

# BOARD'S REPORT

## To the Members,

Your Board of Directors ("Board") is pleased to present the Twenty Ninth Annual Report of Marico Limited ("Marico" or "the Company" or "your Company"), for the financial year ended March 31, 2017 ("the year under review" or "the year" or "FY17").

In line with the requirements of the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof for time being in force ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Regulations"), this report covers the financial results and other developments during the financial year April 1, 2016 to March 31, 2017 in respect of Marico and Marico Consolidated comprising Marico, its subsidiaries and associate companies. The consolidated entity has been referred to as "Marico Group" or "Your Group" or "the Group" in this report.

## FINANCIAL RESULTS - AN OVERVIEW

(₹ in Crore)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<b>Consolidated Summary Financials for the Group</b>		
Revenue from Operations	5,935.92	6,024.45
Profit before Tax	1,148.70	1,028.70
Profit after Tax	810.97	723.33
<b>Marico Limited – Revenue from Operations</b>	<b>4,868.88</b>	<b>4,867.99</b>
Profit before Tax	1,141.72	935.74
Less: Provision for Tax for the current year	299.02	244.48
<b>Profit after Tax for the current year</b>	<b>842.70</b>	<b>691.26</b>
Other Comprehensive Income for the current year	(1.18)	(1.87)
Add: Surplus brought forward	1,933.31	1,744.78
<b>Profit available for appropriation</b>	<b>2,774.83</b>	<b>2,434.16</b>
<b>Appropriations: Distribution to shareholders</b>	<b>451.59</b>	<b>435.43</b>
Tax on dividend	57.03	65.43
	508.62	500.86
Surplus carried forward	2,266.21	1,933.31

## REVIEW OF OPERATIONS

During 2017, Marico achieved revenue from operations of INR 5,986 Crore, a decline of 1% over FY16. Volume growth for the year was at 4%. The value growth was lower owing to price reductions in the Coconut Oil portfolio in India and Bangladesh and currency devaluation in the Egypt region in H2FY17. The operating margin was at 19.5%. The business reported bottom line of INR 799 Crores, a satisfactory growth of 12% over last year.

Marico India, the domestic business, achieved a turnover of ₹4,579 Crores in FY17, a decline of 2% over last year. Volume growth for the year was at 4%. The value growth was lower owing

to price reductions in the Coconut Oil portfolio. This year witnessed the demonetization impact in Q3FY17 which acted as a dampener on the overall annual volume growths. The operating margin for the India business was healthy at 24.3% before corporate allocations. Higher operating margins can be attributed mainly to gross margin expansion led by softer input costs.

During the year, Marico International, the International FMCG business, posted a turnover of ₹1,356 Crores, a growth of 1% over FY16 in constant currency terms. The operating margin for the year was at 16.5% (before corporate allocations) reflecting a sustained structural shift over the last few years.

Over the last 5 years, at a consolidated level, the top line has grown by 10% and bottom line by 18% at a Compounded Annual Growth Rate.

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the FY17 and the date of this report.

## SUBSIDIARIES AND ASSOCIATE COMPANIES

A list of bodies corporate which are subsidiaries/associate of your Company is provided as part of the notes to Consolidated Financial Statement. During the period under review, in Vietnam, Thuan Phat Foodstuff Joint Stock Company merged with its Holding Company, Marico South East Asia Corporation (Formerly: International Consumer Products Corporation) with effect from December 1, 2016. Your Company acquired 35.44% equity stake in Zed Lifestyle Private Limited ("Zed") on March 17, 2017. Consequently, Zed became an associate company of Marico.

A separate statement containing the salient features of the financial statement of all subsidiaries and associate companies of your Company (i.e. Form AOC - 1) forms part of the consolidated financial statement in compliance with Section 129 and other applicable provisions of the Act.

The financial statement of the subsidiary companies and related information are uploaded on the website of your Company and can be accessed using the link <http://marico.com/india/investors/documentation> and the same are available for inspection by the Members at the Registered Office of your Company during business hours on all working days except Saturdays and Sundays up to the date of the 29<sup>th</sup> Annual General Meeting ("29<sup>th</sup> AGM"), as required under Section 136 of the Act. Any Member desirous of obtaining a copy of the said financial statement may write to the Company Secretary at the Registered Office Address.

Your Company has approved a policy for determining material subsidiaries and the same is uploaded on the Company's website which can be accessed using the link [http://marico.com/investorspdf/Policy\\_for\\_determining\\_Material\\_Subsiidiaries.pdf](http://marico.com/investorspdf/Policy_for_determining_Material_Subsiidiaries.pdf). As per this Policy, your Company does not have any material subsidiary.

## INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs ("MCA"), vide its notification dated February 16, 2015 issued Indian Accounting Standards ("IND AS") applicable to certain classes of companies. In exercise of the powers conferred by Section 133 read with section 469

of the Act and Section 210A(1) of the Companies Act, 1956, the Central Government, in consultation with the National Advisory Committee on Accounting Standards, has replaced the existing Indian GAAP with IND AS. For Marico, IND AS is applicable for the accounting periods beginning April 1, 2016, with the transition date of April 1, 2015.

The following are the key areas which had an impact on account of IND AS transition:

- Revenue reclassification
- Share based payments
- Fair valuation of certain financial instruments
- Defined employee benefit obligations
- Intangible assets

The detailed reconciliation of the transition from IGAAP to IND AS has been provided in Note 35 in the notes to accounts of Standalone Financial Statement and Note 39 in the notes to accounts of Consolidated Financial Statement.

## RESERVES

There is no amount proposed to be transferred to the Reserves.

## DIVIDEND

Your Company's wealth distribution philosophy aims at sharing its prosperity with its shareholders, through a formal earmarking/ disbursement of profits to its shareholders. During the year under review, your Board adopted a Dividend Distribution Policy ("DD Policy") pursuant to Regulation 43A of the SEBI Regulations.

The DD Policy is available on the website of the Company at <http://marico.com/india/investors/documentation/corporate-governance>.

Based on the principles enunciated in the DD Policy, your Company's distribution to equity shareholders during FY17 comprised the following;

- First Interim Dividend of 150% on the equity base of ₹129.02 Crores; and
- Second Interim Dividend of 200% on the equity base of 129.04 Crores.

The total equity dividend for FY17 (including dividend distribution tax) aggregated to ₹508.64 Crores. Thus, dividend pay-out ratio is 64% of the consolidated profit after tax as compared to 69% (including one-time special third interim dividend of 100%) during FY16.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of the loans, guarantees and investments covered under the Section 186 of the Act, are given in the notes to the standalone financial statement of the Company.

## MANAGEMENT DISCUSSION AND ANALYSIS

A detailed Management Discussion and Analysis forms an integral part of this Report and, inter-alia, gives an update on

Macro Economic Indicators & FMCG Industry, opportunities and threats, risks and concerns, internal control systems and their adequacy, discussion on financial and operational performance, segment-wise performance, human capital initiatives outlook, etc.

## BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

### I Resignation of Mr. Atul Choksey

Mr. Atul Choksey (DIN: 00002102), Independent Director of the Company stepped down from the Board of Directors with effect from April 1, 2017 on account of paucity of time. The Board of Directors of Marico placed on record, its appreciation for the invaluable contribution that Mr. Choksey has made during his long tenure with the Company as an Independent Director.

### II Appointment of Mr. Rishabh Mariwala and Mr. Ananth Narayanan

The Board at its meeting held on May 2, 2017 appointed Mr. Rishabh Mariwala (DIN: 03072284) as an Additional (Non-Executive) Director of your Company with effect from May 2, 2017. Further, the Board vide a resolution passed by circulation on June 26, 2017 appointed Mr. Ananth Narayanan (DIN: 07527676) as an Additional (Independent) Director of the Company with effect from the said date i.e. June 26, 2017.

Mr. Rishabh Mariwala and Mr. Ananth Narayanan shall hold office as an Additional (Non-Executive) Director and Additional (Independent) Director, respectively, upto the date of the 29<sup>th</sup> AGM of the Company. Notices in writing, signifying their candidature for appointment as Non-Executive Director and Independent Director, respectively, under Section 160 of the Act has been received from the shareholders of the Company. Accordingly, the matter relating to their appointment is being placed for the approval of the shareholders at the 29<sup>th</sup> AGM.

### III Directors retiring by rotation

In accordance with the provisions of Section 152 of the Act read with Rules made thereunder and the Articles of Association of the Company, Mr. Harsh Mariwala (DIN: 00210342) is liable to retire by rotation at the 29<sup>th</sup> AGM and being eligible, has offered himself for re-appointment. Accordingly, the matter relating to re-appointment of Mr. Harsh Mariwala is being placed for the approval of the shareholders at the 29<sup>th</sup> AGM.

The Company has received declarations from all the Independent Directors confirming that they satisfy the criteria of independence as prescribed under the provisions of the Act and the SEBI Regulations.

Brief profiles of Mr. Rishabh Mariwala, Mr. Ananth Narayanan and Mr. Harsh Mariwala and other related information is appended in the Corporate Governance Report. The revised composition of the Board of the Company is also stated in the said Report.

#### IV Key Managerial Personnel

During the year under review, the Board of Directors at its meeting held on April 29, 2016 appointed Mr. Surender Sharma as the Company Secretary & Compliance Officer in place of Ms. Hemangi Ghag, who had tendered her resignation with effect from April 29, 2016. Ms. Ghag continues as an employee with the Company in a different role. There were no other changes in the Key Managerial Personnel of the Company.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Act, the Directors of your Company, to the best of their knowledge and based on the information and explanations received from the Company confirm that:

- a. in the preparation of the annual financial statement for the financial year ended March 31, 2017, the applicable accounting standards have been followed and there are no material departures from the same;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2017 and of the profit of your Company for the said period;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts have been prepared on a 'going concern' basis;
- e. proper internal financial controls to be followed by the Company were laid down and such internal financial controls are adequate and were operating effectively;
- f. proper systems to ensure compliance with the provisions of all applicable laws were devised and that such systems were adequate and operating effectively.

#### PERFORMANCE EVALUATION

In accordance with relevant provisions of the Act read with Rules made thereunder, Regulation 17(10) of the SEBI Regulations and the Guidance Note on Board Evaluation issued by SEBI vide its circular dated January 5, 2017, the evaluation of the performance of the individual Directors, Chairman of the Board, the Board as a whole and its individual statutory Committees was carried out for the year under review. The manner in which the evaluation was carried out is explained in the Corporate Governance Report.

#### MEETINGS OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

Five meetings of the Board of Directors were held during the year. The details of the meetings of the Board and its Committees held during the year under review are stated in the Corporate Governance Report.

#### CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34 of the SEBI Regulations, a separate report on Corporate Governance along with the certificate from the Statutory Auditor on its compliance, forms an integral part of this report.

#### BUSINESS RESPONSIBILITY REPORT & SUSTAINABILITY REPORT

Pursuant to Regulation 34 of the SEBI Regulations, the Company had published its maiden Business Responsibility Report in the Annual Report for the previous financial year. During the year under review, the Board adopted the Sustainability Policy through a resolution passed by circulation on June 20, 2016. The Sustainability Policy envisages the broad principles which would drive the sustainability activities of the Company. The said Sustainability Policy can be accessed at this link <http://marico.com/make-a-difference/sustainability>

Further, the Board of Directors of your Company constituted the Sustainability Committee to drive the sustainability activities of the Company and review the business responsibility and sustainability performance of the Company on annual basis. The Chief Supply Chain Officer of the Company heads the Sustainability Committee and it comprises three more Senior Managerial Personnel of the Company. The composition of the Committee is detailed in the Corporate Governance Report. The Managing Director & CEO of the Company is the Director responsible for ensuring the Business Responsibility activities of the Company.

During the year under review, the Company has also made available its maiden Sustainability Report which is a voluntary report and exhibits your Company's approach towards sustainability. The Sustainability Report has been exhibited in line with the Global Reporting Initiative (GRI) G4 core guidelines. The said Report presents the sustainability performance of the Company across three pillars of sustainability i.e. economic, environmental and social aspects as per the GRI G4 guidelines. All the relevant aspects related to standard, specific disclosures and sector supplement have been referred to, while defining the report content. The Sustainability Report of the Company can be accessed at this link <http://marico.com/make-a-difference/sustainability>

#### AUDITOR & AUDITOR'S REPORT

##### Statutory Auditor

The Members at the 26<sup>th</sup> Annual General Meeting had appointed M/s Price Waterhouse, Chartered Accountants as the Statutory Auditor of the Company to hold office until the conclusion of the 29<sup>th</sup> AGM. Pursuant to Section 139 of the Act and Rules made thereunder, M/s Price Waterhouse retire as the Statutory Auditor at the 29<sup>th</sup> AGM and are not eligible for re-appointment in view of completion of their tenure.

Accordingly, the Board at its meeting held on May 2, 2017 based on the recommendation of the Audit Committee, approved the appointment of B S R & Co. LLP, Chartered Accountants as the Statutory Auditor of the Company in place of the retiring Auditor for a term of five years to hold office from the conclusion of the

29<sup>th</sup> AGM till the conclusion of the 34<sup>th</sup> Annual General Meeting of the Company, subject to ratification of their appointment by the shareholders of the Company at every Annual General Meeting held thereafter.

The Company has received written consent and certificate of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Act and Rules made thereunder from B S R & Co. LLP. Further, the Company has also received a written confirmation stating that B S R & Co. LLP holds a valid Peer Review Certificate issued by the Institute of Chartered Accountants of India.

The Auditor's Report for the year ended March 31, 2017 on the financial statement of the Company forms part of Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in the said Auditor's Report. During the year under review, the Auditor had not reported any fraud under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

M/s. Price Waterhouse over many years successfully met the challenge that the size and scale of the Company's operations pose for the Auditor and have maintained the highest level of governance, ethical standards, rigour and quality in their audit. The Board places its sincere appreciation for services rendered by M/s. Price Waterhouse as Statutory Auditor of the Company.

### **COST AUDITOR**

As per Section 148 of the Act read with the Companies (Cost Records and Audits) Rules, 2014, the Board of Directors at its meeting held on May 2, 2017, based on the recommendation of the Audit Committee, approved the appointment of M/s. Ashwin Solanki & Associates, Cost Accountants as the Cost Auditor to conduct audit of the cost records of the Company for the financial year ending March 31, 2018. The Company has received written consent and certificate of eligibility in accordance with Section 148 read with Section 141 and other applicable provisions of the Act and Rules made thereunder from M/s. Ashwin Solanki & Associates.

