Independent Auditor's Report

To the Members of Marico Limited

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 state of affairs of the Company as at March 31, 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 (d) of Significant Accounting Policies and Note 18 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
Revenue is recognised based on the arrangement with customers.	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:
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.	• Evaluated appropriateness of the Company's revenue recognition accounting policies by comparing with applicable accounting standards. • Tested design, implementation and operating effectiveness of the Company's general IT controls and key IT/ manual application controls over the Company'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 (g) of Significant Accounting Policies and Note 25 and 31 to the standalone 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	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:
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.	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.

Other Information

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

Our opinion on the standalone 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 standalone 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 standalone 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 Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company 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 responsiblity also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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 are responsible for overseeing the financial reporting process of each company/trust.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone 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 Company's ability to continue as a going concern. 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 standalone 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the 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 standalone 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.

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 [report/reports] of the other [auditor/auditors] on separate/consolidated financial statements of such joint operation(s)/employee welfare trust(s) as [was/were] audited by other [auditor/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.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone 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 Company as on March 31, 2023 taken on record by the Board of Directors of the Company , none of the directors of the Company 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 Company 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 Company has disclosed the impact of pending litigations as at March 31, 2023 on its financial position in its standalone financial statements - Refer Note 14 and Note 31 to the standalone financial statements.

   b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   d (i) The management of the Company has represented to us that, to the best of its knowledge and belief, other than as disclosed in the Note 37 to the standalone 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 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 Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (ii) The management of the Company has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 37 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 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 the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company 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: 23048648BGWAND9800

Place: Mumbai
Date: May 05, 2023

Annexure A to the Independent Auditor's Report on the Standalone 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)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 2 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided security or granted any advances in the nature of loans to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investments in companies, in respect of which the information is as below. The Company has not made any investments in firms, limited liability partnerships or any other parties during the year. The Company has provided guarantees in favour of companies and granted loans to employees during the year, in respect of which the requisite information is as below. The Company has not granted loans to any companies, firms and limited liability partnership. The Company has not provided any guarantees or security to firms, limited liability partnership and other parties.

Particulars	Guarantees	Loans
Aggregate amount during the year Subsidiaries*	538	8
Others **		
Balance outstanding as at balance sheet date	545	6
Subsidiaries*		
Others **		

*As per the Companies Act, 2013

** represents loans given to employees based on the Company's policies

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made, guarantees provided, and the terms and conditions of the grant of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security to which the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") apply. In respect of the investments made, loans given and guarantees provided by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective July 01, 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as mentioned in Enclosure 1 to this Annexure:

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

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

Sadashiv Shetty
Partner
Membership No.: 048648
ICAI UDIN: 23048648BGWAND9800

Place: Mumbai
Date: May 05, 2023

Annexure

Enclosure I to Annexure A to the Independent Auditors' Report – 31st March 2023

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the Amount relates	Amount under dispute (₹ in crore)	Amount paid under protest (₹ in crore)
The Central Sales Tax Act and Local Sales Tax Acts	Sales Tax (including interest and penalty if applicable)	High Court	Various years	7	0*
The Central Sales Tax Act and Local Sales Tax Acts	Sales Tax (including interest and penalty if applicable)	Additional Commissioner - Sales tax	Various years	11	1
The Central Sales Tax Act and Local Sales Tax Acts	Sales Tax (including interest and penalty if applicable)	Joint Commissioner - Sales tax	Various years	13	2
The Central Sales Tax Act and Local Sales Tax Acts	Sales Tax (including interest and penalty if applicable)	Deputy Commissioner - Sales tax	Various years	1	1
The Central Sales Tax Act and Local Sales Tax Acts	Sales Tax (including interest and penalty if applicable)	Assistant Commissioner – Sales tax	Various years	0*	0*
The Central Sales Tax Act and Local Sales Tax Acts	Sales Tax (including interest and penalty if applicable)	Tribunal	Various years	10	2
The Central Excise Act	Excise Duty (including penalty if applicable)	Customs, Excise and Service Tax Appellate Tribunal	Various years	33	3
Service Tax, (Finance Act, 1994)	Service Tax (including penalty if applicable)	Customs, Excise and Service Tax Appellate Tribunal	2006-2012	0*	0*
Income Tax Act, 1961	Income Tax	Commissioner of Income tax (Appeals)	AY 2010- 11 to AY 2013- 2014 and AY 2017-18 to 2018-19	38	-

* less than ₹ 0.50 crore

Annexure B to the Independent Auditor's Report on the standalone financial statements of Marico Limited for the year ended 31st March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Marico Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion the Company has, 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 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 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 Company's 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's 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 standalone 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 standalone 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 standalone 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

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

Sadashiv Shetty
Partner
Place: Mumbai | Membership No.: 048648
Date: May 05, 2023 | ICAI UDIN: 23048648BGWAND9800

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)	533	497
Capital work-in-progress	3(c)	32	27
Right of use assets	3(b)	132	124
Investment properties	4	15	21
Intangible assets	5	24	25
Investment in subsidiaries	6(a)	732	544
Financial assets			
(i) Investments	6(a)	518	187
(ii) Loans	6(c)	4	4
(iii) Other financial assets	6(f)	11	13
Deferred tax assets (net)	7	118	171
Non current tax assets (net)	16	64	54
Other non-current assets	8	32	25
Total non-current assets		**2,215**	**1,692**
Current assets			
Inventories	9	895	1,093
Financial assets			
(i) Investments	6(a)	575	641
(ii) Trade receivables	6(b)	838	555
(iii) Cash and cash equivalents	6(d)	11	31
(iv) Bank balances other than (iii) above	6(e)	138	264
(v) Loans	6(c)	3	4
(vi) Other financial assets	6(g)	206	38
Current Tax Asset (net)		1	1
Other current assets	10	200	177
Assets classified as held for sale	11	7	0
Total current assets		**2,874**	**2,804**
Total assets		**5,089**	**4,496**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12(a)	129	129
Share application money pending allotment		0	-
Other equity			
Reserves and surplus	12(b)	3,548	2,920
Other reserves	12(c)	0	0
Total equity attributable to owners		**3,677**	**3,049**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities		78	75
Employee benefit obligations (net)	15	13	14
Total non-current liabilities		**91**	**89**
Current liabilities			
Financial liabilities			
(i) Borrowings	13(a)	59	95
(ii) Trade payables	13(c)		
Total outstanding dues of micro enterprises and small enterprises		64	74
Total outstanding dues of creditors other than micro enterprises and small enterprises		942	926
(iii) Lease Liabilities		29	29
(iv) Other financial liabilities	13(b)	9	18
Other current liabilities	17	138	154
Provisions	14	17	16
Employee benefit obligations (net)	15	43	37
Current tax liabilities (net)	16	20	9
Total current liabilities		**1,321**	**1,357**
Total liabilities		**1,412**	**1,446**
Total equity and liabilities		**5,089**	**4,496**

Significant accounting policies 1
Critical estimates and judgements 2

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

As per our report of even date attached

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

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	18	7,478	7,500
Other income	19	328	357
Total Income		**7,806**	**7,857**
Expenses:			
Cost of materials consumed	20(a)	3,822	4,367
Purchases of stock-in-trade		466	410
Changes in inventories of finished goods, stock-in-trade and work-in progress	20(b)	176	(86)
Employee benefit expense	21	409	372
Finance costs	24	36	30
Depreciation and amortization expense	22	109	97
Other expenses	23	1,296	1,254
Total expenses		**6,314**	**6,444**
Profit before tax		**1,492**	**1,413**
Income tax expense for current year			
Current tax	25	259	246
Deferred tax charge/(credit)	7	54	4
Total tax expense		**313**	**250**
Profit for the year (A)		**1,179**	**1,163**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurements gain on post employment benefit obligations	15	0	3
Income tax relating to items that will not be reclassified to profit or loss in subsequent periods			
Remeasurements gain on post employment benefit obligations	7	(0)	(1)
Total		**0**	**2**
Items that will be reclassified to profit or loss in subsequent periods			
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	7	0	(0)
Total		**(0)**	**1**
Other comprehensive income for the year (B)		**(0)**	**3**
Total comprehensive income for the year (A+B)		**1,179**	**1,166**
Earnings per equity share (in ₹)	34		
Basic earnings per share		9.13	9.02
Diluted earnings per share		9.10	9.01

Significant accounting policies 1
Critical estimates and judgements 2

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date attached

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

SADASHIV SHETTY
Partner
Membership No. 048648

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

Place : Mumbai
Date : May 05, 2023

Statement of Changes in Equity

For the year ended 31st March, 2023

A. Equity Share Capital

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, 2022	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, 2021	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							Other reserves	
		Securities Premium (note a)	Retained earnings (note b)	General reserve (note c)	Share based option outstanding account (note d)	Treasury shares (note e)	Amalgamation Adjustment Deficit Account (note g)	WEOMA reserve (note e)	Effective portion of cash flow hedge (note f)	Total other equity
Balance as at April 01, 2021		**258**	**2,904**	**298**	**29**	**(40)**	**(621)**	**78**	**(0)**	**2,905**
Profit for the year		-	1,163	-	-	-	-	-	-	1,163
Other comprehensive income for the year	12 (c)	-	2	-	-	-	-	-	1	3
Total comprehensive income for the year	-	-	**1,166**	-	-	-	-	-	**1**	**1,167**
(Purchase)/sale of treasury shares by the trust during the year (net)	12 (b)	-	-	-	-	(18)	-	-	-	(18)
Dividend paid on equity shares	12 (b)	-	(1,195)	-	-	-	-	-	-	(1,195)
Income of the trust for the year	12 (b)	-	-	-	-	-	-	10	-	10
Exercise of employee stock options	12 (b)	-	-	-	-	-	-	-	-	-
Share based payment expense	12 (b)	53	-	-	-12	-	-	-	-	41
Balance as at March 31, 2022		**311**	**2,874**	**298**	**27**	**(58)**	**(621)**	**88**	**0**	**2,920**
Balance as at April 01, 2022		**311**	**2,874**	**298**	**27**	**(58)**	**(621)**	**88**	**0**	**2,920**
Profit for the year		-	1,179	-	-	-	-	-	-	1,179
Other comprehensive income for the year	12 (c)	-	0	-	-	-	-	-	(0)	(0)
Total comprehensive income for the year		-	**1,179**	-	-	-	-	-	**-0**	**1,179**
(Purchase)/sale of treasury shares by the trust during the year (net)	12 (b)	-	-	-	-	(2)	-	-	-	(2)
Dividend paid on equity shares	12 (b)	-	(582)	-	-	-	-	-	-	(582)
Income of the trust for the year	12 (b)	-	-	-	-	-	-	6	-	6
Exercise of employee stock options	12 (b)	12	-	-	(3)	-	-	-	-	9
Share based payment expense	12 (b)	-	-	-	19	-	-	-	-	19
Balance as at March 31, 2023		**323**	**3,471**	**298**	**43**	**(60)**	**(621)**	**94**	**0**	**3,548**

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

Nature and purpose of reserves

a) Securities premium

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 profits that the Company has 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 company. Refer note 33 for further details of this 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 provided by 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) Amalgamation Adjustment Deficit Account

Pursuant to the Scheme, the difference between the net assets of the merged undertaking transferred to the Company (adjusted for intercompany balance eliminations) aggregating ₹ 24 crore and the then carrying cost of the investment in the share capital of MCCL aggregating ₹ 642 crore, was adjusted in Other Equity. Of this, the retained earnings (accumulated loss) of MCCL of was accounted under the Retained earnings of the Company, and the remaining amount aggregating ₹ 621 crore was accounted in a separate reserve account termed as Amalgamation Adjustment Deficit Account.

