-0.05%**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

12 (b) Reserves & Surplus

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Securities premium	496	484
General reserve	299	299
Share based option outstanding account	43	27
Treasury shares	(60)	(58)
Capital reserve	0	-
WEOMA reserve	94	88
Retained earnings	3,526	3,072
Adjustment pursuant to the Scheme of Capital Reduction of MCCL (Refer Note (h) to the statement of changes in equity)	(724)	(724)
Total reserve & surplus	**3,674**	**3,188**

(i) Securities premium

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	484	431
Add: Exercise of employee stock options	12	53
Closing Balance	**496**	**484**

(ii) General reserve

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	299	299
Closing Balance	**299**	**299**

(iii) Share based option outstanding account (Refer Note 35)

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	27	29
Exercise of employee stock options	(3)	(12)
Share based payment expense	19	10
Closing Balance	**43**	**27**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

(iv) Treasury Shares

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	(58)	(40)
Add : (Purchase) /sale of treasury shares by the Trust during the year (net)	(2)	(18)
Closing Balance	**(60)**	**(58)**

(v) WEOMA reserve

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	88	78
Add : Income of the trust for the year	6	10
Closing Balance	**94**	**88**

(vi) Retained earnings

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	3,072	3,038
Net profit attributable to owners	1,302	1,225
Remeasurement of post empoyment benefit obligation, net of tax	2	4
Less: Dividend	(582)	(1,195)
Less: Remeasurement changes arising on liability towrds obligation to acquire non-controlling interest	(266)	-
Less: Adjustment on acquiring additional stake in subsidiary	(2)	-
Closing Balance	**3,526**	**3,072**

12 (c) Other Reserves

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Hedge reserve	(0)	0
Foreign currency translation reserve	(3)	30
Total other reserves	**(4)**	**30**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

Hedge Reserve

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance	(0)	(1)
Changes in fair value of hedging instruments	(0)	(0)
Reclassified to statement of profit and loss	0	1
Deferred tax on above	0	(0)
Closing Balance	**(0)**	**0**

Foreign currency translation reserve

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance	30	0
Exchange gain/(loss) on translation during the year	(34)	30
Closing Balance	**(4)**	**30**

Non controlling interest (NCI)

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance	57	18
Acqusitions through business combinations (refer note no. 42)	104	35
Total comprehensive income for the year attributable to non controlling interest	20	26
Other adjustments	0	-
Less : Dividend distributed to minority shareholders	(25)	(22)
Closing Balance	**157**	**57**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

13(a) Borrowings

Non-Current Borrowings

(₹ in Crore)

Particulars	Maturity Date	Terms of repayment	Coupon / Interest rate	As at 31st March, 2023	As at 31st March, 2022
Unsecured					
Term loan					
From banks					
Loan in ZAR from Standard Bank of South Africa Limited	November 2024	Equal monthly instalments from April 2024 to Nov 2024	Relevant benchmark rate + 50 basis point	2	-
Cash credit				-	-
Total non-current borrowings				**2**	**-**
Less: Interest accrued (Refer Note 13(b))				**0**	**-**
Non-current borrowings				**2**	**-**

The scheduled maturity of long term borrowings is summarized as under:

Particulars	Maturity Date	Terms of repayment	Coupon / Interest rate	As at 31st March, 2023	As at 31st March, 2022
Within one year (Current maturities of long term debt)				0	-
After 1 year but within 2 years				-	-
Total				**0**	**-**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

Current Borrowings

(₹ in Crore)

Particulars	Maturity Date	Terms of repayment	Coupon /Interest rate	As at 31st March, 2023	As at 31st March, 2022
Unsecured					
From banks					
- Loan in ZAR from Standard Bank of South Africa Limited (Outstanding balance as at 31 March, 2023: ZAR 6.1 Million; as at 31 March, 2022: ZAR 16.43 Million)	Mar-24	Equal monthly instalments from April 2023 to Mar 2023 as per agreement	Relevant benchmark rate + 50 basis point	3	9
- Loan in VND from Citi Bank Vietnam (Outstanding balance as at 31 March, 2023: VND 245 Billion; as at 31 March, 2022: Nil)	Mar-24	For terms upto twelve months	7.66%	86	-
- Working capital demand loan in India	March 31, 2023 : Loan Repayable from Apr 2023 to June 2023 - ₹ 12 Crores, Jan 2024 to Mar 2024 ₹ 30 Crores, (FY22 Repaid with interest from May 2022 to July 2022 - ₹ 12 Crores, Jan 2022 to March 2022 ₹ 83 Crores)	For a term of six months to twelve months	FY23 Bank Base rate/ relevant Benchmark Rate plus applicable spread per annum (FY22 Bank Base rate/relevant Benchmark Rate plus applicable spread per annum)	42	95
- Working Capital Demand Loan in UAE (Outstanding balance as at 31 March, 2022: USD 21.5 Million; as at 31 March, 2021: USD 21.5 Million)	FY23: Repayable with interest in May 2022 - ₹ 91 Crores (USD 12 Million), Nov 22 ₹ 26 Crores (USD 3.5 Million) and ₹ 46 Crores in Dec 22 (USD 6 Million). (FY22 : Repaid with interest, May 2021 - ₹ 157 Crores (USD 21.5 Million))	For terms upto twelve months	FY23 SOFAR plus applicable spread ranging from 0.8% to 1.0% per annum FY22 LIBOR plus applicable spread ranging from 0.8% to 1.0% per annum	221	163
- Cash credit (Outstanding balance includes : In UAE - as at 31 March, 2022: USD 8.98 Million; as at 31 March, 2021: USD 2.11 Million In Egypt - as at 31 March, 2022: EGP 8 Million; as at 31 March, 2021: EGP 0 Million In Bangladesh - as at 31 March, 2022: Nil ; as at 31 March, 2021: BDT 250 Million In India - as at 31 March, 2022: ₹ 3.1 Crores ; as at 31 March, 2021: Nil In South Africa - as at 31 March, 2022: Nil ; as at 31 March, 2021: ZAR 1.5 Million In Lanka - as at 31 March, 2022: LKR 149 Million ; as at 31 March, 2021: LKR 66 Million	Payable on demand	Payable on demand	FY23 Bank Base rate/ relevant Benchmark Rate plus applicable spread per annum (FY21 : Bank Base rate/relevant Benchmark Rate plus applicable spread per annum)	108	78
- Export packing credit in India	March 31, 2023 : Loan Repayable from July 2023 to Sept 2023 - ₹ 17 Crores (FY23 - Repaid from January to March, 2023 ₹ 15 Crores)	For a term of six months	(FY23 - Bank Base rate/ Relevant Benchmark rate plus applicable spread less Interest Subvention of 2.00% per annum).	17	-
Total current borrowings				**477**	**345**
Add : Current maturities of long-term debt (refer note 13(a))					-
Less: Interest accrued (Refer Note 13(b))				4	0
Current borrowings as per balance sheet				**473**	**345**

Note : (i) Cash credit, working capital demand loan and export packing credit is unsecured. There is no charge against short term loan taken from banks.

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

13(b) Other Financial Liabilities

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-current		
Obligation to buy a stake in subsidiary	266	-
Total other non-current financial liabilities	**266**	**-**
Current		
Interest accrued and due on borrowings (refer note 13(a))	4	0
Interest accrued and not due on borrowings (refer note 13(a))	0	-
Creditors for capital goods	6	8
Salaries, bonus and other benefits payable to employees	27	34
Trade deposits from customers and others	1	1
Unclaimed dividend (refer note below)	1	2
Others	0	0
Derivative designated as hedges	0	(0)
Total other current financial liabilities	**40**	**45**

Note : As at March 31, 2023, there is no amount due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) by the company. Unclaimed dividend if any, shall be transferred to IEPF as and when they become due.

13(c) Trade Payables

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current		
Trade payables:		
Total outstanding dues of micro enterprises and small enterprises (refer note below)	68	76
Total outstanding dues of creditors other than micro enterprises and small enterprises	**1,384**	1,268
Total Trade Payable	**1,452**	**1,344**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

Trade Payables ageing schedule

31st March, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Un-billed	Not Due	< 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed dues - MSME	-	20	55	1	0	0	**76**
(ii) Undisputed dues - Others	442	223	581	14	5	3	**1,268**
(iii) Disputed dues – MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	-	**-**
Total	**442**	**243**	**636**	**15**	**5**	**3**	**1,344**

March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Un-billed	Not Due	< 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed dues - MSME	-	27	38	2	0	0	68
(ii) Undisputed dues - Others	409	238	611	93	27	10	1,388
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**409**	**266**	**649**	**96**	**28**	**10**	**1,456**

14 Provisions

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non Current		
Others (refer Note (b))*	4	1
Total Non current provisions	**4**	**1**
Current		
Disputed indirect taxes (refer Note (a) and (b))*	16	16
Others (refer Note (b))*	28	5
Total current provisions	**44**	**21**

* These provisions have not been discounted as it is not practicable for the Group to estimate the timing of the provision utilization and cash outflows, if any, pending resolution

(a) Provision for disputed indirect taxes mainly pertains to Entry tax dispute in the state of West Bengal, where the Govt of West Bengal has preferred an appeal before Division Bench, Hon'ble Court-Kolkata, which is pending before the Court. The matter is sub judice, it is not practicable to state the timing of the judgement & final outcome. Therefore, The company has retained the provision pending final adjudication of the matter.

(b) Movement of provisions during the year as required by Ind AS-37 "Provisions, Contingent Liabilities and Contingent Asset" specified under Section 133 of the Companies Act, 2013

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

Particulars	Indirect tax matters	Others
Balance as at April 01, 2021	16	5
Add: Additions due to Business Combination	-	-
Add: Provision/reclassified recognised during the year	0	1
Less: Amount utilised/reversed during the year	(0)	-
Balance as at April 01, 2022	**16**	**6**
Add: Additions due to Business Combination	-	-
Add: Provision/reclassified recognised during the year	1	-
Less: Amount utilised/reversed during the year	(0)	26
Balance as at 31st March 2023	**16**	**32**

15 Employee Benefit Obligation non Current (net)

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Gratuity (refer note (i) & (a) below)	5	6
Leave encashment/compensated absences (refer note (iii) below)	10	13
Share-appreciation rights (refer note (iv) below)	4	4
Others	1	4
Total employee benefit obligations non current	**20**	**27**

Employee benefit obligation current (net)

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Gratuity (refer note (i) & (a) below)	6	4
Leave encashment/compensated absences (refer note (iii) below)	6	4
Share-appreciation rights (refer note (iv) below)	2	5
Incentives / bonus	60	51
Total employee benefit obligations current	**74**	**64**

Notes:-

(i) Gratuity

The Group provides for gratuity for employees, wherever applicable. Amount of gratuity payable on retirement/termination is computed basis the law of the respective geographies. The gratuity plan in India is funded through gratuity trust in India,the gratuity plan in Bangladesh is funded through gratuity trust in Bangladesh, the gratuity plan in United Arab Emirates and Vietnam is unfunded.

(ii) Provident fund

In India, contributions are made to a trust administered by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year and any shortfall in the fund balance maintained by the trust set up by the Company is additionally provided for. There is no shortfall as at March 31, 2023 and March 31, 2022.

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

(iii) Leave Encashment/Compensated absences.