The remuneration payable to the Cost Auditor has been approved by the Board at its aforesaid meeting, based on the recommendation of the Audit Committee. In terms of the provisions of Section 148(3) of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company. Accordingly, the matter relating to ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2018 is being placed at the 29<sup>th</sup> AGM.

During the year under review, the Cost Auditor had not reported any fraud under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

### **SECRETARIAL AUDIT**

Pursuant to Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board, at its meeting held on May 2, 2017, based on the recommendation of the Audit Committee, approved appointment of Dr. K. R. Chandratre, Practising Company Secretary (Certificate

of Practice No. 5144) as the Secretarial Auditor to conduct audit of the secretarial records of the Company for the financial year ending March 31, 2018. The Company has received consent from Dr. K. R. Chandratre to act as such.

The Secretarial Audit Report for the FY17 is enclosed as "Annexure A" to this report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer. During the year under review, the Secretarial Auditor had not reported any fraud under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

### **RISK MANAGEMENT**

For your Company, Risk Management is an integral and important component of Corporate Governance. Your Company believes that a robust Risk Management ensures adequate controls and monitoring mechanisms for a smooth and efficient running of the business. A risk-aware organization is better equipped to maximize the shareholder value.

The key cornerstones of your Company's Risk Management Framework are:

- Periodic assessment and prioritization of risks that affect the business of your Company;
- Development and deployment of risk mitigation plans to reduce the vulnerability to the prioritized risks;
- Focus on both the results and efforts required to mitigate the risks;
- Defined review and monitoring mechanism wherein the functional teams, the top management and the Board review the progress of the mitigation plans;
- Embedding of the Risk Management processes in significant decisions such as large capital expenditures, mergers, acquisitions and corporate restructuring;
- Wherever, applicable and feasible, defining the risk appetite and install adequate internal controls to ensure that the limits are adhered to.

The Constitution of the Risk Management Committee ('RMC') is stated in the Corporate Governance Report. The RMC assists the Board in monitoring and reviewing the risk management plan, implementation of the risk management framework of the Company and such other functions as Board may deem fit. The detailed terms of reference and the composition of RMC are set out in the Corporate Governance Report.

### **INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

Your Company's approach on Corporate Governance has been detailed out in the Corporate Governance Report. Your Company has deployed the principles enunciated therein to ensure adequacy of Internal Financial Controls with reference to the financial statements. Your Board has also reviewed the internal processes, systems and the internal financial controls and the Directors'

Responsibility Statement contains a confirmation as regards adequacy of the internal financial controls.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES**

The composition of the CSR Committee is disclosed in the Corporate Governance Report.

A brief outline of the CSR Policy of the Company, the CSR initiatives undertaken during the financial year 2016-17 together with progress thereon and the report on CSR activities as required by the Companies (Corporate Social Responsibility Policy) Rules, 2014, are set out in "Annexure B" to this Report.

### **RELATED PARTY TRANSACTIONS**

All transactions with related parties are placed before the Audit Committee for its approval. An omnibus approval of the Audit Committee is obtained for the related party transactions which are repetitive in nature. In case of transactions which are unforeseen and in respect of which complete details are not available, the Audit Committee grants an omnibus approval to enter into such unforeseen transactions, provided the transaction value does not exceed ₹1 Crore (per transaction in a financial year). The Audit Committee reviews all transactions entered into pursuant to the omnibus approvals so granted on a quarterly basis.

All transactions with related parties entered into during FY17 were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the Rules made thereunder. There were no transactions which were material (considering the materiality thresholds prescribed under the Act and Regulation 23 of the SEBI Regulations). Accordingly, no disclosure is made in respect of the Related Party Transactions in the Form AOC-2 in terms of Section 134 of the Act and Rules made thereunder.

The Policy on Related Party Transactions is uploaded on the Company's website and can be accessed using the link [http://marico.com/investorspdf/Policy\\_on\\_Related\\_Party\\_Transactions.pdf](http://marico.com/investorspdf/Policy_on_Related_Party_Transactions.pdf).

### **COMPANY'S POLICY ON NOMINATION, REMUNERATION, BOARD DIVERSITY, EVALUATION AND SUCCESSION**

In terms of the applicable provisions of the Act, read with the Rules made thereunder and the SEBI Regulations, your Board has formulated a Policy on appointment, removal and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel and also on Board Diversity, Succession Planning and Evaluation of Directors ("NR Policy"). The remuneration paid to Directors of the Company is as per the terms laid down in the NR Policy of the Company. The Managing Director & CEO of your Company does not receive remuneration from any of the subsidiaries of your Company.

The salient aspects of the said Policy are outlined in the Corporate Governance Report and can be accessed using this link [http://marico.com/investorspdf/Policy\\_on\\_Nomination,\\_Removal,\\_Remuneration\\_and\\_Board\\_Diversity.pdf](http://marico.com/investorspdf/Policy_on_Nomination,_Removal,_Remuneration_and_Board_Diversity.pdf)

### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The ratio of remuneration of each Director to the median employee's remuneration as per section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2016 is disclosed in 'Annexure C' to this report.

The statement containing particulars of remuneration of employees as required under Section 197(12) of the Act, read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in an annexure to the Annual Report. In terms of Section 136(1) of the Act, the Annual Report is being sent to the Members excluding the aforesaid annexure. However, this annexure shall be made available on the website of the Company twenty one days prior to the date of the 29<sup>th</sup> AGM. The information is also available for inspection by the Members at the Registered Office of the Company during business hours on all working days except Saturdays and Sundays up to the date of the 29<sup>th</sup> AGM. Any Member desirous of obtaining a copy of the said annexure may write to the Company Secretary at the Registered Office Address.

### **MARICO EMPLOYEE BENEFIT SCHEME/PLAN**

#### **• Marico Employee Stock Option Scheme 2014**

The Members of the Company at its Extra Ordinary General Meeting held on March 25, 2014, had approved the Marico Employee Stock Option Scheme 2014 ('the Scheme') for the benefit of the Managing Director & Chief Executive Officer of the Company ('MD & CEO'). The objective of this Scheme was to give a wealth building dimension to the remuneration structure of the MD & CEO. Further, it also aimed at promoting desired behavior for meeting organization's long term objectives and to enable retention through a customized approach.

The Corporate Governance Committee, responsible for administering the Scheme, had granted 3 lac stock options to the MD & CEO. As at March 31, 2016, the said 3 lac stock options have increased to 6 lacs on account of issue of bonus equity shares by the Company in the ratio of 1:1. These stock options are now vested in the MD & CEO and constitute 0.02% of the paid up equity share capital of the Company as on the date of this report.

During the year under review, out of the stock options vested as above, the MD & CEO had exercised, in aggregate 3 lacs stock options on November 15, 2016, December 26, 2016 and March 24, 2017, respectively. Pursuant to the exercise of stock options, the Securities Issue Committee of the Board had approved, in aggregate, allotment of 3 lac equity shares, vide resolutions passed by circulation on November 21, 2016, December 29, 2016 and March 29, 2017 respectively. The perquisite value in respect of the stock options exercised has been included as part of the disclosure on remuneration of the MD & CEO in the Corporate Governance Report.

- **Marico MD CEO Employee Stock Option Plan 2014**

The Members at the 26<sup>th</sup> Annual General Meeting of the Company held on July 30, 2014, had approved the Marico MD CEO Employee Stock Option Plan 2014 ('MD CEO ESOP Plan 2014' or 'the Plan') for the benefit of Managing Director & Chief Executive Officer ('MD & CEO') of the Company.

The Corporate Governance Committee entrusted with the responsibility of administering the Plan and the Scheme(s) notified thereunder had granted 46,600 stock options to MD & CEO. As at March 31, 2016, the said 46,600 stock options have increased to 93,200 on account of issue of bonus equity shares by the Company in the ratio of 1:1. These stock options are now vested in the MD & CEO and constitute 0.007% of the paid up equity share capital of the Company as on the date of this report. So far, MD & CEO has not exercised any stock options under this Plan.

In view of the implementation of Marico Employee Stock Option Plan, 2016, as explained below, no further grant of stock options is envisaged under this Plan.

- **Marico Employee Stock Option Plan 2016**

The Members at the 28<sup>th</sup> Annual General Meeting held on August 5, 2016, had approved the Marico Employee Stock Option Plan, 2016 ("Marico ESOP 2016" or "the Plan") for issuance of the employee stock options ("Options") to the eligible employees of the Company including the Managing Director & CEO and the eligible employees of its subsidiaries, whether in India or outside India. Marico ESOP 2016 aims to promote desired behavior among employees for meeting the Company's long term objectives and enable retention of employees for desired objectives and duration, through a customized approach.

The Plan envisages to grant Options, not exceeding in aggregate, 0.6% of the issued equity share capital of the Company as on August 5, 2016 ('the Commencement Date') to the eligible employees of the Company and its subsidiaries and to grant Options to any single employee not exceeding 0.15% of the issued equity share capital of the Company as on the commencement date.

The Corporate Governance Committee is entrusted with the responsibility of administering the Plan and the Scheme(s) notified thereunder. Accordingly, the details of Schemes notified under the Plan and the Options granted thereunder are given in "Annexure D" to this report.

- **Marico Employees Stock Appreciation Rights Plan, 2011**

The Members at the 27<sup>th</sup> Annual General Meeting of the Company held on August 5, 2015, had approved the Marico Stock Appreciation Rights Plan, 2011 ('STAR Plan'), for the welfare of its employees and those of its subsidiaries. Under the STAR Plan, the Corporate Governance Committee notifies various Schemes for granting Stock Appreciation Rights (STARs) to the eligible employees. Each STAR is

represented by one equity share of the Company. The eligible employees are entitled to receive in cash the excess of the maturity price over the grant price in respect of such STARs subject to fulfillment of certain conditions and applicability of income tax. The STAR Plan involves secondary market acquisition of the equity shares of your Company by an Independent Trust set up by your Company for the implementation of the STAR Plan. Your Company lends monies to the Trust for making secondary acquisition of equity shares, subject to statutory ceilings.

As at March 31, 2017 an aggregate of 34,35,730 STARs were outstanding which constitute about 0.27% of the paid up equity share capital of the Company.

### STATUTORY INFORMATION ON ESOS, STAR AND TRUST

Disclosure on ESOS, STAR and Trust in terms of Section 62(1)(b) of the Act, read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 and SEBI Circular dated June 16, 2015 is enclosed as "Annexure D" and forms part of this report. Further, the Company has complied with the applicable accounting standards in this regard.

The statutory auditor of the Company i.e. M/s. Price Waterhouse, have certified that implementation of all the above employee benefit Schemes/Plans is in accordance with the SEBI (Share Based Employees Benefits) Regulations, 2014, as applicable, and the resolutions passed by the Members at the respective General Meetings approving such employee benefit Schemes/Plans.

### AUDIT COMMITTEE

The Audit Committee comprises Independent Directors namely Mr. Nikhil Khattau (Chairman), Mr. B. S. Nagesh, Ms. Hema Ravichandar and Non-Executive Director, Mr. Rajen Mariwala. Powers and role of the Audit Committee are included in the Corporate Governance Report. During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

### VIGIL MECHANISM

Your Company has a robust vigil mechanism in the form of Unified Code of Conduct which enables employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Code. The Company's Unified Code of Conduct can be accessed on its website using the link [http://marico.com/investorspdf/CoC\\_book\\_09-04-14.pdf](http://marico.com/investorspdf/CoC_book_09-04-14.pdf).

This mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The guidelines are meant for all members of the Company from the day they join and are designed to ensure that they may raise any specific concern on integrity, value adherence without fear of being punished for raising that concern. The guidelines also cover our associates who partner us in our organizational objectives and customers for whom we exist.

To encourage employees to report any concerns and to maintain anonymity, the Company has provided a toll free helpline number and a website, wherein the grievances/ concerns can reach the Company. For administration and governance of the Code, a Committee called 'the Code of Conduct Committee' ('CCC') is constituted. The CCC has the following sub-committees namely:

- HR Committee – with an objective to appoint investigation team for investigation of HR related concerns / complaints.
- IT Committee – with an objective of implementing the IT policy and resolution of IT related concerns / complaints under the Code.
- Whistle Blower Committee – with an objective to appoint an investigation team for investigation for whistle blower complaints.
- Prevention of Sexual Harassment Committee (PoSH Committee) – with an objective to ensure a harassment free work environment including but not limited to appointment of investigation team for investigation of sexual harassment concerns/complaints.

The Board, the Audit Committee and the Corporate Governance Committee are informed periodically on the matters reported to CCC and the status of resolution of such cases.

The Company affirms that no personnel has been denied access to the Audit Committee.

#### **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

Your Company has a policy for the prevention of sexual harassment which is embedded in the CCC. As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, your Company has constituted PoSH Committee. During FY17, this Committee received 1 complaint on sexual harassment and the same was disposed of in accordance with applicable laws and the policy of your Company.

#### **DEPOSITS**

There were no outstanding deposits within the meaning of Sections 73 and 74 of the Act, read together with the Companies

(Acceptance of Deposits) Rules, 2014, at the end of the financial year 2016-17 or the previous financial year. Your Company did not accept any deposit during FY17.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

There were no significant/material orders passed by the regulators or courts or tribunals impacting the going concern status of your Company and its operations in future.

#### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014 is enclosed as "Annexure E" to this report.

#### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT 9 in accordance with Section 92(3) of the Act, read with the Companies (Management and Administration) Rules, 2014, are enclosed as "Annexure F" to this report.

#### **ACKNOWLEDGEMENT**

Your Board takes this opportunity to thank Company's members for their dedicated service and firm commitment to the goals & vision of the Company. Your Board also wishes to place on record its sincere appreciation for the wholehearted support received from shareholders, distributors, vendors, bankers and all other business associates and from the neighborhood communities of the various Marico locations. We look forward to continued support of all these partners in progress.

**On behalf of the Board of Directors**

**Place : Mumbai**  
**Date : June 29, 2017**

**Harsh Mariwala**  
**Chairman**  
**(DIN: 00210342)**

# ANNEXURE 'A' SECRETARIAL AUDIT REPORT

## FORM NO. MR.3 SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,  
Marico Limited  
7th Floor, Grande Palladium  
175, CST Road, Kalina  
Mumbai 400 098

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Marico Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2017 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2017 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not Applicable to the Company during the Audit Period**);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the Audit Period**);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not Applicable to the Company during the Audit Period**); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable to the Company during the Audit Period**).
- (vi) During the Audit Period, no law was specifically applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Audit Period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

#### I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the Audit Period.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda



items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the Company had no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, regulations, guidelines, standards etc.

