



ANNUAL REPORT 2023
MARICO BANGLADESH LIMITED



MAKE A
DIFFERENCE

WELCOME TO MARICO BANGLADESH LIMITED

Marico Bangladesh Limited has been on a successful journey for the past 24 years and has become one of the leading consumer products company in Bangladesh. It is a blue-chip stock listed on the Dhaka and Chittagong stock exchanges since 2009. Marico Bangladesh is committed to making a difference to lives of all stakeholders through all we do. We touch lives of 1 out of 2 Bangladeshis with our wide array of brands.

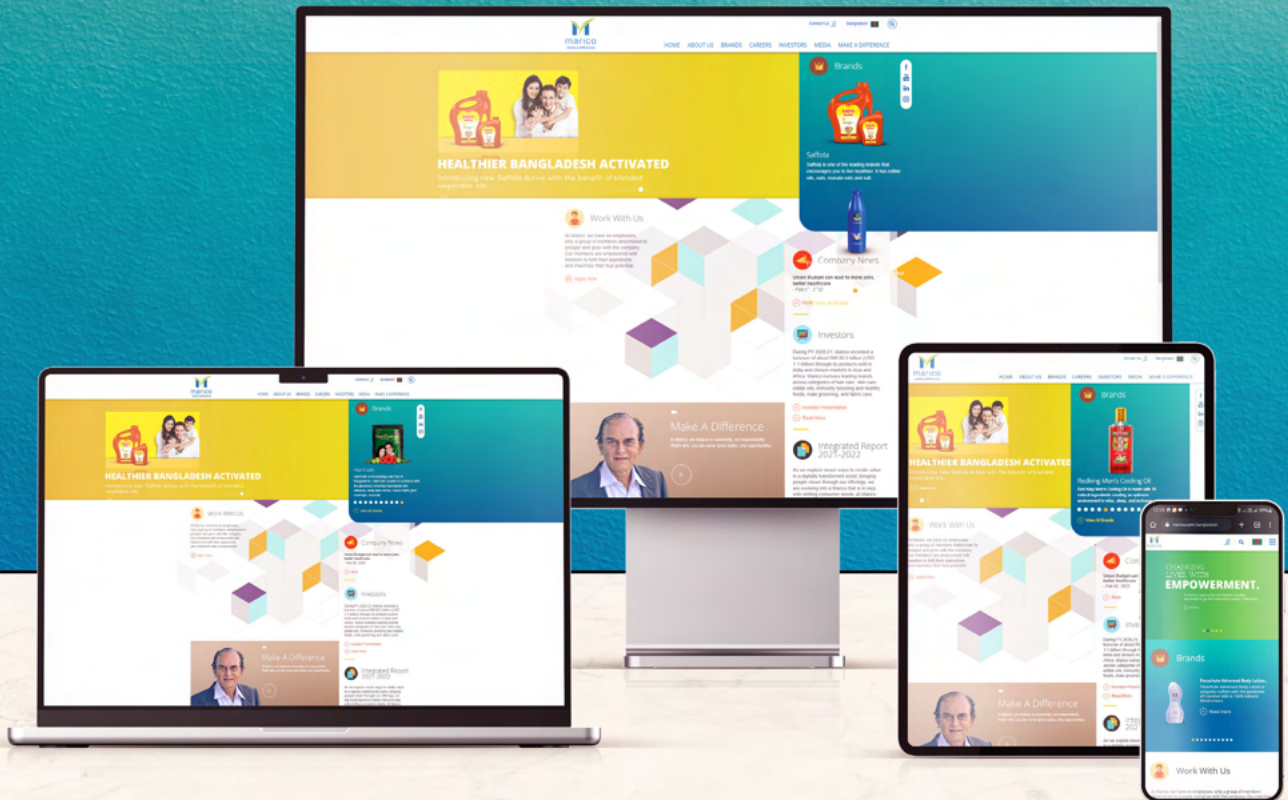
USEFUL LINK

Find more information online:
marico.com/bangladesh

[Explore our History](#)

[Download our Annual Report](#)

[Get to know our Brands](#)



MARICO'S GLOBAL FOOTPRINT





TABLE OF CONTENTS

ABOUT OUR REPORT

Welcome to Marico Bangladesh	
Marico's Global Footprint	
Growing Together	4
Welcome Note from our Chairman	5
About This Report	6
Corporate Information	8

WHO WE ARE

We are Marico	10
Go Beyond, Grow Beyond and Be The Impact!	12
Our Corporate Conduct	13
- Core values	13
- Statement of purpose	14
- Strategic framework	15
Our Brands	16
Our Journey	18
Key Business Highlights of the Year	20

PERFORMANCE REVIEW

Key Financial Highlights	23
Our 5-year Financial Highlights	25
Key Ratios	28
Stock Market Performance	29
Vertical Analysis of Income Statement	32
Vertical Analysis of Balance Sheet	32

AT THE HELM OF AFFAIRS

Profile of our Board of Directors	34
Board Representations of Directors	38
Profile of our Leadership Team	42
Awards and Accolades	46

LEADERSHIP MESSAGES

Chairman's Letter	50
From the Desk of the Managing Director	52

VALUE CREATION

Our Impact	55
Engaging with our Stakeholders	56
Managing Key Material Matters	59

OUR CAPITALS

Our Business Model	62
Our Financial Capital	64
Our Manufactured Capital	66
Our Human Capital	73
Our Intellectual Capital	79
Our Natural Capital	88
Our Social and Relationship capital	93

STATUTORY REPORTS

Directors' Report	98
Management Discussion and Analysis	106
Report of the Audit Committee	110
Report of the Nomination & Remuneration Committee	113
Statement of Corporate Governance	115
Due Diligence Certificate by MD & CFO	123
Corporate Governance Certificate	124
Statement of Compliance	125
Shareholding pattern	136
Dividend Pattern	137
Dividend Distribution Policy	138
Summary of Unclaimed Dividend	141
Marico Code of Conduct	142
BAPLC Certificate	145
Annual Report Checklist	146

SHAREHOLDERS' INFORMATION

23 rd AGM Notice	150
FAQ on Virtual AGM	152
General Shareholder Information	154
Proxy Form	155

AUDITORS' REPORT & FINANCIAL STATEMENTS

Auditors' Report	157
Statement of Financial Position	161
Statement of Comprehensive Income	162
Statement of Changes in Equity	163
Statement of Cash Flows	164
Notes to the Financial Statements	165

GROWING TOGETHER

Marico Bangladesh Limited (hereinafter “MBL”, “Marico Bangladesh Limited”) is guided by its purpose of making difference to the lives of all those we touch. Our members’ tenacity serves as the finest possible representation of the year under evaluation. Our members have been the driving force behind achieving benchmark performance, accelerating our social responsibility efforts, and executing excellence across our operations despite unique challenges, epitomising the phrase “Be the Impact!”.

Guided by our strategic framework and core values, together Mariconians faced another year of volatile external environment and delivered growth, continued with our social responsibility initiatives, and expanded our portfolio. While 2022-23 had its own unique challenges, it has made us a stronger and more resilient business, better prepared for fast-changing consumer demands and a rapidly evolving business environment. We have aimed to create an impact through our quality offerings, value chain, talent value proposition, governance practices and corporate citizenship initiatives.

This year strengthened our commitment to give back to the community, ensure sustainable business operations and social compliance practices. We take immense pride in our collective accomplishments. We have resolved to demonstrate that our purpose-led and impact-driven business delivers sustainable performance today and well into the future.



WELCOME NOTE FROM OUR CHAIRMAN



I extend a warm welcome to all our valued stakeholders to Marico Bangladesh's Annual Report for the financial year 2022-23.

Saugata Gupta
Chairman

In the year under review, the business showed tremendous resilience while contending with a challenging and volatile operating environment. The performance delivered is testament to the growing strength of our portfolio, distribution reach, people-centric culture and evolving capabilities.

As we chart our way forward, we will continue to prioritize our purpose of making a difference in the lives of all our stakeholders, while advancing on the progressive agenda of growing our people, franchises and the nation in tandem.

- Saugata Gupta, Chairman

ABOUT THIS REPORT



Report objectives

At Marico Bangladesh, we are committed to keep our shareholders and stakeholders informed about its business operations. Through our 2022-23 Annual Report, we aim to provide transparent and relevant information that will give insights into the health and robustness of our operations. We believe that this will help our shareholders to make informed assessments of Marico Bangladesh's value creation activities, business performance, and prospects.



Reporting Period

This report provides readers with material information and insights about our performance for the fiscal year from 1 April 2022 to 31 March 2023 (FY 2022-23). In terms of external factors, risks and opportunities, we take a longer-term view. This enables readers to effectively assess Marico's value creation abilities, sustainability, and prospects.

The investor relations section on the website contains the annual reports, supplemented by additional information on governance and shareholding. Please visit: <https://marico.com/bangladesh/investors>



The scope and boundary of this report

This report follows the Integrated Reporting framework of the International Integrated Reporting Council (IIRC). The objective is to provide a transparent and comprehensive overview of our business, culture, and financial performance. The report includes all aspects of our business operations in our reporting boundaries, both internal and external impacts, to identify trends, opportunities, and risks that could affect our value-creation abilities over time. It also covers our Company's purpose, strategic intent, business performance, social responsibility, and sustainability commitments, stakeholder interests and key risks facing the business.



Materiality

This report aims to disclose information about important matters that impact our ability to create value in the short, medium, and long-term. The key material matters we will be addressing in this report are expressed below:



Business model resilience in a rapidly changing consumer, business and macro environment



Good governance and regulatory complexity



Role of Marico in social responsibility and sustainability



Assurance

The Board has applied its collective mind to present Marico Bangladesh's Report and acknowledge its responsibility to ensure the integrity of this Report through good governance practices and internal reporting procedures. The financial disclosures and reports were approved by the Board on 27 April 2023.



Feedback and comments

We welcome your feedback on this annual report.
Please email us your views at secretarial.mbl@marico.com



Forward-looking statements

This Annual Report contains certain forward-looking statements with the use of words or phrases such as 'might', 'forecast', 'anticipate', 'project', 'may', 'believe', 'predict', 'expect', 'continue', 'will', 'estimate', 'target' and other similar expressions with respect to the financial conditions, results, operations and business of Marico Bangladesh Limited. These statements and forecasts involve risk and uncertainty because they relate to forecast information, such as improvements in business performance or mention certain decisions that we may undertake and occur in the future. These statements do not guarantee future operating, financial or other results due to future risks and uncertainties and thus it is important to note that this Annual Report 2022-23 shall not be construed as a profit forecast, nor shall the statements herein be interpreted as to be providing any guarantee that potential results mentioned in these forward-looking statements will be achieved.



Definition of Terms

Unless otherwise indicated or defined, the following terms, wherever appearing in this report shall have the following meanings:

- **"Act"** means the Company Act 1994
- **"Board"** means the Board of Directors
- **"BSEC"** means the Bangladesh Securities & Exchange Commission
- **"Code"** means the Corporate Governance Code issued by the Bangladesh Securities & Exchange Commission under Notification No. SEC/CMRRCD/2006-158/207/Admin/80, Dated: 3 June 2018
- **"CoC"** means Marico's Unified Code of Conduct
- **"Listing Regulations"** means the Dhaka Stock Exchange (Listing) Regulations 2015 and Chittagong Stock Exchange (Listing) Regulations 2015

CORPORATE INFORMATION

Board Of Directors

Mr. Saugata Gupta	Chairman
Ms. Parveen Mahmud	Independent Director
Mr. Zakir Ahmad Khan	Independent Director
Ms. Sheela R Rahman	Independent Director
Mr. Pawan Agrawal	Director
Mr. Ashish Goupal	Director
Mr. Rajat Diwaker	Managing Director

Management Team

Mr. Rajat Diwaker	Managing Director
Mr. Elias Ahmed*	Chief Financial Officer
Mr. Sabbir Al Harun	Director - Sales
Mr. Allen Ebenezer Eric	Director - Marketing
Mr. Md Saiful Alam	Director - Manufacturing
Mr. Zahedur Rahman	Director - Supply Chain
Mr. Shyamal Kishore	Director - Human Resources
Mr. Rashed Bin Ehsan	Director - Legal & Corporate Affairs

Company Secretary

Mr. Md. Sahabuddin FCS

Head of Internal Audit & Compliance

Mr. Sharif Shajib Ahammed

Statutory Auditor

A. Qasem & Co.

Legal Advisors

Dr. Kamal Hossain and Associates

Tanjib Alam & Associates

Mustafizur Rahman Khan and Associates

Principal Bankers

Standard Chartered Bank

HSBC

Citibank N.A

Stock Information

Dhaka Stock Exchange

Chittagong Stock Exchange

Stock Code: MARICO

ISIN: BD0481MRICO6

Sector: Pharmaceuticals & Chemicals

Investor Relations

Telephone: +8802222297139

Fax: +8802222297140

Email: secretarial.mbl@marico.com

Date of Incorporation

September 6, 1999

Our Factories

Factory 1:

Mouchak, Kaliakoir, Gazipur

Factory 2:

Shirichala, Mahona Bhabanipur, Gazipur

Registered Office

House-1, Road-1, Sector-1, Uttara, Dhaka-1230

Corporate Office

The Glass House, Level-06, Plot.02,

Block. SE (B), Gulshan Avenue, Dhaka-1212.

Telephone: +8802222297139

Fax: +8802222297140

Website

www.marico.com/bangladesh

* Mr. Elias Ahmed FCMA resigned on 15th March, 2023 from the post of CFO and Mr. Shafiq Musharraf FCA joined as CFO on 13th June, 2023.

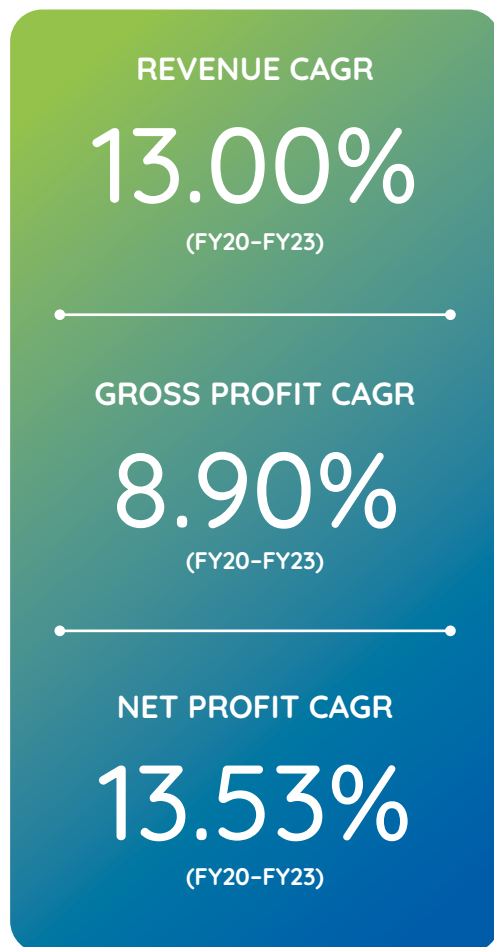
WHO WE ARE



WE ARE MARICO

As one of Bangladesh's fastest growing consumer goods companies, we are driven by our purpose of Making A Difference in the lives of all those we touch.

Marico Bangladesh is amongst the top-3 and one of the fastest-growing FMCG (fast-moving consumer goods) companies in Bangladesh with a vibrant multi-product brand portfolio across haircare, skincare, baby care, male grooming, hygiene and food categories. The Company's flagship brand Parachute is a beloved household name in Bangladesh with leadership in the coconut oil category and also commands leadership in value-added hair oil category with its Parachute Advanced range of hair oils. Marico Bangladesh, established in the year 1999, is a subsidiary of Marico Limited, an emerging markets FMCG multinational with presence in 26 countries across Asia and Africa. As proud ambassadors of Made in Bangladesh, 99% of our portfolio is manufactured in Bangladesh, while we also export to Nepal, Middle-East, India and Egypt.



Marico Bangladesh is truly a Bangladeshi Business



1 out of 2

Bangladeshis use our products every day



89.7%

Household reach of our brands



99%

Products manufactured in Bangladesh



1.4 mln

Retail outlets in our distribution chain (approx.)

With a vibrant brand portfolio

43

Brands in the personal grooming and foods categories

150

Product SKUs which open up wide choice for our consumers

Leadership

In both the coconut oil and value-added hair oil categories

Trusted

Flagship brand Parachute Advanced "No 1 Best Most Loved Hair Oil Brand" for 13 years in Bangladesh continuously, as declared by Bangladesh Brand Forum

And a winning team

150

Years of collective FMCG experience of our Leadership Team

355

Employees, out of which 99% are Bangladeshi nationals

3,200*

Indirect employment creation through our operations

19%

Women in our factory workforce

That embraces a humane approach to business

25

Upazilas in Bangladesh reached with our flagship CSR program-SWAPNO

456cr

Exchequer contribution in FY 2022-23 (Tk, in the form of duties, taxes, etc.)

* Including employees of distributors, outsourced workers and contract manufacturers

GO BEYOND, GROW BEYOND AND BE THE IMPACT!

With our 'One Marico' spirit and 'People First' approach

We're witnessing rapidly changing times, new consumer preferences, new ways of work and new talent aspirations. As an organization focused on rapid growth and creating shared value, carving and retaining our position as an 'employer of choice' means attracting, retaining and developing talent in line with the changing talent aspirations.

Go Beyond, Grow Beyond, Be The Impact - our TVP centres around nurturing the growth of our members, by fostering a diverse, empowering and transparent work environment. This defining statement encompasses what Marico stands for, what it offers, and what it admires.

Our TVP outlines the ambition for the Marico of tomorrow as well as the desire to make a difference by creating a lasting impact.

Go Beyond: This pillar believes in encouraging members to take calculated risks and aims to motivate members to look beyond the bend by unleashing their curiosity and inculcating a restless drive to grow and disrupt.

Grow Beyond: Grow Beyond as a pillar strives to establish a trust-based and transparent work environment where everybody is inspired to embrace diversity and differences. It aims to encourage collaboration by breaking silos to unlock opportunities for inclusive growth.

Be the Impact: This pillar encourages members to take actions that are large enough to make an impact and close enough to care, thereby empowering them to drive positive change in the greater society. The company will aid the individual growth of members and help cultivate their passion and purpose to "Make a Difference" by enabling them to touch the lives of people every day.



OUR CORPORATE CONDUCT

Our values drive value: Guided by our values, we are able to fulfill our purpose, unleash our potential and grow together

Core values

Our values drive value

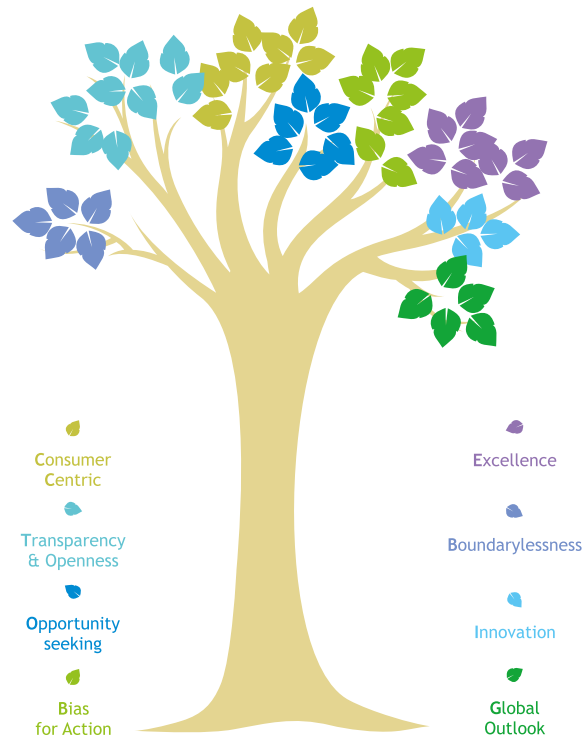
Guided by our values, we are able to fulfill our purpose, unleash our potential and grow together

THINK
CONSUMER
 Consumer-Centric

TO
 Transparency & Openness | Opportunity-seeking

BE
 Bias for Action | Excellence

BIG
 Boundarylessness | Innovation | Global Outlook



Consumer-centric

Keeping focus on the consumer as a partner in creating and delivering solutions.



Transparency and openness

Allowing diversity of opinion by listening without bias and by exchanging critique with mutual respect and trust for each other.



Opportunity-seeking

Identifying early opportunity signals in the marketplace to generate growth options.



Bias for action

Preference for quick and thoughtful action, as opposed to delayed action through unnecessary analysis.



Excellence

Continuous improvement of performance standards and capability-building for sustained long-term success.



Boundarylessness

Seeking support and influencing others beyond the function and organisation to achieve better outcomes/decisions without diluting accountability.



Innovation

Experimenting and embracing calculated risk-taking to increase success probability of radical/pioneering ideas to achieve quantum results.



Global outlook

Sensitivity and adaptability to cultural diversity and learning from different cultures.

Our Statement Of Purpose

Making a difference in the lives of all those we touch



At Marico, we aim to transform in a sustainable manner the lives of all those we touch by nurturing and empowering them to maximise their true potential. The power of business is in its purpose, not its profits. At Marico we are guided by the responsibility of defining, creating and distributing value for all our stakeholders-shareholders, consumers, members and business partners. Our sustainable growth story rests on an empowering work culture that encourages our members to take complete ownership. As a multi-stakeholder enterprise focused on nurturing shared value, our purpose is embedded in our culture, which governs our business conduct, reflecting our sense of duty and responsibility, as well as our commitment in contributing towards the well-being of everyone who is associated with us.

Our Strategic Framework

Leveraging our strategic competencies for empowering and enriching our stakeholders.

Our strategic play is guided by four broad macro-economic parameters



Expansion in
disposable income



Favourable
demographics



Competitive intensity
from established players
as well as emerging
start-ups/disruptors



High proportion of
traditional retail

Considering the above, our strategic priority reflects our focus on growing our core categories, while simultaneously diversifying our portfolio.

Remaining purpose-driven and future-ready, investing for ensuring sustainable and competitive growth, and fostering a winning culture and winning talent pool have been integral components of our strategic framework, enabling us to create our valuable niche in a highly competitive market environment.

Our strategic pillars



Consumer-led
Innovations



Talent &
Culture



Capability



Purpose

OUR BRANDS

CATEGORY	POWER BRANDS	
Branded Coconut Oil (BCNO) Value Added Hair Oil (VAHO)	Parachute Coconut Oil	
	Parachute Advanced Beliphool	
	Parachute Advanced Extra Care	
	Parachute Advanced Aloe Vera Enriched Coconut Hair Oil	
	Parachute Advanced Onion Enriched Coconut Hair Oil	
	Nihar Naturals Shanti Badam Amla	
	Nihar Naturals Joba Amla	
	Nihar Naturals 5 Seeds	
	Nihar Lovely Arabian Perfumed Oil	
	RED King Men's Cooling Oil	
	Parachute Advanced	
	Hair Color	Hair Code Egypt Herbal Powder Hair Color
		Hair Code Egypt Mehedi Creme Color
Hair Code Egypt Shampoo Hair Color		
Hair Serum	Livon Hair Serum	
	Male Grooming	Studio X Hair Gel
Studio X Face Wash		
Studio X Men's Shampoo		
Studio X Soap		
Studio X Power Brightening cream		
Beardo Beard & Hair Growth Oil		
Beardo Beard Color Black		
Beardo GodFather Beard Oil		
Beardo Face Wash		
Beardo Body Spray		
Beardo GodFather Perfume		
Beardo Hair Growth Vitalizer Shampoo		
Beardo Ice Blast Hair Cream		
Beardo Strong Hold Hair Spray		
Beardo Beard & Mustache Ex Strong Wax		
Beardo Strong Hold Clay Wax		
Beardo Xtra Strong Hold Hair Wax		
Beardo Ultra Glow Face Cream		



CATEGORY	POWER BRANDS
Skin Care	Parachute SkinPure Body Lotion
	Parachute SkinPure Petroleum Jelly
	Parachute SkinPure Aloe Vera Gel
	Parachute SkinePure Beauty Olive Oil
	Parachute SkinPure Brightening Facewash
	Glo-On Pink Glow Cream
Baby Care	Parachute Just for Baby Oil
	Parachute Just for Baby Lotion
	Parachute Just for Baby Wash
	Parachute Just for Baby Soap
	Parachute Just for Baby Baby Powder
	Parachute Just for Baby Toothpaste
	Parachute Just for Baby Rash Cream
	Parachute Just for Baby Face Cream
Hygiene	Mediker SafeLife Soap
	Mediker SafeLife Hand Wash
Edible Oil & foods	Saffola Active+ Rice Bran Oil
	Saffola Active+ Honey
Hair Cleaning	Parachute Naturale Shampoo
	Parachute Naturale Conditioner



OUR JOURNEY



2003 :

Launch of Parachute Beliphool and entry into Value Added Hair Oils Category

2002 :

Innauguration of 1st Manufacturing plant

1999 :

Incorporated in Bangladesh, 1st International subsidiary within Marico group

2008 :

Transition to own distribution from National Distributors

2008 :

MBL sets up own Head Office at Uttara

2007 :

MBL sets up first factory in Mouchak, Gazipur

2013 :

Launch of SET WET Deos & Saffola Active and entry into Male Grooming & Edible Oils Category

2012 :

MBL sets up 2nd Factory in Shirirchala

2009 :

MBL gets Listed in Dhaka & Chittagong Stock Exchanges

2016 :

MBL wins ICSB Silver Award for Excellence in Corporate Governance

2015 :

MBL wins "Certificate of Merit" in the ICMAB Best Corporate Award 2014

2014 :

CSR Partnership with Dhaka Ahsania Mission to provide free education

1999
to 2003

2004
to 2008

2009
to 2013

2014
to 2016

2019 :

Marico launched Parachute SkinPure Range

2019 :

Parachute Advanced awarded as "MOST CONSISTENT BRAND OF THE DECADE"

2019 :

Marico launched Parachute Just For Baby range

2018 :

Parachute Advanced awarded as SUPERBRAND

2018 :

Marico awarded Best Presented Annual Report

2018 :

CSR Partnership with UNDP and GoB in SWAPNO for ultra-poor women

2021 : Marico recognized as TOP CSR Contributor 2020 by Social Responsibility Asia

2021 : Marico won Bronze at the ICSB Corporate Governance Excellence Awards

2021 : Marico won Silver at the ICMAB Best Corporate Award

2020 : Marico launched Saffola Honey

2020 : Marico launched Parachute Naturale Shampoo range

2020 : Marico launched Mediker SafeLife Hygiene range

2020 : Marico launched Studio X range of men's products

2023 :

Marico Launched Glo On Pink Glow Cream

2023 :

Marico Launched Beardo, First E-com exclusive brand

2023 :

Marico wins Daily Star "A Better Tomorrow" CSR Award for its SWAPNO partnership with UNDP

2022 :

Marico Launched Parachute SkinPure range of facewashes

2022 :

Parachute Advanced awarded as MOST LOVED HAIR OIL BRAND by Bangladesh Brand Forum

2022 :

Marico wins Corporate Governance Awards from ICSB, ICAB and ICMAB

2021 :

Marico commences investment of Tk. 227 cr in Mirsarai Economic Zone

2017
to 2019

2019
to 2021

2021
to 2023

KEY BUSINESS HIGHLIGHTS OF THE YEAR

Marico Bangladesh continued to accelerate consumer-centric product launches, signature employee engagement and employer branding initiatives and got recognized for our corporate governance and CSR practices.

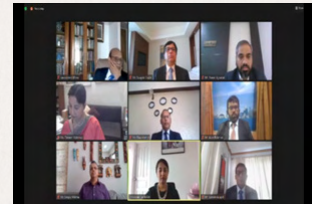
JULY 2022



Launch of Parachute Advanced Onion Enriched Coconut Hair Oil, first ever hair growth oil in Bangladesh.



Launched Glo On Pink Glow Cream, American Skin Technology, Glow Booster, Pep Complex and 4 powerful vitamins.



Marico held its 22nd virtual AGM which was also live-streamed on its website enabling valuable shareholder connect with the Board and management.

DECEMBER 2022



Launched Parachute Naturale Onion Advanced Hair Fall Control Shampoo, the latest addition to the Parachute Naturale Shampoo portfolio.



Marico received the Gold Award for "Best Corporate" under the multinational manufacturing category from Institute of Cost and Management Accountants of Bangladesh (ICMAB)



Marico won Gold Award for "Corporate Governance Excellence" by the Institute of Chartered Secretaries of Bangladesh (ICSB)



Marico Received the Certificate of Merit for "Best Presented Annual Report" by the Institute of Chartered Accountants of Bangladesh (ICAB).

AUGUST 2022



Marico launched “Over the Wall” Program in Bangladesh. Largest entrepreneurship and product innovation campus competition in Bangladesh.

NOVEMBER 2022



Launched HairCode Egypt™ Shampoo Hair Color



A Better Tomorrow™ CSR Award
Marico received the “Best CSR Award” at “A Better Tomorrow CSR Award 2022” for innovative efforts to promote financial inclusion through ‘SWAPNO’ program on November 2022

JANUARY 2023



Launch of Beardo, First E-com exclusive brand



2nd Batch of IGNITE Campus Ambassadors

FEBRUARY 2023



Trailblazer Sales Leadership Program



YourDOST Emotional Wellness Platform launch for MBL members

PERFORMANCE REVIEW



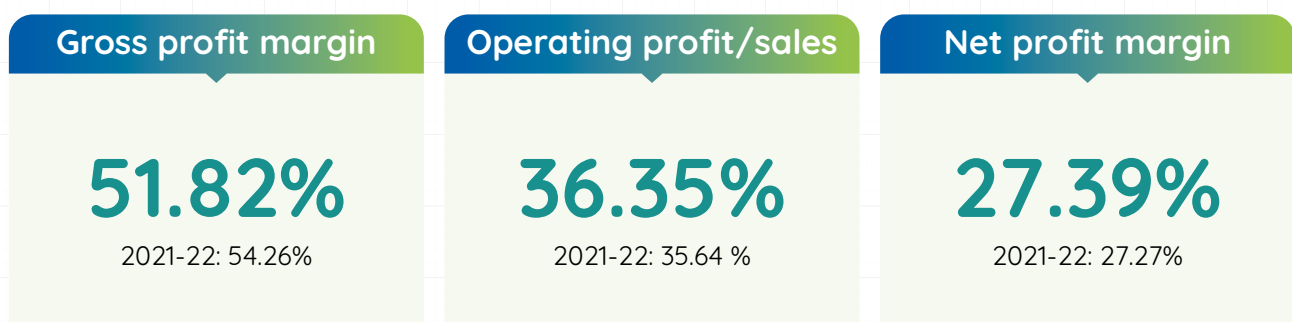
KEY FINANCIAL HIGHLIGHTS

Marico Bangladesh demonstrated resilient financial performance during the year, with revenue growth enabled by extended sales coverage, supply-chain efficiencies, and consumer-centric offerings.