The Group provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each Balance Sheet date on the basis of an independent actuarial valuation. The Current leave obligations are expected to be settled within the next 12 months.

(iv) Share-appreciation rights

In respect of Employee Stock Appreciation Rights (STAR) granted pursuant to the Group's Employee Stock Appreciation Rights Plan, 2011, the liability shall be measured, initially and at the end of each reporting period until settled, at the fair value of the stock appreciation rights, by applying an option pricing model (excess of fair value as at the period end over the Grant price) and is recognized as Employee compensation cost over the vesting period (refer note 35 (b)).

(a) Balance sheet amounts - Gratuity

(₹ in Crore)

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
Balance as on April 01, 2021	49	39	10
Opening adjustment on business combinations	0	-	0
Current service cost	8	-	8
Interest expense	4	3	1
Total amount recognised in profit or loss	**12**	**3**	**9**
Remeasurements			
Return on plan assets,excluding amounts included in interest expense/ (income)	-	(0)	(0)
(Gain)/loss from change in demographic assumptions	(2)	-	(2)
(Gain)/loss from change in financial assumptions	0	-	0
Experience (gains)/ losses	(3)	0	(3)
Total amount recognised in other comprehensive income	**(5)**	**0**	**(5)**
Employer contributions	-	4	(4)
Benefit Payments	(5)	(4)	(0)
Benefit Paid from the fund	(2)	(2)	-
Balance as on March 31, 2022	**50**	**40**	**10**
Balance as on April 01, 2022	**50**	**40**	**10**
Opening adjustment on business combinations	0	-	0
Current service cost	8	-	8
Interest expense	3	2	1
Total amount recognised in profit or loss	**11**	**2**	**9**
Remeasurements			

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
Return on plan assets,excluding amounts included in interest expense/ (income)	(0)	(0)	0
(Gain)/loss from change in demographic assumptions	(1)	-	(1)
(Gain)/loss from change in financial assumptions	(2)	-	(2)
Experience (gains)/ losses	1	(1)	1
Total amount recognised in other comprehensive income	**(3)**	**(0)**	**(2)**
Employer contributions	-	5	(5)
Benefit Payments	(5)	(5)	(0)
Benefit Paid from the fund	(1)	(1)	-
Balance as on March 31, 2023	**52**	**41**	**11**

The Net liability disclosed above relates to funded and unfunded plans are as follows

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Present value of funded obligations	47	47
Fair value of plan assets	(42)	(41)
Deficit of funded plan	5	6
Unfunded plans	6	4
Deficit of gratuity plan	**11**	**10**

The following table shows a breakdown of the defined benefit obligation (Gratuity) and plan assets by country:

Plan type	As at 31st March, 2023				As at 31st March, 2022			
	India	Bangladesh	UAE	Total	India	Bangladesh	UAE	Total
Present value of obligations	40	8	4	52	39	8	3	50
Fair value of plan assets	(36)	(6)	-	(42)	(35)	(5)	-	(40)
Total liability	**4**	**2**	**4**	**10**	**4**	**3**	**3**	**10**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

The significant actuarial assumptions were as follows:

Experience (gains)/ losses	As at 31st March, 2023			As at 31st March, 2022		
	India	Bangladesh	Dubai	India	Bangladesh	Dubai
Discount rate	7.39%	8.20%	4.23%	6.41%	7.50%	3.30%
Rate of return on Plan assets*	7.39%	8.20%	NA	6.41%	7.50%	NA
Future salary rise**	10.00%	10.00%	5.00%	10.00%	11.37%	5.00%
Attrition rate	20% & 25%	16.00%	5.25%	16% &15%	14.50%	5.25%

* The expected rate of return on plan assets is based on expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations (The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario.)

** The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

Sensitivity analysis

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Crore)

Experience (gains)/ losses	As at 31st March, 2023	As at 31st March, 2022
Projected benefit obligation on current assumptions	52	50
Delta effect of +1% change in rate of discounting	(2)	(3)
Delta effect of -1% change in rate of discounting	2	3
Delta effect of +1% change in rate of salary increase	2	3
Delta effect of -1% change in rate of salary increase	(2)	(2)
Delta effect of +1% change in rate of Employee turnover	(0)	(0)
Delta effect of -1% change in rate of Employee turnover	0	1

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The major categories of plans assets are as follows :

(₹ in Crore)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Amount	in %	Amount	in %
Special deposit scheme	1	1.28%	1	1.34%
Insurer Managed funds	32	75.97%	33	84.52%
Cash and Cash Equivalents	8	19.23%	5	12.61%
Other	1	3.53%	1	1.52%
Total	**42**	**100.00%**	**40**	**100%**

Defined benefit liability and employer contributions

The weighted average duration of the gratuity for the Group ranges from 5 to 12 years as at March 31, 2023 and March 31, 2022.

The expected maturity analysis of gratuity is as follows:

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Within the next 12 months	9	6
Between 2 and 5 years	28	24
Between 6 and 10 years	19	21
Beyond 10 years	9	11
Total	**65**	**62**

(b) Provident Fund

(₹ in Crore)

Amount recognised in the Balance Sheet	As at 31st March, 2023	As at 31st March, 2022
Liability at the end of the year		
Fair value of plan assets at the end of the year	265	244
Present value of benefit obligation as at the end of the period	(242)	(238)
Difference	23	6
Unrecognized past service Cost	(23)	(6)
(Assets) / liability recognized in the Balance Sheet	**0**	**0**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

Changes in defined benefit obligations:

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Liability at the beginning of the year	238	205
Opening balance adjustment	(0)	(0)
Interest cost	2	18
Current service cost	15	13
Employee contribution	19	18
Liability Transferred in	13	7
Liability Transferred out	(31)	(13)
Benefits paid	(13)	(10)
Liability at the end of the year	**242**	**238**

Changes in fair value of plan assets:

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Fair value of plan assets at the beginning of the year	244	211
Opening balance adjustment	-	0
Expected return on plan assets	2	18
Contributions	34	31
Transfer from other Company	13	7
Transfer to other Company	(31)	(13)
Benefits paid	(13)	(10)
Actuarial gain/(loss) on plan assets	16	-
Fair value of plan assets at the end of the year	**265**	**244**

Expenses recognised in the Statement of Profit and Loss :

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Current service cost	15	13
Interest cost	2	18
Expected return on plan assets	(2)	(18)
(Income) / Expense recognised in the Statement of Profit and Loss	**15**	**13**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

The major categories of plan assets are as follows :

Particulars	As at 31st March, 2023 Amount	As at 31st March, 2023 in %	As at 31st March, 2022 Amount	As at 31st March, 2022 in %
Central Government securities	11	4.15%	11	4.63%
State loan/State government Guaranteed Securities	4	1.62%	7	3.07%
Government Securities debt instruments	110	41.46%	97	39.67%
Public Sector Units	8	3.00%	81	33.00%
Private Sector Units	2	0.85%	14	5.61%
Debt Securities	98	36.88%	-	0.00%
Equity / Insurance Managed Funds	25	9.28%	3	1.30%
Special Deposit	1	0.42%	1	0.45%
Cash & Cash Equivalents	1	0.28%	21	8.48%
Others	6	2.08%	9	3.78%
Total	**265**	**100.00%**	**244**	**100.00%**

The Significant actuarial assumptions were as follows :

Particulars	As at 31st March, 2023	As at 31st March, 2022
Discount rate	7.39%	6.41%
Rate of return on plan assets*	8.15%	8.10 %
Future salary rise**	10%	10%
Attrition rate	20%-25%	16%-15%
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	

* The expected rate of return on plan assets is based on expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations. (The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario.)

** The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market.

(c) Leave Encashment (Privileged leave - Compensated absences for employees):

Amount recognized in the Balance Sheet and movements in net liability: (₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance of compensated absences	16	16
Present value of compensated absences (As per actuarial valuation) as at the year end	**16**	16

The privileged leave liability is not funded.

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

(d) Employee State Insurance Corporation

Marico India has recognised ₹ 0 Crore (₹ 0 Crore for the year ended 31st March 2021) towards employee state insurance plan in the Statement of Profit and Loss.

(e) Risk exposure (For Gratuity and Provident Fund)

Through its defined benefit plans, the Group is exposed to below risk:

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan assets has investments in insurance/equity managed fund, fixed income securities with high grades, public/private sector units and government securities. Hence assets are considered to be secured.

Changes in bond yields : A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

The Trust ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Group's ALM objective is to match assets to the obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due.

16 Deferred Tax Liabilities (Net)

The balance comprises temporary differences attributable to :

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred tax liability:		
Additional depreciation/amortisation on property plant and equipment, and investment property for tax purposes due to higher tax depreciation rates.	34	29
Intangible assets	169	88
Financial assets at fair value through Profit & Loss	10	23
Outside basis tax	11	10
Other timing differences (hedge reserve)	(3)	(4)
Total deferred tax liabilities	**222**	**146**
Set off of deferred tax assets pursuant to set off provisions	**(44)**	**(37)**
Net deferred tax liabilities	**178**	**109**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

Movement in deferred tax liabilities

(₹ in Crore)

Particulars	Property plant and equipment and Investment property	Intangible assets	Financial assets at fair value through Profit & Loss	Outside basis tax	Other items	Total deferred tax liabilities
As at March 31, 2021	25	67	17	4	(2)	111
(Charged)/credited :						
to Profit and loss	4	(0)	6	6	(2)	14
to other comprehensive income						-
Pursuant to business combination	-	21	-	-	-	21
Reclassified from deferred tax assets						-
Exchange translation Difference	(0)	0	-	-	(0)	0
As at March 31, 2022	**29**	**88**	**23**	**10**	**(4)**	**146**
(Charged)/credited :						
to Profit and loss	5	15	(13)	1	2	10
to other comprehensive income	-	-	-	-	-	-
Pursuant to business combination - refer note 42	-	66	-	-	-	66
Reclassified from deferred tax assets	-	-	-	-	-	-
Exchange translation Difference	-	(0)	-	0	(1)	(0)
As at March 31, 2023	**34**	**169**	**10**	**11**	**(3)**	**222**

17 Tax assets and liabilities

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non current tax assets (net)	67	57
Current tax assets	2	1
Current tax liabilities (net)	87	67

The Current tax assets and liabilities has been derived at based on individual entity.

18 Other current liabilities

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Statutory dues (including provident fund, tax deducted at source and others)	48	27
Deferred income on government grants (refer note below)	3	2
Other Liabilities	(0)	-
Others	-	0
Other current liabilities	**50**	**29**
Contractual & Constructive obligation	118	167
Advance from customer	46	27
Others	3	1
Total other payables	**167**	**195**
Total other current liabilities	**217**	**224**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

The Group is eligible for government grants which are conditional upon construction of new factories in North East region. The factories had been constructed and been in operation since May 2016 and March 2017. These grants, recognized as deferred income, are being amortized over the useful life of the plant and machinery, and accounted as "Incentives (includes government grant, budgetary support, export incentives and others)" under the head "Other operating revenue" (Refer note 19), in proportion to depreciation expense.