**Dr. K. R. Chandratre**  
Company Secretary in  
Practice  
FCS 1370  
CP No 5144

Place : Pune  
Date : 2 May 2017

# ANNEXURE 'B' TO THE BOARD'S REPORT

## Disclosure on Corporate Social Responsibility ("CSR")

### I. A Brief Outline of the Company's CSR Philosophy, including overview of projects or program proposed to be undertaken and the web-link to the CSR Policy and projects or programs.

#### Marico's CSR Philosophy

Marico's stated purpose is to "Make a Difference". This purpose has defined our reason to exist; we have always believed that we exist to benefit the entire ecosystem of which we are an integral part. We firmly believe that we belong to an interdependent ecosystem comprising Shareholders, Consumers, Associates, Employees, Government, Environment and Society and that we have a commitment to all these stakeholders.

We believe that economic value and social value are interlinked. A firm creates economic value by creating social value – by playing a role in Making a Difference to the lives of its key stakeholders. Furthermore, a firm cannot do this in isolation; it needs the support and participation of other constituents of the ecosystem. Sustainability comes from win-win partnerships in the ecosystem.

Marico's CSR Policy is therefore anchored on the core purpose of "Make a Difference" to the lives of all its stakeholders to help them achieve their full potential. The policy can be accessed on <http://marico.com/india/investors/documentation/corporate-governance>.

#### The CSR Pivots:

While the Ministry of Corporate Affairs has spelt out the CSR activities under Schedule VII to the Companies Act, 2013, in order to build focus and have a more impactful execution – with a view to make a difference - Marico's CSR efforts will be primarily dedicated in areas which include the following:

#### Scalability of social organisations

Marico believes in unlocking the potential of social enterprises in India through its intervention to aid them scale faster and thus create a sustainable and equitable impact on the social ecosystem. Marico will strive to foster this value through innovation and other means to deliver scale and direct impact thereby benefiting the underserved communities.

#### Community Development

Community Development is integral for building a harmonious relationship with the community dwelling in the periphery where Marico operates which will go long in supporting one another for a sustainable growth. Marico will therefore work towards the upliftment of communities and villages that border Marico's workplaces/units.

#### Education

Marico also believes that one of the most significant indicators of social progress is education, which also plays a decisive role for a society to achieve self – sustainable and equitable development. Further, infusing innovation

in Education will enable further impact. With an increasing global realization of how business community can and should contribute to social objectives, education deserves a higher level of corporate involvement.

#### Health Care

Marico is a keen proponent of Healthcare and hopes to innovatively create impact in this sector. We aim towards preventative as well as facilitative health care of India's populace.

#### Livelihood enhancement

Providing livelihood opportunities is critical for economic empowerment of the nation. Creating sustainable livelihood and enhanced earning potential to the farmer community through knowledge, innovation and transformative actions is therefore another thrust of our CSR.

#### Implementation Strategy for CSR initiatives:

Your Company aims to achieve its CSR objectives through:

1. Its wholly owned subsidiary, Marico Innovation Foundation (details given below);
2. Its brands – your Company believes that brands too have a purpose and they can contribute meaningfully to the Company's CSR efforts; and
3. Functional initiatives by its manufacturing locations and procurement operations.

#### Marico Innovation Foundation (MIF)

MIF, a Company incorporated under section 25 of the Companies Act, 1956, is a wholly owned subsidiary of your Company. MIF is a not-for-profit organisation working towards the cause of innovation since 2003. The Foundation creates impact through its below mentioned programs:

#### A. MIF Scale Up Program:

The Scale Up program works with 'For Profit' and 'Not For Profit' organisations and is sector agnostic. It focuses on the innovative ideas and the impact an organization wishes to achieve. The Program also focuses on creating 'scalable and sustainable impact' by solving the critical business challenges faced by an organisation. The program follows a hands-on engagement process.

#### The Scale up program is also aided through multiple interventions:

- a) The Foundation leverages Marico members, external CEO's and sectoral experts as Mentors to utilize their knowledge and skills. This is done through measured and structured interventions which have been designed by the Foundation to leverage their knowledge capital;
- b) Student teams from leading B-Schools in India are brought in annually to help social organization with research (primary and secondary) and with critical inputs on their business; and

# ANNEXURE 'B' TO THE BOARD'S REPORT

## Disclosure on Corporate Social Responsibility ("CSR")

- c) The Foundations' ecosystem connects also enables the scale up program to draw synergies with like-minded partners who assist the Foundation on specific interventions.

In the financial year 2017 the Foundation worked closely with the following organisations to scale up their impact:

### (i) Tara Livelihood Academy:

TARA Livelihood Academy (TLA) was established in 2007 by the Development Alternatives Group (DAG) as yet another vehicle to fulfill its mandate of disseminating Sustainable Development, by providing skills to the youth, women and community groups. TLA exited our portfolio in March 2017.

#### MIF helped TLA through:

1. Creation of an asset light model of operations;
2. Streamlining of the process and reducing the cost of recruitment of potential candidates;
3. Right GTM Strategy - Identification of right markets for TLA to offer their training services;
4. Pivot from training to livelihood – Ensuring trained youth are connected to appropriate livelihood opportunities.
5. SOP creation- Creating standardized SOP's for the 4 prototypes for TLA to use as templates during scale-up to new geographies.

### (ii) Fractal Microspin:

Microspin Machine Work was established by Fractal Foundation in 2011 to ensure that farmers didn't have to settle with the raw end of the cotton value chain. A machine that can easily be installed in a farmer's backyard, Microspin mechanically converts raw cotton into yards of fabric. Mr. Pramod Gothi, Ex-Managing Director, Morarjee Mills mentored Fractal Microspin. Microspin exited our cohort in January 2017.

#### MIF helped Microspin through:

1. Leveraging the established networks and ecosystems with leading apparel manufacturers for the acceptance and adoption of Crafted Yarn; and
2. Facilitating creation of communication tools that help Microspin sell its concept with garment corporates.

### (iii) Yuva Parivartan (YP):

The primary objective of YP is to provide Livelihoods to deprived, out of school youth through Vocational Training and provide access to wage or self-employment. YP exited the MIF cohort in March 2017.

#### The intervention areas of MIF included:

1. Helping YP improve its field staff's operation effectiveness;
2. Assisting YP in the creation of a mobile app for overall monitoring and tracking; and
3. Getting YP to benchmark best practices in sales by getting their ASMs shadow Marico's Sales team.

### (iv) Zaya Labs:

Zaya is an education-technology startup based in Mumbai. Since Zaya also uses hardware, as they scale the business; their supply chain had to be geared to support the increase in volumes. Zaya exited MIF's cohort in March 2017.

#### MIF helped Zaya in the following areas:

- a) Supply chain and Logistics Management;
- b) KPI and KRA creation for their entire Zaya portfolio; and
- c) Creation of the value proposition for the app and the cloud platform processes.

### (v) Atomberg

Atomberg is an organization that has developed India's most energy efficient ceiling fan, the Gorilla fan. MIF is helping Atomberg with the following:

- a) Manufacturing and Supply Chain problem and;
- b) Go to market challenge for the B2C Segment.

### (vi) I-SolarLite

i-Solarlite addresses the issues of unreliable electricity among the rural populations of the developing countries. They do this by providing state-of-the-art solar products including solar room lights, solar home lights and solar lamps. MIF is helping them with their Sales and Distribution Challenge.

### (vii) Educate Girls

Established in 2007, Educate Girls is holistically tackling issues at the root cause of gender inequality in India's education system that has helped to ensure over 90% enrollment and significantly higher attendance for all girls as well as improved school infrastructure, quality of education and learning outcomes for all children. In the first intervention, MIF helped the organisation save an estimated cost of around Rs 1.3 Crore in FY17 and FY18. We are currently helping them with their public relations and advocacy challenge.

### (viii) Green Salute

Green Salute is a waterless car wash solution, with the cleaning service included. This solution results in saving the water which is wasted while washing cars. We are currently working with them on their GTM strategy.

### B. Incubation:

MIF is in association with Villgro incubated an organisation called Yostra Labs Private Limited. Yostra is a healthcare technology firm pioneering smart innovations to make healthcare more effective and affordable.

Yostra has developed two products specifically to enable mass screening and treatment of diabetic patients at primary and secondary healthcare centres and resource-poor settings making treatment accessible to patients from all socio-economic strata.

# ANNEXURE 'B' TO THE BOARD'S REPORT

## Disclosure on Corporate Social Responsibility ("CSR")

### C. MIF Talkies- Web Series:

MIF Talkies is a web series created by MIF. As part of this on-going series, MIF is sharing some of the most amazing innovations of India that are truly transforming lives, communities, businesses and more.

### Brand CSR

#### Nihar Shanti Amla (NSA): promoting child education

In 2012, your Company, under its hair oil brand name Nihar Shanti Amla, launched a programme called "Chotte Kadam Pragati ke Aur" to support the education of underprivileged children. Retention, learning outcomes and training in soft and life skills within the age group of 4-14 years were identified as three priority education interventions. Under this program NSA partnered with two organisations in the year ended 2017:

1. Educate Girls: Udaipur and Jalore district of Rajasthan.
2. Sesame India Workshop: Farrukabad, Shahjahanpur and Kannauj districts of Uttar Pradesh.

#### 1. Educate Girls:

**Objective:** Provide quality education for all underserved and marginalized girls by mobilizing public, private and community resources thus improving access to education and school quality and achieving behavioural, social and economic transformation for all girls in India's gender gap districts thereby creating an India where all children have equal opportunities to access quality education.

**Impact:** Total number of children benefitted from the Educate Girls Program in FY 2016-17 is 35,307 .

#### 2. Sesame Workshop India:

**Objective:** Using media to engage children and aid their basic academic and life skills to help them reach their maximum potential. Galli Galli Sim Sim is India's only educational program for children that harnesses the power of television to provide a strong early childhood educational foundation to pre-schoolers and promotes children's overall cognitive, socio-emotional and physical development while celebrating India's cultural diversity.

**Impact:** Total children benefitted from Sesame Workshop India in FY 2016-17 is 70,000 children.

#### Mobile Pathshala:

In FY 17, Nihar Shanti Angrezi Mobile Pathshala evolved to become Nihar Shanti Pathshala Funwala. In the new property the content structure for basic spoken English was taken from Pratham and creatively put into audio modules with the introduction of 2 new characters. The property went live on March 7, 2017.

Your company also tied up with All India Radio(AIR) and is run as a 5 min radio show on AIR in Uttar Pradesh and Madhya Pradesh everyday Monday to Friday. In addition to Radio, School contact program was also started to promote the property in UP at the end of March this year.

**Impact-** The response till now has been amazing. The average engagement rate which was 1.2 minutes per caller has gone up to 12 Minutes per caller. The Patshala Funwala has received. 2.46 lac calls since its launch in March 2017 with 10,000 + hrs of content consumption.

#### Saffola: Healthy lifestyle is the key to a Healthy Heart

Saffolalife is the non-profit arm of the Saffola brand, which remains committed to its vision of creating a Heart Healthy India. The brand has led many initiatives consistently over the years, to educate consumers on the importance of taking care of their heart.

Various consumer studies have revealed that most people see achieving heart health as a daunting task and find it difficult to make big changes in their current lifestyle. This is the reason that despite being aware, there is inertia towards taking proactive steps regarding heart health. Taking cognizance of this barrier, Saffolalife took on the objective of enabling people to integrate heart health in their everyday lifestyle. The objective was to inspire people to adopt a healthier everyday lifestyle so as to have a healthy heart.

For the World Heart Day campaign this year World Heart Federation findings which establish the co-relation between our everyday lifestyle and heart health became the core thought of the Saffolalife campaign. The findings show that - "Staying Active, Eating Better and Being Happy can make your heart up to 50% healthier".

#### Campaign Legs:

**Saffolalife Communication:** The campaign coined "Chhote Kadam – dil ke bade kaam ke" as a creative idea to drive home the point. It showcases people in all walks of life taking tiny steps towards a healthy lifestyle – regular walks, playing a sport, indulging in dance or yoga, being happy and having fun, eating mindfully by avoiding junk food or consuming in small portions, etc. It educates people about how making a small effort and bringing about minimal alteration in your daily habits could lead to your heart health improving by 50%.

**Development of Healthy Lifestyle Score:** The Saffolalife Healthy Lifestyle Score has been developed in conjunction with eminent cardiologists, dieticians and doctors with the mission to educate people on early heart health measures. Association of Physicians of India, Hypertension Society of India and the India Academy of Diabetes have supported the Saffola Healthy Lifestyle Score with a view to promote proactive Heart Health in India. It is a unique tool that correlates one's lifestyle to heart health.

The Healthy Lifestyle Score was converted into an online tool and was launched on [www.saffolalife.com](http://www.saffolalife.com); targeted digital campaigns were run during the year to raise awareness and divert traffic towards [Saffolalife.com](http://Saffolalife.com) for the consumers to take the healthy lifestyle score test online.

**Impact:** During the year we had 43,542 consumers took the test online.

**Saffolalife Research Study:** The Healthy Lifestyle Score further became the core of the Saffolalife Research study as well.

# ANNEXURE 'B' TO THE BOARD'S REPORT

## Disclosure on Corporate Social Responsibility ("CSR")

92

Saffolalife Research Study was conducted amongst consumers across Delhi, Mumbai, Bangalore, Kolkata and Chandigarh with Nielsen and SRL Labs to arrive at the Healthy Lifestyle Score of India. The study went further to bring out insights on country's physical activity levels, eating habits and stress levels.

- Saffolalife Research Study released Healthy Lifestyle Score of India at 68. Further breaking the different components of Healthy Lifestyle score - India's Eat Better Score at 58, Happiness Score at 55 and Active Score at 35. This showcases how the sedentary lifestyle of India is pulling its healthy lifestyle index down.
- Saffolalife Study PR conference for dissemination to Medical Journalists: Findings of the Saffolalife study were disseminated through PR conferences across Delhi, Mumbai and Kolkata by Medical Experts.

**Saffolalife Study Event for Lifestyle Media:** The brand further roped in experts to highlight each vector of the Healthy Lifestyle; Shilpa Shetty representing Stay Active vector, Chef Kunal Kapur representing Eating Better and veteran comic Cyrus Sahukar talking about benefits of Staying Happy.