Profit and loss statement - absolutes



Profit and loss statement - derivatives



Shareholder value creation

Dividend per share

Tk. 75

2021-22: Tk.80
* Announced

Dividend payout

750%

2021-22: 800%

NAV/share

Tk.113.85

2021-22: Tk.85.37

Market cap (DSE)

Tk.7627 cr

2021-22: Tk.7419 cr

Balance sheet

ROCE

137%

2021-22: 160%

Debt-equity

2.24

2021-22: 1.62

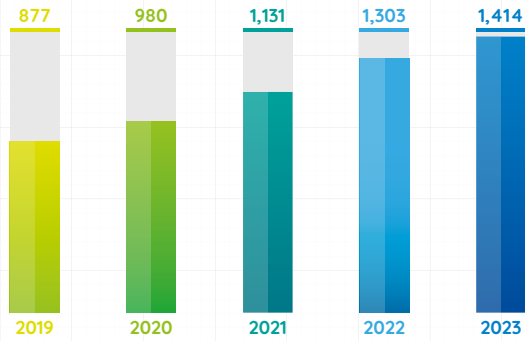
Liquid balances

Tk.222.88 cr

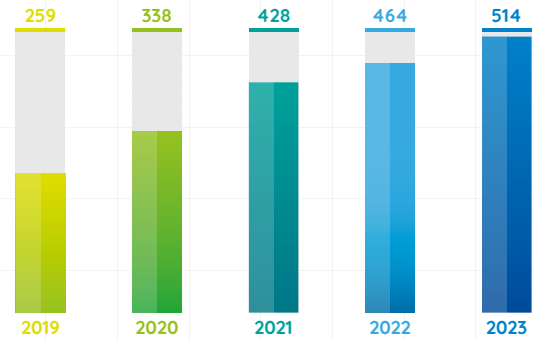
2021-22: Tk.50.52 cr

OUR 5-YEAR FINANCIAL HIGHLIGHTS

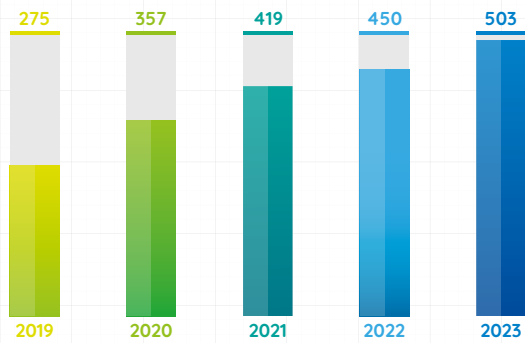
Turnover (BDT Crores)



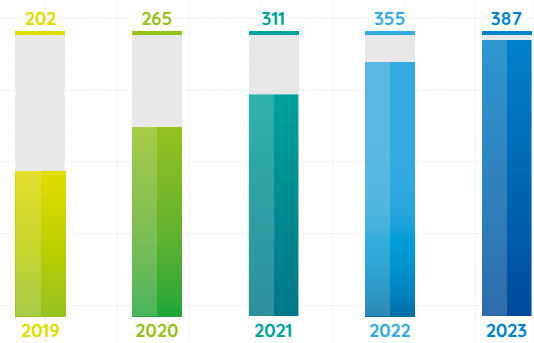
Profit from Operations (BDT Crores)



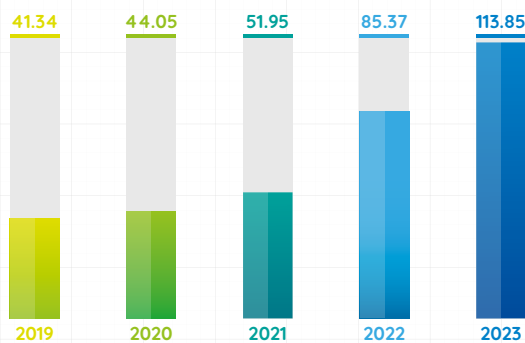
PBT (BDT Crores)



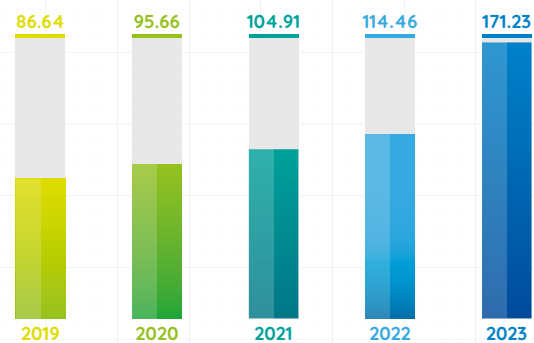
PAT (BDT Crores)



NAV per share (BDT)

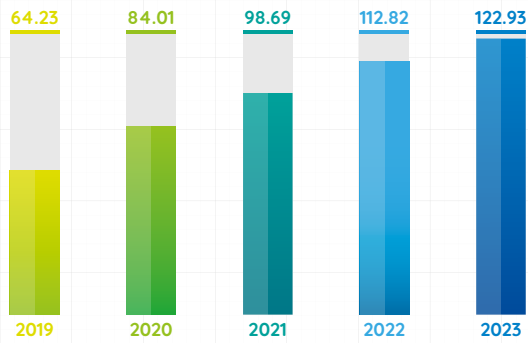


NOCF per share (BDT)

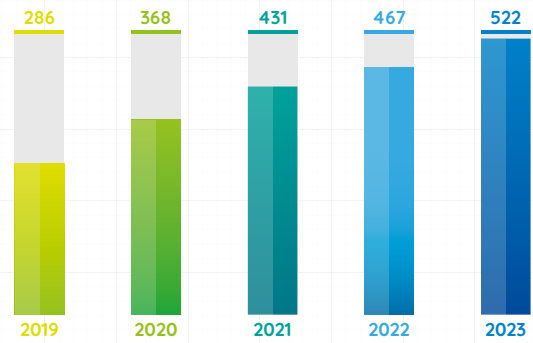


OUR 5-YEAR FINANCIAL HIGHLIGHTS

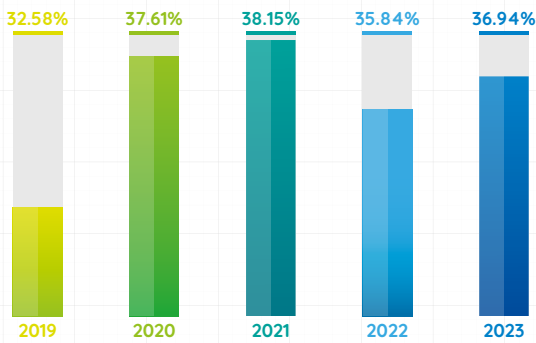
EPS (BDT)



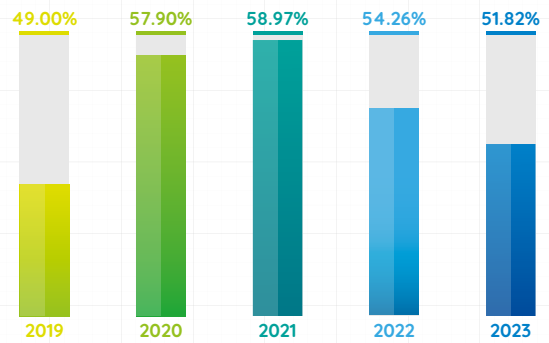
EBITDA (BDT Crores)



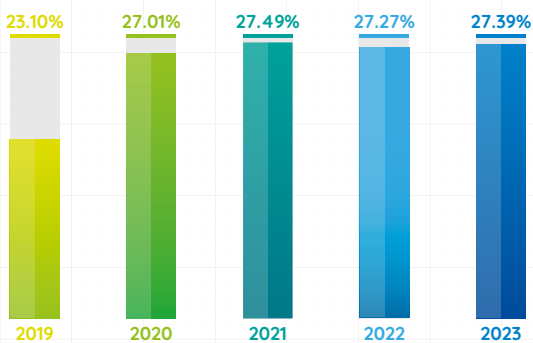
EBITDA Margin (%)



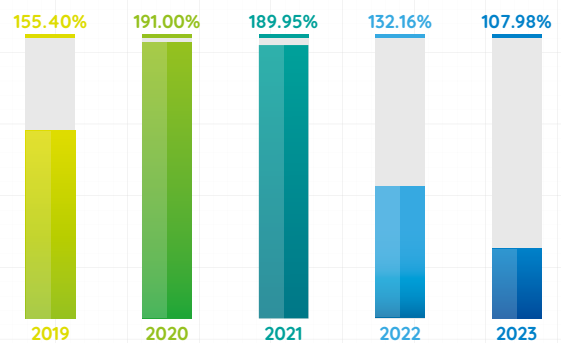
Gross Margin (%)



Net Margin (%)

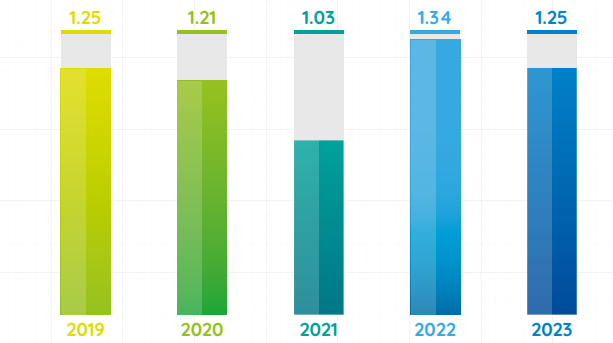


Return on Equity (ROE)

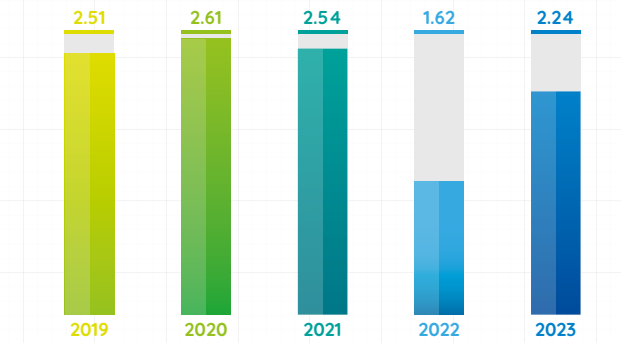


OUR 5-YEAR FINANCIAL HIGHLIGHTS

Current Ratio

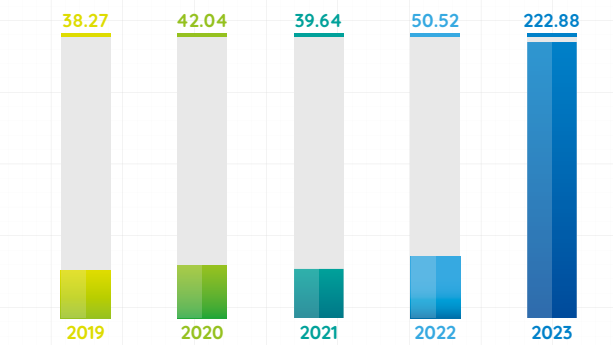


Debt Equity Ratio



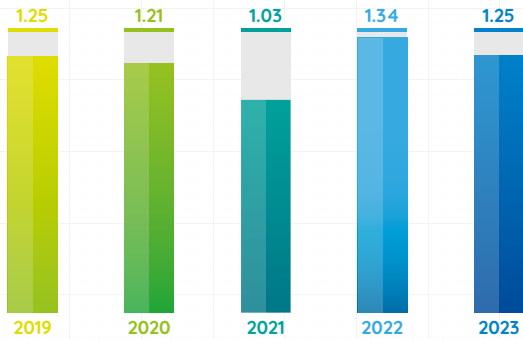
Cash & Cash Equivalent

(BDT Crores)

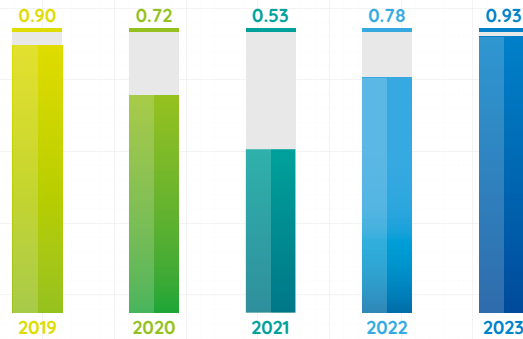


KEY RATIOS

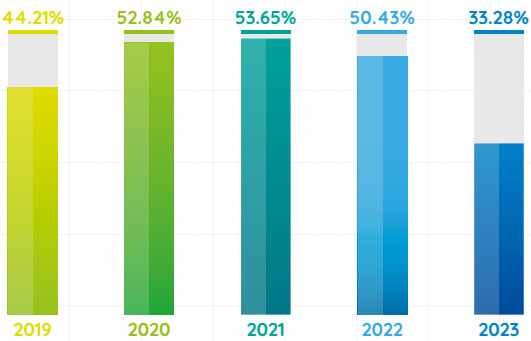
Current ratio



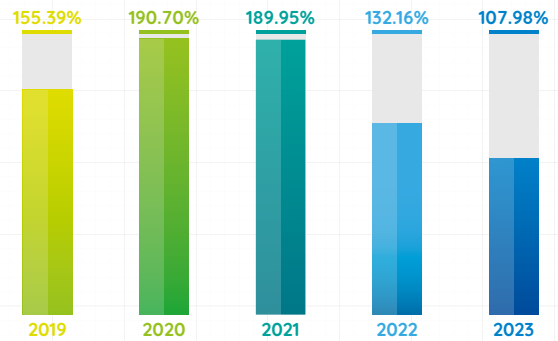
Quick Ratio



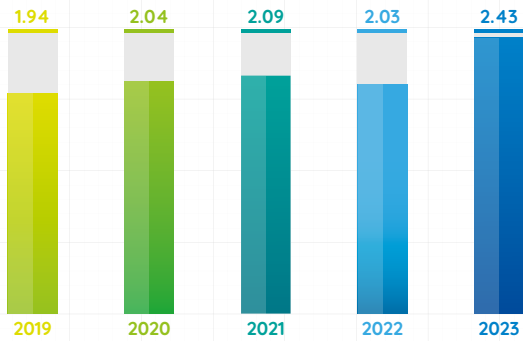
Return on Assets



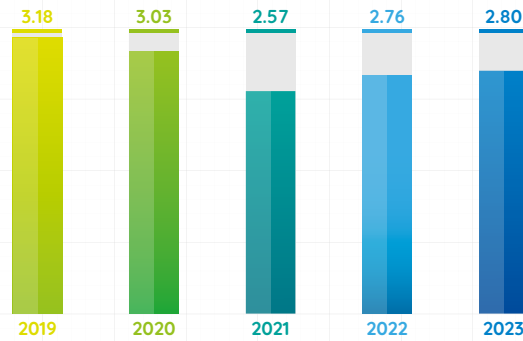
Return on Equity



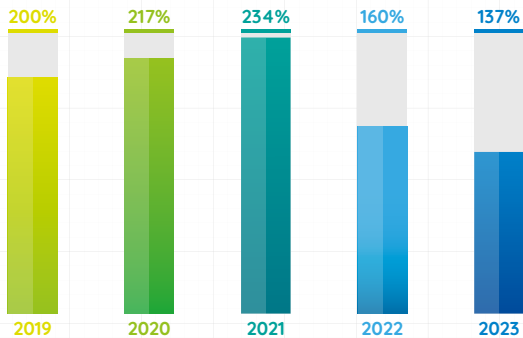
Asset Turnover Ratio (Times)



Inventory Turnover Ratio



Return on Capital Employed

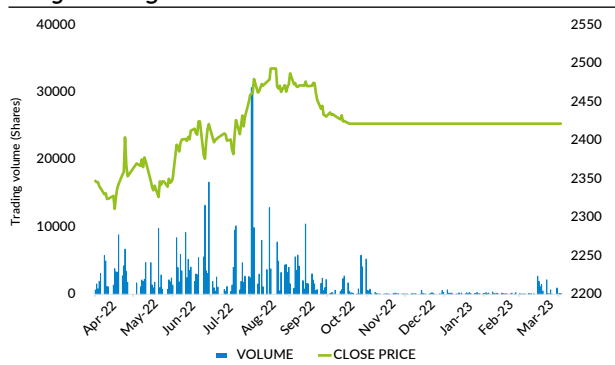


STOCK PERFORMANCE

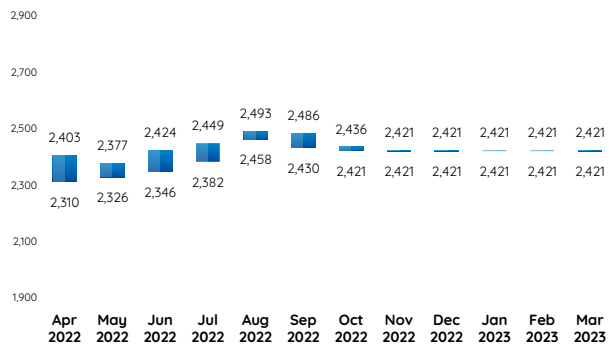
Marico's Scrip performance

Our share held stable throughout the full year of FY 2022-23. MBL share price witnessed high growth in August 2022. This reflects the market's confidence in our brands, our growing performance in the consumer goods industry and our governance. Total dividend payout in FY'23 was 750%.

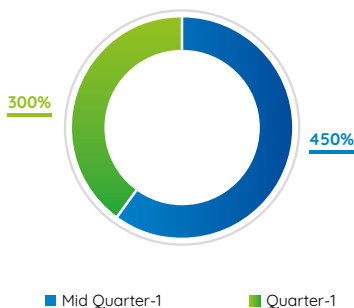
Daily Trading Volume



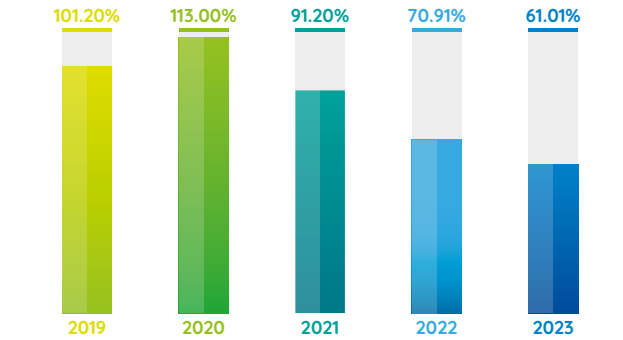
High Low Share Prices per month (BDT)



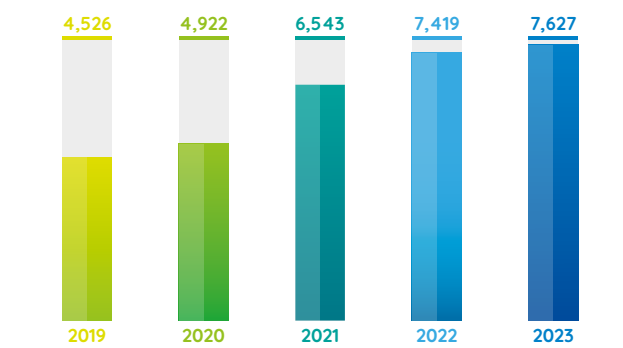
Cash Dividend for the year 2023



Dividend payout ratio (%)



Market Capitalization at Year-End (BDT Crores)



MBL Share: Brief Overview

Number of Shares Outstanding	31,500,000
Free Float	10%
Initial Public Offering	August 9, 2009
Stock Exchange	Dhaka Stock Exchange Chittagong Stock Exchange
Stock Symbol	MARICO

Dividend Disbursements

Our Board of Directors declared total cash dividend amounting 750% for the FY 2022-2023.

Share Ratios

Details		FY18	FY19	FY20	FY21	FY22	FY23
Basic Earnings per Share	BDT	52.15	64.23	84.01	98.69	112.82	122.93
Cash Generated from Operating Activities per Share	BDT	48.92	86.64	95.66	104.91	114.46	171.23
Year-End Price	BDT	1,214	1,437	1,563	2,077	2,355	2,422
Year High	BDT	1,250	1,699	1,842	2,472	2,495	2,585
Year Low	BDT	991	1,095	1,373	1,563	2,030	2,366
Dividend per Share	BDT	60	65	95	90	80	75
Dividend Payout Ratio	%	115.06	101.19	113.09	91.2	70.91	61.01
Dividend Yield	%	4.94	4.52	6.08	4.33	3.40	3.10
Shareholders' Equity per Share	BDT	47.38	41.34	44.05	51.95	85.37	113.85
Price-Earnings Ratio at Year-End	BDT	23.28	22.37	18.60	21.05	20.88	19.70
Average Trading Volume per Trading Day	Shares	2,281.00	3,672.00	4,622.00	7,705.85	6,912.71	2,047.50
Year-End Market Capitalization	BDT (crores)	3,824.10	4,526.55	4,921.88	6,542.55	7,418.88	7,627.73

Shareholding Structure

(as on March 31, 2023)



90%

Marico Limited



1.90%

Foreign Institutional Investors



6.66%

Domestic Institutional Investors



1.44%

Public Investors

*Based on the list of shareholders obtained from the Central Depository Bangladesh Limited (CDBL) as on March 31, 2023.

Marico Limited, parent company of Marico Bangladesh Limited, owns 90% of our shares while the rest 10% are owned by public and institutional investors. For greater transparency, the distribution of the latter 10% is shown as per the above illustration.

Other Shareholder Disclosures

Investor Relations

The Company has an effective investor relations process with the philosophy of providing transparent, timely information and responses to our valued shareholders. The Company also interacts with the investment

community through periodic calls, individual meetings and ensures necessary information about the Company is available to all the investors by regularly updating the 'Investor Relations' section of its website. The Company has framed its Dividend Policy to ensure smoother dividend disbursement and efficient handling of dividend related queries from shareholders. Moreover in order to obtain regular updates and query about the latest developments about the Company's business and shares, our shareholders and investor community can send an email to secretarial.mbl@marico.com or call the corporate office of the Company at +880222297139.

Redressal of Investor Complaint

Our Investor Relations team places high priority towards investor queries and complaints. We take every step possible to promote transparency and resolve issues of our investors in an expedient manner. General queries of shareholders are related to receipt of dividends. Our Redressal Mechanism is as follows:



Investors are encouraged to address their queries via e-mail: **secretarial.mbl@marico.com**"

Shareholders can also contact the Company's Secretarial Department in person at the Corporate Office of the Company or over phone at – **+880222297139**.



Investor Relations team acknowledges the complaint and contacts the investors to confirm their identity:

- Shareholders BOID
 - Shareholders Name
 - Shareholders Bank Details
-



Investor Relations Team after verifying the Shareholder details, addresses their queries and provides necessary information.

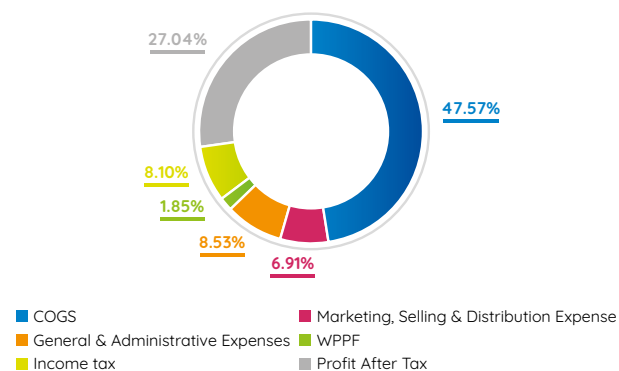


Investors can also register their complaints and queries through an application addressed to the Company Secretary.

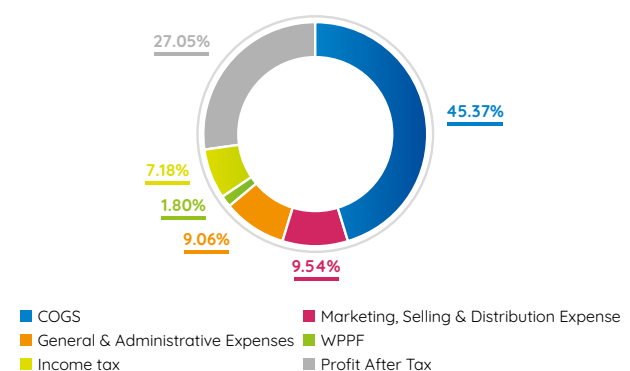
VERTICAL ANALYSIS OF INCOME STATEMENT

Details	FY'23	FY'22
Sales Revenue	98.72%	99.19%
Net Finance Income & Other Income	1.28%	0.81%
	100%	100%
COGS	47.57%	45.37%
Marketing, Selling & Distribution Expense	6.91%	9.54%
General & Administrative Expenses	8.53%	9.06%
WPPF	1.85%	1.80%
Income tax	8.10%	7.18%
Profit After Tax	27.04%	27.05%
Total	100.00%	100.00%

Vertical Analysis of Income Statement 2023



Vertical Analysis of Income Statement 2022



Details	FY'23	FY'22
Non-Current Assets	14%	20%
Current Assets	86%	80%
Total Assets	100%	100%
Total Equity	31%	38%
Non-Current Liabilities	1%	2%
Current Liabilities	69%	60%
Total	100%	100%

AT THE HELM OF AFFAIRS



PROFILE OF OUR BOARD OF DIRECTORS



SAUGATA GUPTA
Chairman of the Board

Mr. Saugata Gupta is the Chairman of Marico Bangladesh Limited, a role he has assumed since 2013. Mr. Gupta also serves as the Managing Director & Chief Executive Officer of Marico Limited. He joined Marico in 2004 as the Head of Marketing and was elevated to CEO of India Business in 2007. In 2014, he took over as Managing Director of the company.

A dynamic leader, he is responsible for driving Marico's growth and strengthening its presence both nationally and internationally. He has helped transform Marico into a high performing business with a commitment to sustainable development and best in class governance.

Known for his performance-oriented approach, Mr. Gupta drives Marico to be a future-ready organization committed to consistent, profitable and sustainable growth combined with societal value creation.

Under his leadership, Marico has been recognised across various forums for its commitment to sustainability and accountability in business operations. Marico has ranked highest amongst FMCG companies in the CRISIL ESG performance score for two consecutive years in 2021 and 2022 and is the only FMCG company to be recognized in the 'Leadership' category. Marico has also been featured in the 'Leadership' category on the IFC-BSE-IAS Indian Corporate Governance Scorecard as assessed by IAS for three consecutive years. Marico was awarded the Economic Times Corporate Citizen of the year 2022 in recognition of its unwavering commitment towards adopting highest ESG standards and its MSCI rating also moved up to AA. Marico is amongst India's 5 Best Workplaces in FMCG as per Great Place to Work® Institute (India) and one of the 25 Most Desirable Companies To Work for across sectors, as per the Dare2Compete.

Mr. Saugata Gupta was ranked #4 and #47 in the FMCG sector and Pan-India respectively in the Business Today-PWC list of India's Top 100 CEOs in 2017 and was ranked as 'India's Most Valuable CEOs' by Businessworld in 2016 and 2018. He has been recognised as the Best CEO - Private Sector at Forbes India Leadership Awards 2019. He was also featured in the top 100 Business Leaders List 2020 by Impact Digital Power 100 and in 2021. He was recognized as one of India's best leaders in the times of crisis 2021 by Great Places to Work. Recently, Mr. Saugata Gupta has been awarded the Distinguished Alumni Award 2022 by Indian Institute of Management, Bangalore.

Mr. Saugata Gupta is an alumnus of IIM Bangalore and holds a chemical engineering degree from IIT Kharagpur.



PARVEEN MAHMUD
Independent Director

Ms. Parveen Mahmud FCA was appointed to the Board on 31 August 2020. Ms. Mahmud serves on various Boards, including the Chairperson of RDRS Bangladesh. She serves as independent director on the board of Berger Paints Bangladesh Ltd., Apex Footwear Ltd. She serves on the board of BRAC International, PKSf, Ghashful, MJF, etc. She was the Chairperson, Acid Survivors' Foundation, UCEP Bangladesh, MIDAS (Micro Industries Development Assistance and Services) and Shasha Denims Ltd. In her diversified professional career, Ms. Mahmud worked in the development sector and was a practicing Chartered Accountant. Ms. Mahmud started her career with Brac, and was the founding Managing Director, Grameen Telecom Trust and Deputy Managing Director of Palli Karma-Sahayak Foundation (PKSF). She was a partner of ACNABIN, Chartered Accountants. She served three terms to the Council of the Institute of Chartered Accountants of Bangladesh (ICAB). She was the first female President of ICAB for the year 2011 and also the first female Board member of the South Asian Federation of Accountants (SAFA), the apex accounting professional body of the SAARC. She was the founding Chairperson, CA Female Forum, ICAB. She was the member of National Advisory Panel for SME Development of Bangladesh and founding Board member of SME Foundation and Convener, SME Women's Forum.

Parveen Mahmud has received The 'Top 50' Global Professional and Career Women Awards 2023 - Sri Lanka and Maldives in the category "Leadership in Finance and Accounting". She is the recipient of Chittagong Digest award 2020 for Social Changemaker, Ananyanna Top Ten Women- 2018 Award in 2019 for social development, Joya Alokita Nari- 2018 Award from RTV for entrepreneurship and women's empowerment, "Women at Work -2017" Award from Association of Software and Information Services (BASIS) and "Women of Inspiration Awards"-2017 from the Bangladesh Organisation for Learning & Development (BOLD). She received the Begum Rokeya Shining Personality Award 2006 from Narikantha Foundation for women's empowerment.



ZAKIR AHMAD KHAN
Independent Director

Mr. Zakir Ahmed Khan is a celebrated bureaucrat with an illustrious career as former Finance Secretary to the Government of Bangladesh. Mr Zakir Ahmed Khan did his MA in Economics from the University of Dhaka and MBA from Vrije University, Brussels, Belgium. He also studied Development Economics and Development Administration at the Colorado State University as a Hubert Humphrey Fellow. Before joining the Pakistan Audit and Accounts Service in 1970 he served briefly as a Research Associate in the Bureau of Economic Research and as a Lecturer in

Economics, University of Dhaka. He also served as a part time Lecturer in the Department of Finance, University of Dhaka.

Mr. Khan served as Finance Secretary and Secretary, Internal Resources Division and Chairman, National Board of Revenue for about five years. During his 46 years of public service he held various senior level positions in the Bangladesh Audit and Accounts Department, Ministries of Establishment, Finance, Commerce and Cabinet Division. He also worked as a senior national consultant in the public sector financial reform programme of the Government of Bangladesh and as an External Auditor to the United Nations, United Nations Development Programme, United Nations Fund for Population Activities, United Nations Industrial Development Organisation and United Nations Economic Commission for Latin America. Prior to his retirement in early 2009 he served as Alternate Executive Director, World Bank representing Bangladesh, Bhutan, India and Sri Lanka. Mr. Khan is currently advisor to Southeast Bank Limited. He also serves on the Boards of National Life Insurance Company Limited, M.I Cement Factory Limited and Bay Leasing & Investment Limited.



SHEELA R RAHMAN
Independent Director

Ms. Sheela R Rahman is a qualified legal practitioner in Bangladesh, and has work experience in legal practice and as in-house legal counsel. She is the Director Legal & Compliance in BRAC, a large civil society organisation in Bangladesh. She has worked as a consultant with International Finance Corporation (IFC) for corporate governance advisory services, on corporate governance in South Asia. She was in-house legal counsel for a project finance company and a foreign bank, and lead a law office, Maxima.Legal. Co-authored a comparison of corporate governance laws in South Asia and a code of corporate governance published by the Bangladesh Enterprise Institute.



PAWAN AGRAWAL
Nominee Director

Mr. Pawan Agrawal is a Chartered Accountant (2000), and a B.Com (Hons) Graduate (1999) from St. Xavier's college, Calcutta. He has more than 2 decades of leadership experience across various finance verticals like Financial Planning & Analysis, Corporate Finance, Treasury, Investor Relations, Taxation & Commercial functions in the FMCG domain. He joined Marico in 2004 as Regional Operations Manager for South Sales Division in Hyderabad. He has spent over 18 years with Marico and contributed in areas of Business Finance, Strategy Business planning, Cost optimisation, International Business operations, setting up Internal Control architecture, Business Process Transformation and major Taxation transition. September 2020. Prior to Marico, he worked with Eveready Industries (I) limited for 4 years in Internal Audit and Sales Commercial functions across many locations.

In his career spanning more than 20 years, he has had successful stints in areas of Business Finance and Corporate Finance. Backed by strong leadership skills and experience of managing diverse people, he has managed operations comprising both scale & complexity and has driven transformational change agenda for the organisation. He has also won the CFONEXT100 Awards for two consecutive years in a row 2018 and 2019 at the Annual CFO Leadership Conclave, India. Pawan took over the role of Chief Financial Officer of Marico Limited effective September 10, 2020.

Pawan was recognised by The Financial Express CFO Awards 2020, under the Large Enterprises Category in Manufacturing Sector. Under his leadership, Marico has been ranked in the 'LEADERSHIP' category as assessed by IIAS on the IFC-BSE-IIAS Indian Corporate Governance Scorecard for three consecutive years.



ASHISH GOUPAL
Nominee Director

Ashish took over as COO of Middle East & North Africa (MENA) business, New Country Development (NCD) business along with Bangladesh. Prior to current role Ashish was CEO & Managing Director of Marico Bangladesh Limited (MBL) from July 2018 till June 2022. In current role Ashish is responsible for driving transformative and sustainable growth in MENA and NCD.

Ashish is a member of the Executive Committee of Marico Group as well as a member of the Board of Marico Bangladesh limited.

After graduating from Jamanalal Bajaj Institute of Management Studies, Ashish started his career as a management trainee with global consumer durable major Samsung in year 2004 and thereafter started his long stint with Marico's India in 2006.

During his 17+year stint with Marico, Ashish excelled and delivered path breaking performance in the areas of P&L Management, Brand Management, New Product Development, Trade Marketing, Shopper Marketing and Demand Planning. In his career he has successfully launched New Brands and driven projects in Business Transformation, Process Transformation, Value reengineering and culture transformation.

Ashish also served on the Board of Marico Bangladesh, American School of Dhaka, FICCI Bangladesh and Indo-Bangla Chamber of Commerce, Bangladesh.

Ashish is an alumnus of Jamnalal Bajaj Institute of Management studies, India and holds a Mechanical Engineering degree. Ashish also served on the Board of Marico Bangladesh, American School of Dhaka, FICCI Bangladesh and Indo-Bangla Chamber of Commerce, Bangladesh.



RAJAT DIWAKER
Managing Director

Rajat Diwaker took over as Managing Director of Marico Bangladesh Limited (MBL) in July 2022. He joined Marico Bangladesh after three years with Marico Limited, India, where he was Division Head for South. During his tenure with Marico Limited, he delivered consistent business performance and growth. He was instrumental in driving the vision for the Division, ensuring effective planning and execution. Under his leadership, South Division leveraged and capitalized on newer opportunities and scale up of the business to become the largest Division for Marico Limited, India.

Rajat started his stint as a management trainee in year 2001 and has had a long experience in the areas of Sales, Trade Marketing, Franchise Management and General Management. In his career he has successfully driven transformation around businesses and processes.

Rajat is associated with FICCI Bangladesh and has been co-opted as one of the Directors of the FICCI Board.

Prior to Marico, Rajat was working with PepsiCo and managed the largest bottling business for PepsiCo as Director for Tamil Nadu and Kerala Market Unit. Rajat did his bachelor's degree in engineering in 1999 and completed his Business Management from Institute of Management Technology, Ghaziabad in 2001.