19 Revenue From Operations

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Sale of products	9,689	9,452
Other operating revenue:		
Incentives (includes government grant, export incentives, budgetary support and others)	64	51
Sale of scrap	11	9
Total Revenue from continuing operations	**9,764**	**9,512**
Reconciliation of Revenue from sale of products with the contracted price		
Contracted Price	10,949	10,489
Less: Discounts	1,260	1,037
Sale of Products (refer note 30 for further details in revenue from operations)	**9,689**	**9,452**

20 Other Income

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
(a) Other income		
Rental income	1	1
Interest income from financial assets at amortised cost	49	59
Royalty Income	0	0
Others	11	11
Total of other income	**61**	**71**
(b) Other gains/(losses):		
Net gain on disposal of property, plant and equipment	28	0
Net gain on financial assets mandatorily measured at fair value through profit or loss and net gain on sale of investments	50	30
Net foreign exchange gain/(loss)	4	(3)
Other gains/(losses)	1	-
Total of other gain/(losses)	**83**	**27**
Total other income	**144**	**98**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

21(a) Cost of Materials Consumed

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Total raw materials consumed	4,038	4,501
Total packing materials consumed	611	560
Total cost of materials consumed	**4,649**	**5,061**

21(b) Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening inventories		
Finished goods	470	499
Work-in-progress	300	159
By-products	4	4
Stock-in-trade	36	32
Closing inventories		
Finished goods	382	470
Work-in-progress	215	300
By-products	4	4
Stock-in-trade	48	36
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	**161**	**(116)**

22 Employee Benefit Expense

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries, wages and bonus	564	500
Contribution to provident fund (refer note 15 (b))	27	26
Share based payment expense (refer note 35(c))	21	23
Staff welfare expenses	41	37
Total employee benefit expense	**653**	**586**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

23 Depreciation and Amortization Expense

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation on property, plant and equipment (refer note 3 (a))	102	89
Depreciation on investment properties (refer note 4)	1	3
Amortisation of intangible assets (refer note 5)	8	7
Depreciation on Lease assets (refer note 3(b))	44	40
Total Depreciation and Amortization Expense	**155**	**139**

24 Other Expenses

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Advertisement and sales promotion	842	796
Freight, forwarding and distribution expenses	387	354
Processing and Other Manufacturing Charges	238	251
Rent and storage charges	20	20
Legal & Professional Charges	101	73
Outside Services	50	50
Repairs and Maintenance	59	51
Power, fuel and water	35	32
Travelling, conveyance and vehicle expenses	55	34
Consumption of stores, spare and consumables	20	18
Provision for doubtful debts	1	8
Miscellaneous expenses (refer note (i) below)	141	123
Total	**1,950**	**1,809**

(i) Miscellaneous expense includes printing and stationery, communication, rates and taxes, insurance and other expenses.

(ii) Research and Development expenses aggregating to ₹ 32 Crore have been included under the relevant heads in the Statement of Profit and Loss (Previous year ended March 31, 2022 aggregating ₹ 29 Crore). Further Capital expenditure pertaining to this of ₹ 1 Crore have been incurred during the year (Previous year ended March 31, 2022 aggregating ₹ 1 Crore).

25 Finance Costs

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest and finance charges on bank and other borrowings	21	8
Bank and other financial charges	22	18
Lease finance cost (refer note 1M - Lease)	11	11
Other borrowing costs	2	2
Finance costs expensed in profit or loss	**56**	**39**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

26 Income Tax Expense recognised in Profit or Loss

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
a. Income tax expense		
Current tax on profits for the year	377	343
Deferred tax charge/(credit)	44	3
Total income tax expenses during the year recognised in profit or loss	**421**	**346**

b. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Profit before tax (a)	1,743	1,601
Income tax rate as applicable (b)	**34.944%**	**34.944%**
Calculated taxes based on above without any adjustment for deductions [(a) * (b)]	**609**	**560**
Tax effect of amounts which are not deductible (allowable) in calculating taxable income		
Effect of income that is exempt from taxation	(1)	(2)
Effect of Income which is taxed at special rate	(84)	(89)
Effect of expenses that are not deductible in determining taxable profit	10	24
Effect of expenses that are deductible in determining taxable profit	(0)	(8)
Income tax incentives	(131)	(169)
Difference in tax rates in foreign jurisdictions	14	34
Others	4	(4)
Income tax expense for the current year recognised in profit or loss	**421**	**346**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

27 Fair Value Measurements

(a) Financial Instruments by category

(₹ in Crore)

Particulars	Note	31st March, 2023 FVTPL	31st March, 2023 FVOCI	31st March, 2023 Amortized Cost	31st March, 2022 FVTPL	31st March, 2022 FVOCI	31st March, 2022 Amortized Cost
Financial Assets							
Investments							
Equity Instruments	6(a)	1	-	-	1	-	-
Bonds, debentures and commercial papers	6(a)	226	-	291	276	-	17
Mutual funds	6(a)	372	-	-	422	-	-
Government securities	6(a)	-	-	0	-	-	0
Trade receivables	6(b)	-	-	1,020	-	-	652
Inter corporate deposits	6(a)	-	-	206	-	-	112
Loan to employees	6(c)	-	-	8	-	-	9
Derivative financial assets	6(f)	-	1	-	2	-	-
Security deposits	6(f)	-	-	14	-	-	15
Cash and bank balances	6(d)	-	-	196	-	-	113
Bank balance for unclaimed dividend	6(e)	-	-	2	-	-	2
Fixed deposits	6(d),6(e)&6(f)	-	-	574	-	-	464
Other Deposits		-	-	5	-	-	2
Receivable from related parties	6(g)	-	-	0	-	-	0
Total financial assets		**599**	**1**	**2,316**	**701**	**-**	**1,386**
Financial Liabilities							
Borrowings (including interest accrued)	13(a)	-	-	479	-	-	345
Derivative financial liabilities	13(b)	-	0	-	(0)	-	-
Trade payables	13(c)	-	-	1,456	-	-	1,344
Capital creditors	13(b)	-	-	6	-	-	8
Lease Liabilities		-	-	133	-	-	134
Liability towards obligation to acquire non-controlling interest	13(b)	-	266		-	-	
Others	13(b)	-	-	30	-	-	38
Total financial liabilities		**-**	**266**	**2,103**	**(0)**	**-**	**1,869**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

(b) Measurement of fair value

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 3 fair values for financial instruments measured at fair value, as well as the significant unobservable inputs used.

Type	Valuation techniques	Significant unobservable inputs
Liability towards obligation to acquire non-controlling interest	Discounted cash flows (DCF): The valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate.	- Risk-adjusted discount rate (7.2%). - Forecast revenue - Forecast EBIDTA%

Inter-relationship between key unobservable inputs and fair value measurement / sensitivity

Unobservable inputs	Sensitivity	Impact on estimated fair value
Risk adjusted discount rate	Increase by 0.5%	Decrease by ₹ 3 Crs
	Decrease by 0.5%	Increase by ₹ 4 Crs
Forecast Revenue	Increase by 5%	Increase by ₹ 17 Crs
	Decrease by 5%	Decrease by ₹18 Crs
Forecast EBIDTA%	Increase by 0.5%	Increase by ₹ 2 Crs
	Decrease by 0.5%	Decrease by ₹ 3 Crs

(c) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Crore)

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2023	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Listed equity instrument	6(a)	-	-	-	**-**
Exchange traded fund units	6(a)	-	-	-	**-**
Equity Instruments	6(a)	-	-	-	**-**
Mutual funds - growth plan	6(a)	-	372	-	**372**
Debentures (Quoted)	6(a)	-	226	-	**226**
Derivative designated as hedges					
Foreign exchange forward contracts, options and interest rate swaps	6(f)	-	1	-	**1**
Total financial assets		-	**598**	-	**598**
Financial liabilities					
Derivatives designated as hedges					
Foreign exchange forward contracts	13(b)	-	0	-	**0**
Total financial liabilities	-	-	0	-	**0**

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(₹ in Crore)

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2022	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Listed equity instrument	6(a)				
Exchange traded fund units			59		**59**
Equity Instruments	6(a)	-	-	1	**1**
Mutual funds - growth plan	6(a)	-	422	-	**422**
Debentures (Quoted)	6(a)	-	217	-	**217**
Derivative designated as hedges					
Foreign exchange forward contracts, options and interest rate swaps	6(f)				**-**
Total financial assets		**-**	**698**	**1**	**698**
Financial liabilities					
Derivatives designated as hedges					
Foreign exchange forward contracts	13(b)		-		-
Total financial liabilities		**-**	**-**	**-**	**-**

The fair value of financial instruments as referred to in note above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows:

Level 1: Financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, mutual funds, bonds and debentures, that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is considered here. For example, the forward contracts is valued based on Mark to Market statements from banks, the mutual funds are valued using the closing NAV pubhlished by mutual fund etc
Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

The carrying amounts of trade receivables, trade payables, capital creditors, loans and advances, security deposit, fixed deposit, insurance claim receivable, other financial liabilities and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

Notes

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28 Financial Risk Management

Financial Risks

In the course of its business, the Group is exposed to a number of financial risks: credit risk, liquidity risk, market risk (including foreign currency risk and interest rate risk, commodity price risk and other price risk). This note presents the Group's objectives, policies and processes for managing its financial risk and capital.

Boards of Directors of Marico Limited and some of its subsidiaries have approved Risk Management Framework through policies regarding Investment, Borrowing and Foreign Exchange Management policy for the respective entities. Management ensures the implementation of strategies and achievement of objectives as laid down by the Board through central Treasury function.

Treasury Management Guidelines define, determine & classify risk, by category of transaction, specific approval, execution and monitoring procedures.

In accordance with the aforementioned policies, the group only enters into plain vanilla derivative transactions relating to assets, liabilities or anticipated future transactions.

(A) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. Credit risk arises on liquid assets, financial assets, derivative assets, trade and other receivables.

In respect of its investments, the Group aims to minimize its financial credit risk through the application of risk management policies. Credit limits are set based on a counterparty value . The methodology used to set the list of counterparty limits includes , counterparty Credit Ratings (CR) and sector exposure. Evolution of counterparties is monitored regularly, taking into consideration CR and sector exposure evolution. As a result of this review, changes on credit limits and risk allocation are carried out. The Group avoids the concentration of credit risk on its liquid assets by spreading them over several asset management companies and monitoring of underlying sector exposure.

Trade receivables are subject to credit limits, controls & approval processes. Due to large geographical base & number of customers, the group is not exposed to material concentration of credit risk. Basis the historical experience, the risk of default in case of trade receivable is low. Provision is made for doubtful receivables as per expected credit loss using simplified approach, over the life of the assets depending on the customer ageing, customer category, specific credit circumstances & the historical experience of the Group.

The gross carrying amount of trade receivables is ₹ 1041 Crore as at March 31, 2023 (₹ 668 Crore as at March 31, 2022).

Reconciliation of loss allowance provision- trade receivables (₹ in Crore)

Particulars	31st March, 2023	31st March, 2022
Loss allowance at the beginning of the year	16	8
Add : Changes in loss allowances	1	8
Loss allowance at the end of the year	**17**	**16**

Security deposits are interest free deposits given by the group for properties taken on lease. Provision is taken on a case to case basis depending on circumstances with respect to non recoverability of the amount. The gross carrying amount of security deposit is ₹ 15 Crore as at March 31, 2023 and ₹ 16 Crore as at March 31, 2022.