### Other Initiatives

#### Expenses incurred towards improving agricultural productivity:

##### Oats Local Variety Development:

Your Company has understood the need to improve production of Oats in India which pales in comparison to other cash crops and hence stepped in by funding the research for developing of an Oats variety in India in association with Tamil Nadu Agricultural University (TNAU) and Indian Agricultural Research Institute (IARI) fit for processing for human consumption. These efforts have shown positive results.

The new variety of Oats seeds would be available to the Indian farmers for sowing in the FY2019.

**Impact:** The Advance Varietal Trial (AVT) stage was successfully completed with production of 70 MT of Oats across 2 selected varieties with 60 farmers in 5 States. The Local Oats development project will move into the advanced Varietal Trail-II in this, the Oats will be cultivated in different locations for second year in different soil types and cultivation conditions.

##### Coconut Productivity Improvement: Thennaivalam – A well-being Initiative

Coconut is an important crop in India cultivated in the Southern States by close to 1 million farmers. Most of the farmers based there do not have the knowledge on making the most from their coconut farm. They depend on traditional practices which they have learnt by experience and observing others. But they struggle to get the best productivity from their farm.

Marico team collected all such practices from various Universities and agri-experts, published a booklet and distributed it to farmers for their understanding.

In addition, Marico conducted 71 training programs which were attended by more than 1,280 farmers whereby the farmers were educated about the package of practices and disease management techniques to improve the productivity of Coconut. This takes the total farmers trained to over 4,500 under the program.

504 farmers enrolled into the Focussed Productivity Improvement Program in addition to 120 farmers already enrolled last year. In this program Marico employee visits the farm once every month and provides improvement advice. The early adopters have seen excellent results in productivity improvement.

As soil is the core for any plant growth, it was essential to understand the availability of nutrients and other parameters. In an initial phase we have carried out soil testing for more than 100 farmers.

In order to further improve productivity, your Company also believes in researching cutting edge methods of productivity improvements by doing on field trails of new practices. Your Company continues to do about 7 Design of Experiments to ascertain benefits of specific practices or inputs which can become a part of recommendation, if proven.

**Impact:** Over 4,500 farmers trained for techniques to improve productivity and 120 farmers who enrolled in the Focussed Productivity Program in FY16 were able to realize 33% increase in productivity compared to control farms in the same area.

##### Perendurai Model Farm:

The objective of the program is to evaluate the performance of different varieties and hybrids of coconuts available in India under different package of practices and demonstrate the differences to enable the farmers to select the right hybrids or varieties. 18 saplings each of 6 different hybrids have been planted. There are 3 different levels of cultivation practices which are followed for each variety. The plants are currently in the second year. The morphological characteristics of the plants are being tracked.

In addition to the Perendurai model farm, 20 more trail farms have been taken up for hybrid cultivation demo to showcase the benefits of hybrid (which can double productivity) to the farmers.

**Impact:** Once the plants enter into 4th year (CY 2019), the farmers would be invited to see the performance of different varieties and cultivation conditions so that they can adopt the best variety and best cultivation conditions.

##### Contribution towards JSW Group Sports Initiative:

Your Company made a contribution worth Rs. 25 Lacs towards the Sports Division of the JSW Group which is engaged in driving a variety of sporting programs that strives to give Indian athletes exposure to cutting edge facilities and sports science.

## II. Composition of the Corporate Social Responsibility Committee:

The composition of the Corporate Social Responsibility Committee has been disclosed in the Corporate Governance Report of the Annual Report.

# ANNEXURE 'B' TO THE BOARD'S REPORT

Disclosure on Corporate Social Responsibility ("CSR")

- III Average net profit of the Company for the last three financial years : ₹. 657.48 Crores
- IV Prescribed CSR Expenditure (2% of the amount as in item III above): ₹ 13.15 Crores
- V Details of CSR spent during the financial year: ₹ 13.21 Crores

- a Total amount to be spent for the financial year: ₹ 13.15 Crores
- b Amount unspent, if any- Nil
- c Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs: (1) Local area or other district where projects or Programs was undertaken	Amount outlay (budget) project or Program wise (Amount in ₹)	Amount spent on the projects or programs subheads: (1) Direct expenditure on projects or programs (2) Overheads (Amount in ₹)	Cumulative expenditure upto the reporting period (Amount in ₹)	Amount spent: Direct or through implementing agency*
(A) Marico Innovation Foundation (MIF)							
1	MIF Scale Up Program			709,116	161,011	3,789,954	Through Implementation agency: Marico Innovation Foundation (MIF). MIF is a not for Profit institution established in 2003, registered as a section 8 company. It helps business and social organizations enhance economic and social value using breakthrough innovation. There is no implementing agency since this project is being managed in-house by the Marico Innovation Foundation.
Current Projects							
a	Atomborg	Alternative Energy Project	Mumbai, Maharashtra				
b	Educate Girl	Education	Rajasthan				
c	I-SolarLite	Alternative Energy Project	Bihar and Uttar Pradesh				
Ex - Projects:							
d	Tara Livelihood	Livelihood Enhancement Project	Madhya Pradesh & Uttar Pradesh				
e	Yuva Parivartan	Livelihood Enhancement Project	PAN India				
f	Fractal Microspin	Livelihood Enhancement Project	Vidarbha, Maharashtra				
g	UE Lifesciences	Healthcare	Maharashtra				
h	Agrostar	Agriculture	Maharashtra, Rajasthan, Gujarat				
i	Zaya Labs	Education	Mumbai, Maharashtra				
j	Eco Cooker	Conservation of natural resource	PAN India				
k	Wow Wash	Conservation of natural resource	Mumbai, Maharashtra				
2	Thought Leadership	Infusing innovation through thought leadership	PAN India	1,830,000	2,342,469	3,251,616	Dissemination of content through various platforms. Launched MIF Talks a web series that gives innovators a platform to showcase innovations
3	Incubation support to Yostra Labs	Healthcare	Bangalore	-	2,000,000	2,000,000	Partnered with Viligro to give funding support to Yostra Labs which is creating a multi-parameter screening device to help early diagnosis of Diabetic Peripheral Neuropathy (DPN).

# ANNEXURE 'B' TO THE BOARD'S REPORT

## Disclosure on Corporate Social Responsibility ("CSR")

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs: (1) Local area or other district where projects or Programs was undertaken	Amount outlay (budget) project or Program wise (Amount in ₹)	Amount spent on the projects or programs subheads: (1) Direct expenditure on projects or programs (2) Overheads (Amount in ₹)	Cumulative expenditure upto the reporting period (Amount in ₹)	Amount spent: Direct or through implementing agency*
4	Hackathon	-	-	1,580,100	-	7,006,821	MIF did not undertake a Hackathon in the current year. In its place we incubated an organisation with Viligro.
<b>TOTAL (A)</b>							
<b>(B) Brand Led CSR Initiatives</b>							
<b>1 Nihar Shanti Amla : Education initiatives</b>							
a	Educate Girls (EG) Udaipur project	Promoting Education	Udaipur district, Rajasthan	26,817,707	23,201,729	36,392,386	Educate Girls is a non-governmental organization that holistically tackles issues at the root of gender inequality in India's educational system. With a focus on enrollment, retention and learning, Educate Girls aims to provide quality education for all underserved and marginalized girls by mobilizing and leveraging public, private, and community resources to improve access to education and school quality.
b	Going to School (GTS)	Promoting Education	Muzaffarpur District, Bihar	-	746,862	4,953,355	Going to School (GTS) is a creative non-profit education trust with a 12-year track record of creating design driven, inspiring stories with heroes, children can identify themselves with. GTS motivates children, especially girls, to stay in schools, learn entrepreneurial skills and use their education to transform their lives and create opportunities for themselves. GTS's current focus is to teach entrepreneurial skills predominantly in government secondary schools through a one year program to children in grade nine through the Bel Schools program. The ultimate goal is to equip children with the skills that they need to eventually become entrepreneurs and secure gainful employment.
c	Sesame Workshop India Trust (SWIT)	Promoting Education	Farukhhabad Shahjahanpur Kannauj Districts of Uttar Pradesh	10,293,774	10,845,508	22,461,504	Sesame Workshop India Trust (SWIT) is leading the movement to change the educational equation through its innovative projects that puts children at the center of development. Under its flagship initiative Galli Sim Sim (GGSS), SWI works in low resourced classrooms and communities to bring to children and their caregivers, language and strategies that has a proven impact on their literacy, numeracy, physical wellbeing and social emotional skills
d	IMRB	Impact assessment	Impact assessment of the three projects: 1. Educate Girls (Udaipur) 2. Sesame Workshop India Trust 3. Going to School (Impact assessment is excluding Educate Girls Jalore project)	3,205,050	2,375,687	5,655,271	IMRB is the impact evaluation partner who will be conducting the baseline, midline (in case of Educate Girls) and endline to help us understand the impact.

# ANNEXURE 'B' TO THE BOARD'S REPORT

Disclosure on Corporate Social Responsibility ("CSR")

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs: (1) Local area or other district where projects or Programs was undertaken	Amount outlay (budget project or Program wise (Amount in ₹)	Amount spent on the projects or programs subheads: (1) Direct expenditure on projects or programs (2) Overheads (Amount in ₹)	Cumulative expenditure upto the reporting period (Amount in ₹)	Direct or through implementing agency*
e	Mobile Pathshala Initiative	Promoting Education	To promote education through mobile pathshala	26,483,469	29,149,904	40,613,357	Nihar Shanti Amla had launched the Angrezi mobile pathshala, which is a first of its kind property, that provides its callers an opportunity to learn simple English words through stories & characters, completely free of cost to the caller. The intention is to take learning as close to the consumer with this property.
2	Saffola World Heart Day CSR - Saffolalife Free Cholesterol tests	Preventive Healthcare	All India	45,000,000	58,447,596	131,261,545	Direct
<b>TOTAL (B)</b>				<b>111,800,000</b>	<b>124,767,287</b>	<b>241,337,418</b>	
(C) Other Initiatives							
1	Expenses incurred towards improving agricultural productivity	Livelihood enhancement	Money paid to Tamil Nadu Agricultural University for doing the development.	6,827,000	6,921,640	14,191,322	Direct
2	JSW Initiative for Sports	Sports	-	2,500,000	2,500,000	2,500,000	Direct
2	Calamity Led Initiative	Calamity	-	-	-	2,300,000	Direct
<b>TOTAL (C)</b>				<b>9,327,000</b>	<b>9,421,640</b>	<b>18,991,322</b>	
<b>TOTAL CSR SPEND (A)+(B)+(C)</b>				<b>125,246,216</b>	<b>138,692,407</b>	<b>276,377,132</b>	
(D) Capacity Building and Administrative Expenditure (Limited to the cap of 5% of total spent)				6,262,311	6,934,620	17,032,583	
<b>TOTAL CSR SPEND (A)+(B)+(C)+(D)</b>				<b>131,508,526</b>	<b>145,627,027</b>	<b>293,409,714</b>	

\*Give details of implementing agency: The details are captured above.

**VII The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.**

**Place : Mumbai**

**Date : May 2, 2017**

**Saugata Gupta**  
Managing Director & CEO

**Rajeev Bakshi**  
Chairman of the CSR Committee



# ANNEXURE 'C' TO THE BOARD'S REPORT

Information required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

## A) Ratio of Remuneration of each Director to the median remuneration of all the employees of your Company for the financial year 2016-17 is as follows :

Name of Director	Total Remuneration* (₹)	Ratio of remuneration of Director to the Median remuneration***
Mr. Harsh Mariwala	55,220,000	62.77
Mr. Saugata Gupta**	165,514,148	188.15
Mr. Anand Kripalu	2,530,000	2.88
Mr. Atul Choksey	2,550,000	2.90
Mr. B. S. Nagesh	2,790,000	3.17
Ms. Hema Ravichandar	2,940,000	3.34
Mr. Nikhil Khattau	2,850,000	3.24
Mr. Rajeev Bakshi	2,590,000	2.94
Mr. Rajen Mariwala	2,650,000	3.01

\*The remuneration to Non-Executive Directors includes sitting fees paid during the financial year 2016-17.

\*\*The remuneration of Mr. Saugata Gupta, Managing Director & CEO includes the perquisite value of the stock options exercised by him during the financial year 2016-17 amounting to ₹ 77,217,500.

\*\*\*The median remuneration of the Company for all its employees is ₹ 8,79,698 for the financial year 2016-17. For calculation of median remuneration, the employee count taken is 1,095 which comprises employees who have served for whole of the financial year 2016-17.

## B) Details of percentage increase in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year 2016-17 are as follows :

Name	Designation	Remuneration (₹)		Increase/ (Decrease) (%)
		2016-17	2015-16	
Mr. Harsh Mariwala	Chairman & Non-Executive Director	55,220,000	55,284,000	0%
Mr. Saugata Gupta*	Managing Director & CEO	165,514,148	80,630,477	105%
Mr. Anand Kripalu	Independent Director	2,530,000	1,780,000	42%
Mr. Atul Choksey**	Independent Director	2,550,000	1,780,000	43%
Mr. B. S. Nagesh	Independent Director	2,790,000	1,960,000	42%

Name	Designation	Remuneration (₹)		Increase/ (Decrease) (%)
		2016-17	2015-16	
Ms. Hema Ravichandar	Independent Director	2,940,000	2,100,000	40%
Mr. Nikhil Khattau	Independent Director	2,850,000	2,000,000	43%
Mr. Rajeev Bakshi	Independent Director	2,590,000	1,860,000	39%
Mr. Rajen Mariwala	Non- Executive Promoter Director	2,650,000	1,980,000	34%
Mr. Vivek Karve	Chief Financial Officer	24,278,909	19,641,043	24%
Ms. Hemangi Ghag***	Company Secretary & Compliance Officer	336,436	3,501,025	N.A.
Mr. Surender Sharma****	Company Secretary & Compliance Officer	10,622,448	**N.A.	N.A.

\*The remuneration of Mr. Saugata Gupta, Managing Director & CEO includes the perquisite value of the stock options exercised by him during the financial year 2016-17 amounting to ₹ 77,217,500. Hence the remuneration paid to him in the financial years 2016-17 and 2015-16 is not comparable.

\*\* Mr. Atul Choksey has ceased to be an Independent Director of the Company w.e.f. April 1, 2017

\*\*\* Ms. Hemangi Ghag ceased to be the Company Secretary & Compliance Officer of the Company w.e.f. April 28, 2016 and hence the remuneration paid to her in the financial year 2016-17 is not comparable with the remuneration paid to her in the financial year 2015-16

\*\*\*\*Mr. Surender Sharma was appointed as the Company Secretary & Compliance Officer of the Company w.e.f. April 29, 2016 and hence was paid remuneration for the said designation only in the financial year 2016-17

## C) Percentage increase in the Median Remuneration of all employees in the financial year 2016-17

	2016-2017	2015-2016	Increase (%)
	Median	Median	
Median* remuneration of all employees per annum	879,698	833,557	6%

\* For calculation of median remuneration, the employee count taken is 1,095 and 981 for the financial year 2016-17 and 2015-16, respectively, which comprise employees (excluding workmen) who have served for the whole of the respective financial years.