BOARD REPRESENTATION

Sl. No	Name of Director	Directorship	Member of Board Committees
1	Mr. Saugata Gupta	Marico Innovation Foundation	-
		Marico South East Asia Corporation	-
		Marico Middle East FZE	-
		Marico South Africa Consumer Care (Pty) Limited	-
		Marico Limited	Member of Stakeholders' Relationship Committee, Member of Corporate Social Responsibility Committee & Member of Risk Management Committee
		Parachute Kalpavriksha Foundation	-
		Ashok Leyland Limited	Member of 1) Nomination and Remuneration Committee & 2) Audit Committee 3) Environmental, Social and Governance (ESG) Committee
		Delhivery Limited	Chairman of Stakeholders' Relationship Committee, Chairman of Nomination and Remuneration Committee
		The Advertising Standards Council of India	Appointed as Director
2	Ms. Parveen Mahmud	Halite Personal Care India Private Limited (A Company under Liquidation)	-
		Sasha Spinning Ltd.	
		Sasha Apparels Ltd.	
		Sasha Garments Ltd.	
		Sasha Millners & Textiles Ltd.	
		Saburo Indigo Ltd.	
		Berger Bangladesh Ltd.	Member of 1) Audit Committee, 2) HR Committee
		Apex Footwear Ltd.	Member of 1) Audit Committee, 2) Chair, HR Committee
		Palli Karma Sahayak Foundation (PKSF)	
		Brac International	
		Manusher Jonno Foundation (MJF)	Member of Audit Committee
		Rangpur Dinajpur Rural Services (RDRS)- Bangladesh	Chairman
		MIDAS	
		UCEP Bangladesh	
		Friendship	Member of Audit Committee
		HerStory Foundation	
		Ghashful	Member of Audit Committee
		Moner Bondhu	
		Heroes for All	

Sl. No	Name of Director	Directorship	Member of Board Committees
		Cider International School, Chattogram	
		Syeda Anjuman Ara Girls School, Chauddagam, Cumilla	
		Centre for Policy Dialogue (CPD)	
		Bishsho Shanitto Kendro (BSK)	
3	Mr. Zakir Ahmad Khan	Crown Cement PLC	
		National Life Insurance Company Limited	
		National Life Insurance Securities Limited	
		Policy Research Institute (PRI)	
4	Ms. Sheela R Rahman	None	
5	Mr. Pawan Agrawal	Marico Limited - Chief Financial Officer	Member & Secretary of the Risk Management Committee, Member of Sustainability Committee
		Marico South Africa Consumer Care (Pty) Limited	
		Marico Middle East FZE	
		Marico South East Asia Corporation	-
		Marico South Africa (Pty) Limited	-
		Marico Malaysia Sdn. Bhd	-
		Apcos Naturals Private Limited	
		HW Wellness Solutions Private Limited, appointed as Director	
6	Mr. Ashish Goupal	MBL Industries Limited	
		Marico Middle East FZE	
		Marico (Lanka) Private Limited, appointed as Director	
		Marico Gulf LLC, appointed as Director	
7	Mr. Rajat Diwaker	Nil	

LEADING FROM THE FRONT





FROM LEFT TO RIGHT

ALLEN EBENEZER ERIC
Director-Marketing

SABBIR AL HARUN
Director-Sales

SHYAMAL KISHORE
Director- Human Resources

RAJAT DIWAKER
Managing Director

ZAHEDUR RAHMAN
Director - Supply Chain

MD. SAIFUL ALAM
Director-Manufacturing

Rashed Bin Ehshan
Director
Legal & Corporate Affairs

PROFILE OF OUR LEADERSHIP TEAM



RAJAT DIWAKER
Managing Director

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Prior to Marico, Rajat was working with PepsiCo and managed the largest bottling business for PepsiCo as Director for Tamil Nadu and Kerala Market Unit. Rajat did his bachelor's degree in engineering in 1999 and completed his Business Management from Institute of Management Technology, Ghaziabad in 2001.



SABBIR AL HARUN
Director-Sales

Sabbir has taken over the responsibility of Director – Sales in August, 2020. Currently he is leading entire Sales team comprising of 160 Marico managers and another 4500 indirect members through its more than 240 distributors, nationwide covering a retail universe of around 14mln. He is responsible for overall Sales Operations, Trade Marketing, Shopper Marketing, Route to Market and Capability Development of Sales Function. Two Cluster Heads, Head Trade Marketing, Head Channel Marketing, Head Sales Transformations and operations directly report into this role. He joined Marico in April 2020 as Head of Sales Operations, Channels and NPD. During that time, he helped the business grow by implementing innovative emerging channel strategies and strengthening distribution system.

Prior to join Marico, Sabbir worked in Unilever Bangladesh Limited for 15 years. During his career with Unilever, he worked in different roles in Field and Head office where he had successfully driven crucial agendas to develop business & distribution. He was very instrumental in growing talents within team. He had also successfully driven business of core and emerging brands during his stint as Trade Category Manager in Unilever. Sabbir completed his BBA and MBA from Dhaka University. He is passionate about reading books as well as loves traveling new places and try different cuisines.



Rashed Bin Ehshan

Director
Legal & Corporate Affairs

Rashed joined Marico Bangladesh in June 2022 as Director – Legal & Corporate Affairs. Alongside legal functions, he leads the corporate and regulatory affairs agenda of the business, including corporate social responsibility, public relations and ethics & compliance. Rashed holds high-tech training and practice in International Business Compliance and specialises in Corporate Governance at well-known multinational corporate houses.

He successfully gathered 17 years of experience spanning litigation, advisory, alternative dispute resolution, critical due diligence projects, compliance management and policy advocacy while performing the role of general counsel. His recent assignment before joining Marico, was with Grameenphone, Coca-Cola, Maersk and with Nagad. Prior to his assignment with corporate houses, Rashed was an Associate at A.M Aminuddin & Associates. Rashed is also an active member of the FMCG Sub-Committee of the Foreign Investors Chamber of Commerce & Industries (FICCI), the Commercial Legislation Sub-Committee of the Metropolitan Chamber of Commerce & Industries (MCCI) and the Legislative Committee of Bangladesh Employers Federation (BEF). Rashed completed his bachelors and masters in law and enrolled as an Advocate since 2008. He has keen interests in reading, music and loves food and travelling.



ALLEN EBENEZER ERIC

Director-Marketing

Allen joined Marico Bangladesh in October 2019 and is responsible for driving a successful Marketing function. A passionate marketer, his experience spans over 18 years in Brand Management and Sales, across two FMCG organizations – Marico and Emami. He started his career as a Management Trainee in Marico in 2005, and held different Sales and Marketing roles in India over 9 years, post which, he was with Emami Limited for 5 years; he led the Fair and Handsome and Pain Management Portfolios (including the iconic Zandu Balm, Mentho Plus Balm, Fast Relief) for India.

His well-rounded marketing experience spans extensive work on heritage Brands, successful new Brand launches, stabilization, scale-up and growth in Organization eco-systems; and NPDs, operating across blue-ocean, penetration categories to complex, competitive categories among both urban and rural consumer demographics. His systematic experience on development of sound, long-term brand strategies has led to building effective, consistent, strong brands; and excellence in execution has led to sustainable, profitable growth of brands over the years.

He believes in a simple, process-driven approach to brand building. A collaborative leader, he has structured, built and nurtured large teams with a blend of experience and fresh talent; he enjoys mentoring and enabling them for early responsibilities, larger roles and consistent outcomes over time.

He has led differentiated work that have received prestigious international recognition, including two Recommended Cases and two Editor's Choice Best Practice papers at WARC, a WARC Asia Strategy Prize, a hat-trick at the Appies Asia Pacific Marketing Congress, Singapore and six Effies.

He did his post-graduation in Business Management from XLRI Jamshedpur, and Mechanical Engineering from Tamil Nadu College of Engineering, Coimbatore. A driving enthusiast and violinist, he enjoys reading and writing.



MD. SAIFUL ALAM
Director-Manufacturing

Saiful brings with him 23 years of rich experiences in technical function. He currently Heads the Manufacturing Function in Marico Bangladesh Limited. He is responsible for Inhouse Manufacturing, Third party operations, Managing packaging material suppliers and projects. He is also responsible for manufacturing capability building initiatives. He has been instrumental in leading the manufacturing team towards process excellence. It was under Saiful's Leadership that Marico has set up its Crushing, Refinery, Emulsification and Blow Molding Plants in Bangladesh. He has also handled multiple greenfield & brownfield projects in his 12 Year's association with Marico Bangladesh Limited.

He determines the strategic direction of the organizations' manufacturing unit with the goal of increasing efficiency and profitability. He is leading setting up of MBL's 3rd Manufacturing Unit in Mirsarai Economic Zone with a planned Investment of 227.1 Crore BDT.

Saiful has diverse experience in working with global MNCs like Nestle Bangladesh Limited and Nestle India Limited where he Led Production and Corporate Quality Function in Local and International Geographies. He gained experience of different culture and society during his International assignments. Saiful has completed his BSc in Chemical Engineering from BUET. He has keen interest in sports and exploring new places.



ZAHEDUR RAHMAN
Director - Supply Chain

Zahed is a veteran supply chain leader with 24+ years' experience in the FMCG industry and currently heads the Supply Chain Function of Marico Bangladesh. Zahed has a proven track record in delivering strategic supply chain interventions within challenging environments and complex operations. During his varied experience across all facets of supply chain, Zahed has led diverse teams small & large, recruited young talent and experienced professionals for the organization and developed them to unleash their potential. A strong advocate of training & development interventions, he has contributed significantly in creating high performing teams capable of delivering stretched KPIs and developed strategic and people leadership capabilities. Zahed has worked with diverse internal & external stakeholders across geographical boundaries and has led many complex functional and cross-functional projects/programs, driven change management across organizations.

Zahed has worked with global corporations and local conglomerates including British American Tobacco Bangladesh, GlaxoSmithKline Bangladesh, ACI Group, DBL Group, Transcom Group. Zahed has completed his BSc in Electrical Engineering from BUET and his MBA from IBA. He enjoys reading, traveling and spending quality time with his family.

**SHYAMAL KISHORE**

Director- Human Resources

Shyamal joined Marico Bangladesh Limited in April 2021. He is responsible for driving the people strategy at the company and establishing frameworks to retain, develop and attract talent to the organization and making Marico Bangladesh an employer of choice. Shyamal holds post graduate degree in HR from the Tata Institute of Social Sciences, Mumbai and is a graduate in computer engineering from Bharati Vidyapeeth University, Pune. Shyamal has varied experience in HR & Sales across a variety of sectors and locations. He started his career with Coca-Cola as a Management Trainee, handled Industrial Relations at Varanasi factory and went on to handle HR Business partner role at Mumbai. He subsequently worked with Future Group, as Head of HR for Staples Future. He went on to handle Head of Sales role at Future Consumer, where he was responsible for setting up General Trade Distribution for Future Consumer Limited. He later worked for a start-up named Delhivery, the pioneer in e-commerce supply chain solutions and the first logistics tech unicorn in India, where he was Solutions Director for Enterprise Sales. Shyamal has built expertise across verticals, from handling Industrial Relations, managing unions, negotiating long term settlements, driving high performance culture, enhancing people productivity, and making HR future ready through digitization & automation. He is an evangelist of people being the key differentiator to business and passionate about developing a people first culture. His experience across global MNC, large conglomerate and start-up brings in a diverse and well-rounded perspective. Shyamal is an avid sports buff and follows cricket religiously. He is a certified advanced scuba diver, loves swimming and playing tennis & badminton. Shyamal is also a founder member of Our Bit Charitable Trust, which promotes health, happiness, and development in resource poor settings.

AWARDS AND ACCOLADES

CORPORATE GOVERNANCE EXCELLENCE AWARDS

Marico Bangladesh received 3 awards for corporate governance excellence from the Institute of Chartered Accountants of Bangladesh (ICAB), Institute of Chartered Secretaries of Bangladesh (ICSB) and Institute of Cost and Management Accountants of Bangladesh (ICMAB). Marico received the Gold Award for “Best Corporate” under the multinational manufacturing category from Institute of Cost and Management Accountants of Bangladesh (ICMAB), Gold Award for “Corporate Governance Excellence” by the Institute of Chartered Secretaries of Bangladesh (ICSB) and the Certificate of Merit for “Best Presented Annual Report” by the Institute of Chartered Accountants of Bangladesh (ICAB).



ICAB AWARD



ICSB AWARD



ICMAB AWARD

A Better Tomorrow™ CSR Award

Marico received the “Best CSR Award” at “A Better Tomorrow CSR Award 2022” for innovative efforts to promote financial inclusion through ‘SWAPNO’ program



CSR AWARD

Parachute Advansed

Parachute Advansed continues its winning streak as the Most Loved Hair Oil Brand in Bangladesh, as per Best Brand Award Bangladesh 2022, organised by the Bangladesh Brand Forum. It is the No 1 Most Loved Brand in the Hair Oil category for 13 years continuously in Bangladesh.



BEST BRAND AWARD

Digital Marketing Awards 2022

- Glo On received Gold Award for Best Use of Mobile through G for Glo On Campaign.
- Parachute Just For Baby received Bronze award for Best Use of Influencers through Parachute Just For Baby Mother's Recommendation Campaign.
- Red King received Bronze award for Best Use of Display through Story Telling by Display Ad.



DIGITAL MARKETING AWARDS

LEADERSHIP MESSAGES



MESSAGE FROM CHAIRMAN



Saugata Gupta
Chairman

we continue to believe in the strong growth prospects and resilience of the Bangladesh economy. We will continue to invest in long-term business capabilities of leadership, digital, innovation and brand building, while maintaining our focus on optimizing costs and execution.

Dear Valued Shareholders,

I am pleased to share my thoughts and present the Annual Report for the financial year 2022-23.

As I write this letter to you, I want to take this opportunity to express my sincerest gratitude to all our valued shareholders for your continued confidence in Marico as we delivered another year of robust performance across key business parameters. The show of resilience and strength, amidst a volatile and challenging business environment during the year, has once again reinforced our belief in the lasting strength of your Company's strategic building blocks of brands, people and culture.

Despite macroeconomic headwinds affecting consumption sentiment, your Company continued its healthy growth trajectory with a revenue growth of 8.47% and a net profit growth of 8.96%, and closed the year with profit after tax of BDT 387.2 Crore. In FY23, we declared a healthy dividend of 750% and contributed BDT 456 crores to the national exchequer.

Your company continues to operate through its heritage brands of Parachute, Parachute Advansed, Nihar and Saffola recognized by Bangladesh Brand Forum. 'Parachute Advansed' remains the 'Most Loved Hair Oil brand' in the country and is amongst the ten most loved brands in Bangladesh. Recognitions like these are testament to the enduring loyalty and confidence of our consumers in the quality of our products and our ability to connect with consumers across categories.

Our underlying strategy of strengthening our core businesses and expanding our new product portfolio has pivoted us towards a predictable and consistent growth journey. During the year, your Company continued its effort to diversify its product portfolio with new product launches in the hair care and skin care segments.

The commissioning of our 3rd manufacturing unit, located in Bangabandhu Shilpanagar within the Mirasarai Economic Zone, is making steady progress and will be ready to commence production this year. We aspire to be proud ambassadors of 'Made in Bangladesh' initiative, as we deliver high quality products that meet the needs of our consumers and provide a delightful user experience.

We believe consistent focus towards strengthening the talent and culture of Marico will make us a future-ready organization. Our leadership is fully committed towards fostering indigenous talent while upholding the principles of inclusion and diversity. We believe a diverse talent pool

not only brings in a wider range of skills and expertise, but also acts as a strategic advantage in the current business environment. We are proud that 99% of our workforce comprises local talent with millennials constituting 80% of our workforce. At Marico Bangladesh, we believe we have top-tier talent capable of accomplishing exceptional results and thriving in a dynamic environment. Nielsen's Campus Track survey recognizes us as one of the Top 10 Employers of Choice in the country and third in the FMCG Sector.

As a responsible corporate citizen, Marico has long emphasised on ethically and environmentally sustainable operations and business practices which create long-term value for all stakeholders. We implemented 31 sustainability projects during FY 22-23 in our factories, leading to lower power consumption and reduction in carbon emissions from our factories.

We continued our impactful social responsibility program with SWAPNO and were recognized by The Daily Star "A Better Tomorrow" CSR Awards for our partnership in the SWAPNO program and its impact on social and financial inclusion of financially disadvantaged women.

As we move into the next year, we continue to believe in the strong growth prospects and resilience of the Bangladesh economy. Global institutions have also projected an improving outlook for the economy, aided by lower energy costs and recovery in exports. We will continue to invest in long-term business capabilities of leadership, digital, innovation and brand building, while maintaining our focus on optimizing costs and execution.

I would like to conclude by expressing my sincere gratitude to Marico's esteemed shareholders, regulators, industry peers, CSR partners, and consumers for their unwavering support. With our shared vision and relentless pursuit of success, we will continue our efforts towards forging a path towards sustainable growth. We believe that, with strong underlying business fundamentals at play, we will continue to deliver healthy business growth while creating long-term value for each of our stakeholders.

With warm regards,

Saugata Gupta
Chairman

FROM THE DESK OF THE MANAGING DIRECTOR



Rajat Diwaker
Managing Director

In the past year, our belief in the company's lasting strengths has been reinforced. It was yet another year of volatile and challenging macro-economic environment, I am proud to see how quickly we adapted to each new challenge and how teams from across the company collaborated to deliver healthy growth. I would like to thank all our members for going beyond, growing beyond and being the impact.

Dear Shareholders,

I am pleased to report that our company has delivered another year of growth and continue to be one of the fastest growing FMCG companies in Bangladesh. Over the past year, we have navigated through a challenging macro-economic environment and grown in revenues, portfolios, talent, and furthered principles of inclusion & diversity, social responsibility initiatives.

Throughout the year we continued to invest in new product launches and extensions of the hair care and skin care categories. I am pleased to announce that we have achieved robust financial results in FY22-23. Our total revenue increased by 8.47% and profits by 8.96% compared to the previous year. This remarkable growth can be attributed to our strategic focus on expanding our core portfolio, distribution, operational efficiencies and capitalizing on emerging opportunities. Construction of our 3rd manufacturing unit in the Bangabandhu Shilpanagar in Mirasarai Economic Zone has made steady progress and is expected to commence operations this year.

Over the past years our business has had a healthy growth trajectory. Our people being the true driving force of our business, we've continued to prioritize their well-being, learning, capability development and talent management. We continued to attract and retain diverse talent and implemented processes to further diversity and inclusion in our workforce.

Creating world-class quality products for Bangladeshi consumers, building our brands, our strong distribution network and investment in capability development are the key strategic pillars underlying our business growth. The company continued portfolio diversification during the year and extended our offerings in the Hair Care and Skin Care categories. The growth in our non-hair oil categories contributed to our overall profitability and strengthened the value mix in our business.

Parachute Advanced remains the Most Loved Hair Oil Brand in Bangladesh, according to Best Brand Award Bangladesh 2022, organised by the Bangladesh Brand Forum. It is amongst the ten most loved brands in Bangladesh. The award is a reflection of consumers' confidence in the quality of our products.

In the past year, we continued our sales transformation journey and capability development initiatives to enable more distribution reach, portfolio selling and omni channel presence. To ensure we get to the consumers with agility we have expeditiously implemented data analytics driven demand and supply planning tools.

We firmly believe in the importance of Corporate Social Responsibility (CSR) and its impact on society. In the past year, we have continued to uphold our commitment to environmental sustainability and ethical

business practices. Our values are at the core of our actions and drive our performance. We continue to champion transparency and openness which is at the heart of corporate governance. In the past year, Marico Bangladesh Limited received awards from the The Institute of Chartered Accountants of Bangladesh (ICAB), Institute of Chartered Secretaries of Bangladesh (ICSB) and Institute of Cost and Management Accountants of Bangladesh (ICMAB). Marico received the Gold Award for "Best Corporate" under the multinational manufacturing category from Institute of Cost and Management Accountants of Bangladesh (ICMAB), Gold Award for "Corporate Governance Excellence" by the Institute of Chartered Secretaries of Bangladesh (ICSB) and the Certificate of Merit for "Best Presented Annual Report" by The Institute of Chartered Accountants of Bangladesh (ICAB). These awards recognized our endeavours towards corporate governance excellence.

Our company is committed to a steadfast partnership with the government and UNDP on SWAPNO program. Marico Bangladesh Limited received The Daily Star "A Better Tomorrow" CSR awards for our partnership in the SWAPNO program. SWAPNO is a social and financial inclusion program which assists women to start and operate self-employment, micro-enterprises. In addition, SWAPNO also focuses on facilitating linkages with Small and Medium Enterprises (SMEs) and Public-Private Partnerships to encourage their employment in these enterprises. SWAPNO program is implemented across 6 divisions, 12 districts, 25 Upazilas and 283 unions. 12492 Households have benefitted from SWAPNO program of which 90% beneficiaries are sole bread earners.

As we look into the future, there's an improved outlook for the economy aided by lower global energy prices and recovery in exports. We remain committed to our strategic priorities and invest in capabilities. Ultimately, we aim to deliver consistent growth by meeting stakeholders priorities and we are well placed to achieve the ambition.

I would like to express my sincere thanks to all our shareholders for their continuing confidence in the Company and management to deliver long-term value. The support and guidance from our Board of Directors has allowed us to deliver growth consistently. Finally, we are thankful to our loyal consumers who continue to place trust in our products and in response we strive to create impact with our innovation.

Best Regards,



Rajat Diwaker
Managing Director

VALUE CREATION

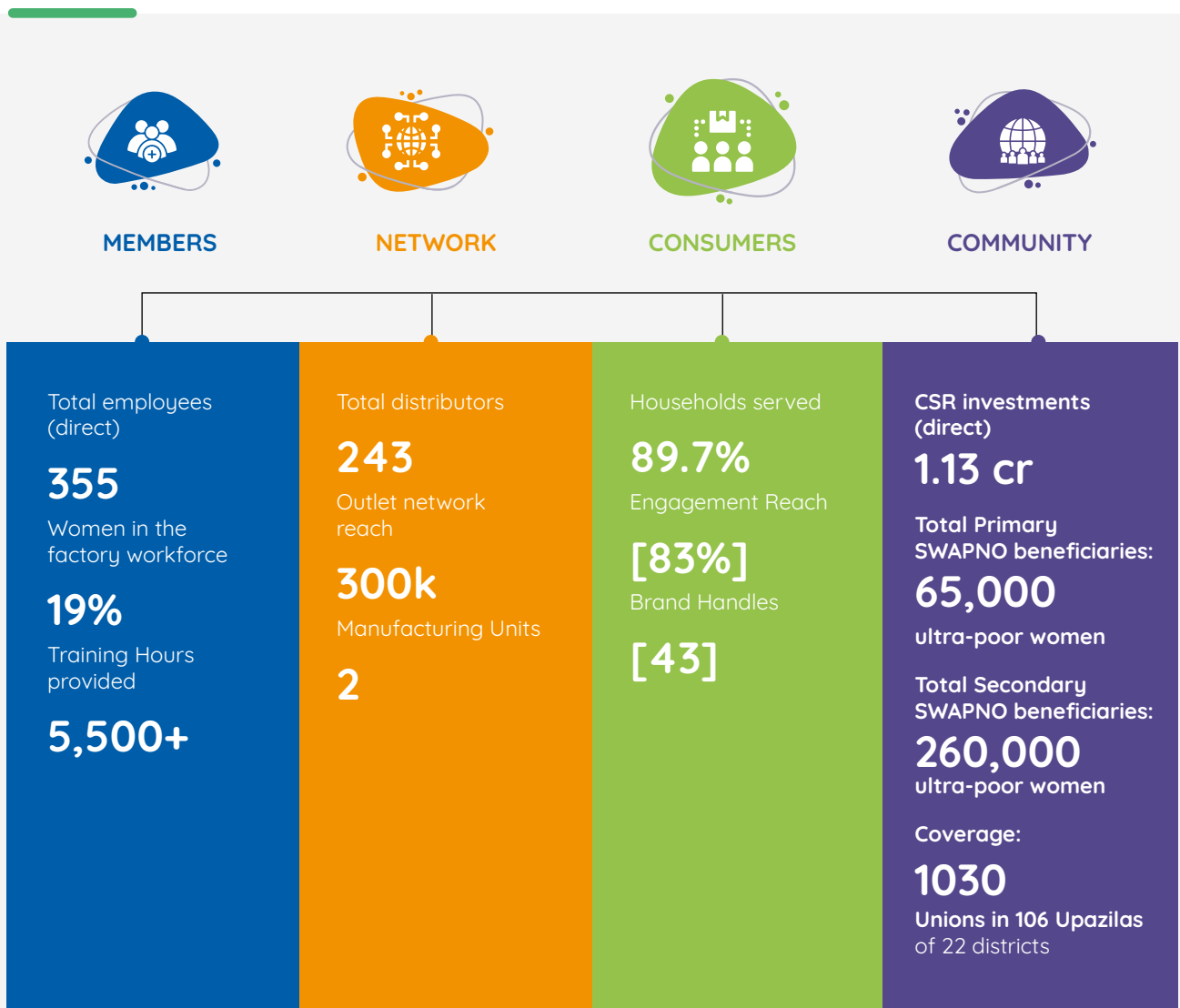


VALUE CREATION

At Marico we approach value creation from three principal lenses: our impact, our spectrum of engagement with stakeholders and managing key material matters.

Our Impact

As a multi-stakeholder organisation fostering sustainable value, we uniquely impact all our stakeholder groups.



All figures are for the year 2022-23

Engaging with our stakeholders







We are deepening our engagement across all our stakeholder groups for ensuring sustainable value creation for everyone. Our stakeholders are defined by their respective roles, levels of participation, contribution to our value chain as well as their ability to influence and impact our business. They are our consumers, shareholders, employees, business partners, regulators and the Government, and communities.

Each stakeholder plays a vital and unique role in our value creation journey. These relationships are integral to our business, and we strive to strengthen them via regular outreach and engagement initiatives. We create value in different ways for our various stakeholders and they, in turn, deliver value to us. Engagement with each group takes different forms and frequencies, detailed below.







Consumers:









Shareholders

 Why we engage	 Our value propositions	 Engagement platforms	 Key risks	 Opportunities	 Actions on ground
<p>Shareholders provide financial strength with continued access to capital</p>	<p>Attractive returns and growth on investments, supported by transparent disclosures and good governance.</p>	<ul style="list-style-type: none"> Annual general meeting Corporate website Interactions with our corporate investor relations team 	<ul style="list-style-type: none"> Loss of investor confidence Unaligned expectations 	<p>Strengthen communication with investors to improve transparency and provide clarity on the Company's performance, strategies and forward outlook.</p>	<ul style="list-style-type: none"> Dividend Distribution Policy for transparent, process-driven resolution of shareholder wealth distribution. Created value through 750% cash dividend for 2022-23.







Members

 Why we engage	 Our value propositions	 Engagement platforms	 Key risks	 Opportunities	 Actions on ground
<ul style="list-style-type: none"> Our members embody the spirit and aspirations of Marico and are the backbone of productivity and innovation. By nurturing a diverse group of talent, we are building the knowledge and skills needed to maintain our market leading position. 	<ul style="list-style-type: none"> Engaging workplace environment Competitive remuneration, career progression and healthy work-life balance Equal opportunities, safe working environment, and learning and development opportunities 	<ul style="list-style-type: none"> Member engagement sessions Health and wellness programs Townhalls and other virtual meetings Safeguarding Training Diversity & Inclusion Council, Framework and Initiatives 	<ul style="list-style-type: none"> Competition for talent Changing expectations of a millennial workforce 	<ul style="list-style-type: none"> Young, talented and energetic workforce Lean, merit-based and performance-driven work culture 	<ul style="list-style-type: none"> Ranked 3rd employer of choice in the FMCG Category Variety of trainings, awareness and Focused Group Discussion (FGD) sessions to ensure an enabling and inclusive workplace for members

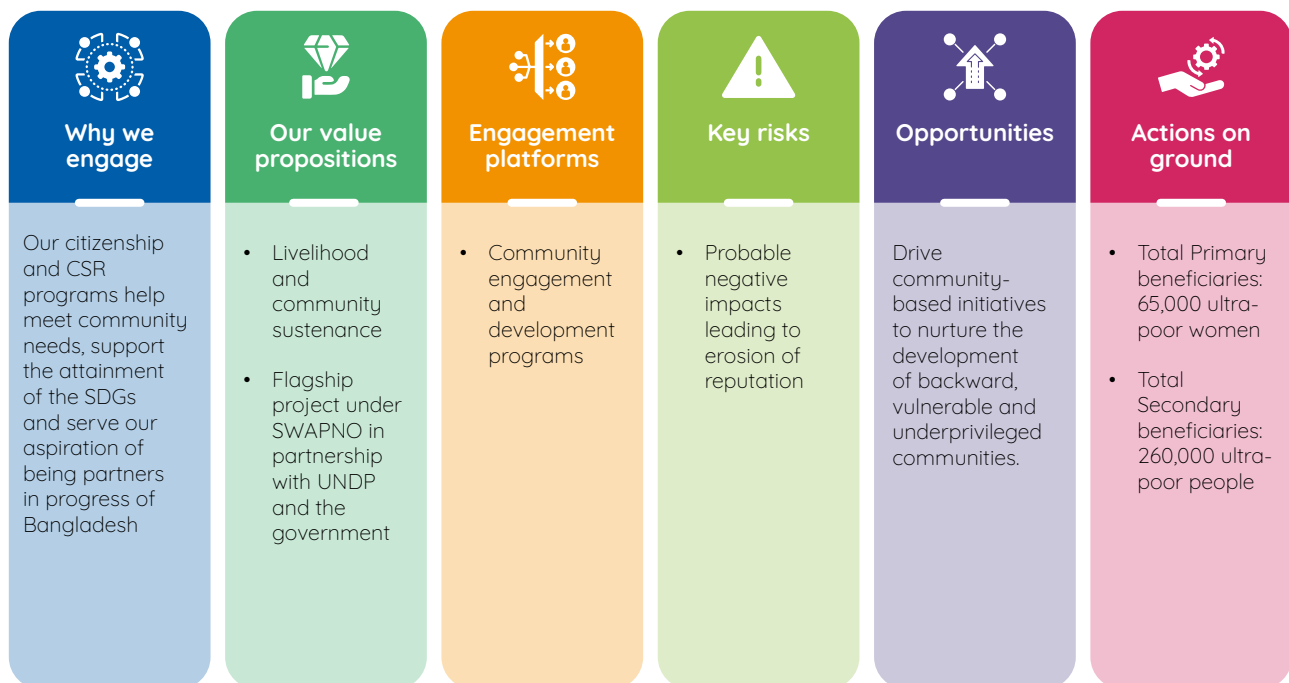
Business partners

 Why we engage	 Our value propositions	 Engagement platforms	 Key risks	 Opportunities	 Actions on ground
<p>We depend upon our business partners, including our logistics and freight solution providers and our distribution partners as critical stakeholders to reach our products to end consumers.</p>	<ul style="list-style-type: none"> • Clear terms of trade through written contracts • Transparency and timely payments • Assurance of business continuity • Adherence to Code of Business Ethics 	<ul style="list-style-type: none"> • Direct interactions with our teams • Ongoing training and awareness-building sessions 	<ul style="list-style-type: none"> • Unforeseen business disruptions • Loss of key supply chain partners 	<ul style="list-style-type: none"> • Upskill for business enhancement • Gain sharing through opportunities in efficiency • Foster local employment that also has a positive impact on the grassroots livelihoods 	<ul style="list-style-type: none"> • Guidance on social and legal compliance • Timely disbursement of payments • Supply chain and buyer finance solutions

Regulators/Government

 Why we engage	 Our value propositions	 Engagement platforms	 Key risks	 Opportunities	 Actions on ground
<p>The Government and regulatory bodies provide guidance on compliance of regulatory matters, govern ease of doing business.</p>	<ul style="list-style-type: none"> • Ethical business conduct • Revenue contributions • Innovative partnerships 	<ul style="list-style-type: none"> • Engagement sessions individually and through trade bodies • Site visits 	<ul style="list-style-type: none"> • Changing regulations • Lack of clarity in regulatory procedures leading to non-compliance and reputational damage 	<ul style="list-style-type: none"> • Embrace new regulations to ensure full compliance • Harness opportunities arising from priorities in the national agenda 	<ul style="list-style-type: none"> • Advocacy and engagement for quality products with Bangladesh Standards & Testing Institution • Aided enforcement against counterfeit and spurious products threatening consumer safety and brand equity • Exchequer contribution was 456 Crore

Community



Managing Key Material Matters

Material matters are those that substantively affect our ability to create value over time.

Stakeholders provide Marico with critical resources that enable the Company to generate competitive sustainable value over the short, medium and long term. Engaging with our stakeholders allows us to understand their viewpoints and expectations. The feedback thus generated helps us to develop effective strategies for sustainable long-term value creation through the refinement of our products and services and our go-to-market strategies.

We review our material matters during our annual planning cycle, our strategic reviews and monthly work-plans. The management team makes an initial assessment – drawing on their experience, judgement, and their own engagement with stakeholders – and agree which matters may be material and the response measures to address the materiality.