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Other financial asset includes investment, loans to employees and advances given to joint venture for various operational requirements and other receivables (refer note 6(a), 6(c), 6(f) and 6(g)). Provision is made were there is significant increase in credit risk of the asset.

Reconciliation of loss allowance provision- Deposite/advances

(₹ in Crore)

Particulars	31st March, 2023	31st March, 2022
Loss allowance at the beginning of the year	1	1
Add : Changes in loss allowances due to provision	-	-
Loss allowance at the end of the year	**1**	**1**

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The current ratio of the Group as at March 31, 2023 is 1.57 (March 31, 2022 is 1.62) whereas the liquid ratio of the group as at March 31, 2023 is 1.05 (March 31, 2022 is 0.94).

Maturities of financial liabilities

Contractual maturities of financial liabilities March 31, 2023

(₹ in Crore)

Particulars	Note	Less than 1 year	1 year to 2 years	2 years to 3 years	3 years & above	Total
Non-derivatives						
Borrowings (including interest accrued)	13(a)	477	2	-	-	**479**
Trade Payables	13(c)	1,456	-	-	-	**1,456**
Lease Liabilities		43	30	24	36	**133**
Other Financial Liabilities	13(b)	30	-	-	-	**30**
Total Non-derivative liabilities		**2,006**	**32**	**24**	**36**	**2,097**
Derivative (Net- Settled)						
Foreign exchange forward contracts	13(b)	0	-	-	-	**0**
Total derivative liabilities		0	-	-	-	**0**

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Contractual maturities of financial liabilities March 31, 2022

(₹ in Crore)

Particulars	Note	Less than 1 year	1 year to 2 years	2 years to 3 years	3 years & above	Total
Non-derivatives						
Borrowings (including interest accrued)	13(a)	345	0	-	-	345
Trade Payables	13(c)	1,321	15	5	3	1,344
Lease Liabilities	13(b)	43	43	20	28	134
Other Financial Liabilities	13(b)	45	-	-	-	45
Total Non-derivative liabilities		**1,754**	**58**	**25**	**31**	**1,868**
Derivative (Net- Settled)						
Foreign exchange forward contracts	**13(b)**					**-**
Total derivative liabilities		**-**	**-**	**-**	**-**	**-**

Apart from the above, the company also has an exposure of corporate guarantees given to banks on behalf of subsidiaries for credit and other facilities granted by banks (refer note 31). It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above corporate guarantees.

(C) Market Risk

The group is exposed to risk from movements in foreign currency exchange rates, interest rates and market prices that affect its assets, liabilities and future transactions.

(i) Foreign currency risk

The group is exposed to foreign currency risk from transactions and translation.

Transactional exposures arise from transactions in foreign currency. They are managed within a prudent and systematic hedging policy in accordance with the Group's specific business needs through the use of currency forwards and options.

The group's exposure to foreign currency risk at the end of the reporting period expressed in ₹ (in crores) as on March 31, 2023

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The group's exposure to foreign currency risk at the end of the reporting period expressed in ₹ (in crores) as on March 31, 2023

(₹ in Crore)

	AED	AUD	BDT	CAD	EGP	GBP	MYR	SGD	USD	VND	EUR	THB	ZAR	
Financial assets														
Foreign currency debtors for export of goods	-	-	-	1		-	-	-	116	-	-			
Bank balances							0		3	0	0			0
Derivative asset														
Foreign exchange forward contracts sell foreign currency				-					(93)					
Foreign exchange option contracts sell option									(75)					
Net Exposure to foreign currency risk (assets)	**-**	**-**	**-**	**1**	**-**	**-**	**0**	**-**	**(49)**	**0**	**0**	**-**	**-**	**0**

(₹ in Crore)

	BDT	CAD	EUR	GBP	THB	SAR	ZAR	SGD	USD
Financial liabilities									
Foreign currency creditors for import of goods and services	0	-	0	0	-	11	-	0	(3)
Loan from Banks									303
Derivative liabilities									
Foreign exchange forward contracts buy foreign currency			(0)	(4)					(118)
Foreign exchange option contracts buy option			(4)					(1)	181
Net Exposure to foreign currency risk (liabilities)	**0**	**-**	**0**	**(8)**	**-**	**11**	**-**	**0**	**181**

The group's exposure to foreign currency risk at the end of the reporting period expressed in ₹ (in crores) as on March 31, 2022

(₹ in Crore)

	AED	AUD	BDT	CAD	EGP	GBP	MYR	SGD	USD	VND	EUR	THB	ZAR	IDR
Financial assets														
Foreign currency debtors for export of goods														
Bank balances	0	-	-	1	-	-	-	-	80	-	-	-	-	-
Other receivable	-	-	-	-	-	-	0		1	-	0	-	-	0
Derivative asset														
Foreign exchange forward contracts sell foreign currency	-	-	-	(0)	-	-	-	-	(72)	-	-	-	-	-
Foreign exchange option contracts sell option	-	-	-	-	-	-	-	-	(67)	-	-	-	-	-
Net Exposure to foreign currency risk (assets)	**0**	**-**	**-**	**0**	**-**	**-**	**0**	**-**	**(59)**	**-**	**0**	**-**	**-**	**0**

	AUD	CAD	EUR	GBP	THB	MYR	SAR	SGD	USD	BDT	ZAR	LKR
Financial liabilities												
Foreign currency creditors for import of goods and services	-	-	1	2	0	8	0	0	50	-	-	
Loan from Banks	3	-	-	-	-	-	9	-	231	4	3	
Derivative liabilities												
Foreign exchange forward contracts buy foreign currency	-	-	(2)	-	-	-	-	-	(63)	-	-	
Foreign exchange option contracts buy option	-	-	-	-	-	-	-	-	(39)	-	-	
Net Exposure to foreign currency risk (liabilities)	**3**	**-**	**(1)**	**2**	**0**	**8**	**9**	**0**	**179**	**4**	**3**	**-**

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To Consolidated Financial Statements for the year ended 31st March, 2023

Particular	**Impact on profit after tax**	
	31st March, 2023	**31st March, 2022**
USD Sensitivity		
INR/USD Increase by 6%	6	4
INR/USD Decrease by 6%	(6)	(4)
AUD Sensitivity		
INR/AUD Increase by 6%	0	0
INR/AUD Decrease by 6%	(0)	(0)

ii) Interest rate risk

The group is exposed primarily to fluctuation in USD and INR interest rates.

The group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in Crore)

Particulars	**As at 31st March, 2023**	**As at 31st March, 2022**
Variable rate borrowings	479	345
Fixed rate borrowings	-	-
Total borrowings (including interest accrued)	**479**	**345**

As at the end of the reporting period, the group had the following variable rate borrowings and interest rate swap contracts outstanding:

(₹ in Crore)

Particulars	**31st March 2023**			**31st March 2022**		
	Weighted Average Interest Rate	**Balance**	**% of Total Loans**	**Weighted Average Interest Rate**	**Balance**	**% of Total Loans**
Bank Overdrafts, Bank Loans	6.54%	479	100.00%	2.29%	345	100.00%
Net Exposure to Cash Flow Interest rate Risk	-	479	-	-	345	-

Interest bearing Financial assets classified at amortized cost, such as Fixed Deposit balances with Banks, inter Corporate Deposits, Commercial Papers. Bonds debentures etc have fixed interest rate. Hence, the Company is not subject to interest rate risk on such financial assets.

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Sensitivity (₹ in Crore)

Sensitivity impact on interest rate changes on borrowings	Impact on profit after tax	
	31st March, 2023	31st March, 2022
Interest rates - Increase by 50 basis point (50 bps)	(2)	(1)
Interest rates - decrease by 50 basis point (50 bps)	2	1

iii) Price risk

Mutual fund , market linked debentures and exchange traded fund Net Asset Values (NAVs) are impacted by a number of factors like interest rate risk, credit risk, liquidity risk, market risk in addition to other factors. A movement of 1% in NAV on either side can lead to a gain/loss of ₹ 5 Crores on the overall portfolio as at March 31, 2023 and ₹ 4 Crores as at March 31, 2022.

Impact of hedging activities

Derivate Asset and Liabilites through Hedge Accounting

Derivative Financial Instruments

The Group's derivatives mainly consist of currency forwards and options.

Derivatives are mainly used to manage exposures to foreign exchange, interest rate and commodity price risk as described in section Market risk.

Derivatives are initially recognised at fair value. They are subsequently remeasured at fair value on a regular basis and at each reporting date as a minimum, with all their gains and losses, realised and unrealised, recognised in the profit and loss statement unless they are in a qualifying hedging relationship.

Hedge Accounting

The group designates and documents certain derivatives and other financial assets or financial liabilities as hedging instruments against changes in fair values of recognised assets and liabilities (fair value hedges), highly probable forecast transactions (cash flow hedges).The effectiveness of such hedges is assessed at inception and verified at regular intervals.

Cash flow Hedges

The group uses cash flow hedges to mitigate a particular risk associated with a recognised asset or liability or highly probable forecast transactions, such as anticipated future export sales, purchases of equipment and raw materials.

The effective part of the changes in fair value of hedging instruments is recognised in other comprehensive income, while any ineffective part is recognised immediately in the Statement of Profit and Loss.

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(₹ in Crore)

31st March 2023

Type of hedge and risks	Nominal value		Carrying amount of Hedging Instrument		Maturity date	Hedge ratio effectiveness	Weighted average strike price/rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
Cash flow Hedge									
Foreign Exchange Risk									
Foreign Exchange Forward Contracts	91	122	(0)	0	April 2023-March 2024	1:1	USD=82.42 EUR=89.38 GBP= 98.51	(0)	0
Foreign Exchange Options Contracts	75	6	1	0	April 2023-March 2024	1:1	USD/INR= 75.31	(1)	1

31st March 2022 (₹ in Crore)

Type of hedge and risks	Nominal value		Carrying amount of Hedging Instrument		Maturity date	Hedge ratio effectiveness	Weighted average strike price/rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
Cash flow Hedge									
Foreign Exchange Risk									
Foreign Exchange Forward Contracts	72	65	1	(0)	April 2022-March 2023	1:1	USD=77.57 EUR=86.54 USD/BDT=87.09	2	(2)
Foreign Exchange Options Contracts	67	39	0	1	April 2022-March 2023	1:1	USD=75.31	1	(1)

Disclosure of effects of Hedge Accounting on Financial Performance

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income		Hedge ineffectiveness recognised in profit or loss		Amount reclassified from cash flow hedging reserve to profit or loss		Line item affected in Statement of Profit and Loss because of the reclassification
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	
Cash Flow							
Foreign Exchange Risk	(0)	(0)	-	-	0	1	Other expenses

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29 Capital Management

(a) Risk management

The Group's capital management is driven by Group's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the Group's capital. The Management monitors the capital structure and the net financial debt by currency. Net financial debt is defined as current and non current borrowings.

The debt equity ratio highlights the ability of a business to repay its debts.

Refer below for net Debt equity ratio. The Group complies with all statutory requirement as per the extant regulations.