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

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	1,492	1,413
	Adjustments for:		
	Depreciation and amortization expense	109	97
	Finance costs	36	30
	Dividend income from subsidiary	(220)	(248)
	Interest income from financial assets	(29)	(44)
	(Gain)/ Loss on disposal of property, plant and equipment and Right of Use asset	(0)	(0)
	Net fair value changes in financial assets and profit on sale of investments	(50)	(30)
	Employees stock option charge	16	10
	Provision for doubtful debts	0	8
		1,353	**1,236**
	Change in operating assets and liabilities:		
	(Increase) / Decrease in inventories	198	(220)
	(Increase) / Decrease in trade receivables	(283)	(252)
	(Increase) / Decrease in other financials assets	24	(7)
	(Increase) / Decrease in other non-current assets	(0)	0
	(Increase) / Decrease in other current assets	(23)	16
	(Increase) / Decrease in loans	1	(0)
	(Decrease) / Increase in provisions	1	(0)
	(Decrease) / Increase in employee benefit obligations	6	(13)
	(Decrease) / Increase in other current liabilities	(16)	(13)
	(Decrease) / Increase in trade payables	7	158
	(Decrease) / Increase in other financial liabilities	(7)	4
	Changes in working capital	**(93)**	**(327)**
	Cash generated from operations	**1,260**	**909**
	Income taxes paid (net of refunds)	**(258)**	**(253)**
	NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	**1,002**	**656**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Payment for property, plant and equipment and intangible assets	(129)	(97)
	Proceeds from sale of property, plant and equipment	0	1
	(Payment for) / Proceeds from purchase/sale of investments (net)	(127)	(146)
	Investment in Subsidiaries	(188)	(55)
	(Given to)/Repayment of loan from Subsidiaries	-	58
	(Purchase)/ Redemption of Inter-corporate deposits (net)	(90)	215
	(Investment) in/Redemption of Bank deposits (having original maturity more than 3 months) (net)	129	359
	Dividend income from subsidiary	32	248
	Interest received	27	43
	NET CASH GENERATED FROM / (UTILISED IN) INVESTING ACTIVITIES (B)	**(346)**	**626**

(₹ 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) (refer note 1 below)	(36)	(47)
	Interest paid (refer note 1 below)	(27)	(22)
	Repayment of Principal portion of lease liabilities (refer note1 below)	(36)	(28)
	Interest paid on lease liabilities (refer note 1 below)	(8)	(8)
	Dividends paid to company's shareholders	(582)	(1,195)
	Net cash utilised in financing activities (C)	**(676)**	**(1,267)**
D	**NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C+D)**	**(20)**	**15**
E	Cash and cash equivalents at the beginning of the financial year	31	16
F	**Cash and cash equivalents at end of the year (Refer note 6 (d))**	**11**	**31**

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.

The above consolidated statement of Cash Flows should be read in conjunction with the accompanying notes.

Note 1 : Reconclation of the movements liabilities to cash flow 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,	104	95	199	127	142	269
Changes from financing cash flows						
Repayment of lease liabilities - principal portion	(36)	-	(36)	(28)	-	(28)
Payment of interest on lease liabilities	(8)	-	(8)	(8)	-	(8)
Other borrowings (repaid) / taken (net)	-	(36)	(36)	-	(47)	(47)
Payment of interest on borrowings from banks and financial institutions	-	(27)	(27)	-	(22)	(22)
Total changes from financing cash flows	**(44)**	**(63)**	**(107)**	**(36)**	**(69)**	**(105)**
Other changes						
New leases net off closures/disposals	38	-	38	5	-	5
Interest expense on lease liabilities	8	-	8	8	-	8
Interest expense on borrowings from banks and financial institutions	-	27	27	-	22	22
Total changes	**46**	**27**	**73**	**13**	**22**	**35**
Balance at March 31, 2023	**106**	**59**	**165**	**104**	**95**	**199**

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 Financial Statements for the year ended 31st March, 2023

Background and operations

Marico Limited ("Marico" or 'the Company'), headquartered in Mumbai, Maharashtra, India, carries on business in branded consumer products. 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 products reach its consumers through retail outlets serviced by Marico's distribution network comprising regional offices, carrying & forwarding agents, redistribution centers & distributors spread all over India.

Note 1: Significant accounting policies:

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

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

a) Basis of preparation:

i. Compliance with IND AS:

These 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 as amended from time to time and other relevant provisions of the Act.

ii. 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 26);
- 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

iii. Current versus non-current classification:

All assets and liabilities have been classified as current or non-current as per the Company's 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 Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

b) Segment Reporting:

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

c) Foreign currency transactions:

i) Functional and presentation currencies:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian National Rupee ("₹") 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.

Notes

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

d) 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.

The Company 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 Company's activities as described below. The Company 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.

e) 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 Company 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 profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

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

f) 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 Company 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.

g) 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.

Notes

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

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. 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 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

h) 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 Company 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. 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 Company 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 residual values, over their estimated useful lives.

As per technical evaluation of the Company, 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.

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. 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:

Asset	Useful Life (Year)
Computer software	3

ii. 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.

iii. Research & Development:

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

j) Investment property

Property land or a building—or part of a building—or both that is held for long term rental yields or for capital appreciation or both, rather than for:

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

(ii) 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 assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company 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.

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

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

k) Non-Current Asset held for Sale:

Non-current assets are classified as Non-Current asset 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 is recognised at the date of sale of the asset.

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.

l) Lease

As a lessee

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Equipment. The Company 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 Company assesses whether:

i) the contract involves the use of an identified asset

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

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

At the date of commencement of the lease, the Company 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 Company 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.

As a lessor

Lease income from operating leases where the Company 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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To Financial Statements for the year ended 31st March, 2023

m) Investment & financial assets:

i. Classification:

The Company 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 Company'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 Company 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 Company 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 assets 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 the Statement of 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 Company subsequently measures all equity investments at fair value. Where the Company'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 Company assesses if there is any significant increase in credit risk pertaining to the assets and accordingly creates necessary provisions, wherever required.

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

iv. Derecognition of financial assets:

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- the Company 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 Company 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 Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

n) 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 Company designates certain derivatives as either:

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

The Company 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 Company 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

o) 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. 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.

p) Trade Receivables:

Trade receivables are recognised initially at transaction price and subsequently measured at cost less provision made for doubtful 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 Company.

q) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company 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.

r) 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.

s) 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.

t) 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 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. Provident Fund:

Provident fund 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. 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.

b. Leave encashment / Compensated absences:

The Company provides for the encashment of leave with pay subject to certain rules. The employees

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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 recognised in the Statement of Profit and Loss.

iv. Share based payments:

a Employee Stock Option Plan:

The fair value of options granted under the Company'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 holding 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.

b Employee Stock Appreciation Rights Scheme:

Liability for the Company's Employee Stock Appreciation Rights (STAR), granted pursuant to the Company's Employee Stock Appreciation Rights Plan, 2011, shall be 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, be 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.

vi 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 Company 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 Company 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 value is a pre-tax rate that reflects current

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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.

u) 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.

v) 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.

w) Impairment of assets:

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 group 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.

x) 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 Company is treated as an exceptional item and disclosed as such in the financial statements.

y) Investment in subsidiaries and joint ventures:

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

z) Earnings Per Share:

(i) Basic earnings per share:

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- 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.

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(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.

aa) 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.

ab) 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 Company. 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 Company 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 Company and the acquired entity 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 Company 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.

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) Rounding off:

All amounts disclosed in the 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 Company have been reflected as "0" in the relevant notes in these financial statements.

ae) 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 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

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

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 Company 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 Company 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 Company 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 Company'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 and associated assumptions are based on historical experience and management's best knowledge of current events and actions the Company may take in future.

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

(a) Impairment of financial assets (including trade receivable) (Note 27)

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

(c) Estimation of current tax expenses and payable (Note 25)

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

(e) Estimation of provisions and contingencies (Note 14 and 31)

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

(g) Lease Accounting (Note 3 b)

(h) Impairment of investment in subsidiaries (Note 6 a)

(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 requires 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 and the historical experience of the company as well as forward looking estimates at the end of each reporting period.

(b) Estimation of defined benefit obligations

The liabilities of the company arising from employee benefit obligations and 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 Company'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 company operates. Any difference between the estimates and final tax assessments will impact the income tax as well as the resulting assets and liabilities.

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

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

Impairment testing for Intangible assets with indefinite useful life is done at least once annually and upon occurrence of an indication of impairment. The recoverable amount is determined based on the fair value (less) cost of disposal which has been measured using discounted cash flow projections, that require the use of assumptions.

The below intangible assets with indefinite useful life held by the Company, are considered significant in terms of size & sensitivity to assumptions used. No other intangible assets with indefinite useful life are considered significant in this respect.

31st March 2023 (₹ in Crore)

CGU	Intangible assets with indefinite useful life
Code 10	15
Fiancee	4
Others	4
Total	**23**

Particulars	Fiancee	Code 10
Period of Cash flow projections	5 years	9 years
Avg Sales Growth (%)	22.0%	16.0%
Avg Gross Margins %	32.0%	37.0%
Terminal Sales Growth %	7%	2%
Post tax discount rate	16.8%	12.8%

31st March 2022 (₹ in Crore)

CGU	Intangible assets with indefinite useful life
Code 10	15
Fiancee	4
Others	4
Total	**23**

Particulars	Fiancee	Code 10
Period of Cash flow projections	10 years	10 years
Avg Sales Growth (%)	11.6%	25.0%
Avg Gross Margins %	36.0%	40.3%
Terminal Sales Growth %	7%	2%
Post tax discount rate	16.8%	12.8%

The growth rates & margins used to make estimate future performance are based on past performance & our estimates of future growths & margins achievable. 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.