Identification of Key Material Matters

The issues identified through stakeholder engagement are analysed, prioritised and categorised based on their ability to affect Marico's ability to create long-term value, summarized as follows:

Material Matter	Related material stakeholder issues	Opportunities for Marico
Continue earning the trust and loyalty of our customers	<ul style="list-style-type: none"> Offer products with deep value propositions meeting intrinsic end-user needs Protect purchasing power of our customers through ensuring pricing discipline Ensure on-shelf availability of our products across the nation 	<ul style="list-style-type: none"> Venture into strategic product extensions. Ensure a portfolio relevance and play on both long-term and short-term niches

Material Matter	Related material stakeholder issues	Opportunities for Marico
Relationship with suppliers and business partners	<ul style="list-style-type: none"> Maintaining mutually-beneficial relationships with our suppliers and business partners Ensuring robust and transparent procurement practices 	<ul style="list-style-type: none"> Sharing best practices in business Prioritising purchases and engagement amongst local suppliers
ESG (environmental, social, governance) considerations	<ul style="list-style-type: none"> Strong emphasis on our environmental, social and governance (ESG) practices to drive sustainability in our business operations 	<ul style="list-style-type: none"> Embrace integrated thinking in matters alluding to our ESG principles Further identify global best practices in ESG and incorporate across our operations
Employee engagement and retention	<ul style="list-style-type: none"> Employee training and skills development, while fostering a culture of learning and empowerment Occupational health and safety Focus on providing a challenging and inspiring workplace environment to a millennial workforce 	<ul style="list-style-type: none"> Leverage the multi-disciplinary skills of our talent Capitalise on the insights and experiences of our Board and leadership team for strategic stewardship, especially during challenging times Provide meaningful member experiences centering on leadership development as well as physical and mental wellness
Responsible corporate behaviour and conduct	<ul style="list-style-type: none"> Compliance with the laws of the land and strive for enhanced standards of governance Strengthen our corporate citizenship by committing to social responsibility programs with both financial and non-financial contribution 	<ul style="list-style-type: none"> Understanding and implementing best practices from other Marico group companies and global best practices Adhere to a values-based governance culture and strict adherence to our Code of Conduct Automation and use of technology for compliance monitoring and in-house legal solutions

OUR CAPITALS



OUR BUSINESS MODEL

At Marico, we intend to maximize value for all our stakeholders by driving sustainable growth and making a difference in the lives of all our stakeholders. Our value creation model diagram expresses the impact of each of our capitals on our organisation as well as on the key Sustainable Development Goals (SDGs) as we commit to grow together with Bangladesh in a sustainable manner.





OUR FINANCIAL CAPITAL

Overview

The consistent flow of income generated by our operations is key to Marico's long-term sustainability. In FY'23 we continued to invest into capacity expansion, new product developments and creating value for our stakeholders. Creating value for our stakeholders includes delivering dividends to shareholders, providing income to employees, and investing in the development of communities. Additionally, we also use our financial capital to drive innovation by investing in research and development & capacity-building.

Message from our CFO

Marico continues to enjoy a position of strength in Bangladesh, expanding its portfolio and producing world-class products that have become household brands. With this foundation, our Company has enjoyed continued growth in sales based on our inherent strengths, such as the depth of our management expertise and knowledge, our unrivalled brand strength, and an enviable distribution system.

Financial year 2022-23 witnessed another black swan event leading to inflation and adverse movement of exchange rate, We focused on adapting in a highly challenging external macro environment. Our key financial objective for the year was to sustain growth to support our expansion plans, construction of our 3rd manufacturing unit at Bangabandhu Shilpanagar while also investing in capability development.

Amidst a challenging environment, we delivered value growth even as we launched new products which strengthened our presence in relevant categories. Board has announced cash dividend of 750%, for 2022-23.

We thank you for your investment in Marico.

Financial Review, FY23

BDT in Crore	FY 2023	FY 2022	Growth %
Revenue	1,413.6	1,303.2	8.47%
Cost of sales	(681.1)	(596.1)	14.27%
Gross profit	732.5	707.1	3.58%
Other income	2.5	1.7	44.53%
General and administrative exp	(122.2)	(119.0)	2.64%
Mkt, selling and distribution exp	(98.9)	(125.4)	-21.08%
Operating profit	513.8	464.4	10.63%
Net finance income	15.9	9.0	77.00%
Profit before con. to WPPF	529.7	473.4	11.88%
Contribution to WPPF	26.5	23.7	11.88%
Profit before tax	503.2	449.7	11.88%
Income tax expenses	(115.9)	(94.3)	22.88%
Profit for the year	387.2	355.4	8.96%
Other comprehensive income/(loss)	1.7	1.9	-6.88%
Earnings per share (EPS)	122.9	112.8	8.96%

Value-added statement

Two year's Value Added Statement

	FY 2023		FY 2022	
	Taka	%	Taka	%
Value added				
Turnover (net)	14,135,741,140		13,032,188,243	
Less: Bought in Materials & Services	(5,695,168,741)		(6,192,006,385)	
	8,440,572,399		6,840,181,859	
Indirect tax with turnover	947,893,480		1,904,542,315	
Other Income/(expense)	24,562,496		16,994,987	
Net finance income	158,626,121		89,621,688	
Available for distribution	9,571,654,496	100.00%	8,851,340,849	100.00%
Distributions				
Employees	953,735,633	9.96%	961,948,678	10.87%
Government	4,555,099,957	47.59%	4,150,697,990	46.89%
Shareholders	2,992,500,000	31.26%	2,520,000,000	28.47%
Value reinvested and retained				
Depreciation and amortization	173,060,572	1.81%	166,209,267	1.88%
Reserves & surplus	897,258,334	9.37%	1,052,484,914	11.89%
	9,571,654,496	100.00%	8,851,340,849	100.00%

EVA statement

Particulars	2023	2022
Net operating profit after tax	3,978,611,170	3,700,932,938
Total capital employed	3,659,396,474	2,811,368,755
WACC %	11.40%	10.45%
WACC	417,171,198	293,788,035
EVA=NOPAT-WACC	3,561,439,972	3,407,144,903
EVA Growth	4.53%	13.06%

OUR MANUFACTURED CAPITAL

Overview

With 2 established and 1 upcoming state of the art factories, 4 depots and 3 external warehouses, Marico Bangladesh Limited has one of the strongest manufacturing and distribution capabilities. Further, adopting an asset-light strategy, we also have relationship with two contract manufacturers. Through our manufactured capital, we also play our role in caring for the environment by manufacturing responsibly using newer technologies and sustainable materials, which enables us to deliver high-quality products in an efficient, timely and ethical manner.

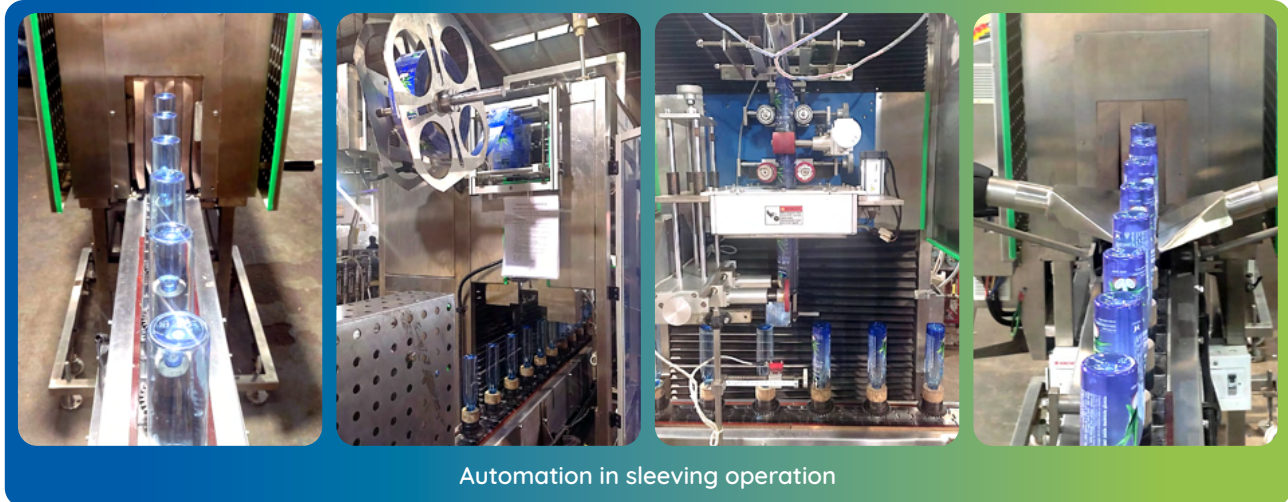
Our Manufacturing Highlights

Capacity Enhancement and Efficiency

One of the main highlights of 2023 is successful completion of the production capacity increase of our crushing unit at Shirirchala Factory from 120 TPD to 240 TPD, marking a significant milestone in our journey towards growth and operational excellence. The augmented production capacity would allow us to meet growing demand of our brands. Additionally, spent earth storage capacity has been doubled.



To improve operational efficiency and meet growing market demands, our factory in Mouchak also invested in capacity enhancement measures. Automation in the sleeving operation for Parachute Advanced Aloe Vera and Parachute Advanced Extra Care proved to be a significant advancement, increasing the sleeving operation BPM to 80 from 25. This eliminated need for third-party dependency for Parachute Advanced Extra Care Sleeving, ensuring 100% in-house operation. Additionally, the automation project reduced yearly power consumption by 46%.



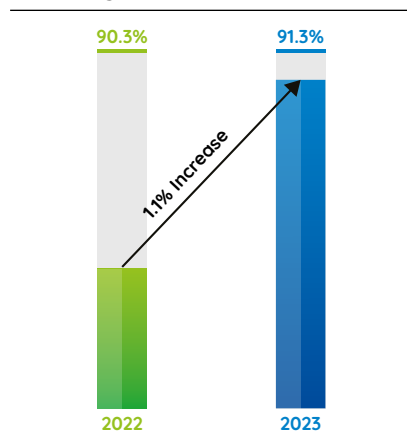
Wastages reduction

Manufacturing team’s commitment to the bottom line of the business has been evident through various initiatives to control wastages at different stages of the processes.

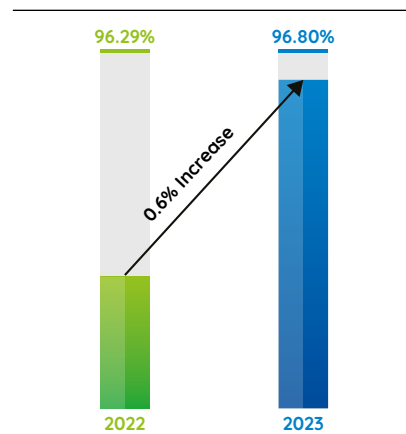
The increased production capacity of Shirirchala factory was accompanied by improvements in extraction efficiency and refinery yield, reaching 96.6% and 91.4%, respectively. These enhancements contributed to cost savings and increased output volume. The adoption of

power saving technologies reduced electrical noise and harmonics, resulting in power savings of 1% in FY’23 at Shirirchala plant. In addition, the implementation of an electrical heater and hot water system for winter oil pipeline maintenance saved 2,023 liters of diesel and reduced carbon emissions by 5,421 kilograms. Reduction of refinery chemical dosing and optimizing raw material grades also led to significant cost saving. At filling unit overall wastage reduced by 10% through various innovative and engineering initiatives.

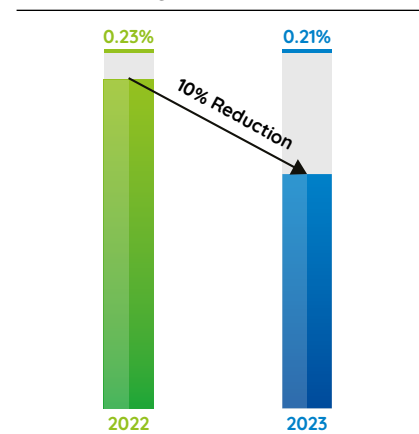
Refinery Yield



Extraction Efficiency



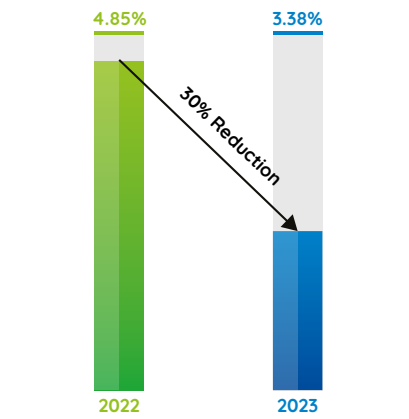
PCNO Filling Loss



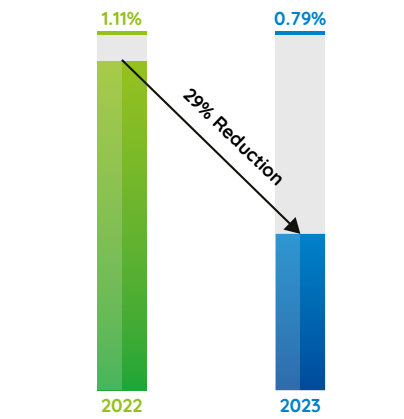
Mouchak factory made significant progress in waste reduction and operational enhancements, showcasing its commitment to sustainable development and operational efficiency. The factory successfully reduced packing material (PM) loss by 31% compared to the previous fiscal year. This achievement was driven by redefining material management practices, optimizing waste changeover, and implementing loss reduction measures. Moreover, Mouchak factory a remarkable 28.8% reduction in total

raw material (RM) loss during FY’23. This outcome was made possible through initiatives such as season-based calibration, integration of storage and handling processes. Addressing the issue of high bulk loss in emulsified products, Mouchak factory team implemented action plans including entrapped bulk recovery, lot size optimization, and CIP loss reduction. These measures resulted in a 30% reduction in batch loss in FY’23 compared to FY’22.

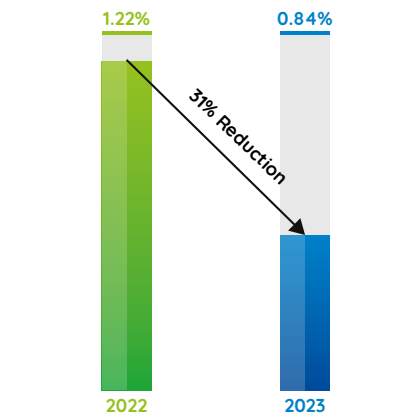
Emulsified Product Bulk Loss



Muchak RM Loss



Mouchak PM Loss



Introduction of New Facilities and Technologies

Marico manufacturing team embraced opportunity of automation and innovation by introducing new technologies and facilities. At Shirirchala factory, the installation of an auto cake bagging machine increased productivity, reduced manual labor requirements.



A plastic palletizer machine facilitated the reuse of 5,712 KGS of plastic waste. Other advancements include the Contherm heat exchanger and the EBM racking system, which increased storage capacity by 1.8 times. The implementation of a new racking system has enhanced our blown bottle storage capabilities, allowing us to accommodate a substantially larger number of bottles efficiently and effectively. By utilizing the vertical space, our racking system has freed up valuable floor area and optimization of this space contributes to a more

streamlined and productive working environment along with ensuring better accessibility in more organized manner. We have increased our storage capacity to 1.75 times of our previous capacity.

Mouchak plant also enhanced its in-house storage capacity by installing a racking system, creating a total storage capacity of 13,780 sq ft. This improvement allowed for maximum utilization of vertical space, ensuring Good Manufacturing Practice (GMP) storage.



Transition to Sustainable Practices

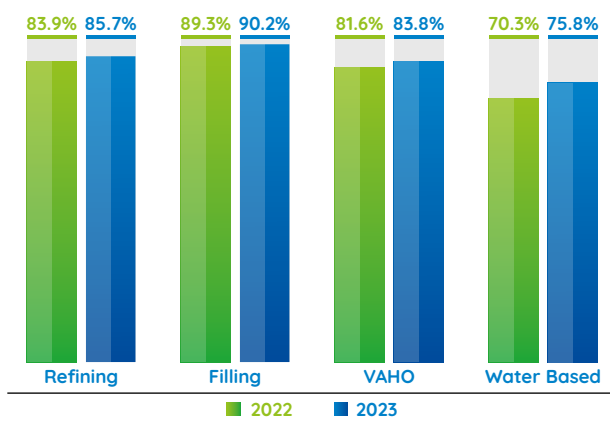
MBL demonstrated its commitment to sustainability through the transition from High-Speed Diesel (HSD) to Liquefied Petroleum Gas (LPG) as the primary fuel source for boilers. The switch to LPG offers advantages such as lower emissions, higher energy efficiency, and cost-effectiveness. Additionally, the installation of a pelletizer allows MBL to reprocess and recycle damaged plastic bottles, contributing to a more sustainable manufacturing process.

Operational Excellence and Achievements

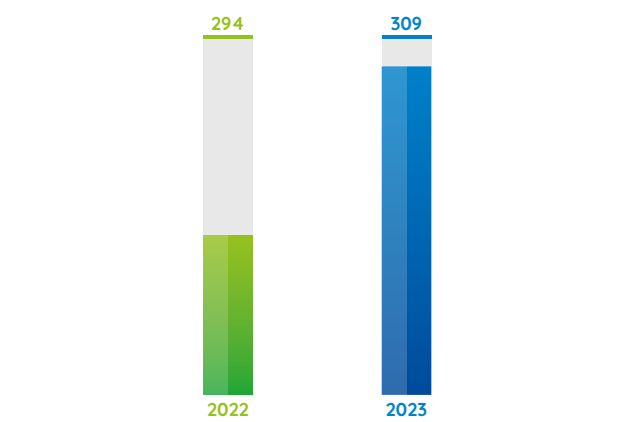
Our manufacturing units consistently strive for operational excellence. The active participation of the

manufacturing team in improvement projects and initiatives like the MarVal program contributed to cost savings of Our manufacturing units consistently strive for operational excellence. The active participation of the manufacturing team in improvement projects led to cost savings of BDT 9.93 Cr. and demonstrated our commitment to operational efficiency. At Shirichala factory, Operation Excellence Refinery & PCNO filling plant OPE increased by 2.1% & 1% respectively compared to FY22. At Mouchak factory, VAHO & Water based plant OPE increased by 2.7% & 7.8% respectively. These innovative activities are embedded in our manufacturing process and indicates our resolve towards excelling each year taking the previous one as baseline.

Overall Plant Efficiencies (OPE)



Number of Kaizens



Third Manufacturing Unit:

In another milestone achievement, our manufacturing team has completed the construction of our 3rd manufacturing unit this year at Bangabandhu Shilpanagar, Mirasari Economic Zone, Chattogram.



Our Project Highlights



Factory Floor & Administrative Block





Administration Block and Utility Area

Campaigns and Engagements

Global Handwashing Day celebrated in factories on October 15th. The 2022 Global Handwashing Day theme was “Unite for Universal Hand Hygiene.”



Global Handwashing Day celebration

Employee Engagement is defined by the extent to which contributors feel passionate about their jobs, and put discretionary effort into their work. As a part of engagement activities, the members in our factories participated in various events.



Football tournament with all factory members



Pohela Falgun celebration



3P workforce picnic

Manufacturing Day Out



Manufacturing team outing

OUR HUMAN CAPITAL

Overview

Our members are the heart of the organization, and all that Marico has achieved over the years. We are committed to creating an enabling corporate culture that fosters an environment of innovation, disruption, creativity and entrepreneurial spirit within the organization. Our Talent Value Proposition 'Go Beyond', 'Grow Beyond', and 'Be The Impact' is a guiding principle for our members to enable them to maximize their true potential and 'Make a Difference'. We believe that the right work-environment empowers members to challenge themselves and provides them with support and recognition that motivates them to excel.

During periods of prolonged uncertainty, Marico continues to grow with our entire ecosystem of suppliers, distributors, shareholders, business associates, consumers and members.

How We Engaged

The culture of the organization plays a significant role in shaping the overall tone within the organization. The changes in both external and internal environment during the last few years has caused us to rethink and reform our engagement strategy. This year, we continued to place utmost importance on member connect, member health & wellness, and celebration & recognition. With the help of all our efforts, we ended the year with an average dipstick survey score of 84% vs a Global benchmark of 78%.

Quarterly Regional Townhall: Marico's quarterly regional townhall is our virtual organizational connect session where the COO of Marico MENAB and the MD shares business updates, functional highlights and recognize members for extraordinary performance.

Cha er Shathe Adda: Cha er Shathe adda was a virtual platform, designed to provide our members with a chance to have a monthly informal connect session with their favourite colleagues. With changing times and the transition back to working from office, we have brought the sessions to the physical workplace and now conduct it on a quarterly basis.

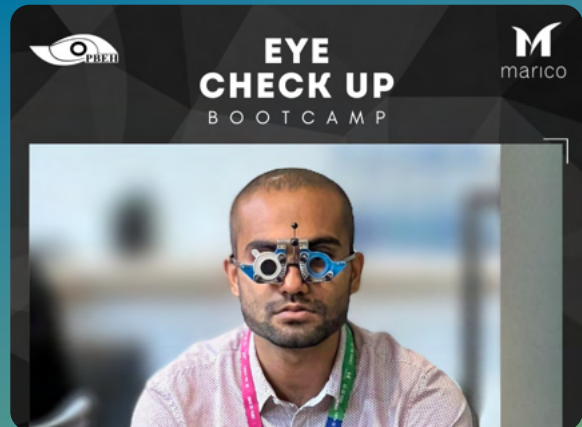
Member Health & Wellness Sessions: We believe that our members' mental and physical health is of utmost importance and hence we have partnered with experts

and organized a number of physical, mental & financial wellbeing sessions throughout the year, both virtually and in person.

Member Health & Wellness Sessions



Yoga at Your Desk



Eye Check Up Bootcamp



Ramadan Health & Wellness Sessions

Launch of YourDOST

Marico Bangladesh partnered up with YourDOST, an online counselling & emotional wellness support platform based in India. The platform allows members to connect with expert counsellors via chat or call to discuss issues related to their personal or professional life and provide them with the required guidance and support to overcome their challenges.



Your **DOST**

Creating a Culture of Celebration

Marico Family Day 2023



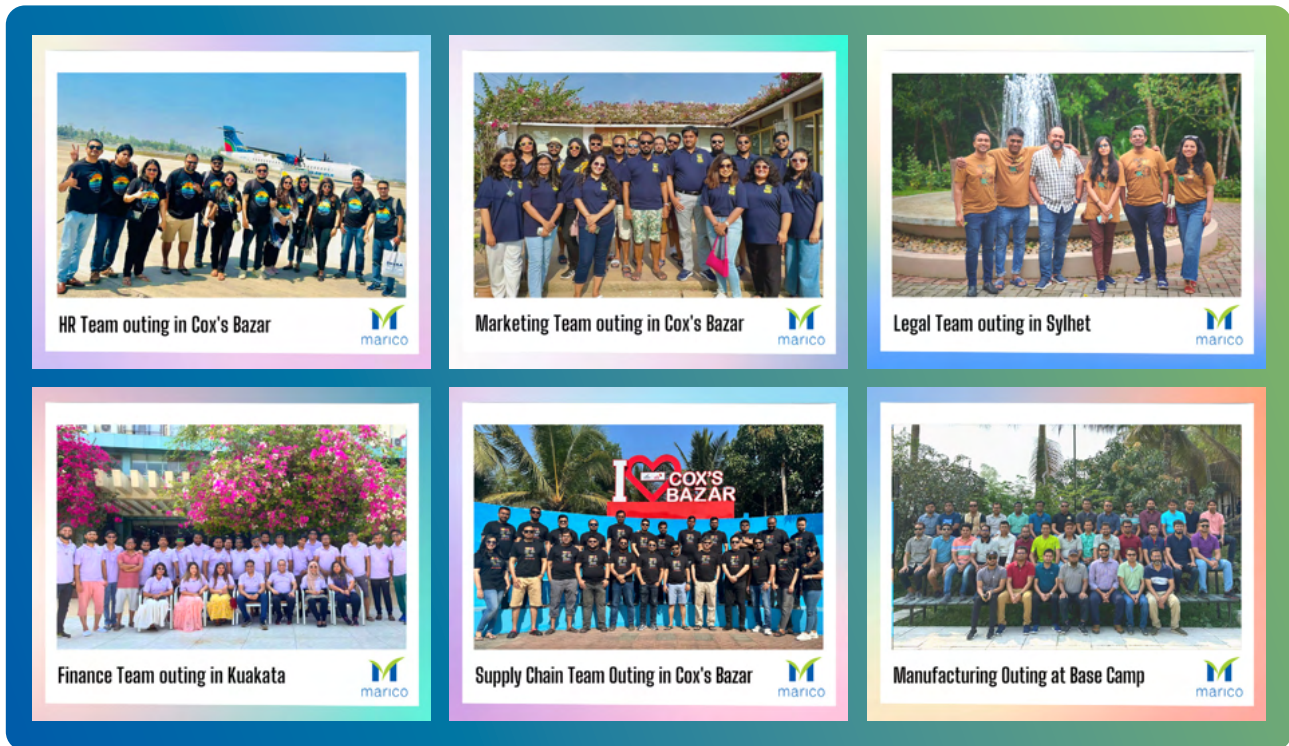
This year the extended Marico family got together to celebrate Marico for what it is today at our biggest annual engagement forum 'Marico Family Day'. This year's theme 'Colours of Marico' was an ode to the very vibrant Marico family! The day was spent outdoors, filled with fun and exciting activities for all, ranging from kid's biscuit race, cricket and badminton tournament, pillow passing, raffle draw, talent show, and live music by our very own inhouse band.

Sales & Marketing Conference



We organized the Sales & Marketing Conference to reflect on our performance & discuss our goals for the future.

Functional Team Outings



Our members went on their functional team outing. Each team went to different offsite locations with all the members of their respective functions to unwind and strengthen their team bonding!

Celebrating Together



We celebrated the traditions and harmony of Bangladesh through two of the biggest Bengali festivals, Pohela Falgun and Pohela Boishakh at our Head Office and Factories this year after the last few years of virtual celebrations.

Talent Development

We are committed to developing our members through various learning and skill development programs which will enable them to excel in their current and future roles. This year, we arranged several such sessions.

Leaders Talk

Leaders Talk is a series that aims to increase function specific knowledge sharing and create a culture of collaboration across different organizations and industries. We invited functional leaders who provided our members with insight into their personal career journey and gave them invaluable inspiration to excel in their careers.

Trainings and Workshops

For FY 2022-23, we designed our learning plan to not only enable our members to upskill and reskill for their roles at Marico but to also help them prepare for the changing landscape of work. Hence, we have included a blend of both functional skills and behavioural skill workshops and training sessions such as:



Design Thinking

This was a unique program, curated specifically for the Marketing team, to help them better understand consumers, challenge assumptions, redefine problems and create innovative products.



Competency Based Interview

The Competency Based Interview Training was a workshop designed to help recruiters within Marico select the right candidate by aligning the interviewing process with the company context and the competencies that are quintessential to successfully perform the role.



Managers as Wellbeing Coach

Post pandemic, many of our members were faced with challenges in regard to their mental and physical wellbeing. Hence, we decided to equip our managers with the right tools, language and training to help their teams not only maintain work performance, but also to also help them navigate the other elements of their work and personal life.



MANAGER AS WELLNESS COACH TRAINING



COACHING PROGRAM FOR ASM & DSH



COMPETENCY BASED INTERVIEW TRAINING

Talent Movement to International Geographies

In line with our philosophy of providing opportunities to members based on their aspirations, while recognising their consistency of performance, leveraging their strengths and unleashing their potential, two Marico Bangladesh Members were selected for the Global Expatriate Program of Marico Limited.



Sales Development Center

We initiated an assessment center for our sales members to evaluate and groom our home grown talent and prepare them for higher order roles by, identifying & developing strong areas, give developmental inputs and enabling them to grow within Marico.

The process involved identification of Key Talent, evaluating their performance rating, finalizing the modality based on role competency, a presentation with objective assessment, and final interview with Partners. The process resulted in a significant number of internal movement. Some notable positions that have been filled

are Area Sales Manager, Channel Manager, Alternative Channel Manager, and Trade Marketing Manager.

Job Shadow Program

We continued the Job Shadow Program in our Sales function to smoothen out the transition of good performers to take on new higher order roles. The process involves a 2 month long attachment with an existing senior member followed by a learning review and finally a review with the CEO. Once placed in the new role, the member is mentored by a senior Head Office Sales member for the next 4 -5 months.

Marico Bangladesh on Campus

With the aim of enabling the next generation of professionals to prepare for the ever changing corporate landscape, we provide a multitude of campus programs which allow students at different stages of their academics to learn from industry leaders and enable them to kickstart their corporate journey.

Over The Wall

After completing 9 successful seasons internationally, Marico has launched 'Over The Wall' in Bangladesh! Over The Wall is the largest entrepreneurship and product innovation campus competition in Bangladesh! It is designed to help 3rd and 4th year university students unlock their business leadership abilities and unleash their entrepreneurial mindset through multiple rounds of assessments and mentorship sessions! The winners of season 1 got the chance to do an internship in Marico India.



Trailblazer Sales Leadership Program

Marico Bangladesh Launched Trailblazer, a flagship Sales Leadership Program which provides fresh graduates with an opportunity to join Marico Bangladesh as a Management Trainee in Sales after successfully completing a 6 month long intra-functional learning program.



IGNITE Campus Ambassador Program

We onboarded our second batch of Campus Ambassadors to represent Marico Bangladesh on their respective campus while providing them with learning opportunities, corporate mentorship and career counseling from industry experts. This year, we have onboarded 30 Campus Ambassadors from 27 leading campuses in the country!

Impact 90

Marico Bangladesh's Flagship Internship program - Impact 90 continues to be one of the most immersive internship programs offered in Bangladesh. The new and improved program structure focuses on providing the interns with a learning experience like no other, with more hands on projects and a post internship evaluation, providing them with a chance to be confirmed as a member.

Marico Bangladesh Limited has ranked 8th Employer of Choice across all sectors and the 3rd in the FMCG sector, as per the Nielsen campus track survey 2022.

Marico Bangladesh Limited has ranked **8th Employer of Choice** across all sectors and the **3rd** in the FMCG sector.

Marico Bangladesh on Social Media

In FY23, we have reached a significant milestone for the 'Marico Bangladesh Limited' page on LinkedIn by garnering an organic followership of more than 115,000. This has enhanced Marico's Employer Brand which has significantly contributed to our internal hiring. This year, 100% of Marico Bangladesh's hiring has been done internally via the internal sourcing, referrals, and social media!

100%

of Marico Bangladesh's hiring has been done internally via the internal sourcing, referrals, and social media!

Notable Campaigns



Our culture code emphasizes to create excellence in whatever we do, seek & ask for help without any bias, foster open and transparent communication, enable each other, build shared success and above all, to make mistakes but rise above our failures. Our leaders will continue to support and reinforce these behaviors to make Marico Bangladesh Limited a great place to work.

Diversity and Inclusion

At Marico Bangladesh, we hope to create a workplace which embraces the diversity of backgrounds and fosters innovation, creativity, and different perspectives. We believe that Diversity & Inclusion leads to enhanced business results and we have put our focus on creating a diverse group of members including gender diversity, educational diversity, regional diversity. We have a thriving multi-cultural and multi-generational workforce which consists of 79% millennial and 13% generation Z population.

OUR INTELLECTUAL CAPITAL

Overview

Marico has created a strong brand of innovation excellence. In this context, our intellectual capital is vital in solidifying our market position & competitive advantages. Our team leverages the strength of our brand portfolio, operational innovation, branding, sales strategies and supply chain management solution to deliver high quality market leading products that transform into everyday household essentials.

Brand and Marketing Highlights

Brand Building and Product Innovation

The year under review saw a range of consumer-centric launches providing daily-use essential products under the following brands and portfolios:



NEW LAUNCHES

Parachute Advanced Onion Hair Growth Oil

Parachute Advanced Onion Hair Growth Oil, the latest addition to the Parachute Advanced Hair Oil portfolio was launched in Quarter 2, FY'23. It is the first ever hair growth oil in which the nourishment of coconut oil is combined with the power of onion extracts and vitamin E to boost hair growth. The new Parachute Advanced Onion Hair Growth Oil is a non-sticky oil with an uplifting floral fragrance.



Glo-On Pink Glow Cream

Glo-On Pink Glow Cream started its journey in July 2022 in Bangladesh. The cream is made with American Skin Technology, Glow Booster, Pep Complex and 4 powerful vitamins.

With the winning product formulation and amazing packaging and fragrance, the initial responses from the consumers has been encouraging.

Parachute Naturele Onion Advanced Hair Fall Control Shampoo

Parachute Naturele Onion Advanced Hair Fall Control Shampoo, the latest addition to the Parachute Naturele Shampoo portfolio was launched in Quarter 3, FY'23. Made with the nourishment of coconut milk protein and the power of onion, it helps control hair fall.



BRAND BUILDING INITIATIVES AND CAMPAIGNS

1. HAIR OILS:

Parachute Advanced

Parachute Advanced remains at the forefront of meeting the hair care needs of women by delivering on its promise of “Strong Hair” – a promise that deeply resonates with the women of Bangladesh. The brand has continued to build equity on the back of contextually relevant campaigns on the theme of “Strong Hair Makes You Beautiful” during special occasions like Mother’s Day, Friendship Day, and Women’s Day.



During Mother’s Day, individuals shared short stories about how their mothers’ strong roots influenced their character and identity. On Friendship Day, Parachute Advanced encouraged people to identify friends with whom they share a strong bond and make a pledge to maintain that strong connection. On the occasion of International Women’s Day, the brand recognized women who are rooted in their passions while pursuing a career; Parachute Advanced believes that with solid roots and a strong support system, women can pursue both!





Parachute Advanced Beliphool Hair Oil

Parachute Advanced Beliphool continues to be the leading Value-Added Hair Oil Brand in Bangladesh. This brand stands for young aspiring girls who stay true to their traditional roots and aim for a Liberated life making her own choices. To maximize communication reach through leveraging a trending social platform TikTok, for the first time ever in the hair oil category, Parachute Advanced Beliphool launched its new TikTok Hairstyle Campaign.

For the campaign, Parachute Advanced Beliphool featured rising stars of TikTok and renowned TV actresses like Sallha Khanam Nadia, Keya Payel and Shamima Afrin Omi. Participants of the campaign shared their rendition of Hairstyle Transition videos on their TikTok, adding the hashtags #PABeliphool #PerfectHairstyle #fyp #tiktokbangladesh in the caption. 5 lucky participants with the highest number of views on their posts were selected as winners for an exquisite gift hamper.