(₹ in Crore)

Particulars	As at 31st March,2023	As at 31st March, 2022
Opening balance of compensated absences	16	16
Present value of compensated absences (As per actuarial valuation) as at the year end	16	16
Net debt to equity ratio	**0.12**	**0.10**

(b) Dividends

(₹ in Crore)

Particulars	As at 31st March,2023	As at 31st March, 2022
Interim dividend for the year	**606**	**1,217**

30 Segment Information

(i) Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CEO of the Group. The CODM examines the Group's performance from a geographic perspective and has identified two of its following business as identifiable segments :

a) India - this part of the business comprises domestic consumer goods

b) International

(ii) The amount of the Group's revenue is shown in the table below. (₹ in Crore)

Particulars	As at 31st March,2023	As at 31st March, 2022
Segment revenue (sales and other operating income)		
India	7,351	7,333
International	2,413	2,179
Total segment revenue	**9,764**	**9,512**
Less : Inter segment revenue	-	-
	9,764	**9,512**

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To Consolidated Financial Statements for the year ended 31st March, 2023

Revenue from sale of products to external customers broken down by major product categories :

(₹ in Crore)

Particulars	As at 31st March,2023	As at 31st March, 2022
Edible	5,356	5,593
Hair oils	2,111	2,003
Personal care	1,254	1,031
Others	1,043	885
	9,764	**9,512**

The Group does not have revenue more than 10% of total revenue from single customer.

The amount of revenue from external customers broken down by location of the customers is shown in the table below:

(₹ in Crore)

Particulars	As at 31st March,2023	As at 31st March, 2022
India	7,351	7,333
Bangladesh	1,159	1,139
Vietnam	593	495
Others	661	545
	9,764	**9,512**
Segment results		
India	1,373	1,243
International	535	492
Total segment results	**1,908**	**1,735**
Less : (i) Finance costs	56	39
(ii) Other un-allocable expenditure net of unallocable income	109	95
Profit before tax	**1,743**	**1,601**

(₹ in Crore)

Particulars	As at 31st March,2023	As at 31st March, 2022
Segment assets		
India	3,406	2,788
International	1,483	1,523
Unallocated	2,062	1,475
Total segment assets	**6,951**	**5,786**
Segment liabilities		
India	1,165	1,358
International	630	559
Unallocated	1,199	464
Total segment liabilities	**2,994**	**2,381**

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Geographical non-current assets (Property, plant and equipment, Right to use assets, capital work in progress, investment properties, goodwill, other intangible assets and other non-current assets) are allocated based on the location of the assets.

Information regarding geographical non-current assets is as follows:

(₹ in Crore)

Particulars	As at 31st March,2023	As at 31st March, 2022
India	1,585	1,087
Bangladesh	131	118
Vietnam*	595	568
Others	47	55
	2,358	1,828

* Includes goodwill on consolidation amounting to ₹ 557 Crore as at March 31, 2023, ₹ 529 Crore as at March 31, 2022.

31 Interests in Other Entities

(a) Subsidiaries

The Group's subsidiaries at March 31, 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Place of Business/ Country of Incorporation	Ownership interest held by the Group		Ownership interest held by the non controlling interest	
		31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
		%	%	%	%
Subsidiary companies:					
Marico Bangladesh Limited (MBL)	Bangladesh	90	90	10	10
Marico Bangladesh Industries Limited (MBLIL)	Bangladesh	100	100	Nil	Nil
Marico Middle East FZE (MME)	UAE	100	100	Nil	Nil
Marico Gulf LLC (MLLC) (refer note (iv) below)	UAE	100	100	Nil	NA
Marico Malaysia Sdn. Bhd. (MMSB)	Malaysia	100	100	Nil	Nil
Egyptian American Investment and Industrial Development Company S.A.E (EAIIDC)	Egypt	100	100	Nil	Nil
MEL Consumer Care SAE (MELCC)	Egypt	100	100	Nil	Nil
Marico Egypt Industries Company (MEIC)	Egypt	100	100	Nil	Nil
Marico for Consumer Care Products SAE	Egypt	100	100	Nil	Nil
Marico South Africa Consumer Care (Pty) Limited (MSACC)	South Africa	100	100	Nil	Nil
Marico South Africa (Pty) Limited (MSA)	South Africa	100	100	Nil	Nil
Marico South East Asia Corporation (MSEA)	Vietnam	100	100	Nil	Nil
Beauty X Joint stock Company (BX) (refer note (vi) below)	Vietnam	100	NA	Nil	NA
Marico Lanka (Private) Limited	Sri Lanka	100	100	Nil	Nil
Halite Personal Care India Private Limited (A Company under Voluntary Liquidation)	India	100	100	Nil	Nil
Marico Innovation Foundation (MIF) (refer note (i) below)	India	NA	NA	NA	NA

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Name of Entity	Place of Business/ Country of Incorporation	Ownership interest held by the Group		Ownership interest held by the non controlling interest	
		31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
		%	%	%	%
Parachute Kalpavriksha Foundation (PKF) (refer note (ii) below)	India	NA	NA	NA	NA
Zed Lifestyle Private Limited	India	100	100	Nil	Nil
Apcos Naturals Private Limited (APCOS) (refer note (iii) below)	India	60	52.38	40	47.62
HW Wellness Solutions Private Limited (HWW) (refer note (v) below)	India	53.98	NA	46.02	NA

The principal activity of the Group is consumer goods business.

(i) Marico Innovation Foundation ("MIF"), a company incorporated under Section 25 of the Companies Act, 1956 (being a private company limited by guarantee not having share capital) primarily with an objective of fuelling and promoting innovation in India, is a wholly owned subsidiary of the Company with effect from March 15, 2013 .Based on the Control assessment carried out by Marico Limited, the same is not consolidated as per IND AS 110.

(ii) Parachute Kalpavriksha Foundation ("PKF"), a company incorporated under Section 8 of the Companies Act, 2013 (being a private company limited by guarantee not having share capital) primarily with an objective of undertaking/channelizing the CSR activities of the Company towards community and ecological sustenance, is a subsidiary of the Company with effect from December 27, 2018. Based on the Control assessment carried out by Marico Limited, the same is not consolidated as per IND AS 110.

(iii) During the year ended March 31, 2023, the Group has acquired additional shares in Apcos Naturals Private Limited to increase its stake to 60% from 52.38% held as on March 31, 2022.

(iv) The group has acquired 53.98% stake in HW Wellness Solutions Private Limited on May 23, 2022.

(v) Beauty X Joint stock Company has become step down subsidiary of Marico Ltd. w.e.f. January 31, 2023.

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32 Related Party Transactions

I Name of related parties and nature of relationship:

(a) Subsidiaries - Not consolidated

Marico Innovation Foundation (MIF)

Parachute Kalpavriksha Foundation (PKF)

(b) Key management personnel (KMP):

Mr. Harsh Mariwala, Chairman and Non-Executive Director

Mr. Saugata Gupta, Managing Director and CEO

Mr. Ananth Sankaranarayanan, Independent Director

Ms. Hema Ravichandar, Independent Director

Mr. Nikhil Khattau, Independent Director

Mr. Rajendra Mariwala, Non-Executive Director

Ms. Apurva Purohit, Independent Director (appointed with effect from April 7, 2022)

Ms. Nayantara Bali, Independent Director (appointed with effect from April 7, 2022)

Mr. Milind Barve, Independent Director

Mr. Rajeev Vasudeva, Independent Director

Mr. Rishabh Mariwala, Non-Executive Director

Mr. Pawan Agrawal, Chief Financial Officer

Mr. Vinay M A, Company Secretary & Compliance Officer

(c) Individual holding directly / indirectly an interest in voting power & their relatives (where transactions have taken place) - Significant Influence:

Mr. Harsh Mariwala, Chairman and Non Executive Director

Mr. Rajen Mariwala, Non executive Director

Mr. Rishabh Mariwala, Non-Executive Director and son of Mr. Harsh Mariwala, Chairman and Non-Executive Director

(d) Post employment benefit controlled trust

Marico Limited Employees Provident Fund

Marico Limited Employees Gratuity Fund

Marico Limited Pension Scheme

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(e) Others - Entities in which above (b) and (c) has significant influence and transactions have taken place:

Ascent India Foundation

Kaya Limited

Mariwala Health Foundation

Sharrp Ventures Capital Private Limited (Formerly known as The Bombay Oil Private Limited)

Leap India Private Limited

Surfboats Solutions Private Limited

Koyla-Ki Pyrolysers Private Limited

Harsh Mariwala Enterprises LLP

II Transactions with related parties

The following transactions occurred with related parties:

Key management personnel compensation

(₹ in Crore)

Particulars	As at 31st March,2023	As at 31st March, 2022
Employee share-based payment	-	23
Short-term employee benefits	28	16
Post-employment benefits	0	1
Total compensation	**28**	**40**
Remuneration / sitting fees to Chairman	**3**	**4**
Remuneration/sitting fees to Non-Executive Directors and Independent Directors (Excluding the Chairman)	**4**	**3**

i. Provision for contribution to gratuity fund, leave encashment on retirement and other defined benefits which are made based on actuarial valuation on an overall Company basis are not included in remuneration to key management personnel.

ii. Also ESOP & STAR grant accrued annually are included in the KMP's remuneration in the year in which the same are excercised.

Contribution to post employment benefit controlled trust

(₹ in Crore)

Particulars	As at 31st March,2023	As at 31st March, 2022
Marico Limited Employees Provident Fund	34	31
Marico Limited Employees Gratuity Fund	2	4
Total compensation	**36**	**35**

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Dividend paid on equity shares held by KMPs and Promoter group - ₹ 346 crores (March 31, 2022 : ₹ 711 crores)

Particulars	Subsidiaries (Referred in I (a) above)		Others (Referred in I (e) above)	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
Expenses paid on behalf of related parties	-	-	1	1
Kaya Limited	-	-	1	0
Others	-	-	0	0
Sale of goods	-	-	-	1
Aaidea Solutions Private Limited	-	-	-	1
Lease Rental Income	-	-	1	1
Kaya Limited	-	-	1	1
Harsh Mariwala Enterprises LLP	-	-	0	0
Others	-	-	0	0
Donation Given / CSR Activities	12	9	-	-
Marico Innovation Foundation	4	1	-	-
Parachute Kalpavriksha Foundation	7	8	-	-
Royalty expense	-	-	-	0
Kaya Limited	-	-	-	0
Purchase of goods	-	-	-	0
Soap Opera	-	-	-	0
Purchase of Fixed Assets	-	-	-	0
Soap Opera	-	-	-	0
Towards adjustment of reimbursement charged	-	-	-	0
Soap Opera	-	-	-	0
Aqua Centric Private Limited	-	-	-	0
Ascent India Foundation	-	-	-	0
Mariwala Health Foundation	-	-	-	0
Harsh Mariwala Enterprises LLP	-	-	-	0
Others	-	-	-	0
Advertising Expense	-	-	-	0
Bright Lifecare Private Limited	-	-	-	0
Other Services	-	-	2	3
Leap India Private Limited	-	-	2	2
Delhivery Limited (formally known as Delhivery Private Limited)	-	-	-	0
Centum Learning Limited	-	-	0	1
Others	-	-	0	0

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III Outstanding balances

Particulars	Subsidiaries (Referred in I (a) above)		Others (Referred in I (e) above)	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties				
Trade receivables	-	-	-	0
Aaidea Solutions Private Limited	-	-	-	0
Trade payable	-	-	0	0
Leap India Private Limited	-	-	0	0
Receivable from related parties	-	-	-	0
Kaya Limited	-	-	-	0
Harsh Mariwala Enterprises LLP	-	-	-	0
Others	-	-	-	0

All the transactions are in normal course of business.