Notes

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

(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 company. The Company exercises judgement and 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 and 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.

(i) Recognition of MAT credit entitlements:

The credit availed under MAT is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. This requires significant management judgement in determining the expected availment of the credit based on business plans and future cash flows of the Company.

(g) Lease Accounting

The Company 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 Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company 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 Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company 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 Company to exercise the option to extend the lease, or not to exercise the option to terminate the 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.

The Company has considered leases with term up to 12 (Twelve) months as short term leases. Also leases where the value of 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) Impairment of investment in subsidiaries

Impairment testing of investment in subsidiaries is done at least once annually and upon occurrence of an indication of impairment. The recoverable amount of the individual investment is determined based on value-in-use calculations which requires use of assumptions.

Notes

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

3(a) Property, Plant and Equipment

(₹ in Crore)

Particulars	Free-hold land	Buildings	Plant and equip-ment	Furniture and fix-tures	Vehicles	Office Equipment	Leasehold improve-ments	Total
Year ended March 31, 2022								
Gross carrying amount								
Opening gross carrying amount	**2**	**278**	**478**	**21**	**5**	**13**	**19**	**816**
Additions	-	7	68	3	-	2	0	82
Disposals / write off	-	(0)	(18)	(0)	-	(1)	-	(20)
Closing gross carrying amount	**2**	**285**	**528**	**24**	**5**	**14**	**19**	**877**
Accumulated depreciation								
Opening accumulated depreciation	**-**	**57**	**241**	**13**	**2**	**11**	**7**	**331**
Depreciation charge during the year	-	9	51	3	1	1	2	67
Disposals / write off	-	(0)	(18)	(0)	-	(0)	-	(18)
Closing accumulated depreciation	**-**	**66**	**274**	**16**	**3**	**12**	**9**	**380**
Net carrying amount	**2**	**219**	**254**	**8**	**2**	**2**	**10**	**497**
Year ended 31st March, 2023								
Gross carrying amount								
Opening gross carrying amount	**2**	**285**	**528**	**24**	**5**	**14**	**19**	**877**
Additions	-	25	84	3	-	1	2	116
Disposals / write off	-	(0)	(28)	(0)	-	(0)	-	(28)
Reclassified as Assets held for sale	(2)	-	-	-	-	-	-	(2)
Closing gross carrying amount	**0**	**310**	**584**	**27**	**5**	**15**	**21**	**963**
Accumulated depreciation								
Opening accumulated depreciation	**-**	**66**	**274**	**16**	**3**	**12**	**9**	**380**
Depreciation charge during the year	-	17	54	3	1	1	2	78
Disposals / write off	-	(0)	(28)	(0)	-	(0)	-	(28)
Closing accumulated depreciation	**-**	**83**	**301**	**18**	**4**	**13**	**11**	**430**
Net carrying amount	**0**	**227**	**283**	**9**	**1**	**2**	**10**	**533**

(i) **Contractual obligations**

Refer to Note 32 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.

Notes

To 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	**48**	**188**	**5**	**240**
Additions	-	5	1	6
Disposals / transfers	-	(16)	-	(16)
Closing gross carrying amount	**48**	**177**	**6**	**231**
Accumulated depreciation				
Opening accumulated depreciation	**4**	**90**	**0**	**94**
Depreciation charge during the year	1	26	0	27
Disposals / write off	-	(14)	-	(14)
Closing accumulated depreciation	**5**	**102**	**0**	**107**
Net carrying amount	**43**	**75**	**5**	**124**
Year ended March 31, 2023				
Gross carrying amount				
Opening gross carrying amount	**48**	**177**	**6**	**231**
Additions	-	32	16	48
Disposals / write off	-	(40)	-	(40)
Closing gross carrying amount	**48**	**169**	**22**	**239**
Accumulated depreciation				
Opening accumulated depreciation	**5**	**102**	**0**	**107**
Depreciation charge during the year	1	27	2	30
Disposals / write off	-	(29)	-	(29)
Closing accumulated depreciation	**6**	**100**	**2**	**107**
Net carrying amount	**42**	**69**	**20**	**132**

i) 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.

Notes

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

3(c) Capital work-in-progress

(₹ in Crore)

March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1 - 2 Year	2 - 3 Year	> 3 Years	
Project in Progress	27	0	-	-	**27**
Projects temporarily suspended	-	-	-	-	-
Total	**27**	**0**	**-**	**-**	**27**

March 31, 2023

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1 - 2 Year	2 - 3 Year	> 3 Years	
Project in Progress	31	0	0	-	**32**
Projects temporarily suspended	-	-	-	-	-
Total	**31**	**0**	**0**	**-**	**32**

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

March 31, 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 1 - 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**

March 31, 2023

Project	To be Completed in				Total
	< 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 Financial Statements for the year ended 31st March, 2023

4 Investment Properties

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Gross carrying amount		
Opening gross carrying amount	**89**	**11**
Additions	-	-
Reclassified to held for Sale (refer note 11 (i))	(72)	-
Reclassified from held for Sale	-	78
Closing gross carrying amount	**17**	**89**
Accumulated Depreciation		
Opening accumulated Depreciation	68	0
Depreciation charge	0	0
Reclassified to held for Sale (refer note 11 (i))	(66)	-
Reclassified from held for Sale	-	68
Closing accumulated depreciation	**2**	**68**
Net carrying amount	**15**	**21**

(i) Amounts recognised in profit or loss for investment properties

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Rental income	1	1
Direct operating expenses	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 operating 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 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	45

Estimation of fair value

(iv) The company 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 Intangible Assets

(₹ in Crore)

Particulars	Trademarks and copyrights (Refer note (i) below)	Computer software	Total
Year ended March 31, 2022			
Gross carrying amount			
Opening gross carrying amount	**23**	**18**	**41**
Additions	-	1	1
Deletions	-	0	0
Closing gross carrying amount	**23**	**19**	**42**
Accumulated amortisation			
Opening accumulated amortisation	**-**	**15**	**15**
Amortisation charge for the year	-	2	2
Deletions	-	0	0
Closing accumulated amortisation	**-**	17	17
Closing net carrying amount	**23**	**2**	**25**
Year ended 31st March 2023			
Gross carrying amount			
Opening gross carrying amount	**23**	**19**	**42**
Additions	-	1	1
Deletions	-	0	0
Closing gross carrying amount	**23**	**20**	**43**
Accumulated amortisation			
Opening Accumulated amortisation	**-**	17	17
Amortisation charge for the year	-	1	1
Deletions	-	0	0
Closing accumulated amortisation	**-**	**19**	**19**
Closing net carrying amount	**23**	**1**	**24**

Notes

To 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		
I. Investment in subsidiaries		
Equity instruments		
(A) Quoted		
Subsidiaries	1	1
(B) Unquoted		
Subsidiaries	731	543
Total Investment in Subsidiaries (A+B)	**732**	**544**
II 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 Investment		
(C) Unquoted		
Intercorporate deposits (at amortised cost)	155	112
Debentures (at FVTPL)	-	107
Bonds (at amortised cost)	51	-
Mutual Funds (at FVTPL)	369	422
Total Current Investments (C)	**575**	**641**
Non-current Investments		
Investment in equity instruments (fully paid-up)		
Quoted at cost		
In Subsidiary company		
Marico Bangladesh Limited	1	1
28,350,000 (March 31, 2022 : 28,350,000) equity shares of Bangladesh taka 10 each fully paid		
(Quoted on Dhaka Stock exchange and Chittagong Stock exchange).		

Notes

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

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unquoted at cost		
In Subsidiary companies		
Marico Middle East FZE (wholly owned)	28	28
22 (March 31, 2022 : 22) equity share of UAE dirham 1,000,000 fully paid		
Marico South Africa Consumer Care (Pty) Limited (wholly owned)	74	74
1,569 (March 31, 2022 : 1,569) equity shares of SA Rand 1.00 fully paid		
Less: Provision for impairment in value of investment	(27)	(27)
	47	**47**
Marico South East Asia Corporation (wholly owned)	255	255
9,535,495 (March 31, 2022 : 9,535,495) equity shares of VND 10,000 fully paid		
Marico Lanka Private Limited (wholly owned)	1	1
6,46,402 (March 31, 2022 : 6,46,402) equity shares of LKR 10 fully paid		
Zed Lifestyle Private Limited	157	157
12,534 (March 31, 2022 : 12,534) equity shares of ₹ 10 each fully paid		
APCOS Naturals Private Limited (refer note (i) below)	75	55
11,539 (March 31, 2022 : 8463) equity shares of ₹ 10 each fully paid		
HW Wellness Solutions Private Limited (refer note (ii) below)	168	-
12,121 (March 31, 2022 : Nil) equity shares of ₹ 10 each fully paid		
Total investment in subsidiaries	**732**	**544**
Aggregate carrying amount of quoted investments	18	18
Market value/ Net asset value of quoted investments	5,385	5,888
Aggregate carrying amount of unquoted investments	1,807	1,353
Aggregate amount of Provision for impairment in the value of investments	27	27

(i) During the year ended March 31, 2023, the Company has acquired the 53.98% stake for a consideration of ₹ 168 crores in HW Wellness Solutions Private Limited.

(ii) During the year ended March 31, 2023, the Company has acquired additional shares for consideration of ₹ 20 crores in APCOS Naturals Private Limited to increase it's stake to 60% from 52.38% held as on March 31, 2022.

Notes

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

6(b) Trade Receivables

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables	798	529
Less: Allowance for doubtful debts	(16)	(16)
	782	513
Receivables from related parties (refer note 30)	56	42
Total receivables	**838**	**555**
Current portion	838	555
Non-current portion	-	-
Break up of security details		
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	838	555
Trade receivables which have significant increase in credit risk	16	16
Less: Allowance for doubtful debts	(16)	(16)
Trade receivables - Credit impaired	-	-
Less: Allowance for doubtful debts	-	-
Total	**838**	**555**

Note: For credit risk and provision for loss allowance refer note 27(A)

Trade Receivables ageing schedule

(₹ in Crore)

March 31, 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	306	205	22	10	7	5	**555**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0	0	11	1	1	**15**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables – Considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	1	**1**
(vi) Disputed Trade Receivables – Credit impaired	-	-	-	-	-	-	**-**
Total	**306**	**206**	**22**	**21**	**8**	**8**	**571**
Less: Allowance for doubtful debts		0	0	11	1	3	**16**
Total	**306**	**205**	**22**	**10**	**7**	**5**	**555**

Notes

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

March 31, 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	509	286	16	15	11	1	**838**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	0	-	-	0	**0**
(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	-	-	-	-	-	-	**-**
Total	**509**	**288**	**16**	**15**	**22**	**5**	**854**
Less: Allowance for doubtful debts	-	2	0	0	11	4	**16**
Total	**509**	**286**	**16**	**15**	**11**	**1**	**838**

6(c) Loans

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non current		
Unsecured, considered good		
Loans to employees (refer note (ii) below)	4	4
Total non current loans	**4**	**4**
Current		
Unsecured, considered good		
Loan to employees (refer note (ii) below)	3	4
Total current loans	**3**	**4**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance	-	58
Loan given during the year	-	-
Repayment during the year	-	58
Closing balance	**-**	**-**

(i) Loans to employees 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.