Parachute Advanced Extra Care Anti-Hairfall Oil

Parachute Advanced Extra Care is an anti-hair fall oil. It comes with a unique root applicator, first among the hairfall control brands in the country. Its premium packaging stands out amongst the competition. Parachute Advanced Extra Care Anti-Hairfall Oil promises to reduce hairfall within 45 days. Real consumers recommendation has added more credibility in recent times. Its vibrant presence on television, press and digital media makes it one of the most sought out brands in the industry.



Brand KV



Press Content

Parachute Advanced Aloe Vera Hair Oil

Parachute Advanced Aloe Vera Hair Oil was launched in 2018. The product has the goodness of aloe vera and coconut oil which leaves hair Silky and Nourished.

The brand has launched a new communication in Quarter 3 FY'23 which elaborates on the brand's key proposition of Silky and Nourished hair. It stars Mehazabien Chowdhury and Siam Ahmed, two of the current top celebrities of Bangladesh, who have signed on as the brand ambassadors of Parachute Advanced Aloe Vera hair Oil.



2. Shampoo



Parachute Naturale Shampoo

Parachute Naturale Shampoo was launched in Quarter 1, FY20-21. The Brand was launched with 3 exciting variants: Nourishing Care, Anti Hair-Fall and Damage Repair. The brand rolled out campaigns highlighting the route of "Say Yes to Parachute Naturale Shampoo" to further strengthen the brand's natural shampoo proposition.

The variants are paraben-free, dermatologically tested and enriched with the benefits of natural ingredients such as Coconut Milk Protein. The Nourishing Care variant is enriched with Aloe Vera, Damage Repair variant is enriched with Hibiscus, Anti Hair-Fall variant is enriched with Henna and Advanced Hair Fall control variant with Onion.

3. Skin Care

Parachute SkinPure Winter Media Innovation

Parachute SkinPure has done a clutter breaking media innovation during Winter with Body Lotion in popular news channel "News24". With regard to showcase the brand's functionality which included product usage, suggestions, feature highlighting, and a user's conviction after using the product, the innovations in TV media established a standard and created an unprecedented approach. The efforts were further increased to cross audience boundaries by using one of the most prestigious print newspapers in addition to News24's digital website. Parachute SkinPure has comprehensively covered the audience spectrum and made the topic talkable among netizens.





HairCode Egypt™ Mehedi Crème Color

HairCode Egypt launched its innovative TVC in April 2022. The TVC was launched to introduce a new format which is hassle-free and is a ready-to-use Mehedi color for both Hair and Beard in paste format for the first time in Bangladesh. The long lasting hair and beard color stays on hair and beard for up to 30 days.





Sales Highlights

Distribution and Go-to-Market Excellence

Marico Bangladesh Limited has become a role model of distribution excellence in the recent years by expanding its distribution coverage with the singular vision of - 'Ensure right service in the right outlets'. The Company has been able to transform its Go-To-Market (GTM) structure significantly which delivered optimum gains in the business. A sharp focus on capability building is a critical pillar of our distribution endeavours. Another pillar of our distribution is effective resource management which has enabled sustainable business growth. This concrete and clear strategy has culminated in a strong GTM structure capable of handling range and ensuring successful distribution of new products to end users with efficiency.



A. Go to Market Initiative

The sales team's strength has been attributed to their effective distribution and retailing strategies. In the fiscal year 2023, the company decided to exclusively distribute their products through specific channels to aid in promoting new brands and ensuring the right product mix in different outlets. This approach helped create a distribution network that is exclusive to certain channels as part of their Go-To-Market strategy. Direct coverage for Marico has reached 290,000 outlets in FY'23. The company's alternative Go-To-Market model has also seen impressive growth. Its rural Go-To-Market model has been integral to the expansion of their national distribution network, with a significant percentage of outlets being added from their rural GTM network to a direct service model. The diversified portfolio has been well-served through rural GTM, which caters to deep rural markets.



B. Trade Marketing Initiative

Marico Bangladesh Ltd collaborates with the retailers to implement attractive in-store promotions, such as offering special discounts, bundled offers, consumer offers or product demonstrations to persuade consumers to purchase their products. The company provides retailers with point-of-sale materials like banners, shelf talkers, or display stands that effectively showcase their products and create visibility within the store which eventually influence the consumer during purchase decision time. To encourage their distributors and retailers to sell more of their products, Marico Bangladesh runs trade plans that offer them incentives like cash rewards & volume-based discounts. A variety of consumer promotions, including give aways, loyalty discounts, and gifts are devised and implemented by the company to encourage customers to buy Marico Portfolio.



C. Channel Initiative

We are pleased to share the impressive growth that we have achieved across various platforms. The Wholesale channel experienced double digit value growth in sales; thanks to our team's dedication and strategic initiatives that bolstered relationships with our wholesale partners. Cosmetics channel is continuing its growth journey creating strong future markets with another year of double-digit growth. We have been able to capture a larger market share and establish ourselves as a preferred choice among consumers of cosmetics channel. The PSR channel has showcased remarkable double digits growth over the past year along with 2X PSR expansion in uncovered rural markets.



D. Sales Capability Development Initiative

We continue to leverage a variety of development tools- digital, audio-visual, in-person training to ensure structured, timely & focused capability building. We have implemented platforms to support & enable employee growth within the intended skill set true to our talent value proposition.



Supply Chain Highlights

Leveraging Excellence in Supply Chain

In the ever-changing, volatile business landscape, a resilient, cost-effective, and socially responsible supply chain remains central to sustainable growth and responsible business practices.



A. Cost Leadership and MarVal Excellence

Faced with the evolving landscape of supply chain challenges, including global supply constraints, price volatility, and material shortages, we've risen to the occasion, showcasing our resilience, strategic planning, and execution prowess. Our Supply Chain team leveraged our MarVal excellence initiative, leading to unprecedented annual savings, playing a pivotal role in achieving the P&L goals of the business and enhancing shareholders' equity.

From innovations in packaging design and structure optimization to advanced strategic buying, sourcing localization, and process automation, our supply chain emerged as a critical contributor to our profit aspirations and growth, despite a challenging year.



B. Prioritizing Customer Service to Unleash Opportunities

We've mastered our customer-centric approach, ensuring the right product reaches the right place at the right time. Achieving a customer service level of 98.31%, we've honed our distribution and customer service setup. By optimizing inventory planning, dispatch operations, and collaboration among sales and manufacturing units, we've ensured availability of our essential personal care products nationwide.



C. Talent Development and Team Structuring

Investing in our people is at the heart of our supply chain strategy. With a keen focus on talent development, we've implemented team restructuring and role modifications. To take it further, we have also made sure of technical workshops to leadership-level interventions aimed at ensuring continued excellence and equipping them to manage future challenges and opportunities.



D. Process Improvement & S&OP Enhancement

We've refined our Sales & Operations Planning (S&OP) process, ensuring seamless coordination among our functions, improving forecast accuracy with the introduction of state-of-the-art ML(Machine Learning) based forecasting technologies, and balancing supply-demand dynamics more efficiently. These enhancements have enabled us to respond swiftly to market changes, ensuring that our supply chain remains agile and robust.



E. Launching New Products Successfully

Our ability to meet the evolving demands of consumers with timely and effective new product launches further consolidates our position in the FMCG industry. Through rigorous project management practices, effective collaboration, and meticulous planning, we've enabled the successful launch of strategic business products, contributing to our value growth aspirations locally and globally. Some of the notable launches of year are Glo On Pink Glow Cream, HairCode Shampoo Hair Color, Parachute Advanced Onion Enriched Coconut Oil.



F. Building a Future Ready Supply Chain

As we navigate extraordinary levels of technological and economic shifts, we have heightened our capabilities to stay ahead of the curve. By leveraging predictive analytics and strengthening supplier partnerships, we're enhancing risk management capabilities, creating a supply chain that is future-ready and resilient. Our investments in focused capability development workshops, trainings, and programs have prepared us for the future, ensuring continued supply chain excellence.

OUR NATURAL CAPITAL

Sustainability Report (Manufacturing Unit)

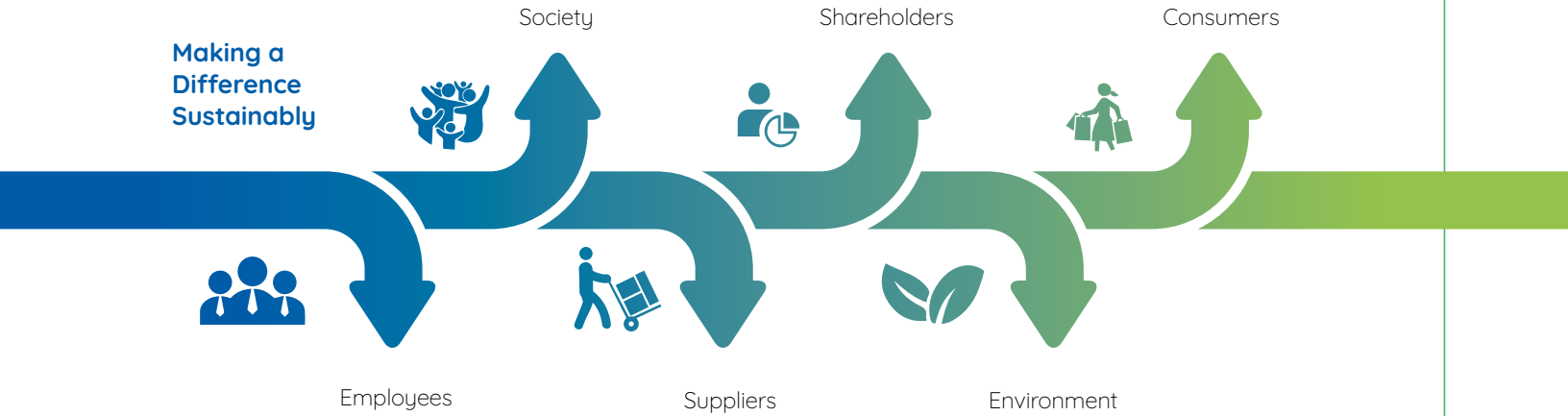
Making a Difference Sustainably

Marico's purpose is 'Making A Difference-Sustainably' in lives of those we touch, by nurturing and empowering them to bring about sustainable transformation in society. As a sustainability focused organization, we ensure our processes minimize negative environment impacts. At Marico, we make all efforts to improve our energy efficiency, reduce usage of natural resources like water & fuel, improve waste management mechanisms, reuse, and recycle materials and have environment considerations in procurement. Marico is committed to the global agenda of Sustainable Development Goals, with a specific and focused framework for achieving them within the parameters of our business operations. Our environmental sustainability goals serve as the framework for our desire to have the most positive impact on the planet.



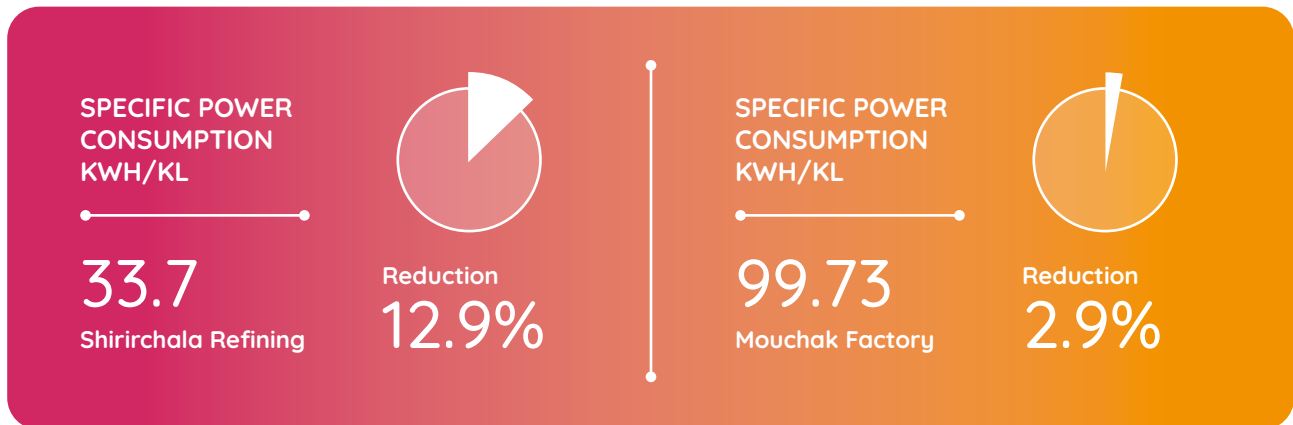
We believe that all footprints count. Hence, we use precise performance metrics to assess our progress on sustainability goals.





Sustainability highlights FY 22-23

Specific power consumption



Sustainability Initiatives FY 22-23

We want to do our share to battle major environmental issues like climate change, therefore we have an objectives to lower our environmental footprint. This means improving resource efficiency in the usage of water and energy, introducing more renewable fuels, and developing manufacturing processes for fewer carbon emissions.

Energy saving initiative

We saved
117.9 MT

Reduction of plastic consumption

We saved
19.8 MT

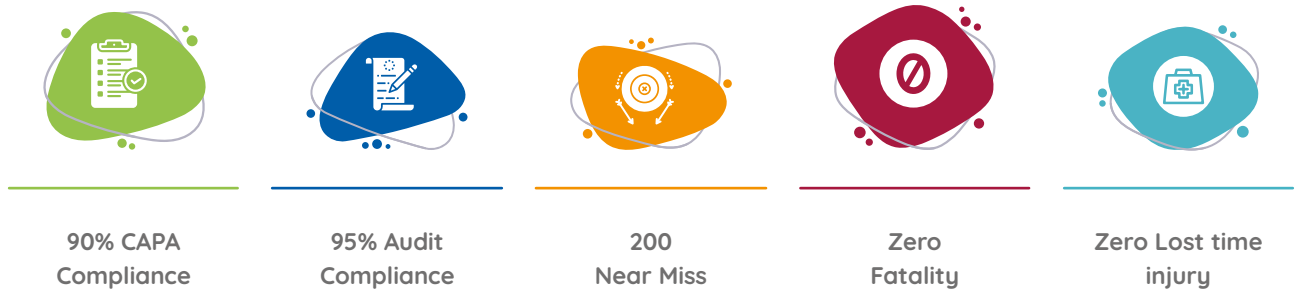
Reduction of paper consumption

We saved
2.39 MT

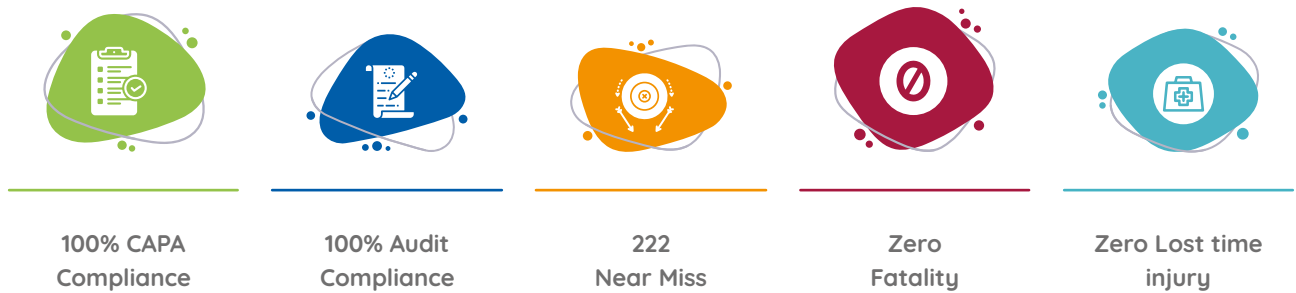
Occupational Safety & Health Performance

We recognise the need of implementing consistent and recognisable health and safety standards. To this end, we are continuously working on improving our workplace safety by providing awareness, training and investing in enhancing technical safety. We review our system's adherence to our SHE Standards. Rigorous systems and processes ensure the safety of our members at work, designed to create a safe work environment with zero fatalities and injuries. All of our sites are ISO 45001, ISO 14001 & 9001 certified. We are pleased that our safety framework and performance resulted in zero fatalities during the reporting period.

SHE Goal 2022-23



Achieved

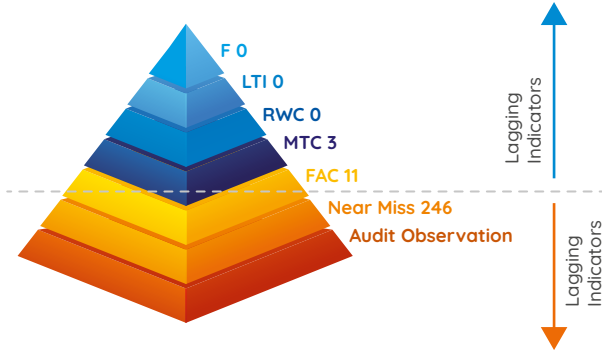


Zero Loss Time Injury (LTI)



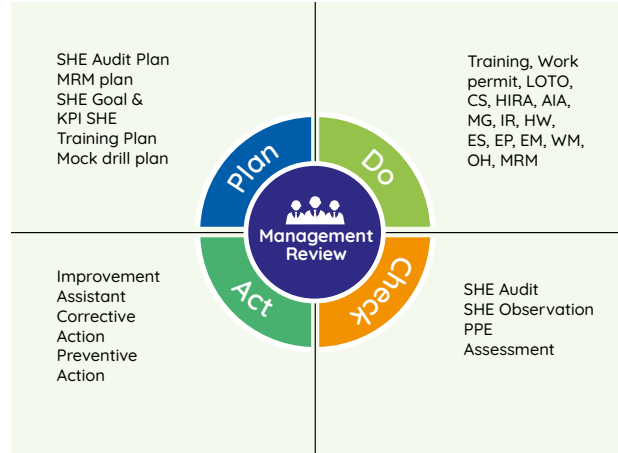
Incident Triangle

We had a satisfactory year regarding occupational health and safety performance. With only a few medical treatment cases our lagging indicator shows a remarkable achievement. There has been no fatality, Lost time injury or restricted work case.



Management Review

Marico has a Safety, Health & Environment (SHE) Council, responsible for safe practices at each manufacturing site. Council members review processes and performance on a regular basis.



Certificate BD22/00000010
The management system of **Marico Bangladesh Limited** has been assessed and certified as meeting the requirements of **ISO 14001:2015** for the following activities:
Dhaka Plant: STORAGE AND PROCESSING OF COPRA TO PURE COCONUT OIL, THROUGH CRUSHING AND REFINING, FILLING OF PURE COCONUT OIL, MANUFACTURING HOPE BOTTLES, FILLING OF HONEY AND STORAGE OF FINISHED GOODS.
Moulvibazar Plant: MANUFACTURING, FILLING, PACKING & STORAGE OF HAIR OILS, EDIBLE OIL, COSMETIC, BABY CARE PRODUCTS, HAIR COLOR PRODUCTS, HYGIENE PRODUCTS, MANUFACTURING PET BOTTLES, AND STORAGE OF PAKE, PACKING MATERIALS & FINISHED GOODS.

Certificate BD22/00000011
The management system of **Marico Bangladesh Limited** has been assessed and certified as meeting the requirements of **ISO 45001:2018** for the following activities:
Dhaka Plant: STORAGE AND PROCESSING OF COPRA TO PURE COCONUT OIL, THROUGH CRUSHING AND REFINING, FILLING OF PURE COCONUT OIL, MANUFACTURING HOPE BOTTLES, FILLING OF HONEY AND STORAGE OF FINISHED GOODS.
Moulvibazar Plant: MANUFACTURING, FILLING, PACKING & STORAGE OF HAIR OILS, EDIBLE OIL, COSMETIC, BABY CARE PRODUCTS, HAIR COLOR PRODUCTS, HYGIENE PRODUCTS, MANUFACTURING PET BOTTLES, AND STORAGE OF PAKE, PACKING MATERIALS & FINISHED GOODS.

International Standard Accreditations
ISO 45001:2018,
ISO 9001:2015 &
ISO 14001:2015

SHE Training

We recognize the importance of building capabilities through training and other engagement activities. We ensure everyone is capable of doing their respective duties through external and internal training courses. More than 220 training man hours were completed during 2022-23 on SHE training.



Engaging our people and the generation next




OUR SOCIAL AND RELATIONSHIP CAPITAL

Living our Purpose

“To transform in a sustainable manner, the lives of those we touch, by nurturing and empowering them to maximize their true potential.”

At Marico, our core philosophy is to Make a Difference. The power of our business lies in our purpose of delivering inclusive growth which would make a meaningful difference to the communities around us. We partner with our stakeholders to create lasting economic value, improve quality of life, and support the attainment of the Sustainable Development Goals (SDG).



Be the Impact

Marico is committed towards social responsibility (CSR) and corporate citizenship programs and in the last year invested BDT 113 mln in CSR initiatives.

SWAPNO PROGRAM—A BENCHMARK PARTNERSHIP WITH UNDP EMPOWERING ULTRA-POOR WOMEN

MARICO is in a partnership with the United Nations Development Program (UNDP) for a third cycle. SWAPNO is a social transfer project for ultra-poor women and empower them to graduate out of poverty through sustainable livelihoods, literacy, financial inclusion, health & nutrition & leadership development.

SDGs FOCUS



Positive Action



Sustainable Livelihoods for Ultra Poor Women



All women-led households



Improved nutrition, health, education and voice

INTERVENTION APPROACH



Digital Initiative for Beneficiaries selection, Wage Disbursement (G2P), Enterprise Management, E-commerce, Project Monitoring and MIS



Work with local investors for small enterprise development to create local employment



Scale up micro-health insurance and access to credit services



Strengthen Capacity of LGIs and Promote Climate Adaptive Technology for DRR and resilience building



Formal sector employment in partnership with Industry association and Psycho-social counselling for beneficiaries

Active MBL Engagement



SWAPNO--Strengthening Women's Ability for Productive New Opportunities



Aligned with National Development



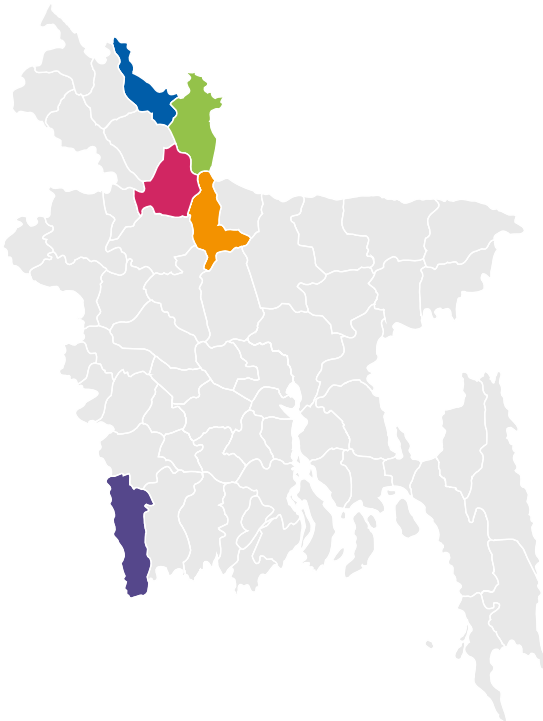
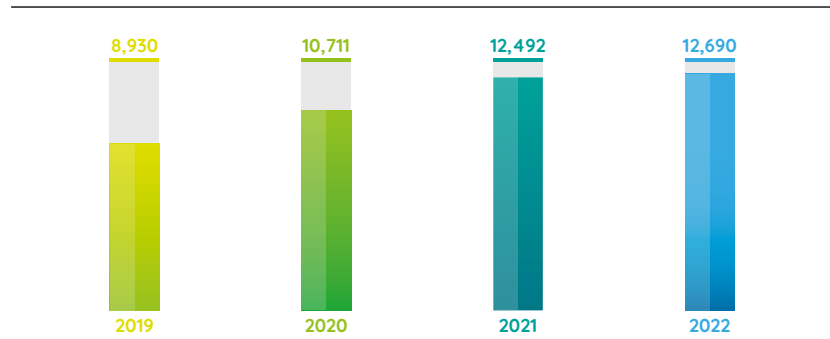
Empowered lives. Resilient nations.



NUMBER OF BENEFICIARIES OVER 12,000

Across 25 Upazilas

No. of Beneficiaries -



- Lalmonirhat**
 04 Upazilas
 37 Unions;
 1332 beneficiaries
- Kurigram**
 09 Upazilas
 72 Unions;
 5184 beneficiaries graduated (in two cycles)
- Jamalpur**
 05 Upazilas
 45 Unions;
 1620 beneficiaries
- Gaibandha**
 02 Upazilas
 17 Unions;
 612 beneficiaries
- Satkhira**
 05 Upazilas
 52 Unions;
 3744 beneficiaries graduated (in two cycles)

Social Innovations Developed within Swapno Program

Innovation

Face mask production

'Fistful Rice Collection' for group sale

Packets of low-cost sanitary napkins



STATUTORY REPORTS



DIRECTORS' REPORT

A message to our Shareholders

The Board of Directors ('the Board') of Marico Bangladesh Limited is proud to present to you the 13th Annual Report of the Company after being listed on the Dhaka & Chittagong stock exchanges.

Financial performance for the year ended March 31, 2023

BDT in Crore	FY 2023	FY 2022	Growth %
Revenue	1,413.6	1,303.2	8.47%
Cost of sales	(681.1)	(596.1)	14.27%
Gross profit	732.5	707.1	3.58%
Other income	2.5	1.7	44.53%
General and administrative exp	(122.2)	(119.0)	2.64%
Mkt, selling and distribution exp	(98.9)	(125.4)	-21.08%
Operating profit	513.8	464.4	10.63%
Net finance income	15.9	9.0	77.00%
Profit before con. to WPPF	529.7	473.4	11.88%
Contribution to WPPF	26.5	23.7	11.88%
Profit before tax	503.2	449.7	11.88%
Income tax expenses	(115.9)	(94.3)	22.88%
Profit for the year	387.2	355.4	8.96%
Other comprehensive income/(loss)	1.7	1.9	-6.88%
Earnings per share (EPS)	122.9	112.8	8.96%

Principal Business Activities of Company

Manufacturing and marketing of fast-moving consumer goods ('FMCG') continued to remain the core business activities of Marico Bangladesh Limited. The Company is the manufacturer and marketer of renowned brands such as Parachute, Parachute Advansed, Just For Baby, Nihar, Parachute SkinPure, Parachute Naturale, Mediker SafeLife, Saffola Active, Studio X, HairCode and Livon. The Company had a vibrant year of portfolio diversification with multiple new product launches and extensions in hair oil and skin care categories. Marico's portfolio of winning brands are well-placed to become prominent players in the market and keep Marico firmly on growth path.

Industry Outlook and Possible Future Developments in the Industry

The scope of 'Fast Moving Consumer Goods' (FMCG) industry has expanded over the years and include products which are daily essentials as well as those which

are aspirational and typically sold/traded rapidly in the market. Bangladesh's GDP is expected to grow by 6% in the year 2023 according to the latest forecast from eminent International Financial Institutions. However, country's inflation is expected to be in the range of 8% to 9% in FY23 which is likely to put pressure on private consumption. Further the exchange rate could continue to see adverse movement. Overall, the economic outlook of 2023 remains cautious leading to conservative growth projections in the FMCG industry.

According to the World Bank, Bangladesh's economic growth projection is likely to be 5.2 percent for the 2023-24 fiscal year considering the multiplier effects of the war in Ukraine. Global forecasts predict that FMCG market will grow at a CAGR of 3.2% and emerging markets will continue to grow ahead of developed markets. Increase in per capita income, introduction of new distribution and retail channels and the millennial population will dictate consumer preferences and shifts in product offerings

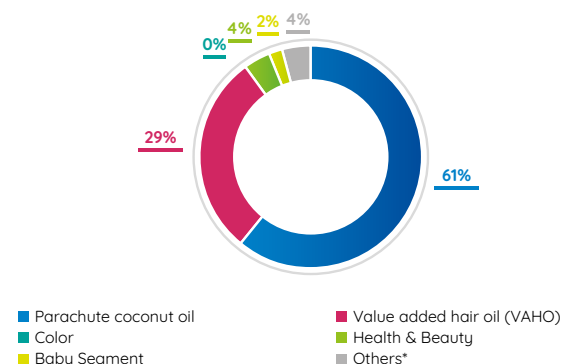
and market behavior. Preference for aspirational personal care products, fruition of better logistics and infrastructure development and low labor cost may make Bangladesh a favorable investment destination for new FMCG entrants or may witness further investment by existing players.

Segment-Wise Performance

During the year ended 31 March 2023, the company continued its drive for portfolio diversification with new launches in hair care and skin care categories. The Company strengthened its presence in the skin care category this year with the launch of Glo On Pink Glow Cream. The new introductions are an indication of our consumer-centricity and efforts to play in the markets with a right to win for Marico. Given the human capital and intellectual capital of the Company, it is also foraying into traditionally red-ocean markets as well with an aspiration to grow and succeed. In FY 23 the Company's household penetration stood at approximately 89.7%.

Marico posted BDT 1,413.6 Cr total revenue for the year ended 31 March 2023 with 8.47% growth compared to last year. The growth was driven by PCNO, VAHO, Beauty & Health and Baby Care segments. Over the years the Company has made a significant shift in the volume and value mix of its portfolio to lower dependence on the branded coconut oil segment. Contribution of other segments in volume & value mix increased as strong initiatives have been taken to strengthen the non-coconut oil market share as well as maintaining the leadership in the coconut oil category. The segment performance is set out in Note 18 in the financial statements and represented below:

Segment-Wise Revenue Contribution



Risks and Concerns

The Board regularly monitors, assesses and identifies potential risks, threats to sustainability and profitability and negative impact on environment. The Company adheres to an Enterprise Risk Management (ERM) framework which the Board reviews at regular intervals and also assesses litigation, regulatory and fraud risks. Details of Risks and concerns including internal and external risk factors are discussed in the 'Enterprise Risk Management' section on page 121 in this Annual Report.

Special Note on Risks and Concerns

The global economic situation has become fragile due to prolonged war in Ukraine and the global supply chain continues to remain under stress. There is significant depreciation of BDT against US Dollar and settlement of material bills remain a challenge. The Company is continually monitoring this uncertain scenario and taking measures under the ERM framework to cushion against macro-economic shocks including working closely with our banking partners, raw material inventory management and optimizing freight costs. The agile implementation of contingency plans ensured minimal impact on business operations in FY23. The Board and management are cautiously optimistic for the FY 24 outlook given the macroeconomic environment and are of the view that the risk mitigation plans will ensure continuation or sustainability of the business.

Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin

Cost of Sales:

Revenue for the year ended 31 March 2023 increased by 8.47% and due to increase of raw material price in global market and adverse movement of exchange rate, cost of sales increased by 14.27% compared to last year.

Gross Profit:

Gross profit for the year ended 31 March 2023 in absolute terms has grown by 3.58%. Efficient management of costs along with improved brand mix contributed to the profit growth.

Net Profit:

Net profit for the year ended 31 March 2023 was BDT 387.2 Cr. It increased by 8.96% compared to last year in absolute term. Higher revenue growth and efficient cost management resulted in the growth of net profit.

*Year ended on 31 March 2023 and figures in BDT Cr

BDT in Crore	FY 2023	FY 2022	Growth %
Revenue	1,413.6	1,303.2	8.47%
Cost of sales	(681.1)	(596.1)	14.27%
Gross profit	732.5	707.1	3.58%
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Profit before tax	503.2	449.7	11.88%
Income tax expenses	(115.9)	(94.3)	22.88%
Profit for the year	387.2	355.4	8.96%
Other comprehensive income/(loss)	1.7	1.9	-6.88%
Earnings per share (EPS)	122.93	112.80	8.96%

Related Party Transaction

In the year FY'23, the Company had related party transactions with its parent company, Marico Limited, India, Marico Middle East FZE, Marico for Consumer Care Products SAE (Erstwhile Wind Co) and other subsidiaries of the parent company. The value of the transactions with Marico Middle East for the purchase of raw materials exceeds the 10% of the revenue of the preceding financial year, i.e. FY'22. Note 28 of the financial statements include details of the transactions with the related parties. The approval of shareholders regarding related party transactions in FY'24 will be sought at the 23rd Annual General Meeting in accordance with BSEC notification no. BSEC/CMRRCD/2009-193/10/Admin/118 dated 22 March 2021.

At the same time management also anticipates that related party transactions in FY'24 (2023-24) for the purchase or sale of raw material, packaging material and import of machineries may exceed the thresholds set out

in BSEC notification no. BSEC/CMRRCD/2009-193/10/Admin/118 dated 22 March 2021 and as such will also seek the approval of shareholders at the 23rd AGM in accordance with the Notification.

Directors' Statement on Financial Reporting

The Directors, in accordance with the Corporate Governance Code 2018 confirm the following to the best of their knowledge:

- The financial statements prepared by the management of the Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of account of the issuer company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of the financial

statements and that the accounting estimates are based on reasonable and prudent judgment.

- d. International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in the preparation of the financial statements, and any departure there from has been adequately disclosed.
- e. There is no significant doubt upon the issuer company's ability to continue as a going concern.
- f. There are no significant deviations from the last year's operating results. Key operating and financial data of the preceding five years have been summarized in the table below at page 102.