33 Contingent liabilities:

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Disputed tax demands / claims		
Sales tax / GST	109	189
Income tax	289	289
Service tax	-	0
Employees state insurance corporation	0	0
Excise duty	33	33
Claims against the Group not acknowledged as debts	18	20
Corporate guarantees given to banks on behalf of Broadcast Audience Research Council (BARC)	1	1
Corporate guarantees given to banks against which credit and other facilities are availed at the year end	403	244

Note:

1. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

2. The Group has ongoing disputes with income tax authorities in India. The disputes relate to tax treatment of certain expenses claimed as deductions, computation or eligibility of tax incentives and allowances. The Group have contingent liability of ₹ 289 crore and ₹ 289 crore as at March 31, 2023 and 2022, respectively, in respect of tax demands, which are being contested by the Group based on the management evaluation and advice of tax consultants.

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3. The Group periodically receives notices and inquiries from tax authorities related to the Group's operations in the jurisdictions it operates in. The Group has assessed these notices and inquiries and estimated that any consequent tax claims or demands by the income tax authorities will not succeed on ultimate resolution.

34 Commitments

(₹ in Crore)

Capital commitments:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	33	31
Total	**33**	**31**

35 Share-Based Payments

(₹ in Crore)

(a) Employee stock option plan

Marico ESOP 2016

During the year ended March 31, 2017, the Group implemented Marico Employee Stock Option Plan, 2016 ("Marico ESOP 2016" or "the Plan"). The Marico ESOP 2016 was approved by the shareholders at the 28th Annual General Meeting held on August 05, 2016, enabling grant of stock options to the eligible employees of the Group not exceeding in the aggregate 0.6% of the issued equity share capital of the Group as on the commencement date of the Plan i.e. August 05, 2016. Further, the stock options to any single employee under single scheme under the Plan shall not exceed 0.15% of the issued equity share capital of the Group as on the commencement date (mentioned above). The Marico ESOP 2016 envisages to grant stock options to eligible employees of the Group on an annual basis through one or more Scheme(s) notified under the Plan. Each option represents 1 equity share in the Group. The vesting period under the Plan is not be less than one year and not more than five years. Pursuant to the said approval, the Group notified below schemes under the Plan:

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As at March 31 2023						Number of options granted, exercised and forfeited					
Scheme	**Part**	**Options outstanding as at March 31, 2023**	**Exercise price**	**Vesting date**	**Weighted average share price of options exercised**	**Balance as at beginning of the year**	**Granted during the year**	**Less : Exercised during the year**	**Less: Forfeited / lapsed during the year**	**Balance as at end of the year**	**Weighted average remaining contractual life of options outstanding at end of period (in years)**
Scheme IV	Part I	5,080	256.78	30-Nov-19	-	83,340	-	78,260	-	5,080	-
	Part II	-	302.34	30-Nov-19	-	6,200	-	6,200	-	-	-
	Part III	-	307.77	30-Nov-19	-	7,570	-	7,570	-	-	-
Scheme VI	Part III	740	1.00	30-Nov-20	-	740	-	-	-	740	0.33
Scheme VII	Part I	86,140	307.77	30-Nov-20	-	138,780	-	47,440	5,200	86,140	0.33
	Part II	11,880	316.53	30-Nov-20	-	13,760	-	1,880	-	11,880	0.33
	Part III	15,920	346.47	30-Nov-20	-	22,570	-	6,650	-	15,920	0.33
Scheme IX	Part I	10,290	1.00	30-Nov-21	-	15,290	-	5,000	-	10,290	0.83
	Part II	-	1.00	30-Nov-21	-	8,100	-	8,100	-	-	0.83
Scheme X	Part I	242,010	346.47	30-Nov-21	-	335,440	-	86,540	6,890	242,010	0.83
	Part II	6,210	357.51	30-Nov-21	-	11,200	-	4,990	-	6,210	0.83
	Part III	28,890	346.00	30-Nov-21	-	37,280	-	5,830	2,560	28,890	0.83
Scheme XI		222,700	357.65	31-Mar-22	-	222,700	-	-	-	222,700	1.00
Scheme XII		386,380	357.65	31-Mar-22	-	386,380	-	-	-	386,380	1.00
Scheme XIII	Part I	324,050	346.00	30-Nov-22	-	717,540	-	28,690	364,800	324,050	1.33
	Part II	16,220	330.38	30-Nov-22	-	45,230	-	6,260	22,750	16,220	1.33
	Part III	103,420	372.10	30-Nov-22	-	109,550	-	-	6,130	103,420	1.33
Scheme XIV		425,100	330.38	31-Mar-23	-	425,100	-	-	-	425,100	1.50
Scheme XV	Part I	38,840	1.00	30-Nov-23	-	65,040	-	-	26,200	38,840	2.17
	Part II	6,548	1.00	30-Nov-23	-	6,548	-	-	-	6,548	2.17
Scheme XVI	Part I	496,350	372.10	30-Nov-23	-	695,890	-	3,690	195,850	496,350	2.17
	Part II	75,548	451.56	30-Nov-23	-	87,435	-	-	11,887	75,548	2.17
	Part III	105,613	545.34	30-Nov-23	-	145,866	-	-	40,253	105,613	2.17
Scheme XVII		52,080	1.00	31-Mar-24	-	52,080	-	-	-	52,080	2.50
Scheme XVIII		297,940	451.56	31-Mar-24	-	297,940	-	-	-	297,940	2.50
Scheme XIX	Part I	48,046	1.00	30-Nov-24	-	54,196	-	-	6,150	48,046	3.17
	Part II	15,794	1.00	30-Nov-24	-	-	15,794	-	-	15,794	3.17
	Part III	5,311	1.00	30-Nov-24	-	-	5,311	-	-	5,311	3.17
Scheme XX	Part I	705,295	545.34	30-Nov-24	-	839,114	-	-	133,819	705,295	3.17
	Part II	106,300	520.96	30-Nov-24			112,859	-	6,559	106,300	3.17
	Part III	103,843	498.25	30-Nov-24			103,843	-	-	103,843	3.17
	Part IV	4,428	505.15	30-Nov-24			4,428	-	-	4,428	3.17
Scheme XXI	Part II	44,935	1.00	31-Mar-24	-	-	44,935	-	-	44,935	2.50
Scheme XXII	Part I	24,017	545.34	31-Mar-24	-	24,017	-	-	-	24,017	2.50
	Part II	585,443	498.25	31-Mar-24	-	-	585,443	-	-	585,443	2.50
Scheme XXIII	Part I	86,601	1.00	31-Mar-24	-	-	86,601	-	-	86,601	2.50
Scheme XXIV	Part I	575,837	520.96	31-Mar-24	-	-	575,837	-	-	575,837	2.50
Scheme XXV	Part I	40,147	1.00	31-Mar-25	-	-	40,147	-	-	40,147	3.50
Scheme XXVI	Part I	99,072	1.00	30-Nov-25	-	-	99,072	-	-	99,072	4.17
Scheme XXVII	Part I	748,562	498.25	30-Nov-25	-	-	762,976	-	14,414	748,562	4.17
Scheme XXVIII	Part I	12,604	1.00	31-Mar-25	-	-	12,604	-	-	12,604	3.50
Scheme XXIX	Part I	272,856	498.25	31-Mar-25	-	-	272,856	-	-	272,856	3.50
Total		**6,437,040**				**4,854,896**	**2,722,706**	**297,100**	**843,462**	**6,437,040**	

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Scheme	Part	As at March 31 2022 Options outstanding as at March 31, 2022	Exercise price	Vesting date	Weighted average share price of options exercised	Number of options granted, exercised and forfeited Balance as at beginning of the year	Granted during the year	Less : Exercised during the year	Less: Forfeited / lapsed during the year	Balance as at end of the year	Weighted average remaining contractual life of options outstanding at end of period (in years)
Scheme II		**-**	280.22	31-Mar-19	-	939,700	-	939,700	-	-	-
Scheme III	Part III	**-**	1.00	30-Nov-19	-	1,910	-	1,910	-	-	-
Scheme IV	Part I	**83,340**	256.78	30-Nov-19	-	222,770	-	139,430	-	83,340	0.33
	Part II	**6,200**	302.34	30-Nov-19	-	16,930	-	10,730	-	6,200	0.33
	Part III	**7,570**	307.77	30-Nov-19	-	19,500	-	11,930	-	7,570	0.33
Scheme VI	Part I	**-**	1.00	30-Nov-20	-	21,320	-	21,320	-	-	0.83
	Part III	**740**	1.00	30-Nov-20	-	740	-	-	-	740	0.83
Scheme VII	Part I	**138,780**	307.77	30-Nov-20	-	263,980	-	123,060	2,140	138,780	0.83
	Part II	**13,760**	316.53	30-Nov-20	-	32,770	-	19,010	-	13,760	0.83
	Part III	**22,570**	346.47	30-Nov-20	-	29,390	-	6,820	-	22,570	0.83
Scheme IX	Part I	**15,290**	1.00	30-Nov-21	-	59,310	-	34,880	9,140	15,290	1.33
	Part II	**8,100**	1.00	30-Nov-21	-	8,100	-	-	-	8,100	1.33
Scheme X	Part I	**335,440**	346.47	30-Nov-21	-	513,760	-	95,590	82,730	335,440	1.33
	Part II	**11,200**	357.51	30-Nov-21	-	52,180	-	29,000	11,980	11,200	1.33
	Part III	**37,280**	346.00	30-Nov-21	-	45,420	-	3,900	4,240	37,280	1.33
Scheme XI		**222,700**	357.65	31-Mar-22	-	222,700	-	-	-	222,700	1.50
Scheme XII		**386,380**	357.65	31-Mar-22	-	526,890	-	-	140,510	386,380	1.50
Scheme XIII	Part I	**717,540**	346.00	30-Nov-22	-	855,800	-	-	138,260	717,540	2.17
	Part II	**45,230**	330.38	30-Nov-22	-	45,230	-	-	-	45,230	2.17
	Part III	**109,550**	372.10	30-Nov-22	-	109,550	-	-	-	109,550	2.17
Scheme XIV		**425,100**	330.38	31-Mar-23	-	425,100	-	-	-	425,100	2.50
Scheme XV	Part I	**65,040**	1.00	30-Nov-23	-	82,970	-	-	17,930	65,040	3.17
	Part II	**6,548**	1.00	30-Nov-23	-	-	6,548	-	-	6,548	3.17
Scheme XVI	Part I	**695,890**	372.10	30-Nov-23	-	838,510	-	-	142,620	695,890	3.17
	Part II	**87,435**	451.56	30-Nov-23	-	-	87,435	-	-	87,435	3.17
	Part III	**145,866**	545.34	30-Nov-23	-	-	145,866	-	-	145,866	3.17
Scheme XVII		**52,080**	1.00	31-Mar-24	-	-	52,080	-	-	52,080	3.50
Scheme XVIII		**297,940**	451.56	31-Mar-24	-	-	297,940	-	-	297,940	3.50
Scheme XIX		**54,196**	1.00	30-Nov-24	-	-	62,868	-	8,672	54,196	4.17
Scheme XX		**839,114**	545.34	30-Nov-24	-	-	868,446	-	29,332	839,114	4.17
Scheme XXI		**-**	1.00	31-Mar-24	-	-	6,083	-	6,083	-	3.50
Scheme XXII		**24,017**	545.34	31-Mar-24	-	-	79,032	-	55,015	24,017	3.50
Total		**13,127,615**				**5,334,530**	**1,606,298**	**1,437,280**	**648,652**	**4,854,896**	