Notes

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

6(d) Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Bank balances in current accounts	10	30
Deposits with original maturity of less than three months	1	1
Cash on hand	0	0
Total cash and cash equivalents	**11**	**31**

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	137	263
Balances with banks for unclaimed dividend (Refer note below)	1	1
Total bank balance other than cash and cash equivalents	**138**	**264**

Note: These balances are available for use only towards settlement of corresponding unpaid dividend liabilities.

6(f) Other Non Current Financial Assets

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security deposits with public bodies and others	11	12
Considered good	1	1
Considered doubtful	12	13
	(1)	(1)
Less: Provision for doubtful deposits	11	12
Fixed deposits-maturing after 12 months (refer note below)	0	1
Total other non current financial assets	**11**	**13**

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

Notes

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

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 30)	205	36
Security deposits	0	0
	205	**36**
Total other current financial assets	**206**	**38**

7 Deferred Tax Asset (Net)

The balance comprises temporary differences attributable to :

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred tax assets :		
Liabilities / provisions that are deducted for tax purposes when paid	19	17
On Intangible assets adjusted against capital redemption reserve and securities premium account under the capital restructuring scheme (refer note (i) below)	1	2
MAT credit entitlement	131	172
	152	**192**
Other items:		
On hedge reserve	0	-
Lease assets	7	11
Provision for doubtful debts/ loans/ advances that are deducted for tax purposes when written off	1	1
Other temporary differences	3	4
	10	16
Total deferred tax assets	**162**	207
Deferred tax liabilities :		
Additional depreciation/amortisation on property plant and equipment, and investment property for tax purposes due to higher tax depreciation rates.	34	28
Financial assets at fair value through Profit and loss	10	8
Other temporary differences	0	0
Total deferred tax liabilities	**(44)**	**(36)**
Net deferred tax assets	**118**	**171**

Notes

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

Movement in deferred tax assets

(₹ in crore)

Particulars	Liabilities / provisions that are deducted for tax purposes when paid	On Intangible assets (Note 1)	MAT Credit entitlement	Other items	Total deferred tax assets
As at April 01, 2021	**16**	**2**	**169**	**15**	**202**
(Charged)/credited :					
to Profit and Loss	1	0	3	1	5
to other comprehensive income	-	-	-	-	-
Tax adjustment for earlier years	-	-	-	-	-
MAT Credit generated	-	-		-	-
As at March 31, 2022	**17**	**2**	**172**	**16**	**207**
(Charged)/credited :					
to Profit and loss	2	(1)	(41)	(6)	(46)
to other comprehensive income	-	-	-	-	-
Tax adjustment for earlier years	-	-	-	-	-
As at March 31, 2023	**19**	**1**	**131**	**10**	**162**

Movement in deferred tax liabilities

Particulars	Property plant and equipment and Investment property	Change in fair value of hedging instruments	Other items	Total deferred tax liabilities
As at April 01, 2021	**24**	**2**	**-**	**26**
Charged/(credited) :				
to Profit and loss	4	5	0	**9**
to other comprehensive income	-	1	-	**1**
As at 31 st March 2022	**28**	**8**	**0**	**36**
Charged/(credited) :				
to Profit and loss	6	2	-	**8**
to other comprehensive income	-	(0)	-	**(0)**
As at 31 st March 2023	**34**	**10**	**0**	**44**

(i) On intangible assets adjusted against capital redemption reserve and securities premium account under the capital restructuring scheme.

8 Other Non Current Assets

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital advances	18	11
Deposits with statutory/government authorities	13	13
Prepaid expenses	1	1
Total other non-current assets	**32**	**25**

Notes

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

9 Inventories

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw materials:		
In stock	291	304
Packing materials	67	74
Work-in-progress	188	274
Finished goods:		
In stock	287	387
In transit	1	0
Stock in Trade	45	36
By-products	4	4
Stores and spares	12	14
Total Inventories	**895**	**1,093**

Refer note 1(o) for basis of valuation

Amounts recognised in profit or loss

During the year an amount of ₹ 33 crores (March 31, 2022: ₹ 31 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 ₹ Nil. (March 31, 2022 : Nil)

10 Other Current Assets

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advances to vendors	65	47
Prepaid expenses	15	11
Balances with government authorities	59	47
Input tax credit receivable	61	72
Total other current assets	**200**	**177**

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**

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

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.

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**
Increases during the year		
Shares issued during the year - ESOP (refer note 33(a))	0	0
As at March 31, 2022	**129**	**129**
Increases during the year		
Shares issued during the year - ESOP (refer note 33(a))	0	0
As at March 31, 2023	**129**	**129**

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

(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.

(iii) Shares reserved for issue under options

Information relating to Marico ESOP 2016 including details of options issued, exercised, forfeited and lapsed during the Financial Year and options outstanding at the end of the reporting period, is set out in note 33 (a).

(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 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	11.1%	143,890,750	11.1%	-	0.0%
2	Harsh C Mariwala with Kishore V Mariwala for Gemini Family Trust	143,886,350	11.1%	143,886,350	11.1%	-	0.0%
3	Harsh C Mariwala with Kishore V Mariwala for Valentine Family Trust	143,884,950	11.1%	143,884,950	11.1%	-	0.0%
4	Harsh C Mariwala with Kishore V Mariwala for Aquarius Family Trust	143,871,950	11.1%	143,871,950	11.1%	-	0.0%
5	Rajvi H Mariwala	28,408,000	2.2%	28,408,000	2.2%	-	0.0%
6	Harsh C Mariwala	28,102,900	2.2%	28,102,900	2.2%	-	0.0%
7	Rishabh H Mariwala	24,976,500	1.9%	24,976,500	1.9%	-	0.0%
8	Archana H Mariwala	16,966,600	1.3%	16,966,600	1.3%	-	0.0%
9	Ravindra K Mariwala	22,423,410	1.7%	20,503,540	1.6%	1,919,870	0.1%
10	Hema K Mariwala	0	0.0%	7,679,480	0.6%	(7,679,480)	-0.6%
11	Paula R Mariwala	12,383,470	1.0%	10,463,600	0.8%	1,919,870	0.1%
12	Anjali R Mariwala	14,254,440	1.1%	11,914,700	0.9%	2,339,740	0.2%
13	Rishabh Mariwala with Priyanjali Mariwala For Valley of Light Trust	5,400,000	0.4%	5,400,000	0.4%	-	0.0%
14	Rishabh Mariwala with Priyanjali Mariwala For Valour Trust	5,400,000	0.4%	5,400,000	0.4%	-	0.0%
15	Rajendra K Mariwala	7,681,400	0.6%	7,681,400	0.6%	-	0.0%
16	Kishore V Mariwala	2,489,220	0.2%	2,489,220	0.2%	-	0.0%
17	Pallavi Jaikishan Panchal	1,832,000	0.1%	1,832,000	0.1%	-	0.0%
18	Malika Chirayu Amin	1,800,000	0.1%	1,800,000	0.1%	-	0.0%
19	Kishore V Mariwala for Anandita Trust	6,700	0.0%	6,700	0.0%	-	0.0%
20	Kishore V Mariwala for Arnav Trust	6,700	0.0%	6,700	0.0%	-	0.0%
21	Kishore V Mariwala for Vibhav Trust	6,700	0.0%	6,700	0.0%	-	0.0%
22	Kishore V Mariwala for Taarika Trust	6,700	0.0%	6,700	0.0%	-	0.0%
23	Sharrp Ventures Capital Private Limited (Foremrly The Bombay Oil Private Limited)	18,297,000	1.4%	18,297,000	1.4%	-	0.0%
24	Vibhav Ravindra Mariwala	2,000	0.0%	2,000	0.0%	-	0.0%
25	Anandita Arjun Kothari	1,000,000	0.1%	250,000	0.0%	750,000	0.1%
26	Taarika Rajendra Mariwala	1,000,000	0.1%	250,000	0.0%	750,000	0.1%
27	Preeti Gautam Shah	400,000	0.0%	1,050,000	0.1%	(650,000)	-0.1%
	Total	**768,377,740**	**59.4%**	**769,027,740**	**59.5%**	**(650,000)**	**-0.1%**

Notes

To 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	323	311
General reserve	298	298
Share based option outstanding account	43	27
Treasury shares	(60)	(58)
WEOMA reserve	94	88
Retained earnings	3,471	2,874
Amalgamation Adjustment Deficit Account	(621)	(621)
Total reserve & surplus	**3,548**	**2,920**

(i) Securities premium

(₹ in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	311	258
Add: Exercise of employee stock options	12	53
Closing Balance	**323**	**311**

(ii) General reserve

(₹ in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	298	298
Closing Balance	**298**	**298**

(iii) Share based option outstanding account (Refer Note 33)

(₹ in crore)

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

(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)**

Notes

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

(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	2,874	2,904
Net Profit for the year	1,179	1,163
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax	0	2
Less: Dividend	(582)	(1,195)
Closing balance	**3,471**	**2,874**

12(c) Other Reserves

(₹ in Crore)

Hedge Reserve

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance	(0)	(0)
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**

Notes

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

13(a) Borrowings

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					
Working capital demand loan (refer note (i) below)	March 31, 2023 : Loan Repayable from Apr 2023 to June 2023 - ₹ 12 Crores, Jan 2024 to Mar 2024 ₹ 30 Crores, (FY23 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
Export packing credit (refer note (i) below)	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				**59**	**95**
Less: Interest accrued not due on borrowings (refer note 13(b))				**0**	**0**
Current borrowings as per balance sheet				**59**	**95**

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.

13(b) Other Financial Liabilities

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current		
Interest accrued but not due on borrowings (refer note 13(a))	0	0
Creditors for capital goods	5	7
Salaries, bonus and other benefits payable to employees	2	9
Derivatives liability	0	0
Trade Deposits from customers and other	1	1
Unclaimed Dividend (refer note below)	1	1
Others	0	0
Total other current financial liabilities	**9**	**18**

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.