## D) Number of permanent employees on the rolls of company as of March 31, 2017

1,588 (inclusive of workmen)

# ANNEXURE 'C' TO THE BOARD'S REPORT

Information required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**E) Comparison of average percentage increase in remuneration of all employee other than the Key Managerial Personnel and the percentage increase in the remuneration of Key Managerial Personnel**

	<b>% Increase/ (Decrease)</b>
Average percentage increase in the Remuneration of all Employees* other than Key Managerial Personnel	20.4%
<b>Average Percentage increase in the Remuneration of Key Managerial Personnel**</b>	
Mr. Saugata Gupta, Managing Director & CEO	105.3%
Mr. Vivek Karve, Chief Financial Officer	23.6%
Ms. Hemangi Ghag, Company Secretary & Compliance Officer	-
Mr. Surender Sharma, Company Secretary & Compliance Officer	-

\*Employees who have served for whole of the respective financial years have been considered.

\*\*Kindly refer the explanations given under point No. B of this disclosure for better comprehension of the details given hereinabove.

**F) Affirmation**

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration Policy of your Company.

# ANNEXURE 'D' TO THE BOARD'S REPORT

Disclosures under section 62(1)(b) of the Companies Act, 2013 read with Rule 12 (a) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014

A	Details related to ESOS	Marico Employee Stock Option Scheme 2014 (Marico ESOS 2014)	Marico MD CEO Employee Stock Option Plan 2014 (Marico MD CEO ESOP Plan 2014)	Marico Employee Stock Option Plan 2016 (Marico ESOP 2016)
1	Description of each Employee Stock Option Plan/Scheme that existed at any time during the year, including the general terms and conditions of each such Scheme/Plan :	At the Extra Ordinary General Meeting held on March 25, 2014.	At the Annual General Meeting held on July 30, 2014.	At the Annual General Meeting held on August 5, 2016.
a	Date of shareholders' approval	At the Extra Ordinary General Meeting held on March 25, 2014.	At the Annual General Meeting held on July 30, 2014.	At the Annual General Meeting held on August 5, 2016.
b	Total number of options approved under ESOS	Not more than 3,00,000 stock options.	Equity shares to arise out of exercise of stock options not to exceed 0.5% of issued equity share capital of the Company as on the date of the grant of options.	Total number of stock options to be granted to the eligible employees of the Company and its subsidiaries shall not exceed in the aggregate, 0.6% of the issued equity share capital of the Company as on the commencement of Marico ESOP 2016 i.e. August 5, 2016.
c	Vesting requirements	Stock options granted under Marico ESOS 2014 shall vest after two years from the Grant Date.	Stock options granted under Marico MD CEO ESOP Plan 2014 shall vest after one year from the Grant Date.	Options shall vest not earlier than one year and not later than five years from the Grant Date.
d	Exercise price or pricing formula	<b>Exercise Price:</b> ₹ 1.00 per share, i.e. at face value. Exercise Price Formula: NA	<b>Exercise Price:</b> ₹ 1.00 per share, i.e. at face value. Exercise Price Formula: NA.	<b>Exercise Price:</b> The Corporate Governance Committee to determine the price under the various Scheme(s) notified under Marico ESOP 2016 in accordance with applicable provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014.
e	Maximum term of options granted	To be exercised within a period of 18 months from the Vesting Date.	To be exercised within a period of 12 months from the Vesting Date.	Exercise period to commence from the Vesting Date and will expire on the completion of such period not exceeding 5 years from the Vesting Date.
f	Source of shares (primary, secondary or combination)	The source of Shares is Primary.		
g	Variation in terms of options	There was no variation in terms of Options.		
2	Method used to account for Stock Options - Intrinsic or fair value.	Fair Value		
3	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	As per IND AS requirement, the Company has to use fair value method.		

# ANNEXURE 'D' TO THE BOARD'S REPORT

Disclosures under section 62(1)(b) of the Companies Act, 2013 read with Rule 12 (a) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014

Option movement during the year (For each ESOS):	Marico Employee Stock Option Scheme 2014 (Marico ESOS 2014)	Marico MD CEO Employee Stock Option Plan 2014 (Marico MD CEO ESOP Plan 2014)	Marico Employee Stock Option Plan 2016 (Marico ESOP 2016)			
			Scheme I	Scheme II	Scheme III	Scheme IV
Number of options outstanding at the beginning of the period	600,000	93,200	-	-	-	-
Number of options granted during the year	-	-	80,000	939,700	101,080	719,830
Number of options forfeited / lapsed during the year	-	-	-	-	-	-
Number of options vested during the year	-	-	-	-	-	-
Number of options exercised during the year	300,000	-	-	-	-	-
Number of shares arising as a result of exercise of options	300,000	-	-	-	-	-
Money realized by exercise of options (INR), if scheme is implemented directly by the company	300,000	-	-	-	-	-
Loan repaid by the Trust during the year from exercise price received	NA	NA	NA	NA	NA	NA
Number of options outstanding at the end of the year	300,000	93,200	80,000	939,700	101,080	719,830
Number of options exercisable at the end of the year	300,000	93,200	-	-	-	-
<b>Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.</b>	1.00	-	-	-	-	-
<b>Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -</b>						
(a) senior managerial personnel;						
(b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and						
(c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.						
<b>A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:</b>						
i) the weighted-average values of share price	₹ 209.15	₹ 329.95	₹ 296.65	₹ 280.22	₹ 255.30	₹ 255.30
ii) the weighted-average values of exercise price	₹ 1.00 per share	₹ 1.00 per share	₹ 1.00 per share	₹ 1.00 per share	₹ 1.00 per share	₹ 256.78
iii) the weighted-average values of expected volatility	26.62%	23.66%	25.80%	25.80%	26.10%	26.10%
iv) the weighted-average values of expected option life	3 years	3 years and 3 months	3.15 years	3.15 years	3.5 years	3.5 years
v) the weighted-average values of expected dividends	3.50%	3.50%	0.96%	0.96%	0.96%	0.96%
vi) the weighted-average values of the risk-free interest rate	8.00%	8.00%	6.60%	6.60%	6.75%	6.75%
The method used and the assumptions made to incorporate the effects of expected early exercise;						
						Fair Value

Employee wise details are available for inspection by the Members at the Registered Office of your Company during business hours on all working days except Saturdays and Sundays up to the date of the 29<sup>th</sup> Annual General Meeting.

No employee of the Company received grant of options during the year amounting to 5% or more of options granted or exceeding 1% of issued capital of the Company.

# ANNEXURE 'D' TO THE BOARD'S REPORT

Disclosures under section 62(1)(b) of the Companies Act, 2013 read with Rule 12 (a) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014

c	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Historical volatility of the share of the Company over the previous 3 years ended March 31, 2014, based on the life of options	Historical volatility of the share of the Company over the previous 3 years and 3 months ended January 4, 2015, based on the life of options	Historical volatility of the share of the Company over the previous 3.15 years ended August 5, 2016, based on the life of options	Historical volatility of the share of the Company over the previous 3.5 years ended December 1, 2016, based on the life of options
d	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	NA			
8	<b>Disclosures in respect of grants made in three years prior to IPO under each ESOS until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made.</b>	NA			
<b>B</b>	<b>Details related to SAR</b>	<b>STAR Scheme IV</b>	<b>STAR Scheme V</b>	<b>STAR Scheme VI</b>	<b>STAR Scheme VII</b>
1	<b>Description of each Stock Appreciation Rights (SAR) scheme that existed at any time during the year, including the general terms and conditions of each SAR scheme, including -</b>	<b>STAR Scheme VII</b>			
a	Date of shareholders' approval:	Approved by the Corporate Governance Committee of the Board of Directors on October 29, 2013*	Approved by the Corporate Governance Committee of the Board of Directors on August 5, 2015*.	Approved by the Corporate Governance Committee of the Board of Directors on December 2, 2015*.	Approved by the Corporate Governance Committee of the Board of Directors on December 8, 2016*.
b	Total number of shares approved under the SAR scheme	*The Marico Employee Stock Appreciation Rights Plan 2011 (STAR Plan) was initially approved by the Board of Directors of the Company at its meeting held on January 27, 2011 and subsequently the modified STAR Plan was approved by the Board of Directors at its meeting held on June 22, 2015 and the same was recommended to the shareholders. The same was then approved by the Shareholders at their meeting held on August 5, 2015; in order to align the STAR Plan with the requirements of the SEBI (Share Based Employee Benefits) Regulations, 2014. The Corporate Governance Committee of the Board has, from time to time, notified STAR schemes under the STAR Plan as authorized under the aforementioned resolutions.			
c	Vesting requirements	The secondary acquisition by the Trust shall: i. not be more than 5% of the paid up equity share capital of the Company as at the end of the financial year, immediately preceding the year in which approval of the shareholder was obtained for such secondary acquisition; ii. not be more than 2% in a financial year of the paid up equity share capital as at the end of the preceding financial year; and iii. not be more than 0.5% of the paid up equity share capital of the Company during a financial year.			
d	SAR price or pricing formula	As determined by the Corporate Governance Committee in the respective Schemes notified under the Plan.			
e	Maximum term of SAR granted	Average of Closing Market Price for a period of 22 Working Days (of the the Stock Exchange) immediately preceding the Grant date.			
f	Method of settlement (whether in cash or equity)	The Vested STAR shall be matured as on the Vesting Date according to the terms and conditions as determined and set forth under the STAR Plan and relevant notified Schemes.			
g	Choice of settlement (with the company or the employee or combination)	Method of settlement is Cash settlement.			
h	Source of shares (primary, secondary or combination)	Choice vests with the Company.			
i	Variation in terms of scheme	Source of acquisition is Secondary.			
		None			

# ANNEXURE 'D' TO THE BOARD'S REPORT

Disclosures under section 62(1)(b) of the Companies Act, 2013 read with Rule 12 (a) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014

2	Method used to account for SAR - Intrinsic or fair value.	Fair Value												
		Not Applicable. As per IND AS requirement, the company has to use fair value method.												
3	Where the company opts for expensing of SAR using the intrinsic value of SAR, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of SAR, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.													
4	SAR movement during the year (For each SAR scheme):	STAR IV			STAR V			STAR VI			STAR VII		Total	
	Particulars	Tranche I	Tranche II	Tranche III	Tranche I	Tranche II	Tranche III	Tranche I	Tranche II	Tranche III	Tranche I	Tranche II	Tranche III	Total
	Number of SARs outstanding at the beginning of the year	1,175,000	419,400	5,400	1,091,200	91,600	5,400	1,333,400	-	-	-	-	-	4,116,000
	Number of SARs granted during the year	-	-	-	6,000	44,800	-	74,400	96,100	56,510	359,410	-	-	637,220
	Number of SARs forfeited /lapsed during the year	108,600	71,600	5,400	146,000	-	5,400	167,200	-	-	19,270	-	-	518,070
	Number of SARs vested during the year	1,066,400	347,800	-	-	-	-	-	-	-	-	-	-	1,414,200
	Number of SARs exercised/settled during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
	Number of options outstanding at the end of the year	-	-	-	951,200	136,400	-	1,240,600	96,100	56,510	340,140	-	-	2,820,950
	Number of options exercisable at the end of the year	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Employee-wise details (name of employee, designation, number of SAR granted during the year, exercise price) of SAR granted to -													
a	Senior managerial personnel	No SARs were granted to the Senior Managerial Personnel during the year under review												
b	any other employee who receives a grant in any one year of amounting to 5% or more of SAR granted during that year; and	Nil												
c	identified employees who were granted SAR, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	Nil												
6	Disclosures in respect of grants made in three years prior to IPO under each SAR scheme until all SARs granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such SARs shall also be made.	NA												

# ANNEXURE 'D' TO THE BOARD'S REPORT

Disclosures under section 62(1)(b) of the Companies Act, 2013 read with Rule 12 (a) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014

102

Details related to Trust			
Particulars	Details - FY17	Details - FY16	Details - FY16
<b>1 The following details, inter alia, in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are to be disclosed:</b>			
Name of the Trust	Welfare of Mariconian Trust	Welfare of Mariconian Trust	Welfare of Mariconian Trust
Details of the Trustee(s)	IDBI Trusteeship Services Limited	IDBI Trusteeship Services Limited	IDBI Trusteeship Services Limited
Amount of loan disbursed by company / any company in the group, during the year	-	-	545,000,000
Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	542,551,230	542,551,230	665,580,410
Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	NIL	NIL	NIL
<b>2 Any other contribution made to the Trust during the year</b>			
(a) Number of shares held at the beginning of the year;	4,087,782	4,087,782	1,431,741
(b) Number of shares acquired during the year :	-	-	-
(i) through primary issuance	-	-	-
(ii) through secondary acquisition	-	-	-
Before Bonus Issue	-	-	1,011,411
After Bonus Issue	163,488	163,488	656,278
Acquisition as a percentage of paid up equity capital as at the end of the previous financial year,	0.01%	0.01%	0.21%
Weighted average cost of acquisition per share			
(a) Shares bought before Bonus Issue	-	-	409.68
(b) Shares bought after Bonus Issue	282.39	282.39	223.98
(c) Number of shares sold	1,414,200	1,414,200	727,400
(d) Number of shares vested to the employees	1,414,200	1,414,200	700,900
(e) Purpose of shares sold	Vesting of STAR Scheme IV	Vesting of STAR Scheme IV	Vesting of STAR Scheme III
(f) Number of shares held at the end of the year.	2,837,070	2,837,070	4,087,782
<b>3 In case of secondary acquisition of shares by the Trust</b>			
Number of shares			
Held at the beginning of the year	4,087,782	4,087,782	1,431,741
Acquired during the year (Before Bonus Issue)	163,488	163,488	1,011,411
Sold during the year (Before Bonus Issue)	1,414,200	1,414,200	727,400
Transferred to the employees during the year (No. of shares vested)	1,414,200	1,414,200	700,900
<b>Subtotal</b>	<b>2,837,070</b>	<b>2,837,070</b>	<b>1,715,752</b>
Adjustment on account of bonus issue in the ratio of 1:1	-	-	3,431,504
Acquired during the year (After Bonus Issue)	-	-	656,278
Sold during the year (After Bonus Issue)	-	-	-
<b>Held at the end of the year</b>	<b>2,837,070</b>	<b>2,837,070</b>	<b>4,087,782</b>

# ANNEXURE 'E' TO THE BOARD'S REPORT

## A. Conservation of Energy

1. Steps taken/impact on conservation of energy and the steps taken for utilising alternate sources of energy;

### Baddi

The Company undertook several initiatives in power and fuel consumption reduction at its Baddi plant. These initiatives resulted in savings of **45,034 units & 460 MT** of fuel corresponding to reduction in carbon footprint by **37 MT of CO<sub>2</sub>** last year.