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Aggregate of all stock options outstanding as at the year end to current paid-up equity share capital (percentage)	0.50%	0.38%

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The following assumptions were used for calculation of fair value of grants using Black-Scholes:

Scheme	Part	Risk-free interest rate (%)	Expected life of options (years)	Expected volatility (%)	Dividend yield (%)	Fair value of the option
Scheme II	Part I	7.25%	3 years 2 months	25.80%	0.96%	85.53
Scheme III	Part I	6.75%	3 years 6 months	26.10%	0.96%	246.12
	Part II	6.25%	3 years 1 months	26.70%	1.07%	308.10
	Part III	6.50%	2 years 6 months	23.10%	1.07%	301.35
Scheme IV	Part I	6.75%	3 years 6 months	26.10%	0.96%	68.80
	Part II	6.25%	3 years 1 months	26.70%	1.07%	86.70
	Part III	6.50%	2 years 6 months	23.10%	1.07%	64.28
Scheme VI	Part I	6.75%	3 years 6 months	25.50%	1.07%	298.18
	Part III	7.30%	2 years 6 months	22.50%	1.29%	346.10
Scheme VII	Part I	6.75%	3 years 6 months	25.50%	1.07%	83.77
	Part II	7.00%	3 years	23.84%	1.29%	77.50
	Part III	7.30%	2 years 6 months	22.54%	1.29%	79.70
Scheme IX	Part I	7.39%	3 years 6 months	23.40%	1.29%	341.70
	Part II	7.04%	3 years 1 months	22.47%	1.29%	325.60
Scheme X	Part I	7.39%	3 years 6 months	23.40%	1.29%	98.20
	Part II	7.04%	3 years 1 months	22.47%	1.29%	69.20
	Part III	6.35%	3 years 6 months	22.14%	1.29%	74.50
Scheme XI	Part I	6.86%	3 years 5 months	23.13%	1.29%	89.50
Scheme XII	Part I	6.86%	3 years 5 months	23.13%	1.29%	89.50
Scheme XIII	Part I	6.42%	4 years 6 months	22.94%	1.29%	89.40
	Part II	4.90%	3 years 11 months	24.68%	1.71%	80.79
	Part III	4.65%	3 years 6 months	24.83%	1.71%	80.90
Scheme XIV	Part I	4.90%	4 years 3 months	24.47%	1.71%	83.53
Scheme XV	Part I	4.98%	4 years 6 months	24.51%	1.71%	345.30
	Part II	5.42%	3 years 6 months	25.08%	1.88%	488.70
Scheme XVI	Part I	4.98%	4 years 6 months	24.51%	1.71%	93.00
	Part II	5.27%	4 years	24.39%	1.71%	112.20
	Part III	5.42%	3 years 6 months	25.08%	1.88%	107.30
Scheme XVII	Part I	5.27%	4 years 4 months	24.22%	1.71%	452.40
Scheme XVIII	Part I	5.27%	4 years 4 months	24.22%	1.71%	116.20
Scheme XIX	Part I	5.73%	4 years 6 months	24.14%	1.88%	479.60
Scheme XX	Part I	5.73%	4 years 6 months	24.14%	1.88%	123.10
Scheme XXI	Part I	5.13%	2 years 10 months	25.03%	1.88%	494.80
Scheme XXII	Part I	5.13%	2 years 10 months	25.02%	1.88%	93.60
Scheme XXIII	Part I	7.00%	3 years 5 months	25.30%	1.90%	519.80
Scheme XXIV	Part I	7.00%	3 years 5 months	25.30%	1.90%	519.80
Scheme XXV	Part I	7.00%	4 years 5 months	25.30%	1.90%	519.80
Scheme XIX	Part II	7.00%	4 years 1 months	25.50%	1.90%	519.18
Scheme XX	Part II	7.00%	4 years 1 months	25.50%	1.90%	519.80
Scheme XXI	Part II	7.00%	3 years 5 months	25.30%	1.90%	519.80
Scheme XXVI	Part I	7.00%	4 years 6 months	25.40%	2.06%	510.45
Scheme XXVII	Part I	7.00%	4 years 6 months	25.40%	2.06%	510.45
Scheme XXVIII	Part I	7.00%	3 years 10 months	25.36%	2.06%	510.45
Scheme XXIX	Part I	7.00%	3 years 10 months	25.36%	2.06%	510.45
Scheme XXII	Part II	7.00%	2 years 10 months	26.41%	2.06%	510.45
Scheme XX	Part III	7.00%	3 years 6 months	25.75%	2.06%	510.45
Scheme XIX	Part III	7.00%	3 years 6 months	25.75%	2.06%	510.45

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(₹ in Crore)

(b) Share appreciation rights

The Nomination and Remuneration Committee has granted Stock Appreciation Rights ("STAR") to certain eligible employees pursuant to the Group's Employee Stock Appreciation Rights Plan, 2011 ("Plan"). The grant price is determined based on a formulae as defined in the Plan. There are schemes under each Plan with different vesting periods. Scheme I to VII have matured on their respective vesting dates. Under the Plan, the specified eligible employees are entitled to receive a Star Value which is the excess of the maturity price over the grant price subject to certain conditions. The Plan is administered by Nomination and Remuneration Committee comprising independent directors.

Scheme	Grant Date	Grant Price (₹)	Vesting Date	As at March 31 2023							As at March 31 2022						
				Number of grants outstanding (Nos)					Carrying amount of liability - included in employee benefit obligation (₹ in Crore)		Number of grants outstanding (Nos)					Carrying amount of liability - included in employee benefit obligation (₹ in Crore)	
				at the beginning of the year	Add : Granted during the year	Less : Forfeited during the year	Less : Exercised during the year	at the end of the year	Classified as long-term	Classified as short-term	at the beginning of the year	Add : Granted during the year	Less : Forfeited during the year	Less : Exercised during the year	at the end of the year	Classified as long-term	Classified as short-term
STAR IX	4-Dec-18	346.47	30-Nov-21	-	-	-	-	-	-	-	364,910	-	58,720	306,190	-	-	-
	6-May-19	357.51	30-Nov-21	-	-	-	-	-	-	-	16,620	-	10,410	6,210	-	-	-
	20-Dec-19	346.04	30-Nov-21	-	-	-	-	-	-	-	54,240	-	9,710	44,530	-	-	-
STAR X	20-Dec-19	346.04	30-Nov-22	**295,280**	-	**37,430**	**257,850**	-	-	-	375,500	-	76,360	3,860	295,280	-	3
	23-Jun-20	330.38	30-Nov-22	**45,230**	-	**5,870**	**39,360**	-	-	-	45,230	-	-	-	45,230	-	1
	1-Dec-20	372.1	30-Nov-22	**31,820**	-	**25,690**	**6,130**	-	-	-	31,820	-	-	-	31,820	-	1
STAR XI	1-Dec-20	372.1	30-Nov-22	**552,910**	-	**122,500**	-	**430,410**	-	**4**	672,520	-	115,920	3,690	552,910	3	-
	26-May-21	451.56	30-Nov-23	**94,255**	-	**5,664**	-	**88,591**			-	94,255	-	-	94,255	0	-
	7-Dec-21	545.34	30-Nov-23	**95,534**	-	**40,253**	-	**55,281**			-	95,534	-	-	95,534	0	-
STAR XII	7-Dec-21	545.34	30-Nov-24	**726,106**	-	**149,482**	-	**576,624**	**1**	-	-	736,634	10,528	-	726,106	1	-
	5-May-22	520.96	30-Nov-24	-	**46,185**	**6,595**	-	**39,590**			-	-	-	-	-	-	-
	7-Dec-22	498.25	30-Nov-25	-	**35,038**	-	-	**35,038**			-	-	-	-	-	-	-
STAR XIII	7-Dec-22	498.25	30-Nov-25	-	**551,002**	**23,263**	-	**527,739**	**0**	-	-	-	-	-	-	-	-
Total				**1,841,135**	**632,225**	**416,747**	**303,340**	**1,753,273**	**2**	**4**	1,560,840	926,423	281,648	364,480	1,841,135	4	5

The Group has formed "Welfare of Mariconians Trust" (The Trust) for the implementation of the schemes that are notified or may be notified from time to time by the Group under the Plan. The Group has advanced ₹ 50 Crore as at March 31, 2023 (₹ 47 Crore as at March 31, 2022) to the Trust for purchase of the Company's shares under the Plan. As per the Trust Deed and Trust Rules, upon maturity, the Trust shall sell the Company's shares and hand over the proceeds to the Group. The Group, after adjusting the loan advanced and interest thereon (on loan advanced after April 01, 2013), shall utilize the proceeds towards meeting its STAR Value obligation.

The fair value of the STAR's was determined using the Black-Scholes model using the following inputs at the grant date and as at each reporting date:

(₹ in Crore)

Particulars	31st March,2023	31st March, 2022
Share price at measurement date (₹ per share)	479.8	503.7
Expected volatility (%)	19.5%-23.2%	22.9%-26.2%
Dividend yield (%)	2.10%	1.90%
Risk-free interest rate (%)	6.9%-7.1%	4.3% - 5.4%

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(c) Expense arising from share-based payment transactions recognised in Profit or Loss as part of employee benefit expense were as follows:

(₹ in Crore)

Particulars	Year Ended 31st March,2023	Year Ended 31st March, 2022
Employee stock option plan	19	10
Stock appreciation rights	2	13
Total employee share based payment expense	**21**	**23**

36 Earnings per share

Basic EPS amounts are calculated by dividing the profit after tax for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit after tax for the year attributable to equity shareholders by weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

(₹ in Crore)

Particulars	Year Ended 31st March,2023	Year Ended 31st March, 2022
(a) Basic earnings per share		
Basic earnings per share attributable to the equity holders of the company (in ₹)	10.08	9.50
(b) Diluted earnings per share		
Diluted earnings per share attributable to the equity holders of the company (in ₹)	10.05	9.49
(c) Earnings (₹ in Crores) used in calculating earnings per share	1,302	1,225
(d) Weighted average number of equity shares used as denominator		
Weighted average number of equity shares outstanding	1,292,942,177	1,291,882,131
Shares held in controlled trust (refer note ii below)	(1,398,033)	(1,249,564)
Weighted average number of equity shares in calculating basic earnings per share	1,291,544,144	1,290,632,567
Options	3,942,599	1,547,035
Weighted average number of equity shares and potential equity shares in calculating diluted earnings per share	**1,295,486,743**	**1,292,179,602**

(e) Information concerning the classification of securities

(i) Options

Options granted to employees under Marico Employee Option Plan 2016 are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in Note 35.

(ii) Treasury shares

Treasury shares are excluded for the purpose of calculating basic and diluted earnings per share.