Notes

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

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)	64	74
Total outstanding dues of creditors other than micro enterprises and small enterprises	934	924
Dues to related parties (refer note 30)	8	2
Total Trade Payable	**1,006**	**1,000**

Note: The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
I . The Principal amount remaining unpaid to any supplier as at the end of accounting year included in trade payable	64	74
II. Interest due thereon	0	0
Trade Payables due to micro and small enterprises	**65**	**74**
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	0
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	0	0
The amount of interest accrued and remaining unpaid at the end of accounting year	0	0
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	3

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes

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

Trade Payables ageing schedule

(₹ in Crore)

March 31, 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	53	1	0	0	**74**
(ii) Undisputed dues - Others	443	154	313	11	3	2	**926**
(iii) Disputed dues – MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	-	**-**
Total	**443**	**174**	**366**	**11**	**4**	**2**	**1,000**

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		24	37	2	0	-	**64**
(ii) Undisputed dues - Others	417	-	407	86	23	9	**942**
(iii) Disputed dues – MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	-	**-**
Total	**417**	**24**	**444**	**88**	**24**	**9**	**1,006**

14 Provisions

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current		
Disputed indirect taxes (refer note (a) & (b) below)	17	16
Total current provisions	**17**	**16**

These provisions have not been discounted as it is not practicable for the Company 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.

Notes

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

(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:

(₹ in Crore)

Disputed indirect taxes	As at 31st March, 2023	As at 31st March, 2022
Balance as at the beginning of the year	16	16
Add: Provision/reclassified recognised during the year	1	0
Less: Amount utilised/reversed during the year	(0)	(0)
Balance as at the end of the year	**17**	**16**

During the previous year ended March 31,2022, the Company has settled various open indirect tax litigations under the "Vivad Se Vishwas" scheme, which has resulted in the utilizations of provision and consequent reduction in outstanding balance.

15 Employee Benefit Obligation non Current

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Leave encashment/ compensated absences (refer note (iii) below)	10	11
Share-appreciation rights (refer note (iv) below)	3	3
Total employee benefit obligations non current	**13**	**14**

Employee benefit obligation current

Particulars	As at 31st March, 2023	As at 31st March, 2022
Gratuity (refer note (i) below)	4	2
Leave encashment/compensated absences (refer note (iii) below)	2	2
Share-appreciation rights (refer note (iv) below)	1	4
Incentives / bonus	35	29
Total employee benefit obligations current	**43**	**37**

Notes:-

(i) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years and more are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity plan is funded through gratuity trust and the company makes contributions to the trust.

(ii) Provident fund

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.

(iii) Leave Encashment/Compensated absences.

The Company 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. Current leave obligations expected to be settled within the next 12 months.

Notes

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

(iv) Share-appreciation rights

In respect of Employee Stock Appreciation Rights (STAR) granted pursuant to the Company's Employee Stock Appreciation Rights Plan, 2011, the liability is measured, initially and at the end of each reporting period until settled, at the fair value of the share 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 33).

(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	**38**	**34**	**4**
Current service cost	5	-	5
Interest expense	2	2	0
Total amount recognised in profit or loss	**7**	**2**	**5**
Remeasurements			
(Gain)/loss from change in demographic assumptions	(0)	-	(0)
(Gain)/loss from change in financial assumptions	0	-	0
Experience (gains)/ losses	(3)	0	(3)
Total amount recognised in other comprehensive income	**(3)**	**0**	**(3)**
Employer contributions	-	4	(4)
Benefit Payments	(4)	(4)	-
Balance as on March 31, 2022	**38**	**36**	**2**
Balance as on April 01, 2022	**38**	**36**	**2**
Current service cost	5	-	5
Interest expense	2	2	0
Total amount recognised in profit or loss	**7**	**2**	**5**
Remeasurements			
(Gain)/loss from change in demographic assumptions	(1)	-	(1)
(Gain)/loss from change in financial assumptions	(1)	-	(1)
Experience (gains)/ losses	1	(0)	1
Total amount recognised in other comprehensive income	**(1)**	**(0)**	**(1)**
Employer contributions	-	2	(2)
Benefit Payments	(5)	(5)	-
Balance as on March 31, 2023	**39**	**35**	**4**

Notes

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

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	39	38
Fair value of plan assets	(35)	(36)
Deficit of gratuity plan	**3**	**2**

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*	7.39%	6.41%
Future salary rise**	10.00%	10.00%
Attrition rate	20% & 25%	16% & 15%
Mortality	Indian Assured Lives Mortality (2012-14) Urban	

* 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)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Projected benefit obligation on current assumptions	39	38
Delta effect of +1% change in rate of discounting	(1)	(2)
Delta effect of -1% change in rate of discounting	1	2
Delta effect of +1% change in rate of salary increase	1	1
Delta effect of -1% change in rate of salary increase	(1)	(1)
Delta effect of +1% change in rate of Employee turnover	(0)	(0)
Delta effect of -1% change in rate of Employee turnover	0	0

The sensitivity analysis has been performed based on reasonably possible changes to 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.

Notes

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

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.

The major categories of plans assets are as follows :

(₹ in Crore)

Particulars	31st March, 2023		31st March, 2022	
	Amount	in %	Amount	in %
Special deposit scheme	1	1.58%	1	1.53%
Insurer Managed funds	32	94.06%	33	96.72%
Other	1	4.37%	1	1.74%
Total	**34**	**100.00%**	**35**	**100.00%**

Defined benefit liability and employer contributions

The weighted average duration of the gratuity is 6 years as at March 31, 2023 and March 31, 2022.

The expected employers contribution towards gratuity for the next year is ₹ 9 crores

(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	-	-

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**

Notes

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

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
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**

The major categories of plan assets are as follows :

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Amount	in %	Amount	in %
Central Government securities	11	4.15%	11	4.62%
State loan/State government Guaranteed Securities	4	1.62%	7	3.07%
Government Securities debt instruments	110	41.46%	97	39.65%
Public Sector Units	8	3.00%	81	33.03%
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%**

Notes

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

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**	10.00%	10.00%
Attrition rate	20%-25%	16%-15%
Mortality	Indian Assured Lives Mortality (2006-08) 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 (a)	12	13
Present value of compensated absences (As per actuarial valuation) as at the year end (b)	12	12

The privileged leave liability is not funded.

(d) Employee State Insurance Corporation

The Company has recognised ₹ 0 Crore (₹ 0 Crore for the year ended March 31, 2022) 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 have 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.

Notes

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

Defined benefit liability and employer contributions

The weighted average duration of the gratuity for the Company ranges from 5 to 10 years as at March 31, 2023 and March 31, 2022.

The expected maturity analysis of gratuity is as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Within the next 12 months	8	5
Between 2 and 5 years	23	19
Between 6 and 10 years	13	15
Total	**43**	**39**

16 Tax assets and liabilities

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non current tax assets (net)	64	54
Current tax liabilities (net)	20	9

17 Other current liabilities

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Statutory dues (including provident fund, tax deducted at source and others)	22	21
Deferred income on government grants (refer note below)	3	2
Contractual & Constructive obligation	88	114
Advance from customer	24	17
Others	0	0
Total other current liabilities	**138**	**154**

The Company 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.

Notes

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

18 Revenue From Operations

The company derives the following types of revenue:

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Sale of products	7,404	7,441
Other operating revenue:		
Incentives (includes government grant, export incentives, budgetary support and others)	65	51
Sale of scrap	9	8
Total Revenue	**7,478**	**7,500**
Details of sales		
Edible oils	4,602	4,884
Hair oils	1,690	1,596
Personal care	412	291
Others	700	670
Sale of Products	**7,404**	**7,441**
Reconciliation of Revenue from sale of products with the contracted price		
Contracted Price	8,393	8,246
Less: Discounts	989	805
Sale of Products	**7,404**	**7,441**

19 Other Income

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
(a) Other income		
Lease rental income	1	1
Dividend income from subsidiaries	220	248
Interest income from financial assets at amortised cost	29	45
Royalty income	19	17
Others	13	16
Total	**282**	**327**
(b) Other gains/(losses):		
Net gain on disposal of property, plant and equipment	0	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)	(5)	0
Total	**46**	**30**
Total other income	**328**	**357**

Notes

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

20(a) Cost of Materials Consumed

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Raw materials consumed	3,320	3,907
Packing materials consumed	502	459
Total cost of materials consumed	**3,822**	**4,367**

20(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	387	437
Work-in-progress	274	144
By-products	4	2
Stock-in-trade	36	32
	701	**615**
Closing inventories		
Finished goods	288	387
Work-in-progress	188	274
By-products	4	4
Stock-in-trade	45	36
	525	**701**
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	**176**	**(86)**

21 Employee Benefit Expense

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries, wages and bonus	349	315
Contribution to provident and other funds (refer note 15)	23	22
Share based payment expense (refer note 33)	18	19
Staff welfare expenses	19	16
Total employee benefit expense	**409**	**372**

Notes

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

22 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)	78	67
Depreciation on investment properties (refer note 4)	0	0
Amortisation of intangible assets (refer note 5)	1	2
Depreciation on Lease assets (refer note 3b)	30	28
Total Depreciation and amortization Expense	**109**	**97**

23 Other Expenses

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Advertisement and sales promotion	462	467
Freight, forwarding and distribution expenses	267	264
Processing and Other Manufacturing Charges	194	203
Rent and storage charges	12	13
Legal & Professional Charges	86	63
Outside Services	45	46
Repairs and Maintenance	50	43
Power, fuel and water	29	27
Travelling, conveyance and vehicle expenses	35	19
Consumption of stores, spare and consumables	14	12
Provision for doubtful debts	0	8
Payments to the auditor as :		
- Statutory audit fees (including Limited Review)	1	1
- for other services as statutory auditors	0	0
- for reimbursement of expenses	0	0
Miscellaneous expenses (refer note (a) below)	101	88
Total	**1,296**	**1,254**

(a) Miscellaneous expenses include printing and stationery, communication, rates and taxes, insurance and other expenses.

Notes

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

(b) Corporate social responsibility expenditure.

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
I. Amount required to be spent as per the section 135 of the Act	22	22
II. Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	22	22
III. Shortfall at the end of the year	NIL	NIL
IV. Total of previous years shortfall	Not applicable	Not applicable
V. Reason for shortfall	Not applicable	Not applicable

VI. Nature of CSR activities include promoting education, health care including preventive health care , economic, empowerment, farmer livelihood enhancement, community and ecological sustenance.