Details of Initiatives are as below:

- Heat Loss Reduction in wax tank
- Compressor Shifting in Open Area
- Elimination of unnecessary operating of Caustic Pump
- Flash steam recovery from old boiler De-aerator
- Heat Loss Reduction in DOT tank
- Dewaxing tray heating modification for reducing losses
- Deo down time reduction
- Cooling and chilling automation in De-waxing
- Flash Steam recovery from Dewaxing

In addition, to the above various water conservation initiatives undertaken which resulted in saving of more than **70KL** of water per day.

Details of Initiatives are as below:

- Condensate Recovery from plant
- Separator Seal Cooling Water and elimination of hot water overflow
- Close De-aerator tank vent
- Stoppage of Raw water usage for Gardening
- Elimination of Leakage water from DM tank
- Gums line modification below S-1 to have smooth flow of Gums Elimination of water addition.
- Enclosed condensate return tank
- Traps replacement Main steam line Near Blow down
- Softener discharge water to be used for ETP Chemicals mixing
- Anion back wash water usage in wet scrubber

### Guwahati

#### Spiral Conveying system-

For transfer of finished goods from First floor and second floor to Ground floor. The system is using gravity for the material movement. There is a potential saving in Greenhouse gas emission of

- Compare to a motor driven conveying system: 91 Metric ton of CO<sub>2</sub> equivalent
- Compare to lift driven conveying system : 45.4 Metric ton of CO<sub>2</sub> equivalent

#### LED lights instead of CFL fittings inside the buildings

We had used the interior lights and street lights in LED fittings instead of CFL fittings. The potential savings in Greenhouse gas emission is : 40.1 Metric ton of CO<sub>2</sub> equivalent

#### VFD installed in screw compressors

Avoided start stop operation in screw compressor by providing a VFD system in the screw compressor. The VFD will vary the screw rpm based on load requirement. This will give savings in the power taken by motor. The total savings in Greenhouse gas emission is 35.1 Metric ton of CO<sub>2</sub> equivalent.

#### Paonta Sahib

Following are the initiatives taken in 2016-17 as energy saving projects:

1. Auto cut-off of vacuum assembly at desired vacuum.
2. DM water transfer pump changed from 2hp to 0.75 hp savings of around 27,000 per year.
3. Looping of chiller circulation pump with chiller compressor to prevent unnecessary run at idle time.
4. Manual cleaning replaced with Cleaning Gun saving both water and electricity.
5. ETP submersible pump 5hp replaced with overhead centrifugal pump of 3hp.
6. Street lights in plant replacing with CFL Lights for energy savings
7. 20TR chiller replacing with 5TR chiller.

#### Kanjikode

Kanjikode Plant has achieved consistent improvement in specific fuel consumption by **0.33 Ltrs/MT in FY 16-17**. This led to overall savings of **7.5 KL** of fuel. Specific power consumption reduction through Power Task Force has resulted in overall savings of **46,800 Units in FY 16-17**.

Various Initiatives taken in Kanjikode have led to reduction in overall **CO<sub>2</sub> emissions by 64 MT**.

- Fitch Catalyst has been fixed in FO line to reduce Specific fuel consumption. This has resulted in a Savings of 0.33 Ltr / MT.
- Power Consumption profile study has been conducted in Oil Mill equipment and identified the opportunities to de-rate the motor capacity as follows :
  - o One of the Expeller Motor Capacity reduced from 50 to 40 HP.
  - o Conditioner Motor Capacity reduced from 20 to 12.5 HP.
  - o Blower motor reduced from 10 to 7.5 HP.
- Implementation of the above drive motor changes in the Oil Mill has resulted in SPC reduction of 46,800 Units / Annum.



# ANNEXURE 'E' TO THE BOARD'S REPORT

## Pondicherry

Pondicherry Energy Conservation Initiatives have resulted in a reduction of **83,134 Units/Year** equivalent to **94.85 MT** of CO<sub>2</sub> emissions through following initiatives:

- VFD replacement for Compressor, Cooling water pump, Cooker, ID Fan and FD Fan.
- Replacement of Lower Efficiency Motor with Higher Efficiency (IE3) Motors in Compressor, Expeller 329A,B,D and Cooker-A.
- Reduction of Operating hours of Magnetic drum motor and Cake Conveyor.
- Motor size optimisation for Cooling water pump and WTP pump.
- LED/CFL Lights replaced from conventional lights in Lab, Farm Tank shed and DG Room Locations.
- Air conditioners: Replacement of Conventional AC Into Variable Refrigerant Flow AC and Installation of 8 nos Eco Plug Sensors in Air conditioners to conserve energy
- Increasing the number of beaters in grinder for achieving particle size of 95% from 90% resulting in Briquette savings of 48 MT/Annum
- Capital investment on energy conservation equipments during the year was ₹15.5 Lacs.

## Perundurai

Perundurai Energy Conservation Initiatives have resulted in a reduction of **10,044 Units/Year, 24 KL HSD savings and utilisation of 100% Green Power**. This has resulted in **1,710 MT of CO<sub>2</sub>** emissions reduction

Following are the Energy Conservation initiatives implemented:

- Conversion of Electricity Source from Thermal to 100% Wind power:
  - Reduction in Diesel Consumption from 33KL to 7KL in FY 16-17.
  - Total Cost Savings of ₹16 Lacs /Annum.
- Air Conservation in PLF Operation.
- Variable Frequency Drive Installation for Cooker Blower.
- Increased the Feed Water Temperature in Boiler.

## Jalgaon

The Company undertook the following initiatives at its Jalgaon plant to reduce carbon footprint. These initiatives enabled a saving of **1,02,528 units & 1,163 MT of agri fuel** last year equivalent to **115.85 MT of CO<sub>2</sub>** emissions.

For Power Consumption reduction:

- Improvement in soft oil productivity in refinery.
- Implementation of variable frequency drive in boiler area.
- Replacement with LED lights in the plant.
- Modification with reduced bends for cooling tower line to reduce load on the motors.

For Fuel Consumption reduction:

- Replacement of Thermic Fluid Heater with high efficient one.
- Improving heat regeneration with additional shell and tube heat exchanger in refinery

## B. Technology Absorption

### 1. Delivering products to serve "Jobs" in consumer life!

Marico Research and Development has been following a new approach of creating innovations through a Jobs roadmap. We have been looking at innovations not through the products, but what are the underlying jobs consumers want to get done. By combining deep understanding of consumer needs, attitudes and behaviours with data on the market landscape, the job roadmap enabled us to arrive at insights and solutions that are original and profitable. The jobs were decoded into perceivable benefits the products need to deliver during their regular use. We have created the consumer sensory maps around these categories to enable us to know which are unmet and under-met needs. The way we have holistic understanding of the benefits of hair oiling likewise we have created insightful understanding in the male grooming category. Our expertise in science enabled us to quickly resolve the pain points for consumer which ultimately became the product opportunities. The food habits in India have a difficult paradigm to solve "health with taste". With the successful launch of Masala Oats, we have realised the need to understand the diverse taste nuances existing in India every 100 kms. The formats were developed to satisfy the "Jobs" in healthy food consumptions. The jobs at functional level in foods were served by addressing and controlling various biochemical pathways based on nutritional approach. The culmination of the roadmap was delivered through intensive consumer studies and rigorous clinical trials in consumers.

We measure our success in the market through the strong equity of our brands in consumer mind and the equity is reinforced through the pipeline of products created by a capable team comprising of 92 members:

PhD	-	9
Masters	-	30
Scientists	-	Total 39

### 2. Research and Development (R&D)

**Specific areas in which R & D was carried out by your Company:**

R&D efforts were directed towards core areas of nourishing formats such as Hair Oils, Leave-In formats, Male Grooming formats, deodorants, premium edible oils, Oats & Packaging innovations across the global markets. The major change in the approach in New Product Development was to employ

# ANNEXURE 'E' TO THE BOARD'S REPORT

Design Thinking which has resulted in products which create value in consumer life through appealing sensory, effective functionality and best benefit/price ratio. The processes used in the manufacturing place were environmentally friendly and least polluting. Efforts to understand consumers in international geographies and align systems and processes across the business continued.

In design thinking approach across the product development works in four steps, Observations, Empathy, Insights, and Cultural Elements. The products were based on strong consumer insights which were unique and relevant. The emphasis in nourishment portfolio was on to create new hair oils with strong hair care benefits with global application. Many process optimisation efforts have created good savings in energy intensive Ayurvedic formulations. The Bottom of the Pyramid formulations were created to offer stronger benefits for loose hair oil users. R & D team was quick enough to understand the unmet as well as emerging needs of Male segment and develop unique products through deeper consumer interactions. Special attention was given to the perfume creation in Deo category. Efforts of the Consumer Technical insights group were targeted towards generating insights of product usage and attitudes across geographies and tailoring the product sensory accordingly. The packaging efforts were focussed on creating unique differentiated packaging for premium hair care and male grooming, as well as creating sustainable packaging through reduction of polymer usage. In foods, considerable efforts were directed towards creating new flavours. Work on premium edible oils and new technologies for applications of edible oils for lifestyle diseases were continued. Quality Assurance department made a major change in approach in creating consumer quality standards than conventionally used "Manufacturing quality". The approach uses a consumer lens in ensuring the quality.

### 3. Benefits derived as the result of the above efforts

- o Launch of new products – Value added mustard oil and coconut oil, Male grooming formats, Multigrain flakes, blend oil Olive and Flaxseed oil, new shampoo range in Vietnam
- o Understanding of Hair Biology to create new actives for hair problems
- o Strong claim support for new products based on robust clinical
- o Infusion of Digital in R & D work programs in Diagnostic and Simulations

### 4. Future Plan of Action

R&D will continue to focus on generating in-depth consumer insights, develop strong technology

platforms in the area of hair & skin nourishment and grooming. Efforts will also be made to harmonize products across geographies, design new products for specific lead geographies and re-apply the same to similar target segments in different regions. Special efforts will be targeted in improving measurement science, process engineering and innovation capability development.

### 5. Technology absorption, adaptation and innovation

Efforts, in brief, made towards technology absorption, adaptation and innovation and benefits derived as a result of the same:

New technologies sourced from vendors, partners, universities were worked upon to adapt them to Marico business needs. The techniques of Problem solving tools like FMEA, TRIZ, DOE were used to create unique solutions for the problems. The help of Contract Research Organisation was sought to help in designing and conducting clinical. A few university experts were consulted on regular basis in developing in depth basic knowledge and stronger claims. Special efforts were undertaken to leverage digital technology for proving the efficacy of products to consumers at point of sale and also during usage.

6. The Company has not imported any technology during last three years reckoned from the beginning of the financial year.

### 7. The expenditure incurred on Research and Development:

Particulars	As at March 31,	
	2017 ₹ in Crore	2016 ₹ in Crore
(a) Capital	2.69	2.44
(b) Recurring	29.85	25.05
<b>Total</b>	<b>32.55</b>	<b>27.48</b>
<b>As a % of revenues</b>	<b>0.67</b>	<b>0.56</b>

The expenditure above includes a capital expenditure of ₹0.59 Crore (LY ₹ 0.05 Crore) and a revenue expenditure of ₹ 6.70 Crore (LY ₹6.93 Crore) towards the edible oils and foods business of Your Company.

### C. Foreign Exchange Earnings and Outgo

The details of Foreign exchange earnings and outgo during the period under review is as under:

Particulars	As at March 31,	
	2017 ₹ in Crore	2016 ₹ in Crore
Foreign Exchange earned	419.03	293.28
Foreign Exchange used	239.90	246.31

# ANNEXURE 'F' TO THE BOARD'S REPORT

106

## FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

As on financial year ended March 31, 2017

Pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management & Administration) Rules, 2014.