Internal Controls

The system of internal control is sound in design and has been effectively implemented and monitored. The Board ensures that the control framework is commensurate with the size, scale and complexity of the business. The Audit Committee comprises of professionally qualified Directors, who interact with the statutory auditors, internal auditors and management in dealing with matters within its terms of reference. The signatory matrix is authorized by the Board in accordance with the Segregation of Duties to strictly ensure authorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls. An extensive program of internal audits and management reviews supplement the process of internal financial control framework. Documented policies, guidelines and procedures are in place for all critical business processes. The internal audit function monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the internal audit reports, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions proposed to remedy the observations are presented to the Audit Committee of the Board. In addition, the Company has identified and documented the key risks and controls for each process that has a relationship to the financial operations and reporting. At regular intervals, internal audit function

tests identified key controls. The Company also has a robust compliance management framework to monitor and ensure legal & regulatory compliance. The said framework is also tested for adequacy and effectiveness to safeguard the company from any compliance risk. The Company has further automated internal controls through IT solutions and also has a robust information and cyber security framework to ensure the efficient functioning and safety of automated internal control framework.

Minority Shareholder Protection

The minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress. The Company maintains effective investor relations and shareholder management processes, through which the management, in particular, the Company Secretary, the Chief Financial Officer and the Managing Director, continuously interacts with its shareholders across various channels.

The Company has also formulated its Dividend Policy which was approved by the Board and published on the website of the Company to ensure easy access of all shareholders. The Dividend Distribution Policy is also presented in page 138 of this Report in accordance with BSEC Directive dated 14 January 2021. The Dividend Policy will enable shareholders to understand the internal and external factors pertaining to dividend declaration and payout. The Company ensures that critical information about the Company is available to all shareholders by duly circulating disclosures, price sensitive information and by uploading all such information at the Company's website under the Investors section. Detailed disclosures on material decisions and related party transactions are presented in this report for review and approval by shareholders at the annual general meeting.

Key Operating and Financial Data of Preceding Five Years

The Company has delivered consistent growth and the last 5 years' results evidence the strong footprint of the Company in the FMCG industry. The table below illustrates the last 5 years' revenue and profitability status.

*Year ended on 31 March 2023 and figures in BDT Cr

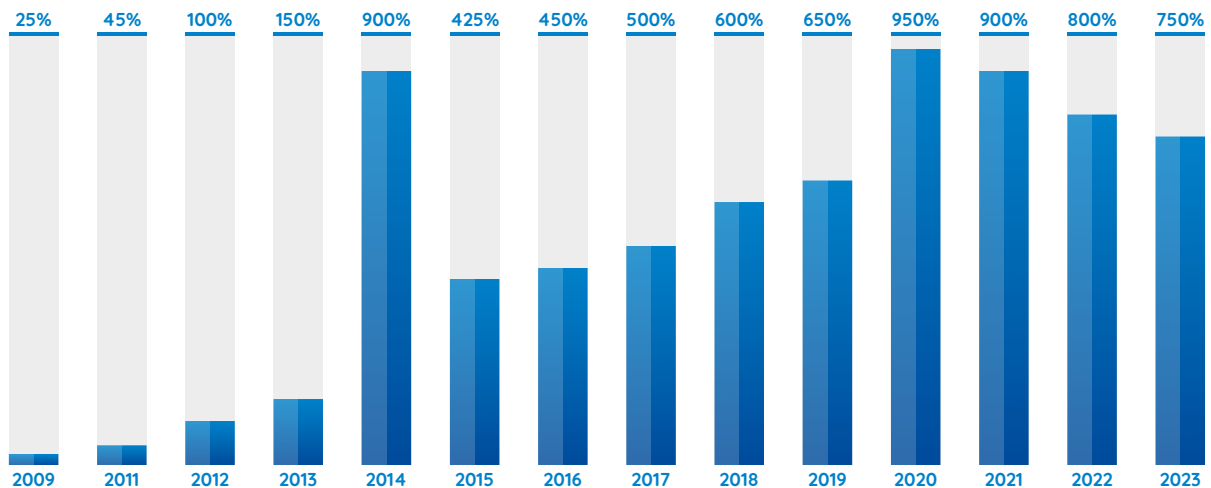
Particulars	2023	2022	2021	2020	2019
Revenue	1,414	1,303	1,131	980	877
Cost of sales	(681)	(596)	(464)	(412)	(447)
Gross profit	733	707	667	567	430
Other income	3	2	6	0	0
General and admin expenditure	(122)	(119)	(109)	(96)	(79)
Mkt, selling and distribution expenditure	(99)	(125)	(136)	(115)	(77)
Other expense	(0)	(0)	(0)	(0)	-
Operating profit	514	464	429	338	259
Finance income	16	13	15	24	18
Finance cost	(0)	(4)	(2)	(5)	(2)
Net finance income	16	9	13	19	16
Profit before contribution to WPPF	530	473	442	357	275
Contribution to WPPF	26	(24)	(22)	(19)	(15)
Profit before tax	503	450	419	357	275
Income tax expense	(116)	(94)	(109)	(93)	(73)
Profit for the year	387	355	311	265	202

Total Equity of the Company

The equity capital comprised 31,500,000 equity shares of BDT 10 each, Share Premium of BDT 252,000,000 and Retained Earnings of BDT 3,019,315,643.

Distribution of Equity to Shareholders

Dividend Disbursement



Your Company's wealth distribution philosophy aims at sharing its prosperity with its shareholders. The trend reflects consistency in the Company's dividend disbursements over the years and commitment to ensure that shareholders' value is maximized. At the same time, the Company has also considered your views and concerns of ensuring adequate reserves and exercising discretion in declaring dividend out of retained earnings, which is reflected in the dividend declaration for FY'23

In FY'23, the Company declared interim cash dividends amounting to 750%.

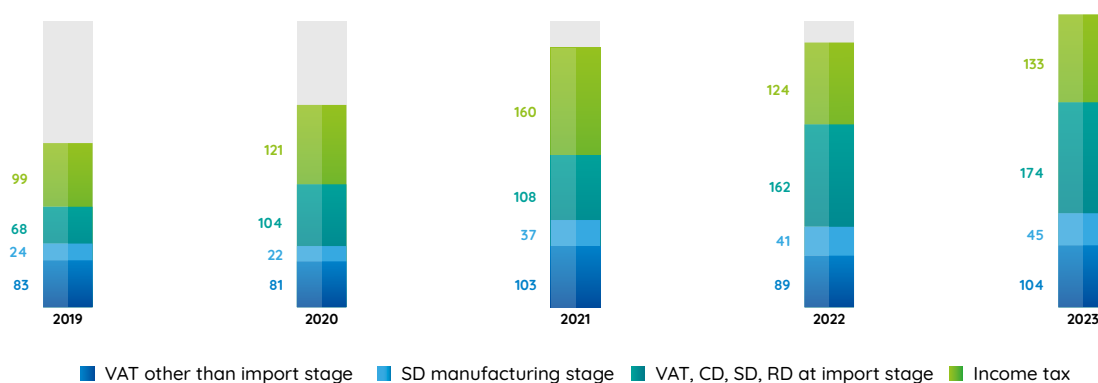
Events subsequent to the Statement of Financial Position

No significant events occurred after the reporting period.

Contribution to National Exchequer

During the reporting period, your company paid BDT 456 Crores to the National Exchequer on account of Corporate Income Tax, Customs Duties, Supplementary Duties and Value Added Tax (VAT).

Contribution to national exchequer



Details	2019	2020	2021	2022	2023
Total (BDT Crores)	274	327	408	415	456

Board of Directors

As at 31 March 2023, the Board of Directors of the Company comprises 7 (Seven) members including 3 (three) Independent Directors. Names and profiles, including the qualifications of each Director are stated in detail at the 'Directors' Profile' section on page 34 of this Annual Report.

Board of Directors' Meeting and Attendance

The number of Board meetings held during the year 2022-23 and attendance of Directors is presented below:

Names	Representation in the Board	Number of Board Meetings		Attendance at Last AGM
		Held	Attended	
Saugata Gupta	Chairman- Nominee Director	4	4	Yes
Rajat Diwaker	Managing Director- Executive Director		4	Yes
Parveen Mahmud	Independent Director		4	Yes
Zakir Ahmad Khan	Independent Director		4	Yes
Sheela R Rahman*	Independent Director		3	Yes
Pawan Agrawal	Nominee Director		4	Yes
Ashish Goupal	Nominee Director		4	Yes

* Sheela R Rahman joined at MBL on June, 2022

Pattern of Shareholding

The shareholding pattern of the Company as on March 31, 2023 is presented in the "Stock Performance" presented at page 29 of this Annual Report.

Appointment/Re-Appointment of Directors

Mr. Pawan Agrawal, non-executive/nominee Director of the Board will retire from office by rotation at the 23rd Annual General Meeting (AGM) and, being eligible, offers himself for re-election in accordance with Section 91 of the Companies Act and Article 99 of the Articles of Association of the Company.

Remuneration of Directors

The amount of total remuneration paid to Directors including Independent Directors has been presented at Note: 20 in the Notes to the financial statements.

Code of Conduct

The Company's Code of Conduct (CoC) has been reviewed by the Nomination & Remuneration Committee and adopted by the Board which applies to all members of the company including the Board of Directors and Key Management Personnel. A robust orientation program conducted by the Director-Legal & Corporate Affairs was imparted to new members on the Board of Directors and new joiners in the Company.

Management's Discussion and Analysis

The Management Discussion and Analysis has been duly signed by the Managing Director/Chief Executive Officer (CEO) of the Company and is presented at page 106 of this Annual Report.

Certificate by CEO and CFO

The Managing Director/CEO and Chief Financial Officer/CFO of the Company have certified the financial reports presented in this report. The Certificate of the CEO and CFO has been presented on page 123 of this Annual Report.

Reporting and Compliance of Corporate Governance

A Certificate of Compliance as provided by M/s. Al-Muqtadir Associates, Chartered Secretaries, has been presented at page 124 of this Annual Report. Furthermore, Status of Compliance as per the Code has been presented at page 125 of this Annual Report.

Shareholding Information

The distribution of shareholding and market value of shares are presented in the Stock Performance section at pages 29 & 30 respectively

Statutory Auditors

- i. A. Qasem & Co (AQC), member firm of ECOVIS will be completing their second term of Audit for the Company at the 23rd Annual General Meeting (AGM). In this context, based on the suggestions of the Audit Committee, the Board has recommended re-appointment of AQC as statutory auditors in accordance with Section 210 of the Companies Act 1994 to hold office until the conclusion of the 24th AGM at a consolidated fee of BDT 18,50,000 excluding VAT.
- ii. As required under the BSEC CG Code, the Compliance Auditor will be appointed at the 23rd Annual General Meeting.

Other Regulatory Disclosures

Pursuant to the Corporate Governance Code, the Board also reports that:

- There was no extraordinary gain or loss during the financial year
- The Company's Initial Public Offering (IPO) was in the year 2009. No further issue of any instrument was made during the year
- There is no significant variance between the quarterly financial performance and annual financial statements

- The Company has delivered budgeted performance in the last financial year vs agreed operating plan and the financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity
- Proper books of account of the Company have been maintained
- No bonus or stock dividend has been declared as interim dividend during the year

Acknowledgement

The Board takes this opportunity to express their heartfelt thanks to all stakeholders including its shareholders,

consumers, business partners, banks and financial institutions, regulatory bodies and auditors, for their immense support and contribution towards the success of the Company.

On behalf of the Board



Saugata Gupta

Chairman of the Board

MANAGEMENT DISCUSSION AND ANALYSIS

FY'23 was yet another year of unprecedented challenges on one hand and company's perseverance on the other. The Company delivered benchmark growth in value amidst the dual challenge of high inflation and significantly adverse movement of the exchange rate. During these tumultuous times the Company grew profits, invested in future capacity, and ensured dividend payments. This performance was driven by growth in core categories, launch of new products, augmenting distribution, and accelerated capability development.

At a full year Level, Marico Bangladesh Ltd. has registered an 8.47% revenue growth and maintained its leadership in the coconut oil (CNO) category and in the value-added hair oils (VAHO) category which grew by 6.7% at a full year level. Revenue growth was driven by Parachute Advanced, Beliphool, Parachute Naturale, Just for Baby and has been further boosted by new launches – Parachute Advanced Onion, Glo- On and Hair Code color shampoo.

Revenue

The category wise revenue is as follows:

Category	FY'23	FY'22	FY'23	FY'23
	BDT Crs		Contribution of total revenue	
CNO	858	804	60.7%	61.7%
VAHO	405	379	28.6%	29.1%
Colours	5	4	0.3%	0.3%
Beauty & Health	60	42	4.2%	3.2%
Baby Care	28	22	2.0%	1.7%
Others	60	52	4.2%	4%
Total	1,414	1,303	100%	100%

The revenue mix continues to evolve as the non-coconut oil revenue contribution has increased steadily with the portfolio diversification. This is attributable to steady expansion of our personal care/beauty & health range and baby care segment.

Gross Margin

In FY'23, gross margins came under pressure. Marico Bangladesh Limited has reported gross profit margin of 51.82% which is 2.45% lower than LY. However gross profit in absolute terms has grown by 3.58% compared to LY primarily on account of favorable topline impact.

Marketing, Selling & Distribution exp

In FY23, Marketing, Selling & distribution expense as a percentage of revenue decreased by 2.62% (7% in FY23 vs 9.62% in FY22) compared to LY- which in absolute terms translated to a decrease of 21%. During the year spends

were rationalized to hedge margins against external shocks and investments were focused on new launches and brand-building in the non-coconut oil portfolio of the business.

General & Administration Exp

Expense as percentage to topline stood at 8.6% which is a slight reduction from last year. However, in FY'23, general and admin expenditure increased by 2.6% in absolute terms primarily in employment cost due to inflationary adjustment.

Profit after Tax

Profit for the year grew by 8.96% compared to LY in absolute terms driven by growth in revenues and efficient management of different types of expenses. MBL reported a net margin of 27.4% in FY23 compared to 27.3% in LY.

Statement on Corporate Governance Conditions

a. Accounting policies and estimation for preparation of financial statements

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs), the Financial Reporting Guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) and the Companies Act 1994 following the accounting policies and estimations as relevant. The Company also complied with the

requirements of Bangladesh Securities and Exchange Rules 1987 and regulations from various Government bodies. The Company has consistently applied various accounting policies and estimations to all periods presented in these financial statements. The integral parts of the financial statements for the year ended 31 March 2023 with relevant accounting policies and estimations have been set out in Note 40. Any revision to the accounting policies is being applied retrospectively to all the previous years and change to any financial estimation is being reflected prospectively.

b. Changes in accounting policies and estimation

FY	2023	2022	2021	2020	2019	2018
Turnover	1,414	1,303	1,131	980	877	781
Gross Profit	732	707	667	567	430	359
Net Profit	387	355	311	265	202	164
EPS	123	113	99	84	64	52
Net Asset	359	268	164	139	130	149
Cash & Cash equivalent	223	50	40	42	38	28

Cashflow movement (BDT Cr.)	2023	2022	2021	2020	2019	2018
Cash generated from operating activities	620	445	421	361	361	199
Income tax paid	(99)	(92)	(107)	77	(64)	(58)
Interest paid	(1)	(1)	(2)	(2)	(1)	-
Interest received	20	8	17	18	16	13
Net cash flow generated from or (used in) operating activities	539	360	330	301	267	154
Net cash flow generated from or (used in) investing activities	(264)	50	68	42	(89)	(1)
Net cash flow generated from or (used in) financing activities	(103)	(300)	(265)	(340)	(168)	(143)
Net increase (decrease) in cash & cash equivalent	172	10	(2)	4	10	10
Opening cash & cash equivalent	50	40	42	38	27	17
Closing cash & cash equivalent	223	50	40	42	38	27

The financial statements of Marico Bangladesh Limited for the year ended 31 March 2023 have been prepared having no change in accounting policy and/or estimation. The company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). There have been no significant changes in the accounting policies applied to the financial statements.

c. Comparative analysis for current financial year with immediate preceding five years (BDT cr)

The Company has been enjoying a persistent growth in yearly turnover during the tenure of six years from 2018 to 2023 under analysis. The company has reported a revenue growth of 8.47% and profit growth of 8.96% compared to the previous year. The Company has also reported EPS growth of 8.96% as compared to last year.

d. Industry Scenario

The peer companies within the FMCG industry includes Unilever Bangladesh, SQUARE Toiletries Limited, Hemas Bangladesh, Moushumi Industries, Dabur Bangladesh, Emami Bangladesh, Reckitt Benckiser among others.

However only Reckitt Benckiser Bangladesh Limited (RB) is listed with the stock exchanges among peer companies to enable an industry benchmarking. RB reported a growth of 0.55% in turnover and a profit degrowth of 18.42% as disclosed in their latest annual financial statements for the year ended 31 December 2022.

Particulars (BDT in Crore)	Reckitt Benckiser Bangladesh LTD for the period ending		Marico Bangladesh Ltd. for the period ending	
	31-Dec-22	31-Dec-21	31-Mar-23	31-Mar-22
Turnover	496.9	494.2	1,413.6	1,303.2
Gross profit	223.7	269.7	732.5	707.1
Net Profit	65.9	80.8	387.2	355.4
Cash & Cash Equivalent	197.8	162.0	222.9	50.0
EPS	139.50	171.00	122.9	112.8

e. Financial and economic scenario of the country and the globe

Global financial and multilateral institutions are forecasting another year of uncertainty and recessionary environment for global economy owing to the war in Ukraine. Commodities prices and financial markets all over the world have witnessed significant volatility since the war erupted. The war has magnified the slowdown in the global economy with a protracted period of feeble growth and elevated inflation, according to the World Bank's latest Global Economic Prospects report. Global GDP growth in 2023 is projected to be 2.7%, the lowest annual growth rate since the global financial crisis, except for the 2020 pandemic period. A modest improvement to 2.9% is foreseen for 2024. The war in Ukraine and the risk of stagflation are hammering growth. The World Bank and global financial institutions predict that for many countries, recession will be hard to avoid.

This grim global economic outlook is likely to impact Bangladesh in varied measure. The war in Ukraine has led to a fall in the supply of dollars, while demand remained high leading to falling currency value of Bangladeshi Taka. Growth therefore continues to face headwinds. With the completion of large-scale infrastructure projects like the Padma Bridge and Metrorail, Bangladesh is urging OECD nations to grant preferential treatment and has secured an agreement with IMF. Bangladesh's Gross Domestic Product (GDP) is anticipated to grow by 6% in fiscal year (FY) 2023, according to the most recent Asian Development Bank (ADB) study, Asian

Development Outlook (ADO) April 2023. Additionally, because of energy restrictions and rising costs of imports the growth of private investments could be slower. As a result of decreasing tax revenue, austerity measures, and declining foreign exchange reserves, public investment growth is likely to be weaker. Inflation is anticipated to increase from 6.2% in FY2022 to 8% to 9% in FY2023.

f. Risks and concerns

The financial statements have been prepared for the year ended 31 March 2023. Financial risks are addressed with secured contracts and buyer financing arrangements as well as foreign exchange hedging policies. Given the devaluation of Bangladeshi currency and ensuing inflation, the Company is putting in additional measures in place in terms of sourcing, inventory management, cash-flow management to protect business performance against the macro-economic shocks. Having strong internal control systems, management has ensured good governance and footprint of Marico Business in Bangladesh. The Company has a formalized risk management framework and process under the governance and supervision of the Audit Committee.

We perceive that proactive management of these risks is of fundamental significance to ensure our business growth. We regularly identify functional and entity level risks and do extensive reviews to ensure the risks are rightly identified and proper mitigation plans are in place for the same. The entity level risks for the business have been discussed in detail under section of "Enterprise Risk Management Framework" at page 121 of this report.

Future Outlook

The GDP growth rate of Bangladesh is forecasted to be 6% in the Financial Year (FY) 2023, says the World Bank in its latest Global Economic Prospects report for January 2023. It cites rising inflation and its negative impact on household incomes and firms' input costs, as well as energy shortages, import restrictions, and monetary policy. However, the growth rate is forecast to rise to 6.2% in FY 2024.

We have reviewed our annual operating plans to account for the macro-economic environment and are also reviewing our strategy from quarter to quarter to adjust to changes as they materialize. Marico commenced construction of its 3rd and largest manufacturing unit in Bangabandhu Shilpanagar in the Mirsarai special economic zone (MEZ) and will be ready for commencing production in Quarter2 of FY24. The unit will cater to the growth aspirations of Company's hair oil portfolio as well as inventory for raw and packaging material. The enhanced capacity and strategic location will enable Marico to better serve its consumers all over Bangladesh.

While liquidity is not a challenge for the business, efficient management of overheads and production costs is going to be a priority for the next year particularly considering the macroeconomic adversities. In terms of portfolio the Company is committed to building its new brands and strengthening category foothold of new launches. The Company has a rigorous focus on its go-to-market strategy to ensure execution excellence in servicing the market with a range of portfolios. Leveraging real time data and analytics and increased automation will be key drivers in unlocking efficiencies in the entire supply chain.

While consumer preferences evolve and consumption may fluctuate due to inflationary pressures, reinforcing trust from consumers in core categories and maintain a balanced portfolio of consumer essentials will continue to remain critical strategic pillars of the business. Social media and e-commerce penetration continues to grow in Bangladesh, Marico will continue to invest more in digital marketing and innovative ways of consumer connect through social media. As a channel, ecommerce and cosmetics will gain increased relevance especially considering the newer portfolios of the business. Retaining trust and relevance in core categories and portfolio expansion into the identified categories of the future remains one of the key pillars of Marico's long-term strategy. At the same time, with our distribution strength, we will endeavor to ensure continuous availability of stock across channels and flexibility in our supply chain.

Last but not least we are committed to growing and developing talent, across levels through impactful learning and development interventions. Employee welfare, health, safety and an energizing, safe culture are also critical pillars to achieve our vision of doubling our business by 2025.

We believe we will be able to stay on a growth path, despite multiple challenges of macro-economic environment, by exhibiting higher degree of agility and will continue to expand the consumer franchise.



Rajat Diwaker
Managing Director

AUDIT COMMITTEE REPORT

The Audit Committee (“the Committee”) is a sub-committee of the Board which is appointed by and responsible to the Board of Directors of the Company according to the conditions of the “Code of Corporate Governance” of the Bangladesh Securities and Exchange Commission dated June 03, 2018 (“the Code”). This report is presented in accordance with the Code which sets out the role of the Committee and the functions carried out during the year ended March 31, 2023 (“the year under review”).

The Committee is a central pillar of effective corporate governance and fulfills its oversight responsibilities mandated by law and its Charter approved by the Board. The Committee plays a critical role in enhancing audit quality, assurance in the integrity of financial reporting and creating an environment that promotes transparency. The Committee’s primary responsibilities are:

- To oversee the financial reporting process
- To oversee appointment, remuneration, and evaluation of auditors
- To evaluate internal financial controls, internal audit function, and risk management systems
- To evaluate the standards of corporate governance, transparency and disclosures

The Audit Committee through its independent oversight of the Company’s financial reporting, non-financial corporate disclosures assist the Management with driving internal controls to eliminate or mitigate business risks, ensuring high standards of behavior and conducting the business in a financially sound manner. The Committee met four times last year. During the year under review, all recommendations made by the Committee were accepted by the Board.

Composition and Meetings

During the period under review, the Committee comprised of 5 Members of whom 3 are Independent Directors and other 2 are Non-Executive Directors. Ms. Parveen Mahmud, an Independent Director is the Chairperson of the Committee. The Managing Director is a permanent invitee to the Committee. The Company Secretary functions as the Secretary to the Committee. For the period under review, Ms. Sheela R Rahman, Independent Director has been included as a new member in the committee. The meetings of the Committee are also attended by the Chief Financial Officer, Company Secretary, Head of Internal Audit and by External Auditors on invitation. All Committee Members are financially literate and able to interpret financial statements and assess the adequacy of the internal control processes.

Names	Representation in the Board	Representation in the Committee	Number of Meetings of the Committee during FY 23	
			Held	Attended
Ms. Parveen Mahmud	Independent Director	Chairperson	4	4
Mr. Zakir Ahmad Khan	Independent Director	Member		4
Ms. Sheela R Rahman	Independent Director	Member		3
Mr. Ashish Goupal	Nominee Director	Member		4
Mr. Pawan Agrawal	Nominee Director	Member		4

*During the year, the Committee held 4(four) meetings, complying with condition 6(4)(a) of the Corporate Governance Code.

Responsibilities and Duties

Financial Reporting

- To review the quarterly, half-yearly and annual financial statements of the Company along with management representatives, focusing particularly on any significant changes to accounting policies

and practices before submission to the Board for approval, reviewing company’s performance year-on-year and quarter-on-quarter, announcements relating to the Company’s financial performance and compliance with applicable financial reporting standards and other legal and regulatory requirements;

Related Party Transactions

- To review all related party transactions and conflict of interest situations that may arise within the Company including those under the Company's Code of Conduct.

Audit Reports

- To prepare the annual Committee report and submit to the Board, which includes summary of its activities and review the Board's statements on compliance with the BSEC Codes of Corporate Governance for inclusion in the Annual Report.
- To review the Charter of the Committee and make necessary revisions for the year. The Committee affirms that all responsibilities outlined in the charter have been carried out. In addition, the charter is reviewed, and proposed updates presented to the Board for approval. As adherence to best practices, evaluation of Committee activities is carried out, which is a key tool in achieving and maintaining a high degree of effectiveness.

Internal Control

- To evaluate the Company's internal financial controls and risk management framework commensurate with the size, scale and complexity of its operations. The Committee reviews whether Management is adhering to the appropriate compliance culture by communicating the importance of internal controls and risk management to ensure that all members have a clear understanding of their respective roles and responsibilities
- To consider whether internal control strategies recommended by internal and external auditors have been implemented in a timely manner by the management thereby ensuring that the system of internal control is soundly embedded, effectively administered and regularly monitored.
- To recommend to the Board steps to improve the system of internal control derived by the Committee from the findings of the internal and external auditors.
- To review the extent of unit compliance including with internal policies, standards and procedures and the Company's Code of Conduct.
- Review the arrangements made by the Management for developing and maintaining a suitable and robust Management Information Systems (MIS).

- To review adequacy of systems and processes for monitoring legal and regulatory compliance to safeguard against legal and reputational risk

Internal Audit

- To monitor and review the effectiveness of the Company's internal audit function and to be satisfied that Internal Auditors has the competency and qualifications to complete its mandates and approve audit plans.
- To monitor and evaluate whether the audit functions are conducted independently from the Management.
- To ensure that Internal Auditors have open access to all activities, records, property and personnel, necessary to perform its duties.
- To review and assess the annual internal audit plan and evaluate its consistency with the Risk Management Framework of the Company.
- To review the findings and recommendations made by the Internal Auditors and ensure that the appropriate action is being taken to implement the same and to further ensure that the appropriate tracking is maintained on the agreed audit action points.
- To recommend to the Board any broader reviews deemed necessary as a consequence of the issues or concerns identified and raise/ensure special audit, whenever necessary.

External Audit

- To recommend to the Board, for it to place before the Shareholders for their approval, the appointment of the external auditor of the Company and to approve their remuneration and terms of engagement.
- To appraise the external auditor's audit plan, nature and scope of the audit plan, audit report and evaluation of internal controls.
- To oversee the relationship with the external auditors including:
 - Assessing their independence and objectivity taking into account relevant professional and regulatory requirements and assisting them in preserving their independence;
 - Develop and implement policy on their engagement to provide non-audit services.

- To review their statement on Risk Management and Internal Control of the Company for inclusion in the Annual Report.
- To review their findings and recommendations arising from the audits, to ensure that appropriate action is being taken.

Major activities during the year:

The Committee carried out its functions in accordance with the “Audit Committee Charter”, governed by the BSEC Code on Corporate Governance, in key areas of the annual financial reporting cycle. During the year under review, the Committee carried out the following activities:

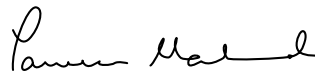
- Reviewed the quarterly, half yearly and annual financial statements of the Company, considered the financial and business performance of the Company and the relevant announcements to the Securities & Exchange Commission, Stock Exchanges by the Board of Directors
- Reviewed the performance of the Statutory Auditors during the year and recommended their reappointment and fees to the Board
- Ensured that the preparation, presentation and submission of financial statements have been made in accordance with the prevailing laws, standards and regulations by assessing the external auditors report on all critical accounting policies, significant judgment and practices used by the Company in producing the financial statements
- Enhanced good practices in financial reporting and reviewed related party transactions for foreign remittance
- Reviewed the annual audit plans and effectiveness of the audit process and the Internal Audit reports which encompassed the audit issues, audit recommendations and Management’s responses to these recommendations
- Discussed with management about the improvement actions in the area of internal controls, systems and efficiency enhancements including the automation opportunities and progress with regard to the Internal Financial Control Framework

- Reviewed the external auditors’ findings of observation, areas of concern highlighted and the management’s response thereto and ensured that the external auditors remain independent and that appropriate action is being taken on time
- Reviewed the investments of the Company i.e. FDR, CAPEX etc.
- Reviewed compliance of the company to key financial and treasury policies
- Reviewed the contingent liability status of the Company and provisions against the same
- Reviewed Litigation Update of the Company
- Reviewed updates of the SEZ project pertaining to the construction of the 3rd manufacturing unit of the Company at every quarter
- Reviewed the related party transaction status at every quarter
- Reviewed the legal & regulatory updates material to corporate governance and the operations of the business

The Committee is of the opinion that adequate controls, procedures, risk management and compliance monitoring systems are in place to provide reasonable assurance that the Company’s assets are safeguarded and that the financial position of the Company is satisfactorily managed.

The minutes of the Committee meetings were placed subsequently before the Board for its approval, on a regular basis, which contained all issues along with various suggestions and recommendations to the Management and the Board.

On behalf of the Committee,



Parveen Mahmud
Chairperson

NOMINATION AND REMUNERATION COMMITTEE REPORT

The Nomination and Remuneration Committee (“the Committee”) is a sub-committee of the Board which is independent but appointed by and accountable to the Board of Directors of the Company and to the shareholders according to the conditions of the “Corporate Governance Code, 2018” of the Bangladesh Securities and Exchange Commission dated June 03, 2018 (“the Code”). This report is presented in accordance with the Code which sets out the role of the Committee and the functions carried out during the year ended March 31, 2023 (“the year under review”).

Composition and Meetings

The Committee as at 31 March 2023, comprises of 3 (Three) permanent members and 2 (Two) advisory (non-voting) Members. The Chairman of the Board, who is also a non-executive director, is a permanent invitee to the Committee. The Chairman of the Committee is Mr. Zakir Ahmad Khan, an Independent Director. The Company Secretary functions as the Secretary to the Committee. All permanent members of the Committee are non-executive directors.

Names	Representation in the Board	Representation in the Committee	Number of Meetings of the Committee during FY23	
			Held	Attended
Mr. Zakir Ahmad Khan	Independent Director	Chairman	4	4
Mr. Ashish Goupal	Nominee Director	Permanent member		4
Mr. Pawan Agrawal	Nominee Director	Permanent member		4
Mr. Amit Prakash	External Member	Advisory (non-voting) Member		4
Mr. Saugata Gupta	External Member	Permanent Invitee (non-voting) Member		4

*During the year, the Committee held 4(four) meetings, complying with condition 6(4)(a) of the Corporate Governance Code.

Responsibilities and Duties

The Committee assists the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executives/key managerial personnel (KMPs) as well as the remuneration philosophy of the Company. The Committee oversees, among others, the following matters and makes recommendations for review/approval to the Board:

- (i) The criteria for determining qualifications, positive attributes and independence of a director
- (ii) Policy relating to the remuneration of directors and KMPs considering the following:
 - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable persons to run the company successfully;
 - (b) The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) Remuneration to directors, KMPs involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals
- (iii) Policy on Board Diversity
- (iv) The plan in relation to identification of persons who are qualified to become directors and who may be appointed as KMPs, and recommend their appointment and removal to the Board
- (v) The criteria for evaluation of performance of independent directors and the Board

- (vi) The plan or proposal relating to the company's needs for employees at different levels and the recruitment, development and succession criteria/principles
- (vii) The annual exercise on the review and recommendations on the company's human resources and training policies
- (viii) Review and recommending revisions of the Code of Conduct to the Board

Major activities during the year:

The Committee carried out its functions in accordance with its Charter and applicable laws in key areas of the annual financial reporting cycle. During the year under review, the Committee carried out the following activities:

- Reviewed the goals and achievements of the Managing Director/CEO against the operating plans for FY'23
- Reviewed Cases under the unified Code of Conduct
- Reviewed and recommended to the Board to accept the resignation of Mr. Elias Ahmed as Chief Financial Officer (CFO).
- Reviewed and recommended to the Board to accept the resignation of Mr. Fahatul Islam as Head of Internal Audit & Compliance

- Reviewed and recommended to the Board the appointment of Mr. Md. Sahabuddin FCS as Company Secretary
- Reviewed and appointed Mr. Sharif Shajib Ahammed as Head of Internal Audit & Compliance
- Reviewed the Key Managerial Personnel appointments.

The minutes of the Committee meetings were placed subsequently before the Committee for its approval, on a regular basis, which contained all issues along with discussions and recommendations to the Management and the Board. The matters recommended by the Committee to the Board were considered by the Board and resolutions of the Board were recorded capturing the Committee's recommendations.

On behalf of the Committee,



Mr. Zakir Ahmad Khan
Chairman

STATEMENT OF CORPORATE GOVERNANCE

Marico Bangladesh endeavours to ensure benchmark corporate governance processes and practices. The Company has a strong legacy of following fair, transparent and ethical governance practices. Our Corporate Governance policy is based on the belief that:

- Good governance results in better business results
- Good governance converts plans into performance
- Good governance maximizes shareholder value

At Marico, good governance practices form part of business strategy, which includes, inter alia, focus on long term value creation and protecting stakeholders' interests by applying due care and diligence in business decisions. Shareholder value as an objective is embedded into all aspects of corporate governance. Our Corporate Governance is therefore a set of principles which ensures we are governed in the best interest of all the stakeholders—the shareholders, society, employees and the government.