VII. Above includes ₹ 11.8 Crs (FY2021-22 ₹ 7 Crs) -

Contribution amounting to ₹ 4.4 Crs (FY2021-22 ₹ 0.5 Crs) made to Marico Innovation Foundation (MIF), a subsidiary of the Company, which is a Section 25 registered Company under Companies Act, 1956, with the main objectives of fuelling innovation in India. The focus of the foundation is to work with people who have scalable ideas and help them scale it to benefit India in a direct way. MIF has already done work in the areas of renewable energy, waste management, employability, livelihoods and healthcare.

Contribution amounting to ₹ 7.4 Crs (FY2021-22 ₹ 6.7 Crs), made to Parachute Kalpavriksha Foundation (PKF), a subsidiary of the Company, which is also Section 8 registered Company under Companies Act, 2013, with the main objectives of undertaking/channelizing the CSR activities of the Company towards community and ecological sustenance.

VIII. The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.

(c) 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).

24 Finance Costs

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest expenses on financial liabilities at amortised cost	6	5
Other borrowing costs	0	0
Bank and other financial charges	21	17
Lease finance cost	9	8
Finance costs expensed in profit or loss	**36**	**30**

Notes

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

25 Income Tax Expense recognised in Profit or Loss

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Income tax expense		
Current tax on profits for the year	259	246
Deferred tax charge/(credit)	54	4
Total income tax expenses during the year recognised in profit or loss	**313**	**250**

Reconciliation of tax expense and accounting profit multiplied by India tax rate:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Profit before tax (a)	1,492	1,413
Income tax rate as applicable (b)	34.944%	34.944%
Calculated taxes based on above without any adjustment for deductions/allowance/disallowances [(a) * (b)]	**521**	**494**
Tax effect of amounts which are not deductible (allowable) in calculating taxable income :		
Permanent tax differences due to:		
Effect of Income that is exempt from taxation	(1)	(1)
Effect of Income which is taxed at special rate	(84)	(89)
Effect of expenses that are not deductible in determining taxable profit	15	15
Effect of expenses that are deductible in determining taxable profit	(0)	(0)
Income tax Incentives	(141)	(169)
Others	3	0
Income tax expense for the current year recognised in profit or loss	**313**	**250**

Notes

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

26 Fair Value Measurements

(a) Financial Instruments by category

(₹ in Crore)

	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 (including interest accrued)	6(a)	226	-	291	276	-	17
Mutual funds	6(a)	369	-	-	422	-	-
Government securities	6(a)	-	-	0	-	-	0
Trade receivables	6(b)	-	-	838	-	-	555
Inter corporate deposits (including interest accrued)	6(a)	-	-	205	-	-	112
Loans to employees	6(c)	-	-	7	-	-	8
Derivative financial assets	6(g)	-	1	-	2	-	-
Security deposits	6(f),6(g)	-	-	11	-	-	12
Cash and cash equivalent	6(d)	-	-	10	-	-	30
Bank balances for unclaimed dividend	6(e)	-	-	1	-	-	1
Fixed deposits	6(d),6(e)&6(f)	-	-	138	-	-	265
Receivable from Related parties	6(f),6(g)	-	-	205	-	-	36
Total financial assets		**596**	**1**	**1,707**	**701**	**-**	**1,037**
Financial Liabilities							
Borrowings (including interest accrued)	13(a)	-	-	59	-	-	95
Derivative financial liabilities	13(b)	-	0	-	(0)	-	-
Trade payables	13(c)	-	-	1,006	-	-	1,000
Capital creditors	13(b)	-	-	5	-	-	7
Lease Liabilities		-	-	107	-	-	104
Others	13(b)	-	-	4			11
Total financial liabilities		**-**	**0**	**1,181**	**(0)**	**-**	**1,217**

Notes

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

(b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised. 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					
Equity Instruments	6(a)	-	-	1	1
Mutual funds	6(a)	-	369	-	369
Bonds (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		**-**	**596**	**1**	**597**
Financial liabilities					
Derivatives designated as hedges					
Foreign exchange forward contracts	13(b)	-	0	-	0
Total financial liabilities		**-**	**0**	**-**	**0**

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					
Equity Instruments	6(a)	-	-	1	1
Mutual funds	6(a)	-	422	-	422
Debentures (Quoted)	6(a)	-	276	-	276
Derivative designated as hedges					
Foreign exchange forward contracts, options and interest rate swaps	6(f)	-	-	-	-
Total financial assets		**-**	**698**	**1**	**699**
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 instruments that have a quoted price in active market. The fair value of all instruments valued based on level 1 inputs is determined 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

Notes

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

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.

27 Financial Risk Management

Financial Risks

In the course of its business, the Company 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 equity price risk). This note presents the Company's objectives, policies and processes for managing its financial risk and capital.

Board of Directors of the Company has approved Risk Management Framework through policies regarding Investment, Borrowing and Foreign Exchange Management policy. 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 company 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 company. Credit risk arises on liquid assets, financial assets, derivative assets, trade and other receivables.

In respect of its investments the company 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 company 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 Company 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 asset depending on the customer ageing, customer category, specific credit circumstances and the historical experience of the Company.

The gross carrying amount of trade receivables is ₹854 Crores as at March 31, 2023 and ₹ 571 Crores as at March 31, 2022.

Notes

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

Reconciliation of loss allowance provision- trade receivables

(₹ in Crore)

Particular	31st March 2023	31st March 2022
Loss allowance at the beginning of the year	16	8
Add : Changes in loss allowances	0	8
Loss allowance at the end of the year	**16**	**16**

Security deposits are interest free deposits given by the company 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 ₹12 Crores as at March 31, 2023 and ₹13 Crores as at March 31, 2022.

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

Reconciliation of loss allowance provision- other financial assets

(₹ in Crore)

Particular	31st March 2023	31st March 2022
Loss allowance at the beginning of the year	1	1
Add : Changes in loss allowances due to provision/(reversal/write off)	-	-
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, company treasury maintains flexibility in funding by maintaining availability of committed credit lines.

The current ratio of the company as at March 31, 2023 is 2.18 (as at March 31, 2022 is 2.07) whereas the liquid ratio of the company as at March 31, 2023 is 1.49 (as at March 31, 2022 is 1.18).

Maturities of financial liabilities

(₹ in Crore)

Contractual maturities of financial liabilities 31st March 2023	Note	Less than 1 year	1 year to 2 years	2 years to 3 years	3 years and above	Total
Non-derivatives						
Borrowings (including interest accrued)	13(a)	59	-	-	-	**59**
Trade Payables	13(c)	1,006	-	-	-	**1,006**
Lease Liabilities	13(b)	29	25	19	34	**107**
Other Financial Liabilities	13(b)	9	-	-	-	**9**
Total Non-derivative liabilities		**1,103**	**25**	**19**	**34**	**1,181**
Derivative						
Foreign exchange forward contracts	13(b)	0	-	-	-	**0**
Principal swap		-	-	-	-	-
Total derivative liabilities		**0**	-	-	-	**0**

Notes

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

Contractual maturities of financial liabilities March 31, 2022	Note	Less than 1 year	1 year to 2 years	2 years to 3 years	3 years and above	Total
Non-derivatives						
Borrowings (including interest accrued)	13(a)	95	-	-	-	**95**
Trade payables	13(c)	983	11	4	2	**1,000**
Lease Liabilities	13(b)	29	29	19	27	**104**
Other financial liabilities	13(b)	18	-	-	-	**18**
Total Non- derivative liabilities		**1,124**	**41**	**23**	**29**	**1,217**
Derivative (Net- Settled)						
Foreign exchange forward contracts	13(b)	-	-	-	-	-
Principal swap		-	-	-	-	-
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 Company 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 Company 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 company's specific business needs through the use of currency forwards and options.

The company's exposure to foreign currency risk at the end of the reporting period expressed in ₹ as on March 31, 2023.

(₹ in Crore)

	AED	AUD	BDT	CAD	EGP	GBP	USD	VND	LKR
Financial assets									
Foreign currency debtors for export of goods	-			1			77		
Bank balances							0	0	
Receivables from subsidiaries	6		177		0		29	1	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)	**6**	**-**	**177**	**1**	**0**	**-**	**(62)**	**1**	**0**

	AED	AUD	BDT	EUR	GBP	THB	ZAR	SGD	USD
Financial liabilities									
Foregin currency Creditors for Import of goods and services		0	0		0	0	0	0	3
Derivative liabilities									
Foreign exchange forward contracts buy foreign currency				(0)	(4)				(118)
Foreign exchange Option contracts buy option					(4)				(1)
Net Exposure to foreign currency risk (liabilities)	-		**0**	**(0)**	**(8)**	**0**	**0**	**0**	**(116)**

The company'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	USD	VND	LKR
Financial assets									
Foreign currency debtors for export of goods	0	-	-	0	-		59	-	-
Bank balances	-	-	-	-	-	-	0	0	-
Receivables from subsidiaries	5	-	11	-	0	-	18	1	0
Derivative asset									
Foreign exchange forward contracts sell foreign currency	-	-	-	(0)	-	-	(67)	-	-
Foreign exchange option contracts sell option	-	-	-	-	-	-	(67)	-	-
Net Exposure to foreign currency risk (assets)	**5**	**-**	**11**	**0**	**0**	**-**	**(57)**	**1**	**0**

	AED	BDT	EUR	GBP	VND	MYR	SGD	USD
Financial liabilities								
Foregin currency Creditors for Import of goods and services	-	0	1	2	0	0	0	2
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)	**-**	**0**	**2**	**2**	**0**	**0**	**0**	**(100)**

Particular	Impact on profit after tax	
	31st March, 2023	31st March, 2022
USD Sensitivity		
INR/USD Increase by 6%	4	3
INR/USD Decrease by 6%	(4)	(3)
AUD Sensitivity		
INR/AUD Increase by 6%	0	-
INR/AUD Decrease by 6%	(0)	-
BDT Sensitivity		
INR/AUD Increase by 6%	8	0
INR/AUD Decrease by 6%	(8)	(0)

Notes

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

ii) Interest rate risk

The Company is exposed primarily to fluctuation in interest rates in domestic market.