#### I. REGISTRATION & OTHER DETAILS:

i	CIN	L15140MH1988PLC049208
ii	Registration Date	October 13, 1988
iii	Name of the Company	Marico Limited
iv	Category/Sub-category of the Company	Public Company / Limited by Shares
v	Address of the Registered office & contact details	7th Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai – 400 098, Maharashtra. Tel: (+91-22) 6648 0480 Fax: (+91-22) 2650 0159 Website: www.marico.com E-mail address: investor@marico.com
vi	Whether listed company	Yes
vii	Details of the Stock Exchanges where shares are listed	BSE Limited (BSE) : 531642 The National Stock Exchange of India Limited (NSE): MARICO
viii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C 101, 247 Park, LBS Marg, Vikhroli West, Mumbai 400 083 Tel: (+91-22) 49186000 Fax: (+91-22) 49186060 Website: www.linkintime.co.in E-mail address: rnt.helpdesk@linkintime.co.in

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company

Sl. No.	Name & Description of main products/ services	NIC Code of the Product /service	% to total turnover of the company
1	Edible Oils	10402	58%
2	Value Added Hair Oils	20236	30%

# ANNEXURE 'F' TO THE BOARD'S REPORT

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate Company	% of Shares Held	Applicable Section
1	<b>Marico Bangladesh Limited ("MBL")</b> House-1, Road-1, Sector-1, Uttara, Dhaka-1230	NA	Subsidiary	90%	2(87)(ii)
2	<b>Marico Middle East FZE ("MME")</b> Office No. LOB 15326, Jebel Ali, Dubai, UAE	NA	Subsidiary	100%	2(87)(ii)
3	<b>Marico South Africa Consumer Care (Pty) Limited ("MSACC")</b> Units 1-5, Site 2 East, Riverside Business Park, 74 Prince Umhlangane Road, Avoca, Durban 4051	NA	Subsidiary	100%	2(87)(ii)
4	<b>Marico South Africa (Pty) Limited ("MSA")</b> Units 1-5, Site 2 East, Riverside Business Park, 74 Prince Umhlangane Road, Avoca, Durban 4051	NA	Subsidiary	100% through MSACC	2(87)(ii)(a)
5	<b>Marico South East Asia Corporation (Formerly know as International Consumer Products Corporation) ("Marico SEA")</b> 28th floor, Pearl Plaza, 561 Dien Bien Phu, Binh Thanh District, HO CHI MINH City, Vietnam	NA	Subsidiary	100%	2(87)(ii)
6	<b>Marico Consumer Care Limited ("MCCL")</b> 7th Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai - 400 098	U24233MH2012PLC229972	Subsidiary	100%	2(87)(ii)
7	<b>Halite Personal Care India Private Limited</b> (A Company under Voluntary Liquidation) 7th Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai - 400 098	U24240MH2011PTC239427	Subsidiary	-	-
8	<b>Marico Innovation Foundation ("MIF")</b> 7th Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai - 400 098	U93090MH2009NPL193455	Subsidiary	Section 8 Guarantee Company without Share Capital	2(87)(i)
9	<b>MBL Industries Limited ("MBLIL")</b> House-1, Road-1, Sector-1, Uttara, Dhaka-1230, Bangladesh	NA	Subsidiary	100% through MME	2(87)(ii)(a)
10	<b>MEL Consumer Care S.A.E. ("MELCC")</b> Building 3, Section 1141, 34, IBAD Elrahman Street, Masaken Sheraton, Nozha District-Cairo-Egypt	NA	Subsidiary	100% through MME	2(87)(ii)(a)
11	<b>Marico Egypt For Industries S.A.E. ("MEIC")</b> Building 3, Section 1141, 34, IBAD Elrahman Street, Masaken Sheraton, Nozha District-Cairo-Egypt	NA	Subsidiary	100% through MELCC	2(87)(ii)(a)
12	<b>Egyptian American Investment and Industrial Development Company S.A.E ("EAIIDC")</b> Building 3, Section 1141, 34, IBAD Elrahman Street, Masaken Sheraton, Nozha District-Cairo-Egypt	NA	Subsidiary	100% through MME	2(87)(ii)(a)
13	<b>Marico Malaysia Sdn. Bhd. ("MMSB")</b> Ground Floor, Lot 7, Block F, Saguking Commercial Building, Jalan Patau 87000, Labuan F.T. Malaysia	NA	Subsidiary	100% through MME	2(87)(ii)(a)
14	<b>Thuan Phat Foodstuff Joint Stock Company ("TPF")*</b> 39B Truong Son Street, Ward 4, Tan Binh District, Ho Chi Minh City, Vietnam.	NA	Subsidiary	99.99% through Marico SEA	2(87)(ii)(a)

# ANNEXURE 'F' TO THE BOARD'S REPORT

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate Company	% of Shares Held	Applicable Section
15	<b>Bellezimo Professionale Products Private Limited</b> Eucharistic Congress Building No. 2, 3rd floor, 5 Convent Street, Near Electric house, Colaba, Mumbai -400 001, Maharashtra, India	U24110MH2015PTC265935	Associate	45%	2(6)
16	<b>Zed Lifestyle Private Limited ("Zed")**</b> Office 04, T.F. 32, Swastik Society, Om Complex Opp. Bhagwati Chambers, C. G. Road, Navrangpura, Ahmedabad - 380009, Gujarat, India	U74999GJ2016PTC091839	Associate	35%	2(6)

\* **TPF** - was a step down subsidiary of Marico Limited upto November 30, 2016. Thereafter, TPF got merged into its holding Company Marico SEA w.e.f. December 1, 2016.

\*\* **Zed** - became an associate company of Marico Limited w.e.f. March 17, 2017 pursuant to acquisition of 35.44% of total equity share capital of ZED by Marico Limited.

## IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

### (i) Categorywise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2016)				No. of Shares held at the end of the year (As on 31.03.2017)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	

#### A. Promoters

##### (1) Indian

a) Individual/HUF	750,411,040	-	750,411,040	58.16	750,600,240	-	750,600,240	58.16	0.03
b) Central Govt./ State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	17,644,000	-	17,644,000	1.37	18,297,000	-	18,297,000	1.42	3.70
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL:(A) (1)</b>	<b>768,055,040</b>	<b>0.00</b>	<b>768,055,040</b>	<b>59.53</b>	<b>768,897,240</b>	<b>0.00</b>	<b>768,897,240</b>	<b>59.58</b>	<b>0.11</b>

##### (2) Foreign

a) NRI- Individuals	1,800,000	0.00	1,800,000	0.14	1,800,000	0.00	1,800,000	0.14	0.00
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	<b>1,800,000</b>	<b>0.00</b>	<b>1,800,000</b>	<b>0.14</b>	<b>1,800,000</b>	<b>0.00</b>	<b>1,800,000</b>	<b>0.14</b>	<b>0.00</b>

<b>Total Shareholding of Promoter</b>	<b>769,855,040</b>	<b>0.00</b>	<b>769,855,040</b>	<b>59.67</b>	<b>770,697,240</b>	<b>0.00</b>	<b>770,697,240</b>	<b>59.72</b>	<b>0.11</b>
<b>(A)= (A)(1)+(A)(2)</b>									

#### B. PUBLIC SHAREHOLDING

##### (1) Institutions

a) Mutual Funds	12,443,222	-	12,443,222	0.96	17,721,561	-	17,721,561	1.37	42.42
b) Banks/FI	1,204,137	-	1,204,137	0.09	497,116	-	497,116	0.04	-58.72
c) Central Govt./State Govt.	1,607,516	-	1,607,516	0.12	1,929,720	-	1,929,720	0.15	20.04
d) Venture Capital Fund	-	-	-	-	-	-	-	-	-
e) Insurance Companies	27,013,742	-	27,013,742	2.09	33,434,560	-	33,434,560	2.59	23.77

# ANNEXURE 'F' TO THE BOARD'S REPORT

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2016)				No. of Shares held at the end of the year (As on 31.03.2017)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) FIs	199,902,103	10,000	199,912,103	15.50	81,129,891	10,000	81,139,891	6.29	-59.41
g) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h) Foreign Portfolio Investor (Corporate)	173,884,977	-	173,884,977	13.48	291,648,966	-	291,648,966	22.60	67.73
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1):</b>	<b>416,055,697</b>	<b>10,000</b>	<b>416,065,697</b>	<b>32.25</b>	<b>426,361,814</b>	<b>10,000</b>	<b>426,371,814</b>	<b>33.04</b>	<b>2.48</b>
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	39,823,660	76,000	39,899,660	3.09	34,296,454	68,000	34,364,454	2.66	-13.87
ii) Foreign	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	38,116,186	1,282,204	39,398,390	3.05	37,491,382	1,295,209	38,786,591	3.01	-1.55
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakh	18,115,223	-	18,115,223	1.40	13,562,382	-	13,562,382	1.05	-25.13
c) Others (specify)									
1. NRI	3,505,680	-	3,505,680	0.27	3,700,761	-	3,700,761	0.29	5.56
2. Clearing member	1,154,716	-	1,154,716	0.09	1,182,234	-	1,182,234	0.09	2.38
3. Trusts	295,554	-	295,554	0.02	154,058	-	154,058	0.01	-47.87
4. HUF	1,881,238	-	1,881,238	0.00	1,651,664	-	1,651,664	0.13	-12.20
<b>SUB TOTAL (B)(2):</b>	<b>102,892,257</b>	<b>1,358,204</b>	<b>104,250,461</b>	<b>8.08</b>	<b>92,038,935</b>	<b>1,363,209</b>	<b>93,402,144</b>	<b>7.24</b>	<b>-10.41</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>518,947,954</b>	<b>1,368,204</b>	<b>520,316,158</b>	<b>40.33</b>	<b>518,400,749</b>	<b>1,373,209</b>	<b>519,773,958</b>	<b>40.28</b>	<b>-0.10</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>1,288,802,994</b>	<b>1,368,204</b>	<b>1,290,171,198</b>	<b>100</b>	<b>1,289,097,989</b>	<b>1,373,209</b>	<b>1,290,471,198</b>	<b>100</b>	<b>0.02</b>

# ANNEXURE 'F' TO THE BOARD'S REPORT

## (ii) & (iii) Shareholding of Promoters & Changes in Promoters' shareholding

Sl. No	Name	Shareholding at the beginning (01.04.2016)/end of the year(31.03.2017)		Date	No. of Shares (Increase/ Decrease in shareholding)	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
1	Harsh Mariwala with Kishore Mariwala (For Valentine Family Trust)	146,752,000	11.37	1-Apr-16	–	–	146,752,000	11.37
		–	–	15-Mar-17	449,500	Inter-se Transfer	147,201,500	11.41
		–	–	22-Mar-17	449,500		147,651,000	11.44
		–	–	28-Mar-17	419,200		148,070,200	11.48
		–	–	29-Mar-17	152,600		148,222,800	11.49
		–	–	30-Mar-17	114,400		148,337,200	11.49
		148,337,200	11.49	31-Mar-17	–		–	148,337,200
2	Harsh Mariwala with Kishore Mariwala (For Aquarius Family Trust)	146,752,000	11.37	1-Apr-16	–	–	146,752,000	11.37
		–	–	17-Mar-17	449,500	Inter se Transfer	147,201,500	11.41
		–	–	22-Mar-17	449,500		147,651,000	11.44
		–	–	28-Mar-17	419,800		148,070,800	11.48
		–	–	29-Mar-17	152,800		148,223,600	11.49
		–	–	30-Mar-17	114,600		148,338,200	11.49
		148,338,200	11.49	31-Mar-17	–		–	148,338,200
3	Harsh Mariwala with Kishore Mariwala (For Taurus Family Trust)	146,752,000	11.37	1-Apr-16	–	–	146,752,000	11.37
		–	–	15-Mar-17	449,500	Inter se Transfer	147,201,500	11.41
		–	–	22-Mar-17	449,500		147,651,000	11.44
		–	–	28-Mar-17	419,700		148,070,700	11.47
		–	–	29-Mar-17	152,800		148,223,500	11.49
		–	–	30-Mar-17	114,500		148,338,000	11.49
		148,338,000	11.49	31-Mar-17	–		–	148,338,000
4	Harsh Mariwala with Kishore Mariwala (For Gemini Family Trust)	146,752,000	11.37	1-Apr-16	–	–	146,752,000	11.37
		–	–	15-Mar-17	449,500	Inter se Transfer	147,201,500	11.41
		–	–	22-Mar-17	449,500		147,651,000	11.44
		–	–	28-Mar-17	419,800		148,070,800	11.47
		–	–	29-Mar-17	152,800		148,223,600	11.49
		–	–	30-Mar-17	114,500		148,338,100	11.49
		148,338,100	11.49	31-Mar-17	–		–	148,338,100
5	Arctic Investment & Trading Company Private Limited	17,570,000	1.36	1-Apr-16	–	–	17,570,000	1.36
		–	–	9-Nov-16	124	Purchase	17,570,124	1.36
		–	–	11-Nov-16	500,000		18,070,124	1.40
		–	–	15-Nov-16	46,410		18,116,534	1.40
		–	–	17-Nov-16	11,466		18,128,000	1.40
		–	–	5-Dec-16	95,000		18,223,000	1.40
		–	–	24-Mar-17	18,223,000		Gratuitous transfer to The Bombay Oil Private Limited	0
		0	0.00	31-Mar-17	–	–	0	0.00

# ANNEXURE 'F' TO THE BOARD'S REPORT

Sl. No	Name	Shareholding at the beginning (01.04.2016)/end of the year(31.03.2017)		Date	No. of Shares (Increase/ Decrease in shareholding)	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No.of Shares	% of total shares of the company				No.of Shares	% of total shares of the Company
6	The Bombay Oil Private Limited	74,000	0.01	1-Apr-16	-	-	74,000	0.01
		-	-	24-Mar-17	18,223,000	Gratuitous transfer from Arctic Investment & Trading Company Private Limited	18,297,000	1.42
		18,297,000	1.42	31-Mar-17	-	-	18,297,000	1.42
7	Mr. Harsh Mariwala	19,909,200	1.54	1-Apr-16	-	-	19,909,200	1.54
		-	-	6-Dec-16	24,704	Purchase	19,933,904	1.54
		-	-	7-Dec-16	129,582		20,063,486	1.55
		-	-	8-Dec-16	36,914		20,100,400	1.56
		20,100,400	1.56	31-Mar-17	-	-	20,100,400	1.56
8	Harshraj C Mariwala (HUF)	12,240,000	0.95	1-Apr-16	-	No Change during the year	12,240,000	0.95
		12,240,000	0.95	31-Mar-17	-		12,240,000	0.95
9	Mrs. Archana Mariwala	24,600,000	1.91	1-Apr-16	-	-	24,600,000	1.91
		-	-	15-Mar-17	899,000	Sale	23,701,000	1.84
		-	-	28-Mar-17	256,900		23,444,100	1.82
		23,444,100	1.82	31-Mar-17	-	-	23,444,100	1.82
10	Ms. Rajvi Mariwala	29,200,000	2.26	1-Apr-16	-	-	29,200,000	2.26
		-	-	17-Mar-17	449,500	Sale	28,750,500	2.23
		-	-	28-Mar-17	342,500		28,408,000	2.20
		28,408,000	2.20	31-Mar-17	-	-	28,408,000	2.20
11	Mr. Rishabh Mariwala	26,200,000	2.03	1-Apr-16	-	-	26,200,000	2.03
		-	-	15-Mar-17	449,500	Sale	25,750,500	2.00
		-	-	28-Mar-17	774,000		24,976,500	1.94
		24,976,500	1.94	31-Mar-17	-	-	24,976,500	1.94
12	Mrs. Preeti Gautam Shah	1,800,000	0.14	1-Apr-16	-	No Change during the year	1,800,000	0.14
		1,800,000	0.14	31-Mar-17	-		1,800,000	0.14
13	Mrs. Pallavi Jaikishen	1,832,000	0.14	1-Apr-16	-	No Change during the year	1,832,000	0.14
		1,832,000	0.14	31-Mar-17	-		1,832,000	0.14
14	Mrs. Malika Chirayu Amin	1,800,000	0.14	1-Apr-16	-	No Change during the year	1,800,000	0.14
		1,800,000	0.14	31-Mar-17	-		1,800,000	0.14
15	Mr. Kishore Mariwala	2,963,320	0.23	1-Apr-16	-	-	2,963,320	0.23
		-	-	4-May-16	2,000	Gift of Shares to Grand Children	2,961,320	0.23
		-	-	28-Mar-17	305,100	Sale	2,656,220	0.21
		2,656,220	0.21	31-Mar-17	-	-	2,656,220	0.21