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37 Additional information required by Schedule III

Name of the Entities	Net Assets i.e. total assets minus total liabilities				Share in profit or (loss)				Share in other comprehensive income				Share in total comprehensive income			
	As a % of consolidated net assets		Amount (₹ in Crore)		As a % of consolidated profit or loss		Amount (₹ in Crore)		As a % of other comprehensive income		Amount (₹ in Crore)		As a % of total comprehensive income		Amount (₹ in Crore)	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
Parent:																
Marico Limited*	92.93%	89.52%	3,677	3,048	89.21%	64.16%	1,179	1,164	-0.47%	37.80%	0	2	91.40%	64.06%	1,179	1,166
Subsidiaries:																
Indian																
Zed Lifestyle Private Limited	0.05%	0.24%	2	8	-0.46%	0.13%	(6)	0	0.00%	0.00%	-	-	-0.48%	0.01%	(6)	0
Apcos Naturals Private Limited	0.45%	0.00%	18	9	-0.87%	0.00%	(12)	(4)	-0.22%	0.00%	0	(0)	-0.89%	0.00%	(11)	-
HW Wellness Solutions Private Limited	1.30%	0.00%	52	-	-1.11%	0.00%	(15)	-	0.13%	0.00%	(0)	-	-1.14%	0.00%	(15)	-
Foreign																
Marico Bangladesh Limited	7.09%	6.94%	280	236	24.05%	41.40%	318	310	-4.51%	-47.45%	1	2	24.75%	41.07%	319	313
Marico Bangaldesh Industries Limited	0.01%	0.01%	0	0	-0.00%	-0.00%	(0)	(0)	0.00%	0.00%	-	-	-0.00%	-0.00%	(0)	(0)
Marico Middle East FZE	-5.96%	-6.24%	(236)	(212)	-0.44%	-12.31%	(6)	(2)	-1.38%	1.56%	0	0	-0.41%	-0.14%	(5)	(2)
MEL Consumer Care SAE	-1.03%	-1.63%	(41)	(55)	-0.58%	-0.03%	(8)	(2)	0.00%	0.00%	-	-	-0.59%	-0.15%	(8)	(2)
Marico Egypt Industries Company	-0.02%	-0.05%	(1)	(2)	0.04%	-0.02%	1	(0)	0.00%	0.00%	-	-	0.04%	-0.00%	1	(0)
Egyptian American Company for Investment and Industrial Development SAE	-0.02%	-0.04%	(1)	(1)	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.00%	0.00%	-	-
Marico South Africa Consumer Care (Pty) Limited	0.93%	1.23%	37	42	-0.00%	-1.56%	(0)	(0)	0.00%	0.00%	-	-	-0.00%	-0.00%	(0)	(0)
Marico South Africa (Pty) Limited	1.43%	1.61%	56	55	0.62%	0.30%	8	7	0.00%	0.00%	-	-	0.63%	0.54%	8	7
Marico for Consumer Care Products SAE	-0.59%	-0.75%	(23)	(25)	-0.75%	-0.02%	(10)	0	0.00%	0.00%	-	-	-0.77%	0.00%	(10)	0
Marico Malaysia Sdn Bhd	-0.00%	0.00%	(0)	0	-0.00%	-0.00%	(0)	(0)	0.00%	0.00%	-	-	-0.00%	-0.00%	(0)	(0)
Marico South East Asia Corporation	3.45%	1.76%	137	60	5.39%	4.21%	71	41	0.00%	0.00%	-	-	5.52%	3.17%	71	41
Marico Lanka Private Limited	-0.24%	-0.16%	(9)	(6)	-0.27%	-0.15%	(4)	(4)	0.00%	0.00%	-	-	-0.28%	0.00%	(4)	(4)
Marico Gulf LLC	0.21%	0.02%	8	1	0.56%	-0.15%	7	0	0.00%	0.00%	-	-	0.58%	0.00%	7	-
Subtotal			3,956	3,158			1,525	1,510			2	4			1,527	1,519
Intercompany Elimination & Consolidation Adjustments	0.01%	7.26%	0	247	-15.38%	4.02%	(203)	(254)	106.45%	108.09%	(34)	30	-18.36%	4.42%	(237)	(224)
Grand total:			3,957	3,405			1,322	1,256			(32)	34			1,290	1,295
Minority Interest in all subsidiaries	3.98%	1.67%	157	57	1.51%	2.27%	20	30	-0.48%	0.34%	0	0	1.56%	2.32%	20	30

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To Consolidated Financial Statements for the year ended 31st March, 2023

38 The Group has a process whereby periodically all long term contracts (including derivative contracts if any) are assessed for material foreseeable losses. At the year end, basis the review performed, no provision was required for material foreseeable losses on long term contracts (including derivative contracts).

39 The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act , 2013 or Section 560 of the Companies Act , 1956 during the financial year.

40 No transactions to report against the following disclosure requirements as notified by MCA pursuant to ammendment to Schedule III :

a) Crypto currency or Virtual currency

b) Benami property held under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

c) Registration of charges or satisfaction with Registrar of Companies

d) relating to borrowed funds -

i) Wilful defaulter

ii) Utilisation of borrowed funds or Share Premium

iii) Borrowings obtained on basis of security of current assets

iv) Descripencies on utilisation of borrowings

v) Current maturities of long term borrowings

41 (i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries).

(ii) The Group has not received any fund from any party (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42 (a) Acquisition of Subsidiary

a. HW Wellness Solutions Private Limited

On May 23, 2022, the Company has acquired 53.98% stake and gained control of HW Wellness Solutions Private Limited ("True Elements") as a subsidiary for a consideration of ₹ 168 crore as subsidiary.

At May 23, 2022, the fair value of assets and liabilities acquired have been determined by the Company and accounted for in accordance with IND AS 103 – "Business Combination".

Taking control of HW Wellness Solutions Private Limited, which owns the brand True Elements, a clean label, digital-first brand playing in the rapidly growing healthy breakfast and snacks segment in India, that will enable the Group to expand its total addressable market in the healthy foods segment.

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To Consolidated Financial Statements for the year ended 31st March, 2023

a. Details of purchase consideration, net assets acquired and goodwill

Acquisition related cost

The Group incurred acquisition related cost of ₹ 5 crore on legal fees. These costs have been included in "other expenses".

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

(₹ in Crore)

Particulars	Amount
ASSETS	
Non-current assets	
Property, Plant and Equipment	2
Right of use assets	1
Intangible assets	218
Financial assets	
(i) Other financial assets	1
Current Tax Assets (Net)	0
Total non-current assets	**222**
Current assets	
Inventories	4
Financial assets	
(i) Investments	0
(ii) Trade receivables	5
(iii) Cash and cash equivalents	64
(iv) Bank balances other than cash & cash equivalents	-
(vi) Other Financial Assets	2
Other current assets	3
Total current assets	79
Fair value of assets acquired	**301**

Notes

To Consolidated Financial Statements for the year ended 31st March, 2023

LIABILITIES	
Non-current liabilities	
Provisions	0
Total Non-current liabilities	**0**
Current liabilities	
Financial Liabilities	
(i) Borrowings	2
(ii) Lease Liabilities	1
Total outstanding dues of micro enterprises and small enterprises	3
Total outstanding dues of creditors other than micro enterprises and small enterprises	6
(iii) Trade Payble	
(iv) Other financial liabilities	1
Other current liabilities	3
Provisions	1
Total current liabilities	**17**
Fair value of liabilities acquired	17
Deferred Tax on acquisition	57
Total Identifiable net assets / (liabilities) acquired	**227**

Note: The fair value of Trade receivable and other receivables is the same as mentioned in above table

b. Goodwill

(₹ in Crore)

Particulars	Amount
Consideration transferred	168
Non-controlled interest in the acquired entity, based on their proportionate interest in the recognised amounts of identifiable net assets of True Elements	104
Less: Net Identifiable assets acquired	227
Goodwill	**45**

The goodwill is mainly attributable to the synergies expected to be achieved from integrating the True Elements business into the Group's existing business. The goodwill is not expected to be deductible for tax purposes.

c. Disclosure of the revenue and profit for current reporting period.

(₹ in Crore)

Particulars	Amount	
	Revenue	(Loss)
i. Since the acquisition date	51	(14)
ii. Had it been at the beginning of the reporting period	58	(18)

d. Liability towards obligation to acquire non-controlling interest

Pursuant to the acquisition, the Company has an obligation to acquire the non-controlling interest contingent on achievement of certain business milestones at a future date. The obligation has been accounted for as a liability in the consolidated financial statements on the acquisition date at its present value of ₹ 248 crore with a corresponding debit to other equity.

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To Consolidated Financial Statements for the year ended 31st March, 2023

42 (b) Acquisition of Subsidiary

b. Beauty X Joint Stock Company

On January 31, 2023, Marico South-East Asia Corporation (MSEA),the wholly owned subsidiary of Marico Ltd, has acquired 100 % stake and gained control of Beauty X Joint Stock Company, in Vietnam for a consideration of ₹ 173 crore as subsidiary.

The acquisition has been accounted for as a business combination in accordance with IND AS 103 – "Business Combination" as at the acquisition date January 31, 2023. The fair value of assets and liabilities acquired have been accounted for at the acquisition date of which some have been determined by the Company on a provisional basis.

Taking control of Beauty X Joint Stock Company, which owns the female personal care brands "Purité de Prôvence" and "Ôliv" will enable the Group to further expand and strengthen product portfolio into the personal care categories in Vietnam.

a. Details of purchase consideration, net assets acquired and goodwill

Acquisition related cost

The Group incurred acquisition related cost of ₹ 3 crore on legal fees. These costs have been included in "other expenses".

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

(₹ in Crore)

Particulars	Amount
ASSETS	
Non-current assets	
Intangible assets	47
Total non-current assets	**47**
Current assets	
Cash and cash equivalents	0
Other current assets	0
Total current assets	**0**
Fair value of assets acquired	**47**
LIABILITIES	
Fair value of liabilities acquired	**-**
Deferred Tax on acquisition	9
Total Identifiable net assets / (liabilities) acquired	**38**

Note :

(i) Acquired receivables: The fair value of Trade receivable and other receivables is the same as mentioned in above table.

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To Consolidated Financial Statements for the year ended 31st March, 2023

(ii) Fair values measured on a provisional basis: The fair value of True Elements' intangible assets (brand, customer relationships and know-how) have been measured provisionally, pending completion of an independent valuation. If new information is obtained within a period of one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, then the accounting for the acquisition will be revised.

b. Goodwill

(₹ in Crore)

Particulars	Amount
Consideration transferred	173
Less: Net Identifiable assets acquired	38
Goodwill	**135**

The goodwill is mainly attributable to the synergies expected to be achieved from integrating the acquiree's business into the Group's existing business. The goodwill is expected to be deductible for tax purposes.

c. Disclosure of the revenue and profit for current reporting period.

(₹ in Crore)

Particulars	Amount	
	Revenue	(Loss)
i. Since the acquisition date	-	0
ii. Had it been at the beginning of the reporting period	0	0

43 Information with regards to other matters in the Companies Act are either Nil or Not applicable to the Company.

The above consolidated Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

SADASHIV SHETTY
Partner
Membership No. 048648

Place : Mumbai
Date : May 05, 2023

For and on behalf of the Board of Directors

HARSH MARIWALA
Chairman
[DIN 00210342]

SAUGATA GUPTA
Managing Director and CEO
[DIN 05251806]

PAWAN AGRAWAL
Chief Financial Officer

VINAY M A
Company Secretary
[Membership No. FCS 11362]

Place : Mumbai
Date : May 05, 2023