The Company manages its cash flow interest rate risk on long term borrowing, if any, by using floating-to-fixed interest rate swaps. Under these swaps, the company agrees with other parties to exchange, at specified intervals (mainly quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

The Company's fixed rate borrowings, if any, 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 company's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Variable rate borrowings	59	95
Fixed rate borrowings	-	-
Total borrowings (including interest accrued)	**59**	**95**

As at the end of the reporting period, the company 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	6.47%	59	100.00%	3.57%	95	100.00%
Interest rate Swaps (Notional principal amount)	-	-	-	-	-	-
Net Exposure to Cash Flow Interest rate Risk	-	**59**	-	-	**95**	-

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

The exposure of the company's to variable interest rate changes in respect of Loan given to subsidiary at the end of the reporting period are as follows:

(₹ in Crore)

Particulars	31st March, 2023	31st March, 2022
Variable rate	-	-

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

Sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

(₹ 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)	(0)	(0)
Interest rates - decrease by 50 basis point (50 bps)	0	0

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 Company'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 Company 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) and 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 Company 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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To Financial Statements for the year ended 31st March, 2023

31st March 2023 (₹ in Crore)

Type of hedge and risks	Nominal value Assets	Nominal value Liabilities	Carrying amount of Hedging Instrument Assets	Carrying amount of Hedging Instrument Liabilities	Maturity date	Hedge ratio	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
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=81.43	(1)	1
Net Investment Hedge									

31st March 2022 (₹ in Crore)

Type of hedge and risks	Nominal value Assets	Nominal value Liabilities	Carrying amount of Hedging Instrument Assets	Carrying amount of Hedging Instrument Liabilities	Maturity date	Hedge ratio	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
Cash flow Hedge									
Foreign Exchange Risk									
Foreign Exchange Forward Contracts	68	65	1	(0)	April 2022-March 2023	1:1	USD=77.57 EUR=86.54	0	(0)
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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To Financial Statements for the year ended 31st March, 2023

28 Capital Management

(a) Risk management

Capital management is driven by company'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 Company's capital. The Management monitors the capital structure and the net financial debt at individual level 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 Company complies with all statutory requirement as per the extant regulations.

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Net debt	59	95
Total equity	3,677	3,049
Net debt to equity ratio	**0.02**	**0.03**

(b) Dividends

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Equity shares		
Interim dividend for the year	**582**	**1,195**

29 Segment Information

(i) In accordance with Indian Accounting Standard IND AS 108, the Company has disclosed Consolidated Segment information in Consolidated Financial statement

(ii) Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the company. 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 Company. The Company operates only in one business segment i.e. manufacturing and sale of consumer products within India, hence does not have any reportable segment as per Indian Accounting Standard 108 "operating segments" in Standalone. The company while presenting the consolidated financial statements has disclosed the segment information as required under Indian Accounting Standard 108 "operating segments".

(iii) The amount of the company's revenue from external customers broken down by each product and service is shown in the table below.

Notes

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

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Edible	4,602	4,884
Hair oils	1,690	1,596
Personal care	412	291
Others	700	670
Total	**7,404**	**7,441**

(iv) The Company's assets located outside India are not material. Further, the Company does not have revenue more than 10% of total revenue from single customer.

30 Related Party Transactions

I Name of related parties and nature of relationship:

(a) Subsidiaries

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	0	0
Marico Middle East FZE (MME)	UAE	100	100	0	0
Marico Gulf LLC (MLLC)	UAE	100	100	0	0
Marico Malaysia Sdn. Bhd. (MMSB)	Malaysia	100	100	0	0
Egyptian American Investment and Industrial Development Company S.A.E (EAIIDC)	Egypt	100	100	0	0
MEL Consumer Care SAE (MELCC)	Egypt	100	100	0	0
Marico Egypt Industries Company (MEIC)	Egypt	100	100	0	0
Marico for Consumer Care Products SAE	Egypt	100	100	0	0
Marico South Africa Consumer Care (Pty) Limited (MSACC)	South Africa	100	100	0	0
Marico South Africa (Pty) Limited (MSA)	South Africa	100	100	0	0
Marico South East Asia Corporation (MSEA)	Vietnam	100	100	0	0
Beauty X Joint stock Company* (BX)	Vietnam	100	NA	0	NA
Marico Lanka (Private) Limited	Sri Lanka	100	100	0	0
Halite Personal Care India Private Limited (A Company under Voluntary Liquidation)	India	100	100	0	0
Marico Innovation Foundation (MIF)	India	NA	NA	0	0
Parachute Kalpavriksha Foundation (PKF)	India	NA	NA	0	0
Zed Lifestyle Private Limited (ZED)	India	100	100	0	0
Apcos Naturals Private Limited** (APCOS)	India	60.00	52.38	40	47.62
HW Wellness Solutions Private Limited*** (HWW)	India	53.98	NA	46.02	NA

* Beauty X Joint Stock Company has became a step down subsidiary of Marico Limited, pursuant to completion of acquisition by MSEA on January 31, 2023 as per the closing conditions and terms of the definitive agreement between the parties

** Apcos Naturals Private Limited has became subsidiary of Marico Ltd. w.e.f. July 21, 2021. During the year, Company acquired additional shares to increase the stake to 60%

*** During the year, the Company has acquired 53.98% stake in HW Wellness Solutions Private Limited, and accordingly it has become a subsidiary of Marico Limited w.e.f. May 23, 2022.

The 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 subsidiary of the Company with effect from March 15, 2013.

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.

Notes

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

(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 07, 2022)

Ms. Nayantara Bali, Independent Director (appointed with effect from April 07, 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

(e) Others - Entities in which above (c) and (d) 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

Notes

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

II Transactions with related parties

The following transactions occurred with related parties:

Key management personnel compensation

(₹ in Crore)

Particulars	31st March, 2023	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 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. 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	31st March, 2023	31st March, 2022
Marico Limited Employees Provident Fund	34	31
Marico Limited Employees Gratuity Fund	2	4
	36	35

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

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

(₹ in Crore)

Particulars	Subsidiaries (Referred in I (a) and (b) above) For the year ended		Others (Referred in I (e) above) For the year ended	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
Sale of goods	**142**	**140**	**-**	**-**
Marico Bangladesh Limited	25	20	-	-
Marico Middle East FZE	80	88	-	-
Marico South East Asia Corporation	9	27	-	-
Marico Gulf LLC	26	-	-	-
Others	3	5	-	-
Sale of assets	**0**	**0**	**-**	**-**
Marico Bangladesh Limited	0	0	-	-
Marico for Consumer Care Products SAE	0	-	-	-
Purchases of goods	**17**	**6**	**-**	**0**
Marico South East Asia Corporation	-	0	-	-
Zed Lifestyle Private Limited	16	5	-	-
Apcos Naturals Private Limited	0	1	-	-
Soap Opera	-	-	-	0
Others	1	0	-	-
Other transactions				
Royalty income	**19**	**17**	**-**	**-**
Marico Bangladesh Limited	11	11	-	-
Marico Middle East FZE	4	5	-	-
Marico South East Asia Corporation	1	1	-	-
Marico Gulf LLC	2	-	-	-
Others	0	1	-	-
Dividend income	**220**	**248**	**-**	**-**
Marico Bangladesh Limited	220	198	-	-
Marico South East Asia Corporation	-	50	-	-
Interest income	**-**	**1**	**-**	**-**
Marico Middle East FZE	-	1	-	-
Marketing Fees	**1**	**0**	**-**	**-**
Marico Middle East FZE	1	0	-	-
Expenses paid on behalf of related parties	**14**	**7**	**1**	**1**
Marico Bangladesh Limited	5	3	-	-
Marico Middle East FZE	3	1	-	-
Kaya Limited	-	-	1	0
Marico South East Asia Corporation	3	2	-	-
Marico Lanka Private Limited	0	0	-	-
Others	3	1	0	0

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

(₹ in Crore)

Particulars	Subsidiaries (Referred in I (a) and (b) above) For the year ended		Others (Referred in I (f) above) For the year ended	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
Expenses paid by related parties on behalf of Marico Limited	**2**	**4**	**-**	**-**
Marico South East Asia Corporation	0	0	-	-
Marico Middle East FZE	2	3	-	-
Others	0	-	-	-
Lease rental income	**-**	**-**	**1**	**1**
Kaya Limited	-	-	1	1
Others	-	-	0	0
Royalty expense	**-**	**-**	**-**	**0**
Kaya Limited	-	-	-	0
Other Income	**-**	**0**	**-**	**-**
Marico Bangladesh Limited	-	0	-	-
Investments made during the year	**95**	**10**	**-**	**-**
HW Wellness Solutions Private Limited	75	-	-	-
Apcos Naturals Private Limited	20	10	-	-
Donation given / CSR activities	**12**	**9**	**-**	**-**
Marico Innovation Foundations	4	1	-	-
Parachute Kalpavriksha Foundation	7	8	-	-
Agency commission for copra procurement	**-**	**2**	**-**	**-**
Marico Middle East FZE	-	2	-	-
Corporate guarantee commission	**2**	**2**	**-**	**-**
Marico Middle East FZE	2	2	-	-
Marico South Africa (Pty) Limited	0	0	-	-
Others	0	0	-	-
Advertising Expense	**-**	**-**	**-**	**0**
Bright Lifecare Private Limited	-	-		0
Expense reimbursement	**-**	**-**	**-**	**0**
Soap Opera	-	-	-	0
Towards adjustment of reimbursement charged	**-**	**-**	**-**	**0**
Soap Opera	-	-	-	0
Ascent India Foundation	-	-	-	0
Aqua Centric Private Limited	-	-	-	0
Mariwala Health Foundation	-	-	-	0
Harsh Mariwala Enterprises LLP	-	-	-	0
Others	-	-	-	0

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

Particulars	Subsidiaries (Referred in I (a) and (b) above) For the year ended		Others (Referred in I (f) above) For the year ended	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
Purchase of Fixed assets	**-**	**-**	**-**	**0**
Soap Opera	-	-	-	0
Purchase returns	**0**	**-**	**-**	**-**
Apcos Naturals Private Limited	0	-	-	-
Other Services	**-**	**-**	**2**	**3**
Leap India Private Limited	-	-	2	2
Centum Learning Limited	-	-	0	1
Delhivery Limited (formally known as Delhivery Private Limited)	-	-	-	0
Others	-	-	0	0
Repayment of Loan by related party	**-**	**58**	**-**	**-**
Marico Middle East FZE	-	58	-	-
Corporate guarantee given	**538**	**4**	**-**	**-**
Zed Lifestyle Private Limited	30	3	-	-
Marico Lanka Private Limited	2	1	-	-
Marico Middle East FZE	341	-	-	-
Marico South East Asia Corporation	164	-	-	-
Intra group service arrangement	**11**	**10**	**-**	**-**
Marico Bangladesh Limited	3	5	-	-
Marico South East Asia Corporation	1	1	-	-
Marico Middle East FZE	2	1	-	-
Marico For Consumer Care Products S.A.E	1	0	-	-
Zed Lifestyle Private Limited	4	4	-	-
Others	0	0	-	-

Notes

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

III Outstanding balances

(₹ in Crore)