# ANNEXURE 'F' TO THE BOARD'S REPORT

Sl. No	Name	Shareholding at the beginning (01.04.2016)/end of the year(31.03.2017)		Date	No. of Shares (Increase/ Decrease in shareholding)	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No.of Shares	% of total shares of the company				No.of Shares	% of total shares of the Company
16	Mrs. Hema Mariwala	7,832,280	0.61	1-Apr-16	-	-	7,832,280	0.61
		-	-	29-Mar-17	152,800	Sale	7,679,480	0.60
		7,679,480	0.60	31-Mar-17	-	-	7,679,480	0.60
17	Mr. Rajen Mariwala	6,886,400	0.53	1-Apr-16	-	-	6,886,400	0.53
		-	-	22-Mar-17	899,000	Sale	5,987,400	0.46
		-	-	30-Mar-17	454,500		5,532,900	0.43
		5,532,900	0.43	31-Mar-17	-	-	5,532,900	0.43
18	Mrs. Anjali Mariwala	7,418,200	0.57	1-Apr-16	-	-	7,418,200	0.57
		-	-	30-Mar-17	3,500	Sale	7,414,700	0.57
		7,414,700	0.57	31-Mar-17	-	-	7,414,700	0.57
19	Dr. Ravindra Mariwala	15,084,640	1.17	01-Apr-16	-	-	15,084,640	1.17
		-	-	20-Sep-16	2,000	Gift	15,082,640	1.17
		-	-	22-Mar-17	899,000	Sale	14,183,640	1.10
		-	-	29-Mar-17	229,100		13,954,540	1.08
		13,954,540	1.08	31-Mar-17	-	-	13,954,540	1.08
20	Mrs. Paula Mariwala	7,418,200	0.57	01-Apr-16	-	-	7,418,200	0.57
		-	-	29-Mar-17	229,100	Sale	7,189,100	0.56
		7,189,100	0.56	31-Mar-17	-	-	7,189,100	0.56
21	Kishore Mariwala for Arnav Trust	4,700	0.00	1-Apr-16	-	-	4,700	0.00
		-	-	4-May-16	500	Transferred from Kishore Mariwala	5,200	0.00
		5,200	0.00	31-Mar-17	-	-	5,200	0.00
22	Kishore Mariwala for Vibhav Trust	4,700	0.00	1-Apr-16	-	-	4,700	0.00
		-	-	4-May-16	500	Transferred from Kishore Mariwala	5,200	0.00
		5,200	0.00	31-Mar-17	-	-	5,200	0.00
23	Kishore Mariwala for Taarika Trust	4,700	0.00	1-Apr-16	-	-	4,700	0.00
		-	-	4-May-16	500	Transferred from Kishore Mariwala	5,200	0.00
		5,200	0.00	31-Mar-17	-	-	5,200	0.00
24	Kishore Mariwala for Anandita Trust	4,700	0.00	1-Apr-16	-	-	4,700	0.00
		-	-	4-May-16	500	Transferred from Kishore Mariwala	5,200	0.00
		5,200	0.00	31-Mar-17	-	-	5,200	0.00

# ANNEXURE 'F' TO THE BOARD'S REPORT

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs & ADRs)

Sl. No	Name	Shareholding at the beginning (01.04.2016)/end of the year(31.03.2017)		Date	No. of Shares (Increase/ Decrease in shareholding)	Reason **	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
1	FIRST STATE INVESTMENTS ICVC-STEWART INVESTORS ASIA PACIFIC LEADERS FUND	49,132,001	3.81	During the financial year	-	-	49,132,001	3.81
		-	-		10,538,977	Purchase	59,670,978	4.62
2	ARISAIG PARTNERS (ASIA) PTE LTD. A/C ARISAIG INDIA FUND LIMITED	35,169,950	2.73		-	-	35,169,950	2.73
		-	-		6,522,611	Sale	28,647,339	2.22
3	LIFE INSURANCE CORPORATION OF INDIA	22,690,678	1.76		-	-	22,690,678	1.76
		-	-		558,928	Sale	22,131,750	1.72
		-	-		6,004,200	Purchase	28,135,950	2.18
4	CARTICA CAPITAL LTD	-	-		24,903,037	Purchase	24,903,037	1.93
5	PRAZIM TRADING AND INVESTMENT CO. PVT. LTD.	-	-		16,372,395	Purchase	16,372,395	1.27
6	KUWAIT INVESTMENT AUTHORITY - FUND NO. 208	9,864,089	0.76		-	-	9,864,089	0.76
		-	-		3,066,484	Sale	6,797,605	0.53
		-	-		4,783,120	Purchase	11,580,725	0.90
7	BARCLAYS MERCHANT BANK (SINGAPORE) LTD.	9,849,000	0.76		-	-	9,849,000	0.76
		-	-	458,513	Sale	9,390,487	0.73	
		-	-	980,627	Purchase	10,371,114	0.80	
8	FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN INDIA PRIMA PLUS	8,755,360	0.68	-	-	8,755,360	0.68	
		-	-	1,571,449	Purchase	10,326,809	0.80	
9	ARISAIG PARTNERS (ASIA) PTE LTD. A/C ARISAIG GLOBAL EMERGING MARKETS CONSUMER FUND (SINGAPORE) PTE. LTD.	9,986,060	0.77	-	-	9,986,060	0.77	
		-	-	767,130	Sale	9,218,930	0.71	
10	VANGUARD EMERGING MARKETS STOCK INDEX FUND, ASERIES OF VANGUARD INTERNATIONAL EQUITY INDE X FUND	7,255,643	0.56	-	-	7,255,643	0.56	
		-	-	900,042	Purchase	8,155,685	0.63	
		-	-	122,807	Sale	8,032,878	0.62	
11	MATTHEWS INDIA FUND	7,902,328	0.61	-	-	7,902,328	0.61	
		-	-	1,480,000	Sale	6,422,328	0.50	
12	ABU DHABI INVESTMENT AUTHORITY - MONSOON	8,886,712	0.69	-	-	8,886,712	0.69	
		-	-	3,803,980	Sale	5,082,732	0.39	
		-	-	256,056	Purchase	5,338,788	0.41	
13	HASHAM INVESTMENT AND TRADING COMPANY PRIVATE LIMITED	16,172,395	1.25	-	-	16,172,395	1.25	
		-	-	200,000	Purchase	16,372,395	1.27	
		-	-	16,372,395	Sale	0	0	

### Notes:

- Paid up Share Capital of the Company (Face Value Re. 1.00) at the end of the financial year 2016-17 was 129,04,71,198 Shares.
- % of total shares of the Company is based on the paid up capital of the Company at the end of the financial year 2016-17.
- The details of holding has been clubbed based on PAN.
- The above information is based on the weekly beneficiary positions received from Depositories. The date wise increase/decrease in shareholding of the top ten shareholders is available on the website of the Company.

# ANNEXURE 'F' TO THE BOARD'S REPORT

## (v) Shareholding of Directors and Key Managerial Personnel

Sl. No	Name	Shareholding at the beginning (01.04.2016)/end of the year(31.03.2017)		Date	No. of Shares (Increase/ Decrease in shareholding)	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No.of Shares	% of total shares of the company				No.of Shares	% of total shares of the Company
<b>Directors</b>								
1	Mr. Harsh Mariwala (Non Executive Director & Chairman)	19,909,200	1.54	1-Apr-16	-	-	19,909,200	1.54
		-	-	6-Dec-16	24,704	Purchase	19,933,904	1.54
		-	-	7-Dec-16	129,582		20,063,486	1.55
		-	-	8-Dec-16	36,914		20,100,400	1.56
		20,100,400	1.56	31-Mar-17	-	-	20,100,400	1.56
2	Mr. Rajen Mariwala (Non-Executive Director)	6,886,400	0.53	1-Apr-16	-	-	6,886,400	0.53
		-	-	22-Mar-17	899,000	Sale	5,987,400	0.46
		-	-	30-Mar-17	454,500		5,532,900	0.43
		5,532,900	0.43	31-Mar-17	-	-	5,532,900	0.43
3	Mr. Anand Kripalu (Independent Director)	-	-	-	-	Nil Holding	-	-
4	Mr. Atul Choksey* (Independent Director)	21,736	0.00	1-Apr-16	-	-	21,736	0.00
		-	-	2-Jun-16	7,300	Inter Se	29,036	0.00
		-	-	17-Nov-16	28,826	Purchase	57,862	0.00
		57,862	0.00	31-Mar-17	-	-	57,862	0.00
4	Atul Choksey (HUF)	14,600	0.00	1-Apr-16	-	-	14,600	0.00
		-	-	2-Jun-16	7,300	Inter Se	7,300	0.00
		-	-	2-Jun-16	3,650	Gift	3,650	0.00
		-	-	2-Jun-16	3,650	Gift	0	0.00
		0	0.00	31-Mar-17	-	-	0	0.00
5	Mr. B. S. Nagesh (Independent Director)	-	-	-	-	Nil Holding	-	-
6	Ms. Hema Ravichandar (Independent Director)	-	-	-	-	Nil Holding	-	-
7	Mr. Nikhil Khattau (Independent Director)	-	-	-	-	Nil Holding	-	-
8	Mr. Rajeev Bakshi (Independent Director)	-	-	-	-	Nil Holding	-	-

\* Ceased as an Independent Director of the Company w.e.f. April 1, 2017.

# ANNEXURE 'F' TO THE BOARD'S REPORT

Sl. No	Name	Shareholding at the beginning (01.04.2016)/end of the year(31.03.2017)		Date	No. of Shares (Increase/ Decrease in shareholding)	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No.of Shares	% of total shares of the company				No.of Shares	% of total shares of the Company
<b>Key Managerial Personnel</b>								
1	Mr. Saugata Gupta (Managing Director & Chief Executive Officer)	17,400	0.00	1-Apr-16	–	–	17,400	0.00
		–	–	21-Nov-16	100,000	Equity Shares acquired pursuant to exercise of stock options vested under Marico Employee Stock Option Scheme, 2014	117,400	0.01
		–	–	29-Dec-16	100,000		217,400	0.02
		–	–	29-Mar-17	100,000		317,400	0.02
		317,400	0.02	31-Mar-17	–		–	317,400
2	Mr. Surender Sharma (Company Secretary & Compliance Officer)	2	0.00	1-Apr-16	–	No Change during the year	2	0.00
		2	0.00	31-Mar-17	–		2	0.00
3	Mr. Vivek Karve (Chief Financial Officer)	139,900	0.01	1-Apr-16	–	–	139,900	0.01
		–	–	27-Mar-17	90,000	Sale	49,900	0.00
		49,900	0.00	31-Mar-17	–	–	49,900	0.00

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year ( As on 01.04.2016)</b>				
i) Principal Amount	20,470.44	-	-	20,470.44
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	75.40	-	-	75.40
<b>Total (i+ii+iii)</b>	<b>20,545.84</b>	<b>-</b>	<b>-</b>	<b>20,545.84</b>
<b>Change in Indebtedness during the financial year</b>				
Additions (Principal)	16,200.00	-	-	16,200.00
Reduction (Principal)	26,216.63	-	-	26,216.63
Adjustment ( Exchange Rate difference )	380.99	-	-	380.99
<b>Net Change</b>	<b>-9,635.64</b>	<b>-</b>	<b>-</b>	<b>-9,635.64</b>
<b>Indebtedness at the end of the financial year(As on 31.03.2017)</b>				
i) Principal Amount	10,834.80	-	-	10,834.80
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	21.48	-	-	21.48
<b>Total (i+ii+iii)</b>	<b>10,856.27</b>	<b>-</b>	<b>-</b>	<b>10,856.27</b>

# ANNEXURE 'F' TO THE BOARD'S REPORT

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the Managing Director - Mr. Saugata Gupta
		(₹ In Lacs)
1	<b>Gross salary</b>	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax, 1961.	867.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	15.96
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-
2	Stock option\$	772.18
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
5	Others, Please specify*	-
	<b>Total (A)</b>	<b>1655.14</b>
	<b>Ceiling as per the Act**</b>	

\$ Perquisite value of Stock Options exercised during the financial year 2016-17 under the Marico Employee Stock Option Scheme, 2014.

\* Company's contribution to Provident Fund amounting to ₹ 18,58,512 has not been included in the remuneration stated above.

\*\* Remuneration paid to the Managing Director is within the ceiling provided under Section 197 of the Companies Act, 2013.

### B. Remuneration to other directors:

(₹ in Lacs)

Sl.No	Particulars of Remuneration	Name of other Directors						Total
		Mr. Atul Choksey*	Mr. Anand Kripalu	Ms. Hema Ravichandar	Mr. Rajeev Bakshi	Mr. Nikhil Khattau	Mr. B. S. Nagesh	
1	<b>Independent Directors</b>							
	(a) Fee for attending Board / Committee Meetings	2.00	3.30	5.90	3.90	5.00	5.90	26.00
	(b) Commission	23.50	22.00	23.50	22.00	23.50	22.00	136.50
	(c) Others, please specify	-	-	-	-	-	-	-
	<b>Total (1)</b>	<b>25.50</b>	<b>25.30</b>	<b>29.40</b>	<b>25.90</b>	<b>28.50</b>	<b>27.90</b>	<b>162.50</b>
2	<b>Other Non Executive Directors</b>	<b>Mr. Harsh Mariwala</b>	<b>Mr. Rajen Mariwala</b>					
	(a) Fee for attending Board / Committee Meetings	2.20	4.50					6.70
	(b) Commission	550.00	22.00					572.00
	(c) Others, please specify	-	-					-
		552.20	26.50					578.70
	<b>Total B(1+2)</b>							<b>741.20</b>
	<b>Total Managerial Remuneration (Total A+B)</b>							<b>2,396.34</b>
	Overall Ceiling as per the Act	₹ 12,743.55 lacs (being 11% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)						

# ANNEXURE 'F' TO THE BOARD'S REPORT

## C. Remuneration To Key Managerial Personnel Other than Managing Director /Manager/Whole Time Director

Sl.No	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Vivek Karve - Chief Financial Officer	Mr. Surender Sharma - Head Legal - International Business & Company Secretary
		(₹ In Lacs)	(₹ In Lacs)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	242.47	115.56
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.32	0.32
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option*	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
5	Others, Please specify	-	-
	<b>Total</b>	<b>242.79</b>	<b>115.88</b>

\*Perquisite value of the equity stock options exercised during the year.

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

There were no penalties/punishment/compounding of offences for violation of the provisions of the Companies Act, 2013 against the Company or its Directors or other officers in default during the year.