At Marico, our business is driven on the bedrock of strong ethics and sound corporate governance. Our corporate governance philosophy stems from our value of openness and transparency which is fundamental to our decision-making process and one of our core management tenets. Our corporate governance is further strengthened by the adoption of a uniform Code of Conduct for the

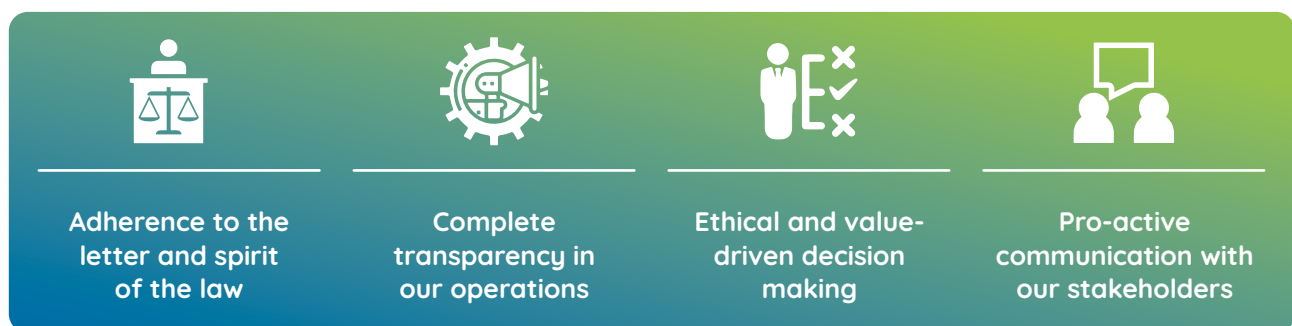
Board members and senior management, the Board processes, the Rules on Prevention of Insider Dealing, Dividend Distribution Policy, our Code of Business Ethics and transparent disclosures.

In FY'23 Marico Bangladesh received 3 awards for corporate governance excellence from the Institute of Chartered Accountants of Bangladesh (ICAB), Institute of Chartered Secretaries of Bangladesh (ICSB) and Institute of Cost and Management Accountants of Bangladesh (ICMAB). Marico received the Gold Award for “Best Corporate” under the multinational manufacturing category from Institute of Cost and Management Accountants of Bangladesh (ICMAB), Gold Award for “Corporate Governance Excellence” by the Institute of Chartered Secretaries of Bangladesh (ICSB) and the Certificate of Merit for “Best Presented Annual Report” by the Institute of Chartered Accountants of Bangladesh (ICAB).

This statement presents the Company's governance framework and the structures and processes that strive to ensure a continued commitment to sound governance.

Corporate Governance Framework

A high-level of ethics, compliance and governance culture is fundamental to the effective delivery of our business and ensures long-term business growth. Our governance principles are:



We have a tri-faceted governance framework which is as follows:



Governance by Shareholders

Shareholders appoint and authorize the Board of Directors, approve the audited financial accounts, appointment of Statutory auditors and hold the Board accountable in their oversight and conduct of business.



Governance by Board & Sub-Committees

The Board and its Committees take up specific responsibilities as per the law and their charters to determine the right level of delegation, control measures, approve strategies, investments and targets for the business. The Board also closely supervises the talent pipeline of KMPs and human resource processes to ensure a holistic approach to people and business leadership. The Board exercises oversight over the executive management to ensure that they fulfil their duties in accordance with the recommendations and targets set by the Board.



Governance by Executive Leadership Team

The Executive Leadership Team or Management Team of the Company leads the day-to-day affairs and management of the business with full compliance to the laws of the land, the mandates of the Board and adherence to the Code of Conduct of the Company.

The governance framework aims to deliver management effectiveness, reduction in risk and promotion of a value-driven corporate culture. Dedicated towards standing true to the highest level of integrity and exemplifying the highest standard of business conduct, good Corporate Governance is the underlying force for the Company, driving sustainable and responsible business operations with transparency, accountability and compliance.

Statutory Adherence

The legal and regulatory standards underlying this framework are the Companies Act 1994, the Listing Regulations of the Dhaka and Chittagong Stock Exchanges, Notifications on Financial Reporting and Corporate Governance issued by the Bangladesh Securities and Exchange Commission (BSEC) and other applicable laws of the land. Apart from this there is a robust set of internal controls, risk management processes and Code of Conduct further strengthening the Company's corporate governance. There is also a robust process of compliance management of the entire operations where compliance is recorded, audited and certified at the granular level to ensure full adherence to the laws of the land.

Code of Conduct

Marico has a uniform Code of Conduct (CoC) that applies to all business units within the Marico group and to all directors (executive and non-executive), members, interns, apprentices, secondees and third parties or business associates who act on behalf of the Company. Marico's sustainable growth story rests on an empowering work culture based on trust and accountability. The Code makes sure that all businesses conducted by Marico in any capacity are done in an ethical and sustainable manner while being beneficial to all our stakeholders. It helps us take the right decisions, especially during

challenging or conflicting/ambiguous moments. The CoC defines what is expected from members and associates alike. The CoC is a set of guidelines highlighting the desired behaviors and actions from all the actors in our corporate governance ecosystem to:

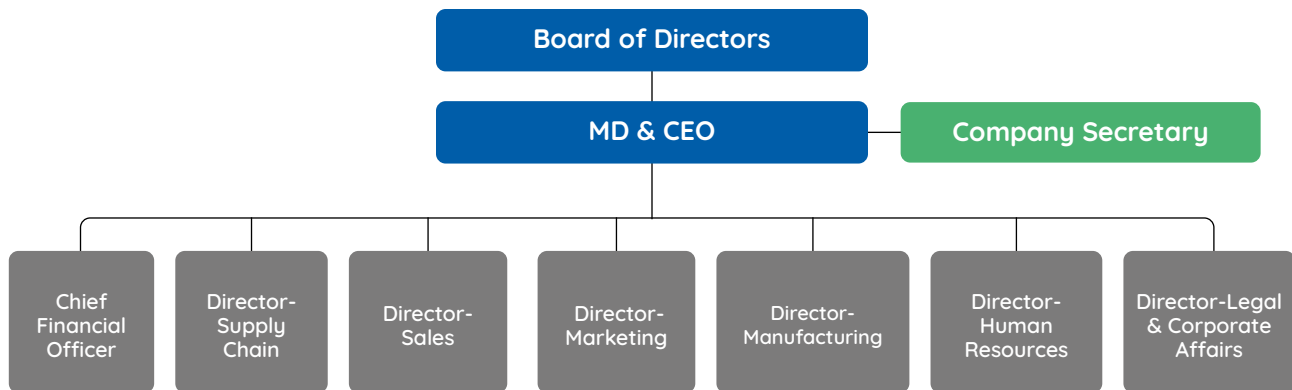
- Conduct our business in an ethical manner and
- Ensure highest levels of governance across the organization
- Enable discrimination & harassment free work environment.
- Create a work environment that is conducive to members & associates alike, based on our values and culture

In the event of a conflict between any provision of the CoC and the law of land, the law will always prevail and the management will take immediate steps to align the provisions of the CoC with applicable laws. The outline of Marico's CoC and functioning is presented at page 142 of this report.

Role and Responsibilities

The authorities having critical roles in the overall governance programs and contributing to the process of Corporate Governance are:

- The Board of Directors: responsible for oversight and directions
- Executive Management: responsible for driving governance and risk management practices
- The business units and supporting functions: where the activities occur and ownership lies



Board Composition

Marico's philosophy to have constructive separation of the management of the Company from its owners manifests itself in the composition of the Board of Directors which, as of March 31, 2023, comprises 7 (seven) directors in the following classes:

- 03 Independent Directors
- 03 Non-Executive Nominee Directors and
- 01 professional being the Managing Director

The Board selects its members and leaders via an inclusive and thoughtful process in accordance with the criteria recommended by the Nomination & Remuneration Committee and aligned with Company strategy. The Board has in-depth knowledge, skills and vast experience in the context relevant to the Company. The Independent Directors ensure protection of interests of all shareholders of the Company. The Directors' profiles have been presented at page 34 in this Annual Report.

The Chairman

The Companies Act at regulation 54 in schedule-I provides that the directors may elect a Chairman from amongst them who will preside over the general meetings of the Company. Accordingly, the Board of Directors of Marico Bangladesh is headed by a Chairman. All meetings of the Company and the Board are presided over by the Chairman. The Articles of Association of the Company authorizes him with a second and casting vote.

Mr. Saugata Gupta is the Chairman of Marico Bangladesh Limited, a role he has assumed since 2013.

Chairman and CEO Distinguished

As mentioned, the Board is headed by a Chairman, while the Management Team is led by the Managing

Director /CEO who is a different individual. The Chairman is a non-executive director. The roles of the Chairman and Chief Executive Officer/Managing Director are clearly established, set out in writing in the Articles and practiced by the Board to ensure transparency and better governance. The Chairman leads the Board and is responsible for ensuring the effectiveness of the Board and its governance processes, while the Managing Director is the authoritative head for day-to-day management in the Company.

Roles and Responsibilities of the Chairman

- The Chairman's responsibility is defined through the Articles guided by the Board, the Company's Code of Conduct and the Code of Corporate Governance.
- However, the primary role of the Chairman is to preside over meetings of the Board and Company (AGM/EGM) and to ensure that the principles of good governance are established in the Company.
- As Chairman of the Board or Chairman of any Committee formed by the Board he does not personally possess the jurisdiction to apply policy making or executive authority, nor does he participate in or interfere into the administration or operational and routine affairs of the Company.
- The Chairman ensures that the Board is functioning in accordance with the Memorandum and Articles of Association of the Company as well as other applicable laws and conventions.
- As authorized by the Articles, the Chairman, if so warranted under the circumstances, may exercise his second and casting vote in the meeting to arrive at a decision.
- The Chairman also maintains relationships with the relevant stakeholders in consultation with the Board as

well as the CEO/Managing Director, representing the Company as a good/responsible corporate citizen.

- The Chairman may assume any responsibility if the Board so assigns within the purview of the relevant laws and the Articles of Association.

Responsibilities of the Board

The Board carries out decision-making role in critical matters, monitoring role to prevent corporate failure and the relational role to balance the interests of all stakeholders. Accordingly, strong governance frameworks are established not only to ensure maximum shareholder value but also to contribute positively to the society at large and ensure maximum value for all stakeholders in the eco-system of the Company. The Board establishes structures and processes to fulfill Board responsibilities that consider the interests of investors, regulators, management and employees among others. The major responsibilities of the Board are as follows:

- Oversee management and set goals and direction
- Evaluate strategy and review management performance
- Review management succession planning
- monitor and manage potential conflicts of interest
- ensure the integrity of financial information
- monitor the effectiveness of board governance practices
- ensure compliance to laws and regulations
- ensure adherence to company polices and guidelines
- perform risk assessment and ensure integrity of company's financial reporting

Committee(s)

To effectively dispense its obligations, the Board has constituted various committees that are listed below. Each committee has its terms of reference as a charter.

Committee	Constitution	Broad Responsibilities
Audit Committee	<ul style="list-style-type: none"> • 3 Independent Directors • 2 Non-executive Nominee Directors <p>Chair: Ms. Parveen Mahmud, Independent Director</p>	<ul style="list-style-type: none"> • Oversee financial reporting process • Oversee appointment, remuneration, and evaluation of auditors • Evaluate internal financial controls, internal audit function, and risk management systems • Oversee the programs, partnerships and implementation of corporate social responsibility (CSR) programs of the Company
Nomination and Remuneration Committee	<ul style="list-style-type: none"> • 1 Independent Director • 2 Non-executive Nominee Directors <p>Chair: Mr. Zakir Ahmad Khan, Independent Director</p>	<ul style="list-style-type: none"> • Identifying persons who are qualified to become Directors and KMPs • Review and approve the remuneration philosophy for Directors, KMPs and other employees • Review and approve policies on Board diversity and effectiveness • Oversee the talent management and HR processes and principles of the Company

The Board currently has two sub-committees which are the Audit Committee and Nomination & Remuneration Committee. The Audit Committee has delegated responsibilities to assist the Board in ensuring fair & transparent financial reporting as well as a prudent control environment to protect against financial and non-financial failures, abuses or fraud. The Nomination & Remuneration Committee assists the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of managing performance,

remuneration and overall corporate culture and talent management principles. The duties and responsibilities of the Committees are clearly defined by the Board. The Committee therefore strictly adheres to a set of terms of reference approved by the Board.

Audit Committee

The Audit Committee is constituted according to the conditions of the BSEC guidelines and Corporate Governance Code 2018. The Committee comprises 3 Independent Directors and 2 Non-Executive Nominee Directors. The Managing Director is a permanent invitee

to the Committee. The Board has appointed Ms. Parveen Mahmud, Independent Director as Chairperson of the Committee in accordance with the Code. All members of the Audit Committee are 'financially literate' as per regulatory requirement and can analyze and interpret financial statements to effectively discharge their duties and responsibilities as members of the Audit Committee. The Managing Director, the Chief Financial Officer, the Head of Internal Audit & Compliance and the Company Secretary attend all meetings of the Committee and Internal Auditors of the Company and representatives of external auditors attend the meetings upon invitation by the Audit Committee. The key responsibilities and activities of the Audit Committee are elaborated in the Audit Committee Report which is presented at page 110 of this Report. Additionally, the Committee also ensures adherence to the Secretarial Standards issued by the Institute of Chartered Secretaries Bangladesh.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee ("NRC") is constituted according to the conditions of the Corporate Governance Code 2018. The Committee comprises 1 Independent Director, 2 Non-Executive Nominee Directors and 2 non-voting Advisory Members. The Board has appointed Mr. Zakir Ahmed Khan, Independent Director as Chairperson of the Committee in accordance with the Code. All members of the NRC are eligible to effectively discharge their duties and responsibilities as members of the Committee. The key responsibilities of the Committee are elaborated in the Nomination & Remuneration Committee Report which is presented at page 113 in this Report.

The Company Secretary acts as the Secretary to the Committee, drives corporate compliance and ensures effective functioning of the Board and Committee by organizing and attending all Board and Committee meetings.

Management Team

The senior management plays a significant role in managing the business as per the norms of corporate governance, the Company's Code of Conduct and ensures that adequate internal controls are in place and supported through a strong internal control framework. In addition to the legal framework guiding the discharge of functions of the management team, the Marico values underlie and function as the moral compass of the organization. The implementation of the Board's plans, strategies and policies are carried out by the management team lead by the Managing Director. At the time of this report, the management team comprises the following members:

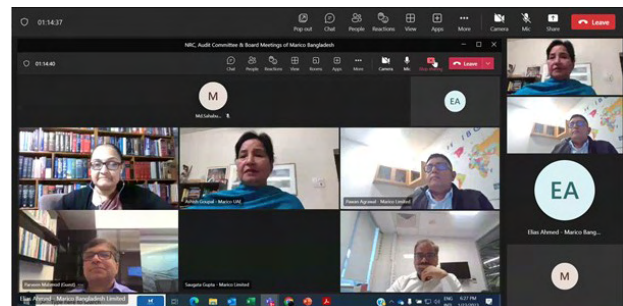
- Mr. Rajat Diwaker, Managing Director
- Mr. Shafiq Musharraf-Chief Financial Officer*
- Mr. Sabbir Al Harun, Director –Sales
- Mr. Allen Ebenezer Eric, Director-Marketing
- Mr. Md. Saiful Alam, Director- Manufacturing
- Mr. Zahedur Rahman, Director-Supply Chain
- Mr. Shyamal Kishore, Director- Human Resources
- Mr. Rashed Bin Ehshan, Director - Legal & Corporate Affairs

* Mr. Shafiq Musharraf joined at MBL on 13th June 2023

The management team reports to the Board and has the responsibility of implementing the policies and decisions of the Board, overseeing the day-to-day business operations as well as developing, coordinating and implementing business and corporate strategies. The management team is accountable to the Board for achieving the business performance as per the annual operating plan approved by the Board and delivering maximum return for all stakeholders.

Board and Committee Meetings

The composition & meetings of the Board and Committees are stated in the Director's Report and Committees' Reports respectively.



Shareholder Meetings

The Company values and places great emphasis on shareholder meetings. The Annual General Meetings give the Board and management the opportunity to connect with shareholders and get their feedback on the performance and governance of the business. The Company ensures timely and adequate notices and disclosures for all shareholder meetings. The 23rd Annual General Meeting will be held via digital platform.

Our Corporate Responsibility Principles

- Commitment to conduct business in an honest, ethical and lawful manner. A Code of Conduct guides

ethical decisions for all members of the Board which dictates our ethical behavior and manifests our value system that promotes business transparency and builds shareholder trust.

- Commitment to protect the health and safety of our members, the environment, and our communities.
- Commitment to provide a workplace where all employees can fulfill their potential based on merit and ability and unleash their potential in a safe and harassment free workplace
- To transform in a sustainable manner the lives of all those we touch, by nurturing and empowering them to maximize their true potential which is reflected in our commitment to sustainable development and to constantly add value for the benefit of our shareholders, employees, consumers and the society.
- Create value for our stakeholders while continually improving our performance as a good corporate citizen with active engagement in CSR activities

Internal Audit

Marico Bangladesh's internal audit function has the responsibility for independently assessing the adequacy and effectiveness of:

- The internal control over financial reporting based on the framework and criteria established under the internal financial control-integrated framework and
- Management of significant risk areas

A Management Report on Internal Control over Financial Reporting has been attached in Annexure-I of this Corporate Governance Report.

Financial Reporting

The Financial reporting system is the backbone of a successful information structure. Marico has strong financial reporting procedures in place. Financial statements are prepared in accordance with the applicable laws including:

- The Companies Act 1994
- The Securities and Exchange Rules 1987
- The Listing Regulations of the Stock Exchanges
- International/Bangladesh Financial Reporting Standards (IFRS/BFRS) and other applicable financial legislations.
- The Financial Reporting guidelines of the Financial Reporting Council and BSEC

The management is responsible for designing, implementing and maintaining internal controls relevant

to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error. Accounting estimates are made which are rational as per circumstances, with use of correct accounting policies and interpretations. The reports are then reviewed accordingly by respective authorities on a regular basis and the Audit Committee of the Board exercises close oversight in this process. At every quarter, external auditors review the quarterly financial statements and after thorough scrutiny, the financial reports are placed before the Board for final review and adoption.

Commitments

Marico Bangladesh has started its operation in the country more than 22 years ago, and within this time the Company has achieved significant milestones and established itself as key player in the consumer packaged goods industry of Bangladesh. The company has expanded remarkably through its flagship brands, Parachute, Parachute Advansed, Just for Baby, Nihar Naturals, Saffola and Livon. Over the years, the Company has successfully created a diversified portfolio by foraying into skin care, male grooming, baby care and food categories.

The Company is not only focused on strengthening business performance but on growing competencies and sustainable business practices. The Company's strength in corporate governance has resulted in Marico becoming a respected and reputed business entity in the country with a strong corporate image and Parachute being one of the most trusted brands by consumers. The Company is listed on both the Dhaka and Chittagong Stock Exchanges. The stock performance demonstrates public and investor confidence in the Company's long record of steady earnings which is testament to its good corporate governance.

There is high degree of transparency in the Governance framework, fuelled by the presence of Independent Directors. Nearly half of the Board is made up of Independent Directors who have deep involvement in ensuring integrity of financial information & reporting, full and open disclosures and the necessary checks and balances between the Board and Management of the Company. The Independent Directors provide an external and dispassionate insight on the ways of work of the Company and provide valuable guidance to the business.

External/Statutory Auditors

The annual audit of the Company is governed by the Companies Act 1994, Securities and Exchange Rules 1987, Financial Reporting guidelines issued by BSEC and the Financial Reporting Council. As per these regulations, auditors are appointed by the Shareholders at each Annual General Meeting (AGM) and their remuneration is also fixed by the Shareholders at the AGM. Appropriate structure is in place as per corporate governance best practices to ensure independence of statutory auditors. The statutory auditors are rotated every three years in compliance with BSEC guidelines. The Audit Committee meets the statutory auditors to ensure that they are acting independently and reviews the financial statements before submission to the Board for approval. Non-audit services likely to deter independence are not obtained from the statutory auditors. In addition to the audit of annual financial statements, the auditors also carry out audit of half-yearly financial statements of the Company. A. Qasem & Co, Chartered Accountants is the statutory auditor and they have no involvement with any other services of the Company.

Risk Management

At Marico, we are guided by our robust Enterprise Risk Management (ERM) process that is linked to strategy formulation and execution in a systematic manner of addressing the top risks facing the Company. The purpose of this process is to identify potential events that may substantially impact the Company and take commensurate initiatives to either protect from or capitalise upon the risk. Thus, we use our ERM to drive consistency and resilience in our risk methodology. The principal risks faced by the Company are mapped out below.

As a player in the dynamic consumer products market, Marico is exposed to a range of external as well as internal risks that have the potential to significantly impact its performance. Our risk management architecture allows us to efficiently manage risks while ensuring competitive returns. We identify, assess, mitigate, monitor and report principal risks that could have a material impact on our business. Risk management is a continuous process and an integrated part of business management. A summary of our principal risks and treatment strategies is provided below.



Risk Management Process

The Company has a robust risk management process which is overseen by the Audit Committee of the Board in accordance with an approved risk management framework which takes into account the materiality or impact of the risk event and likelihood of occurrence.

No	Risk	Management Plan
1	Operations Risk	These relate to risks that can destabilize the production and supply of products to the market. MBL has two factories in the Gazipur area which is prone to labour unrest due to surrounding garments industries. In order to protect against this risk the management ensures a rigorous program of engagement, dialogue and capability building of all factory personnel. There is a process of monitoring and recording factory compliance & pro-active dialogue with regulators to safeguard against compliance lapses that can trigger the risk.
2	Market Risk	Market risks include those that can make the products or operating model of the business irrelevant due to the introduction of new technologies, changing consumer behaviour or disruption by competition in the form of predatory pricing or disproportionate media spends all of which can threaten the Company's profitability. Unfair competition and brand infringements also pose a risk to the equity of the brand and impact business value. The company has in place a process of reviewing possible scenarios for key categories during its Monthly Operational Review (MOR). Additionally the Company has a robust brand protection and intellectual property management strategy to pro-actively safeguard its winning brands and carry out prompt enforcement against infringers.

No	Risk	Management Plan
3	Financial Risk	Financial risk includes credit risks, liquidity risks, currency risks and interest rate risks. To mitigate against these risks, management has put in place regular review of investment of the company and financial health of institutions. A formal Board-approved hedging policy is in place that is reviewed periodically considering macro-economic scenarios to guard against exchange rate fluctuations. Additionally, we closely monitor external environment to note any change event likely to trigger risk.
4	Litigation Risk	The company has on-going litigations, some of which have been described in the contingent liability status at page 183 of this report. An adverse order in any of those litigations could expose the business to financial liability, penalties, and reputational risk. The company has a litigation management strategy approved by the Audit Committee and regularly reviewed. Additionally, the Legal Function closely tracks change in laws, precedents by the higher judiciary and other external events likely to trigger the risk materializing.
5	Sourcing Risk	The company continued to assess emerging and existing sourcing risks on account of global macro-economic changes including currency challenges. To safeguard from adverse impact the company continuously reviews for long-term supply security through processes, and systems. With the help of the central procurement team, the company assures of sustained secured supply ensuring the right level of inventory and inventory management excellence to support the growth aspiration.
6	People Risk	In today's knowledge-based economy, attracting and retaining people with the right skills are imperative for long-term success. To mitigate against the risk of losing key talent the Company has a unique talent value proposition which enables attraction and retention and positioning among the top employers of choice. At the same time Management ensures a structured and differentiated learning & development agenda for all key talent, succession planning and effective talent review to enable meaningful career growth.

Code of Conduct

Marico has a uniform Code of Conduct (CoC) that applies to all business units within the Marico group and to all directors (executive and non-executive), members, interns, apprentices, secondees and third parties or agents who act on behalf of the Company. The Code makes sure that all businesses conducted by Marico in any capacity are done in an ethical and sustainable manner while being beneficial to all our stakeholders. It helps us take the right decisions, especially during challenging or conflicting/ambiguous moments. The CoC defines what is expected from members and associates alike. The CoC is a set of guidelines highlighting the desired behaviors and actions from our members to:

- Conduct our business in an ethical manner and
- Ensure highest levels of governance across the organization
- Enable discrimination & harassment free work environment
- Create a work environment that is conducive to members & associates alike, based on our values and culture

In the event of a conflict between any provision of the CoC and the law of land, the law of the land will always

prevail, and the management will take immediate steps to align the provisions of the CoC with applicable laws.

Reporting and Compliance of Corporate Governance

As required, status of compliance with the conditions laid down in the BSEC Notification No. SEC/CMRRC/2006-158/207/Admin/80 dated 3 June 2018 is presented at page 125 Further, to ensure adequate regulatory discharge, a Compliance Certificate is also obtained from licensed practicing professional Al-Muqtadir Associates, Chartered Secretaries who has certified that the Company has duly complied with all the regulatory and governance requirements as stipulated by the Bangladesh Securities and Exchange Commission (BSEC). The compliance auditor is also required to be appointed by the shareholders at the general meeting of the Company. As required, copy of the certificate of compliance is also presented in this Annual Report at page 124.

On behalf of the Board,



Rajat Diwaker
Managing Director

DECLARATION BY MD AND CFO

Date: June 13, 2023

The Board of Directors
Marico Bangladesh Limited

Subject: Declaration on Financial Statements for the year ended on 31st March, 2023

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2016-158/207/ Admin/80, Dated June 03, 2018 & under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Marico Bangladesh Limited for the year ended on 31st March, 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure therefrom has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 31st March, 2023 and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Rajat Diwaker
Managing Director



Shafiq Musharraf FCA
Chief Financial Officer (CFO)



efforts umpteenth : প্রয়াস অসংখ্য

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BINo : 000179575-0202

Report to the Shareholders of Marico Bangladesh Limited on compliance with the Corporate Governance Code

[As required under code 1(5) (xxvii) of the BSEC Code of Corporate Governance]

We have examined the compliance status to the Corporate Governance Code by **Marico Bangladesh Limited** for the year ended on 31st March 2023. This code relates to the gazette notification no: BSEC/CMRRCD/2006-158/207/Admin/80 dated the 3rd June 2018 of Bangladesh Securities and Exchange Commission (BSEC).

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of Corporate Governance Code. This is a scrutiny and verification and an independent audit on compliance of the conditions of Corporate Governance Code as well as provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of the Corporate Governance Code.

We state that we have obtained all the information and explanations or representations, which we have required, and after due scrutiny and verification thereof, we report that in our opinion and subject to the remarks and observations as reported in the connected Compliance Statement :

- The Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Corporate Governance Code issued by the Commission.
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code.
- Proper books and records have been kept by the Company as required under the Companies Act 1994, the securities laws and other relevant laws, and
- The standard of governance in the Company is satisfactory.

This report, however, is no endorsement about quality of contents in the Annual Report of the Company for the year 2023.

Al-Muqtadir Associates
Chartered Secretaries & Consultants



Dhaka, June 18, 2023

A.K.A. Muqtadir FCS
CEO & Chief Consultant

STATEMENT OF COMPLIANCE

As per condition No. 1(5) (xxvii)

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/207/ Admin/80 dated 3 June 2018:

(Report under Condition No. 9)

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
1(1)	Board's size: The number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty):	√		As at March 31, 2023 the Board of Marico Bangladesh Limited (MBL) comprised of 7 Directors.
1(2)	Independent Directors			
1(2) (a)	At least one-fifth (1/5) of the total number of directors	√		As at March 31, 2023 there are three Independent Directors on Board, viz: Mr. Zakir Ahmad Khan, Ms. Parveen Mahmud and Ms. Sheela Rahman which is more than 1/5 th of the total number of Directors.
1(2)(b)(i)	Does not hold any share or holds less than 1% shares of the total paid-up shares of the Company	√		As declared by the Independent Directors
1(2)(b)(ii)	Not a sponsor/not connected with any sponsor or director or nominated director or shareholder of the Company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds 1% or more shares of the total paid-up shares of the Company on the basis of family relationship and his or her family members are also not allowed to hold more than 1% shares of the total paid-up shares of the Company	√		As above
1(2)(b)(iii)	Not an executive of the Company in immediately preceding 2 (two) financial years	√		As above
1(2)(b)(iv)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated Companies	√		As above
1(2)(b)(v)	Not a member or TREC holder/director/officer of any stock exchange	√		As above
1(2)(b)(vi)	Not a shareholder, director excepting independent director or officer of any member or TREC holder of any stock exchange or an intermediary of the capital market	√		As above
1(2)(b)(vii)	Not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of any concerned statutory audit firm or any firm that is already engaged with the Company	√		As above
1(2)(b)(viii)	Not an independent director in more than 5 (five) listed companies	√		As above

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
1(2)(b)(ix)	Not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a NBF	√		As above
1(2)(b)(x)	Not been convicted for a criminal offence involving moral turpitude	√		As above
1(2)c	Shall be appointed by the Board and approved by the shareholders in the AGM	√		Appointed at AGM
1(2)(d)	The post cannot remain vacant for more than 90 (ninety) days	√		No such case in the year
1(2)c	The tenure of office shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only. A former independent director may be reappointed for another tenure after a time gap of 3 years from his/her completion of consecutive two tenures. The independent directors shall not be subject to retirement by rotation	√		The Independent Directors (IDs) are in their regular term of office. Mr. Zakir Ahmad Khan and Ms. Parveen Mahmud were appointed to the Board on September 22, 2020 and are currently in their first term of office & Ms. Sheela Rahman was appointed by the Board as Independent Director on 5 June 2022 and She is also currently in her first term of office.
1(3)	Qualification of Independent Directors			
1(3)(a)	shall be a knowledgeable individual with integrity and able to ensure compliance with relevant laws as well as able to make meaningful contribution to the business	√		The qualification and background of the IDs are commensurate to the requirements of the position and are stated in the Directors' Profile.
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million/ any listed company/a member of any national or international chamber of commerce or business association or	√		Do
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company;	√		Do
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 th grade of the national pay scale having minimum bachelor degree in economics/commerce/business or law	N/A		Do
1(3)(b)(iv)	University Teacher having educational background in Economics or Commerce or Business Studies or Law;	N/A		Not Applicable

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
1(3)(b)(v)	Practicing advocate at least in the High Court Division of Bangladesh Supreme Court/CA/CMA/CFA/CCA/CS/equivalent qualification	√		The qualification and background of the IDs are commensurate to the requirements of the position and are stated in the Directors' Profile.
1(3)c	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		All independent directors have more than Ten years of experiences
1(3)(d)	Relaxation in special cases as to qualifications of independent director	N/A		No such instance
1(4)	Duality of chairperson of the Board of Directors and Managing Director or Chief Executive office			
1(4)(a)	The posts of Chairman of the Board and Chief Executive Officer are to be filled by different individuals.	√		The Chairman of the Board and CEO are different individuals and the Chairman is elected from amongst the Non-Executive Directors. Mr. Saugata Gupta is the Chairman and Mr. Rajat Diwaker is the Managing Director.
1(4)(b)	MD shall not hold same position in any other listed company	√		No such instance
1(4)c	Chairperson shall be a non-executive director	√		In Practice
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		Role and Responsibilities of the Chairperson are clearly described in the Corporate Governance Report and those of the Managing Director are defined in the Articles of Association
1(4)c	In the absence of regular chairperson, the other members shall elect a non-executive director to chair that particular meeting	√		In Practice
1(5)	Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry	√		Disclosed in the Director's Report page 98
1(5)(ii)	The segment-wise or product-wise performance	√		As above
1(5)(iii)	Risks and concerns	√		As above
1(5)(iv)	Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	√		As above
1(5)(v)	Discussion on continuity of any extraordinary activities and their implications (gain or loss)	√		As above
1(5)(vi)	A detailed discussion on related party transactions	√		As above
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments	√		As above
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing, etc.	√		As above
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements	√		As above

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
1(5)(x)	Remuneration paid to the directors including independent directors	√		As above
1(5)(xi)	the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	√		As above
1(5)(xii)	Maintenance of proper books of accounts	√		As above
1(5)(xiii)	Adoption of appropriate & consistent accounting policies and estimates	√		As above
1(5)(xiv)	Follow of IAS, IFRS in preparation of the financial statements and any departure there from has been adequately disclosed	√		As above
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored	√		As above
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	√		As above
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed	√		As above
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained	√		As above
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized	√		As above
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year	√		The Company Declared Interim Cash Dividend of 750% . A total of 750% cash dividend has been declared for the year ended on 31 st March 2023
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend	√		Disclosed in the Director's Report
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director	√		Disclosed in the Director's Report
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares held by :-			
(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details)	N/A		Disclosed in Annexure - C of the Director's Report
(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details)	√		Disclosed in the Director's Report
c)	Executives and	√		Disclosed in the Director's Report

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)	√		Disclosed in the Director's Report
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
(a)	a brief resume of the director	√		Stated in the Profile of the Board
(b)	nature of his or her expertise in specific functional areas and	√		Stated in the Profile of the Board
c	names of companies in which the person also holds the directorship and the membership of committees of the Board	√		Stated in the Profile of the Board
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
(a)	accounting policies and estimation for preparation of financial statements	√		Presented in Management's Discussion and Analysis at page 106
(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	√		Presented in Management's Discussion and Analysis
(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	√		Presented in Management's Discussion and Analysis
(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	√		Presented in Management's Discussion and Analysis
(e)	briefly explain the financial and economic scenario of the country and the globe	√		Presented in Management's Discussion and Analysis
(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company and	√		Presented in Management's Discussion and Analysis
(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM	√		Presented in Management's Discussion and Analysis
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A and	√		Attached with the Director's Report
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		Attached with the Director's Report
1(6)	Meeting of the Board Shall conduct Board meetings and record the minutes as per BSS	√		Duly conducted the Board meetings and recorded the minutes as per BSS and the BSEC Notifications pertaining to meetings on digital platform.