Particulars	Subsidiaries (Referred in I (a) and (b) above) For the year ended		Others (Referred in I (e) above) For the year ended	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties				
Investments	**639**	**544**	**-**	**-**
Marico South East Asia Corporation	255	255	-	-
Zed Lifestyle Private Limited	157	157	-	-
Apcos Naturals Private Limited	75	55	-	-
HW Wellness Solutions Private Limited	75	-	-	-
Others	78	78	-	-
Trade payables (purchases of goods and services)	**8**	**2**	**-**	**0**
Marico for Consumer Care Products SAE	-	-	-	0
Marico South East Asia Corporation	0	0	-	-
Marico Middle East FZE	2	-	-	-
Zed Lifestyle Private Limited	4	2	-	-
Apcos Naturals Private Limited	1	-	-	-
Others	0	0	-	0
Trade receivables (sale of goods and services)	**56**	**46**	**-**	**0**
Marico Middle East FZE	33	19	-	-
Marico Bangladesh Limited	2	15	-	-
Marico South East Asia Corporation	1	6	-	-
Marico Gulf LLC	11	-	-	-
Zed Lifestyle Private Limited	6	3	-	-
Others	4	3	-	0
Other receivables	**205**	**36**	**-**	**0**
Marico Bangladesh Limited	195	26	-	-
Marico Middle East FZE	6	6	-	-
Marico South East Asia Corporation	2	2	-	-
Others	2	2	-	0
Loan to related party	**-**	**-**	**-**	**-**
Marico Middle East FZE	-	-	-	-
Marketing Fees Payable	**-**	**0**	**-**	**-**
Marico Middle East FZE	-	0	-	-
Corporate guarantee	**545**	**287**	**-**	**-**
Marico Middle East FZE	341	246	-	-
Marico South East Asia Corporation	164	-	-	-
Marico South Africa (Pty) Limited	-	34	-	-
Others	39	7	-	-

Notes

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

Terms and conditions of transaction with related parties for Transfer Pricing regulations

The Company's international transactions with related parties are at arm's length as per the independent accountants report for the year ended March 31 2022. Management believes that the Company's international transactions with related parties post March 31, 2022 continue to be at arm's length and that the transfer pricing legislation will not have any material impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (2021-22: Nil). This assessment is undertaken each Financial Year through examining the financial position of the related party and the market in which the related party operates.

31 Contingent liabilities:

The company had contingent liabilities in respect of :

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Disputed tax demands / claims		
Sales tax/GST	43	110
Income tax	289	289
Employees state insurance corporation	0	0
Excise duty	33	33
Service Tax	-	0
Guarantees excluding financial guarantees:		
Corporate guarantees given to banks on behalf of Broadcast Audience Research Council (BARC)	1	1
Credit and other facilities availed by subsidiaries from banks as at year-end against the corporate guarantee given by the Company	403	244

Note:

1. The Company 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 Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.
2. The Company has ongoing disputes with tax authorities. The disputes relate to tax treatment of certain expenses claimed as deductions, computation or eligibility of tax incentives and allowances. The Company has contingent liability of ₹ 289 crore and ₹ 289 crore as at March 31, 2023 and March 31, 2022 respectively, in respect of tax demands which are being contested by the Company based on the management evaluation and advice of tax consultants.
3. The Company periodically receives notices and inquiries from income tax authorities. The Company has assessed these notices and inquiries and has estimated that any consequent income tax claims or demands by the income tax authorities will not succeed on ultimate resolution.

32 Commitments

(₹ in Crore)

Particulars		As at 31st March, 2023	As at 31st March, 2022
(A)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	20	2
(B)	Corporate guarantees given to banks against which no credit facilities are availed at the year end	141	43

Notes

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

33 Share-Based Payments

(a) Employee stock option plan

Marico ESOP 2016

During the year ended March 31, 2017, the Company 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 Company and its subsidiaries not exceeding in the aggregate 0.6% of the issued share equity share capital of the Company 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 Company as on the commencement date (mentioned above). The Marico ESOP 2016 envisages to grant stock options to eligible employees of the Company and it's subsidiaries through one or more Scheme(s) notified under the Plan. Each option represents 1 equity share in the Company. 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 Company notified below schemes under the Plan:

(₹ in Crore)

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	Part I	222,700	357.65	31-Mar-22	-	222,700	-	-	-	222,700	1.00
Scheme XII	Part I	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	Part I	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	Part I	52,080	1.00	31-Mar-24	-	52,080	-	-	-	52,080	2.50
Scheme XVIII	Part I	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
	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**	

As at March 31 2022						Number of options granted, exercised and forfeited					
Scheme	Part	Options outstanding as at March 31, 2022	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 II		-	280.22	31-Mar-19	-	939,700	-	939,700	-	-	-
Scheme III	Part I	-	1.00	30-Nov-19	-	-	-	-	-	-	-
	Part II	-	1.00	30-Nov-19	-	-	-	-	-	-	-
	Part III	-	1.00	30-Nov-19	-	1,910	-	1,910	-	-	0.33
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		**4,854,896**				**5,334,530**	**1,606,298**	**1,437,280**	**648,652**	**4,854,896**	

Notes

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

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

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

Notes

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

Scheme	Part	Risk-free interest rate (%)	Expected life of options (years)	Expected volatility (%)	Dividend yield (%)	Fair value of the option
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

(b) Share appreciation rights

The Nomination and Remuneration Committee has granted Stock Appreciation Rights ("STAR") to certain eligible employees pursuant to the Company'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	04-Dec-18	346.47	30-Nov-21	-	-	-	-	-		-	273,460	-	24,800	248,660	-	-	-
	06-May-19	357.51	30-Nov-21	-	-	-	-	-		-	16,620	-	10,410	6,210	-	-	-
	20-Dec-19	346.04	30-Nov-21	-	-	-	-	-		-	33,820	-	2,720	31,100	-	-	-
STAR X	20-Dec-19	346.04	30-Nov-22	238,790	-	33,630	205,160	-		-	298,010	-	55,360	3,860	238,790	-	3
	23-Jun-20	330.38	30-Nov-22	39,740	-	17,260	22,480	-		-	39,740	-	-	-	39,740	-	1
	01-Dec-20	372.10	30-Nov-22	6,130	-	-	6,130	-		-	6,130	-	-	-	6,130	-	0
STAR XI	01-Dec-20	372.10	30-Nov-22	443,440	-	94,230	-	349,210		3	529,400	6,220	88,490	3,690	443,440	3	-
	26-May-21	451.56	30-Nov-23	66,852	-	5,664	-	61,188			-	66,852	-	-	66,852	0	-
	07-Dec-21	545.34	30-Nov-23	49,365	-	40,253	-	9,112			-	49,365	-	-	49,365	0	-
STAR XII	07-Dec-21	545.34	30-Nov-24	571,252	-	120,877	-	450,375	1	-	-	581,780	10,528	-	571,252	1	-
	05-May-22	520.96	30-Nov-24	-	19,945	704	-	19,241			-	-	-	-	-	-	-
	07-Dec-22	498.25	30-Nov-25	-	28,624	-	-	28,624			-	-	-	-	-	-	-
STAR XIII	07-Dec-22	498.25	30-Nov-25	-	413,509	14,510	-	398,999	0	-	-	-	-	-	-	-	-
	Total			**1,415,569**	**462,078**	**327,128**	**233,770**	**1,316,749**	**1**	**3**	**1,197,180**	**704,217**	**192,308**	**293,520**	**1,415,569**	**3**	**4**

The Company 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 Company under the Plan. The Company 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 Company. The Company, 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.

Notes

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

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%

(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	16	10
Stock appreciation rights	2	9
Total employee share based payment expense	**18**	**19**

34 Earnings per share

Basic EPS amounts are calculated by dividing the profit after tax for the year attributable to equity holders of the Company 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 (in ₹)	9.13	9.02
(b) Diluted earnings per share		
Diluted earnings per share (in ₹)	9.10	9.01
(c) Earnings (₹ in Crores) used in calculating earnings per share	1,179	1,163
(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
Dilutive impact of Share 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**

Notes

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

(e) Information concerning the classification of securities

(i) Share Options

Options granted to Employees under Marico Employee Stock 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 33.

(ii) Treasury shares

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

35 The Company 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).

36 Financial ratios

	Ratio	Items included in numerator and denominator for computing	As at 31st March 2023	As at 31st March 2022	% Variance	Reason for variation
(a)	Current Ratio,	Current Assets / Current Liabilities	2.18	2.07	5%	
(b)	Debt-Equity Ratio,	Total Borrowings/Shareholders' Funds (Share Capital + Reserves & surplus)	0.02	0.03	-48%	Decrease on account of repayment of Working capital loan
(c)	Debt Service Coverage Ratio,	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc. /Debt service = Interest & Lease Payments + Principal Repayments	4.25	3.84	11%	
(d)	Return on Equity Ratio,	Net Profit after tax/ average Shareholders' Funds (opening + closing)/2)	35.1%	38.2%	-8%	
(e)	Inventory turnover Ratio,	Cost of Revenue from Operation / Average Inventory Cost of Revenue from Operation = Cost of materials consumed + purchase of stock-in-trade + change in Inventory (FG; WIP and Stock in trade) Average Inventory = (Opening Inventory + Closing Inventory)/2	4.49	4.77	-6%	
(f)	Trade Receivables turnover ratio	Revenue from Operations/ Average Trade Receivable Average Trade Receivable = (Opening Trade Receivable + Closing Trade Receivable)/2	10.74	17.34	-38%	Mainly increase due to higher sales skew in March 23 as compared to March 22 & higher mix of MT/Ecom
(g)	Trade payables turnover Ratio	Cost of materials consumed + purchase of stock-in-trade + change in Inventory (FG; WIP and Stock in trade)+other expenses/ Average Trade Payable Average Trade Payable = (Opening Trade Payable + Closing Trade Payable)/2	5.74	6.45	-11%	

Notes

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

	Ratio	Items included in numerator and denominator for computing	As at 31st March 2023	As at 31st March 2022	% Variance	Reason for variation
(h)	Net capital turnover ratio	Revenue from Operations / Working Capital working Capital = Currnet Assets - Current Liabilities	4.82	5.18	-7%	
(i)	Net profit ratio	Net Profit after tax/ Revenue from Operations	16%	16%	2%	
(j)	Return on Capital employed	Net Profit before interest and tax/ Capital Employed Capital Employed = Shareholders' Funds + Total debt + deferred tax liability	41%	46%	-11%	
(k)	Return on investment.	Income from Investment / Average Investment Average Investment = (Opening Investment + Closing Investment)/ 2	8%	9%	-6%	

37 (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 Company 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 Company (Ultimate Beneficiaries).

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

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

As per our report of even date attached

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