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	Code of conduct for the Chairman, other Board members and Chief Executive Officer	√		The Code of Conduct as recommended by NRC is available
1(7)(b)	Availability of Code of Conduct on the website of the Company	√		The Code of Conduct available on the website of the Company at https://marico.com/bangladesh/about-us/code-of-conduct
2	Governance of Board of Directors of Subsidiary Company:			
2(a)	Same provisions shall be applicable for composition of the Board of the holding and the Board of the subsidiary	N/A		
2(b)	At least one independent director on the Board of the holding Company shall be a director on the Board of the subsidiary Company	N/A		
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company	N/A		
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also	N/A		
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	N/A		
3(1)	MD or CEO, CFO, Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):-			
3(1)(a)	Appointment of MD or CEO, CFO, HIAC and CS	√		Duly appointed by the Board
3(1)(b)	Different individuals are in the position of MD or CEO, CFO, HIAC and CS	√		Mr. Rajat Diwaker is the Managing Director, Mr. Elias Ahmed is the Chief Financial Officer, Mr. Md. Sahabuddin FCS is the Company Secretary and Mr. Sharif Shajib Ahammed is the Head of Internal Audit & Compliance.
3(1)(c)	The MD or CEO, CS, CFO and HIAC don't hold any executive position in any other company at the same time	√		They do not hold any position in any other Company
3(1)(d)	Clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	√		The roles and responsibilities are separately defined
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		No such case in the reporting year
3(2)	Attendance in the meetings of the Board of MD or CEO, CS, CFO and HIAC	√		In Practice
3(3)(a)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO) to certify to the Board that the financial statements-			

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
3(3)(a)(i)	Does not contain materially untrue statement and omit any material fact in the financial statements certified by MD & CFO	√		The declaration of the CEO & CFO is presented in the Annual Report
3(3)(a)(ii)	True & fair view of financial statements certified by MD & CFO	√		Do
3(3)(b)	Certification of MD and CFO regarding financial statements	√		Do
3(3)(c)	Annual Report contains certification of MD & CFO on financial statements	√		Do
4	Board of Directors' Committee			
4(i)	An Audit Committee	√		In Practice
4(ii)	A Nomination & Remuneration Committee	√		In Practice
5	Audit Committee			
5(1)(a)	The Company shall have an Audit Committee as a subcommittee of the Board of Directors	√		In Practice
5(1)(b)	Assistance of the Audit Committee to the Board	√		The Audit Committee performs as per BSEC Guidelines
5(1)(c)	Responsible to the Board and the duties of the Audit Committee shall be clearly set forth in writing	√		There is an Audit Committee with roles and responsibilities clearly defined in its Charter as per BSEC Guidelines
5(2)	Audit Committee composition:			
(a)	at least 3 members	√		The Audit Committee is comprised of 5 (Five) members
(b)	All members are to be non-executive directors except chairman of the board and one member shall be an independent director	√		In Practice. The Committee is comprised of 3(three) Independent Directors and 2(two) non-Executive directors. The Managing Director is a permanent invitee to the committee.
(c)	Financial literacy & minimum 10 years' experience of members	√		The qualifications and expertise of the members are commensurate to their role and have been duly reviewed by the Board. All members of the Audit Committee are 'financially literate' as declared by them and have 'related financial management experience' as per the BSEC notification.
5(2)(d)	Vacancy of office of audit committee member, in case of his/ her expiry or inability to hold office	√		The vacancy was filled on 5 June 2022 by appointment of Ms. Sheela Rahman, Independent Director with due time.
5(2)(e)	The company secretary shall act as the secretary of the Committee	√		In Practice
5(2)(f)	At least 1 (one) independent director in quorum of the committee	√		In Practice

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
5(3)(a)	An independent director shall be Chairman of the committee	√		Ms. Parveen Mahmud, Independent Director, acted as Chairperson of the Audit Committee
5(3)(b)	Chairman in the absence of regular Chairman of the Committee	√		There were no such instance during FY 2022-23.
5(3)(c)	Audit Committee Chairman's presence in Annual General Meeting	√		In Practice
5(4)(a)	At least its four meetings in a financial year	√		Total 4 meetings were held in the year
5(4)(b)	Quorum: two members or 2/3 of total audit committee member	√		In Practice
5(5)(a)	Oversee the financial reporting process	√		In Practice
5(5)(b)	Monitor choice of accounting policies and Principles	√		In Practice
5(5)(c)	Monitor Internal Audit & Compliance Process	√		In Practice
5(5)(d)	Oversee hiring and performance of external Auditors	√		In Practice
5(5)(e)	Meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption	√		In Practice
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval	√		In Practice
5(5)(g)	Review the quarterly and half yearly financial statements before submission to the board for approval	√		In Practice
5(5)(h)	Review the adequacy of internal audit Function	√		In Practice
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		In Practice
5(5)(j)	Review statement of all related party transactions submitted by the management;	√		In Practice
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		In Practice
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors	√		In Practice
5(5)(m)	Oversee about the uses/applications of funds raised through IPO or RPO or Rights Share Offer	N/A		There was no IPO/RPO/Rights issue in 2020-21 or in the recent past.
5(6)	Reporting of the Audit Committee			
5(6)(a)(i)	Reporting to the Board of Directors	√		Audit Committee reports to the Board and key agenda such as approval of financial statements, review of major investments and litigation decisions are adopted at the audit committee prior to placing the same before the Board.

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
5(6)(a)(ii)(a)	Report on conflicts of interests	√		No such case in the reporting year
5(6)(a)(ii)(b)	Report on suspected or presumed fraud or irregularity or material defect in internal audit/financial statements	√		Do
5(6)(a)(ii)(c)	Report on suspected infringement of laws & regulatory compliances	√		Do
5(6)(a)(ii)(d)	Any other matter deems necessary to disclose	√		Do
5(6)(b)	Report on unreasonably ignored rectification to the Commission	√		No such situation arose during the year.
5(7)	Reporting to the Shareholders and General Investors	√		The Audit Committee Report, signed by the Chairman is presented in this Annual Report
6	Nomination and Remuneration Committee (NRC)			
6(1)(a)	NRC as a sub-committee of the Board	√		Already in place
6(1)(b)	Assists the Board in formulating NRC policy	√		The NRC duly discharged its responsibilities as per BSEC Guidelines
6(1)(c)	Clearly defined terms of reference of NRC	√		There is a clearly defined terms of reference and charter of the NRC duly reviewed and approved by the Board.
6(2)	Constitution of the NRC			
6(2)(a)	At least three members including an independent director	√		The NRC is comprised of 3 (Three) permanent members and 2 (Two) advisory (non-voting) Members, and the Chairman of the Board is the permanent invitee to the Committee.
6(2)(b)	All members of the Committee shall be non-executive directors	√		In Practice
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board	√		In Practice
6(2)(d)	The Board reserve the authority to remove and appoint any member of the Committee;	√		In Practice
6(2)(e)	The Board shall fill the vacancy in case of death, resignation, disqualification, or removal of any member	√		No such instance arose during the year
6(2)(f)	The Chairperson may appoint external expert for advice or suggestion	√		No such requirement arose during the reporting year
6(2)(g)	The company secretary shall act as the secretary of the Committee	√		In Practice
6(2)(h)	Quorum: with at least an independent director	√		In Practice
6(2)(i)	No remuneration other than director fees/honorarium for any member	√		In Practice
6(3)	Chairperson of the NRC			
6(3)(a)	Chairman: an independent director	√		In Practice. Mr. Zakir Ahmad Khan, Independent Director is the Chairman of the Company

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
6(3)(b)	In the absence of regular Chairman, Chairman from other members	√		No such instance arose during the year
6(3)©	Chairman's presence in annual general meeting	√		In Practice
6(4)	Meeting of the NRC			
6(4)(a)	At least one meeting in a financial year	√		In practice. The NRC met 4 times in the last year.
6(4)(b)	Any emergency meeting upon request by any member of the NRC	√		No such instance arose during the year
6(4)©	Quorum: Higher of two members or 2/3 of total members including at least one independent director	√		All meetings fulfilled the necessary quorum requirement.
	Confirmation of minutes in the next meeting of the NRC	√		In Practice
6(5)	Role of the NRC			
6(5)(a)	Shall be independent and responsible or accountable to the Board and to the shareholders	√		The NRC performed as per BSEC Guidelines
6(5)(b)	NRC shall oversee, among others, following matters and make report with recommendation to the Board:-			
6(5)(b)(i)				
6(5)(b)(i)(a)	The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully	√		Do
6(5)(b)(i)(b)	Clear relationship among remuneration, performance & benchmarks	√		Do
6(5)(b)(i)(c)	Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals	√		Do
6(5)(b)(ii)	Devising a policy on Board's diversity	√		Do
6(5)(b)(iii)	Identification of directors and top level executives and recommendation for appointment and removal	√		Do
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board	√		Do
6(5)(b)(v)	Identifying needs for employees and determine their selection, transfer or replacement and promotion criteria	√		Do
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies	√		In Practice
6(5)(c)	Nomination and remuneration policy, the evaluation criteria and activities of NRC during the year in its annual report.	√		Disclosed in the Annual Report

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
7	External or Statutory Auditors			
7(1)(i)	Not involved in appraisal or valuation services or fairness opinions	√		As declared by the Auditors
7(1)(ii)	Not involved financial information systems design and implementation	√		Do
7(1)(iii)	Not involved in book-keeping or other services related to the accounting records or financial statements	√		Do
7(1)(iv)	Not involved as broker-dealer services	√		Do
7(1)(v)	Not involved in actuarial services	√		Do
7(1)(vi)	Not involved in internal audit services or special audit services	√		Do
7(1)(vii)	Not involved in any service that the Audit Committee determines	√		Do
7(1)(viii)	Not involved in audit or certification services on compliance of corporate governance	√		Do
7(1)(ix)	Not involved in any other service that creates conflict of interest	√		Do
7(2)	No partner or his/ her family or employees of the external audit firms hold any share at least during audit work	√		Do
7(3)	Auditors' or their representative presence in the AGM	√		In Practice
8	Maintaining a website by the Company			
8(1)	An official website linked with the website of the stock exchange	√		The official website of the company is https://marico.com/bangladesh which is linked with the Stock Exchange
8(2)	A website functional from the date of listing	√		In practice
8(3)	Available detailed disclosures on its website as required under the listing regulations of the stock exchange(s).	√		All shareholder information since listing is available in the "Investor Relations" section of the website
9	Reporting and Compliance of Corporate Governance.-			
9(1)	Compliance certificate on Corporate Governance Code of the Commission in the Annual Report.	√		Required Certification has been obtained from Al-Muqtadir Associates, Chartered Secretaries, for the year 2022-23 which is presented in this Annual Report
9(2)	The compliance auditor shall be appointed by the shareholders in the AGM	√		The Board appointed Al-Muqtadir Associates, Chartered Secretaries as compliance auditor for the financial years 2023-24 and the appointment was placed before the shareholders at the 23 rd Annual General Meeting
9(3)	Annexure-C attached in the directors' report	√		Required Annexure-C is presented in this Annual Report at page 125

SHAREHOLDING PATTERN

(a) Shareholding details of Parent or Subsidiary or Associated Companies as on 31st March, 2023

Share Ratios

Name	Status	Number of shares held*
Marico Limited	Parent Company	28,350,000

* Out of which, 1 (One) Share is held by Mr. Harsh Mariwala, Promoter/Sponsor of the Company

(b) Shareholding details of Director, CEO, CFO, CS and HIAC and their spouses and minor children as on 31st March, 2023

Name	Position	Number of shares held
Ms. Parveen Mahmud	Independent Director	Nil
Mr. Zakir Ahmad Khan	Independent Director	Nil
Ms. Sheela R Rahman	Independent Director	Nil
Mr. Saugata Gupta	Nominee Director	1
Mr. Ashish Goupal	Nominee Director	Nil
Mr. Pawan Agrawal	Nominee Director	Nil
Mr. Rajat Diwaker	Managing Director	Nil
Mr. Elias Ahmed FCMA*	Chief Financial Officer	Nil
Mr. Md. Sahabuddin FCS	Company Secretary	Nil
Mr. Sharif Shajib Ahammed	Head of Internal Audit & Compliance	Nil

(c) Shareholding details of top 5 salaried executives of the Company as on 31st March, 2023

Name	Position	Number of shares held
Mr. Md. Saiful Alam	Director - Manufacturing	Nil
Mr. Allen Ebenezer Eric	Director - Marketing	Nil
Mr. Shyamal Kishore	Director - Human Resources	Nil
Mr. Sabbir Al Harun	Director-Sales	Nil
Mr. Zahedur Rahman	Director - Supply Chain	Nil

(d) Shareholders holding ten percent or more voting interest in the Company

Name	Status	Number of shares held
Marico Limited	Parent Company	28,350,000

* Mr. Elias Ahmed FCMA resigned on 15th March, 2023 from the post of CFO and Mr. Shafiq Musharraf FCA joined as CFO on 13th June, 2023.

DIVIDEND PATTERN

The cash dividend granted by the Company since its listing on the Stock Exchanges is described below:-

	Q1	Q2	Q3	Mid-Q	Q4	H2	EXT Q5	EXT Q6	Total
FY'09						25%			25%
FY 10-11						20%		25%	45%
FY'12			100%						100%
FY'13		100%				50%			150%
FY'14	150%	200%	500%			50%			900%
FY'15	150%		225%			50%			425%
FY'16		300%	100%		50%				450%
FY'17	50%	300%			50%				500%
FY'18	-	250%	250%		100%				600%
FY'19	150%	250%		200%	50%				650%
FY'20	250%	200%	300%		200%				950%
FY'21	300%	200%	200%		200%				900%
FY' 22	200%	200%	200%		200%				800%
FY 23	750%								750%

Your Company's wealth distribution philosophy aims at sharing its prosperity with its shareholders. The upward trend reflects consistency in the Company's dividend disbursements over the years and commitment to ensure that shareholders' value is maximized.

During the Year under Review, the Board of Directors had declared respectively 450% Interim Cash Dividend in Mid-Q1 and 300% Cash Dividend in Q1 of FY23, all of which have been duly distributed subsequently. Thus, the total dividend payout for 2022-2023 stands at 750%. The dividend declared in FY 23 reflects the Company's approach of balancing wealth distribution with working capital needs and maintaining healthy retained earnings.

DIVIDEND DISTRIBUTION POLICY

1. Objective

The objective of this Dividend Distribution Policy (**“the Dividend Distribution Policy”**) is to ensure the right balance between the quantum of dividend paid and profits retained in the business for various purposes. In addition, this Policy will also ensure that the distribution of dividend is implemented pursuant to the applicable legislation in the interests of the shareholders and the Company and will also address the management of unclaimed dividends.

2. Scope and Legal Basis

This Dividend Policy sets out the principles applicable to the declaration and distribution of dividend to be made by the Company in accordance with its Articles Of Association and applicable laws.

This Policy has been prepared pursuant to the Directive dated 14th January 2021 bearing reference No. BSEC/CMRRCD/2021-386/03 issued by the Bangladesh Securities and Exchange Commission (BSEC). In accordance with the BSEC Directive dated 7th March 2021 bearing reference No. BSEC/CMRRCD/2021-388/07 compliance under the Directive dated 14th January 2021 will commence from 1st July 2021.

3. Philosophy

The philosophy of the Company is to maximize shareholders' wealth in the Company through various means. The Company believes that driving growth creates maximum shareholder value. Thus, the Company would first utilise its profits for working capital requirements, capital expenditure to meet expansion needs, reducing debt from its books of accounts, earmarking reserves for inorganic growth opportunities and thereafter declare and distribute profits in the form of Dividend to the shareholders.

4. Definitions

Unless repugnant to the context:

“Act” shall mean the Companies Act, 1994 including the Rules made thereunder, as amended from time to time.

“Applicable Laws” shall mean the Companies Act, 1994 and rules made thereunder, the Securities and Exchange Laws, the Stock Exchanges' Listing Regulations and such

other Rules, Regulations, Directive, Circular and Order relating to declaration, entitlement, and distribution of Dividend.

“Company” shall mean Marico Bangladesh Limited.

“Chairman” shall mean the Chairman of the Board of Directors of the Company.

“Board” or **“Board of Directors”** shall mean the Board of Directors of the Company.

“Dividend” means any sum payable or distributed to members/shareholders out of profits or reserves of the Company available for that purpose, for a particular period, against each share the member/shareholder owns.

“MD & CEO” shall mean Managing Director and Chief Executive Officer of the Company.

“Policy or this Policy” shall mean this Dividend Distribution Policy.

5. Interpretation

In this Policy, unless the contrary intention appears:

- (a) the clause headings are for ease of reference only and shall not be relevant to interpretation;
- (b) a reference to a clause number includes a reference to its sub-clauses;
- (c) words in singular number include the plural and vice versa;
- (d) Words and expressions used and not defined in this Policy but defined in Companies Act, 1994 or rules made thereunder or Securities and Exchange Commission Act, 1992 or regulations made thereunder or Depositories Act, 1999 and Articles of Association of the Company shall have the meanings respectively assigned to them in those Acts, Rules and Regulations.

6. Principles of declaration of Dividend

Dividend shall be declared on per share basis on the Ordinary shares of the Company. Presently, the Authorised Share Capital of the Company is divided into equity/ordinary shares of face value BDT 10 each. The

Company has no other class of shares. The Board shall recommend or declare the amount of dividend on each share based on financial parameters set out below:

6.1 Internal Factors

- (a) Consolidated net operating profit after tax;
- (b) Working capital requirements;
- (c) Capital expenditure requirements;
- (d) Resources required to fund acquisitions and / or new businesses
- (e) Cash flow required to meet contingencies;
- (f) Outstanding borrowings
- (g) Past Dividend Trends

6.2 External Factors

- (a) Prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws.

6.3 The shareholders of the Company may not expect Dividend under the following circumstances:

- (a) Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital;
- (b) Significantly higher working capital requirements adversely impacting free cash flow;
- (c) Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital;
- (d) Whenever it proposes to utilise surplus cash for buy-back of securities; or
- (e) In the event of inadequacy of profits or whenever the Company has incurred losses.
- (f) Any rules, Directive or guidance issued by BSEC on declaration or distribution of dividend.

The Board may consider not declaring Dividend or may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as regulatory and financial environment. The Board will provide rationale in the Annual Report in the event of not declaring Dividend.

7. Procedure for Declaration and Distribution of Dividend

- 7.1 The Chief Financial Officer (CFO) in consultation with the MD & CEO, and the Company Secretary of the Company shall recommend any amount to be declared/ recommended as Dividend to the Board of Directors of the Company.
- 7.2 Where Dividend declaration or recommendation is proposed for consideration of the Board it shall be a specific agenda for consideration.
- 7.3 Pursuant to the provisions of applicable laws and this Policy, interim Dividend (if any) declared by the Board of Directors may be paid to the shareholders and final Dividend, if any, recommended by the Board of Directors, will be subject to shareholders approval, at the ensuing Annual General Meeting of the Company. No larger Dividends shall be declared than is declared or recommended by the Board of Directors. However, the Company in Annual General Meeting may declare a smaller Dividend.
- 7.4 The stock-broker or a merchant banker or a portfolio-manager of the margin client or customer shall request the Company within 7 (seven) days from the Record Date to pay the Dividends into respective account maintained by the stock broker or a merchant banker or a portfolio manager of the margin client or customer. All such requests shall be made to the designated email address of the Company for this purpose and may also be delivered to the Company by any other means.
- 7.5 The Company shall pay all Dividends in accordance with this Policy through BEFTN.
- 7.6 The Company shall ensure compliance to applicable laws and this Policy in relation to Dividend declaration and distribution by the Company.

8. Unpaid or Unclaimed Dividend

Pursuant to the Directive No. BSEC/CMRRCD/2021-386/03 dated 14.01.2021, the Company shall maintain a Bank Account namely "Unclaimed Dividend Account", where unpaid or unclaimed Dividend shall be kept for a period of 3 (three) years from the date of declaration or approval date or record date. After elapse of the afore-mentioned period, if any Dividend remains unpaid or unclaimed or unsettled, such Dividend along with accrued interest shall be transferred to a Fund maintained by Bangladesh Securities Exchange Commission.

9. Procedure for claiming unpaid Dividend

- 9.1 The Company has a mechanism in place for claiming unpaid or unclaimed Dividend which is as follows:
- 9.1.1 Shareholders are required to make an “Application for Unpaid Dividend” in the format set out in this Policy. For the ease of shareholders, the Application Form is available on the Company website and at its office.
- 9.1.2 Shareholders may apply in person at the Corporate Office of the Company or submit their application over email to secretarial.mbl@marico.com
- 9.1.3 Unpaid Dividends will be paid to the shareholders, upon verification of the relevant BO ID information, cell phone number and email address maintained with the Central Depository of Bangladesh Limited (CDBL)
- 9.1.4 Unpaid Dividends will be paid through issuance of Dividend warrant/BEFTN/other banking channels within 15(Fifteen) working days.
- 9.2 For the avoidance of doubt, all Dividend payments from the Company shall be subject to applicable taxes and shall not bear any interest or whatsoever.

10. Disclosure of Dividend Information

The Company maintains a record of unpaid or unclaimed Dividend. Summary of such record shall be available in the Annual Report and in the Quarterly Financial Statements. The Company shall also publish such record in its website in accordance with the Directive No. BSEC/CMRRCD/2021-386/03 dated 14.01.2021.

11. General

This Dividend Policy would be subject to revision/ amendment in accordance with changes in applicable laws or the guidelines issued by BSEC or such other regulatory authority as may be authorized, from time to time, on the subject matter.

The Board shall review this Policy annually. Upon recommendation of the Board, the Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

SUMMARY OF UNCLAIMED DIVIDEND

The year-wise summary of unclaimed/ unpaid dividend which was sent to Capital Market Stabilization Fund (CMSF)

SL no	Financial Year	Dividend Type	Rate of Dividend	Total Dividend	Record Date	Transfer to CMSF (Capital Market Stabilisation Fund)	Transferred Date of CMSF
1	2009	Final	25%	78,750,000	13-Dec-09	1,483,419	24-Nov-21
2	2011	Interim	25%	78,750,000	2-Nov-10	611,264	11-Jan-22
		Final	20%	63,000,000	8-May-11	584,212	11-Jan-22
3	2012	Interim	100%	315,000,000	1-Feb-12	2,148,331	24-Nov-21
4	2013	Interim	100%	315,000,000	4-Nov-12	434,628	
		Interim	50%	157,500,000	02-Jul-13		
6	2014	Interim	150%	472,500,000	04-Aug-13	711,408	
7	2015	Interim	150%	472,500,000	07-Aug-14		20-Sep-21
		Interim	150%	472,500,000	06-Nov-13	673,040	
6	2014	Interim	500%	1,575,000,000	12-Mar-14		
		Final	50%	157,500,000	2-Jul-14	57,406	
7	2015	Interim	225%	708,750,000	29-Jan-15	303,527	31-Aug-21
		Final	50%	157,500,000	18-Jun-15	62,241	27-Oct-21
8	2016	Interim	300%	945,000,000	8-Nov-15	385,458	31-Aug-21
		Interim	100%	315,000,000	15-Feb-16	119,718	31-Aug-21
9	2017	Final	50%	157,500,000	17-Aug-16	128,168	31-Aug-21
		Interim	150%	472,500,000	22-May-16	212,010	31-Aug-21
9	2017	Interim	300%	945,000,000	10-Nov-16	449,055	31-Aug-21
		Final	50%	157,500,000	17-Jul-16	85,073	27-Oct-21
10	2018	Interim	250%	787,500,000	14-Nov-17	377,884	31-Aug-21
		Interim	250%	787,500,000	12-Feb-18	403,909	31-Aug-21
10	2018	Final	100%	315,000,000	7-Jun-18	113,425	31-Aug-21
		Interim	150%	472,500,000	9-Aug-18	183,894	31-Aug-21
11	2019	Interim	250%	787,500,000	15-Nov-18	211,132	3-Jul-22
		Interim	200%	630,000,000	18-Apr-19	294,630	3-Jul-22

Year-wise summary of unclaimed/unpaid dividend as on 31 March 2023

Financial Year	Type	Total Dividend	Disbursed but unclaimed by shareholders	Dividend	Record Date
2018-19	Final Dividend	157,500,000		50%	30-May-19
2019-20	1st Interim Dividend	787,500,000		250%	20-Aug-19
2019-20	3rd Interim Dividend	945,000,000	4,101,001	300%	18-Feb-20
2019-20	Final Dividend	630,000,000	262,821	200%	18-Jun-20
2020-21	1st Interim Dividend	945,000,000	345,202.5	300%	16-Aug-20
2020-21	2nd Interim Dividend	630,000,000	201,153.00	200%	17-Nov-20
2020-21	3rd Interim Dividend	630,000,000	324,144.00	200%	15-Feb-21
2020-21	Final Dividend	630,000,000	690,580.00	200%	27-May-21
2021-22	1st Interim Dividend	630,000,000	450,240.00	200%	18-Aug-21
2021-22	2nd Interim Dividend	630,000,000	329,016.00	200%	11-Nov-21
2021-22	3rd Interim Dividend	630,000,000	233,666.00	200%	15-Feb-22
2021-22	Final Dividend	630,000,000	230,083.00	200%	26-May-22
2022-2023	1st Interim Dividend	1,417,500,000	891,823.00	450%	23-Jun-22
2022-2023	2nd Interim Dividend	945,000,000	342,287.50	300%	21-Aug-22
Grand Total		9,292,500,000	8,402,017		

MARICO CODE OF CONDUCT



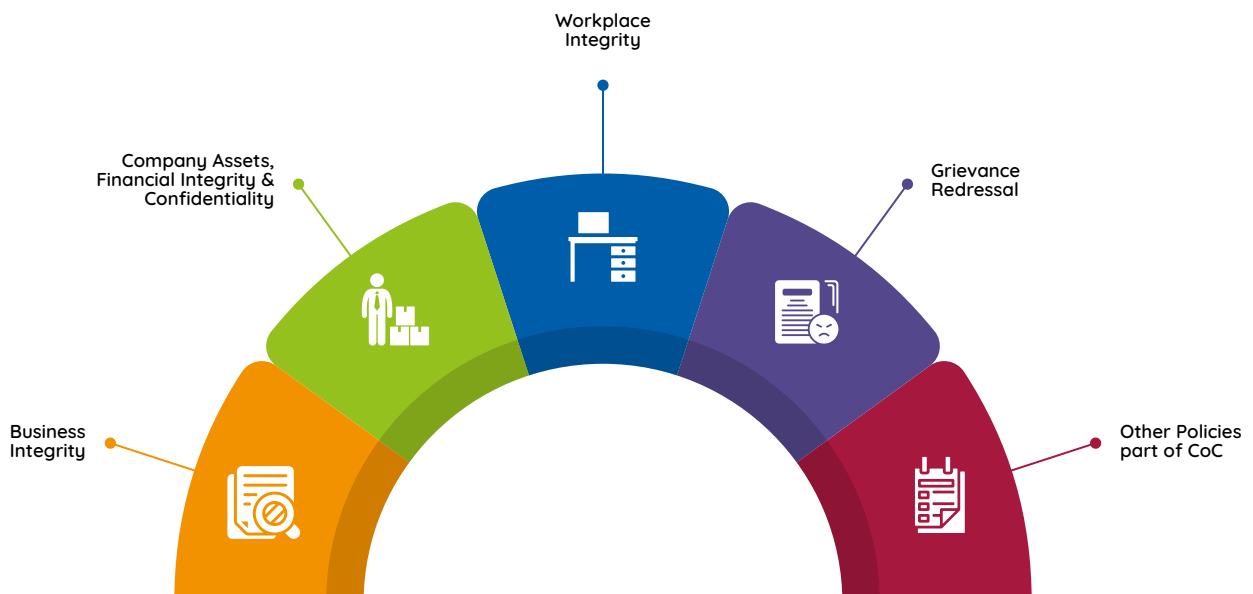
Marico has a uniform Code of Conduct (CoC) that applies to all business units within the Marico group and to all directors (executive and non-executive), members, interns, apprentices, secondees and third parties or business associates who act on behalf of the Company.

Marico's sustainable growth story rests on an empowering work culture based on trust and accountability. The unique culture at Marico is based on our values which is the DNA of our organization, immersed in every member across hierarchies and geographies. The Code makes sure that all businesses conducted by Marico in any capacity are done in an ethical and sustainable manner while being beneficial to all our stakeholders. It helps us take the right decisions, especially during challenging or conflicting/ambiguous moments. The CoC defines what is expected from members and associates alike. The CoC is a set of guidelines highlighting the desired behaviors and actions from our members to:

- conduct our business in an ethical manner and
- ensure highest levels of governance across the organization
- enable discrimination & harassment free work environment.
- create a work environment that is conducive to members & associates alike, based on our values and culture

In the event of a conflict between any provision of the CoC and the law of land, the law will always prevail and the management will take immediate steps to align the provisions of the CoC with applicable laws.

Core Elements of the CoC



Business Integrity Encompasses



Conflict of Interest



No Bribery and Anti Corruption



Ethical Working with associates



Ethical Gifts & Entertainment

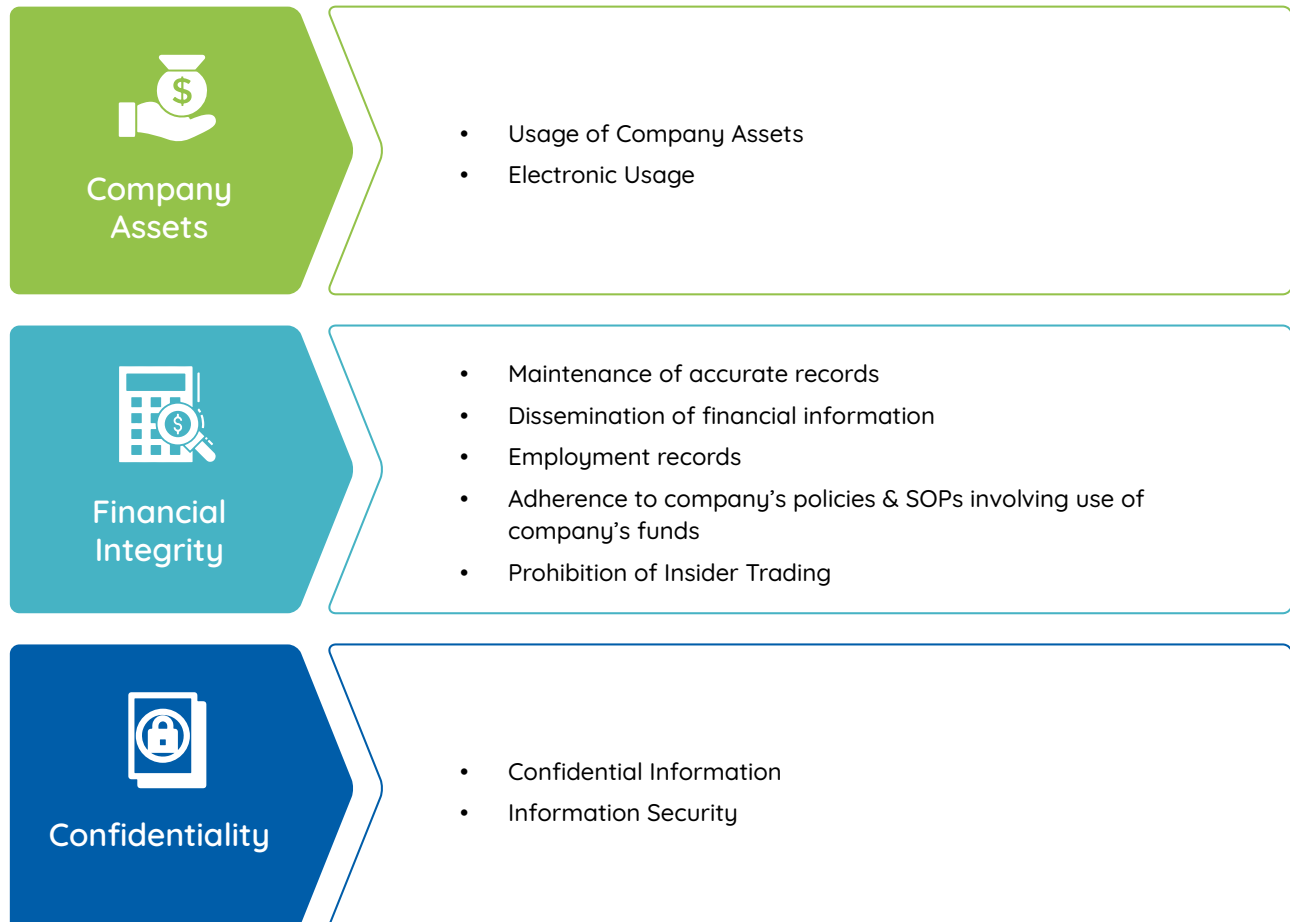


Compliance with laws of the land

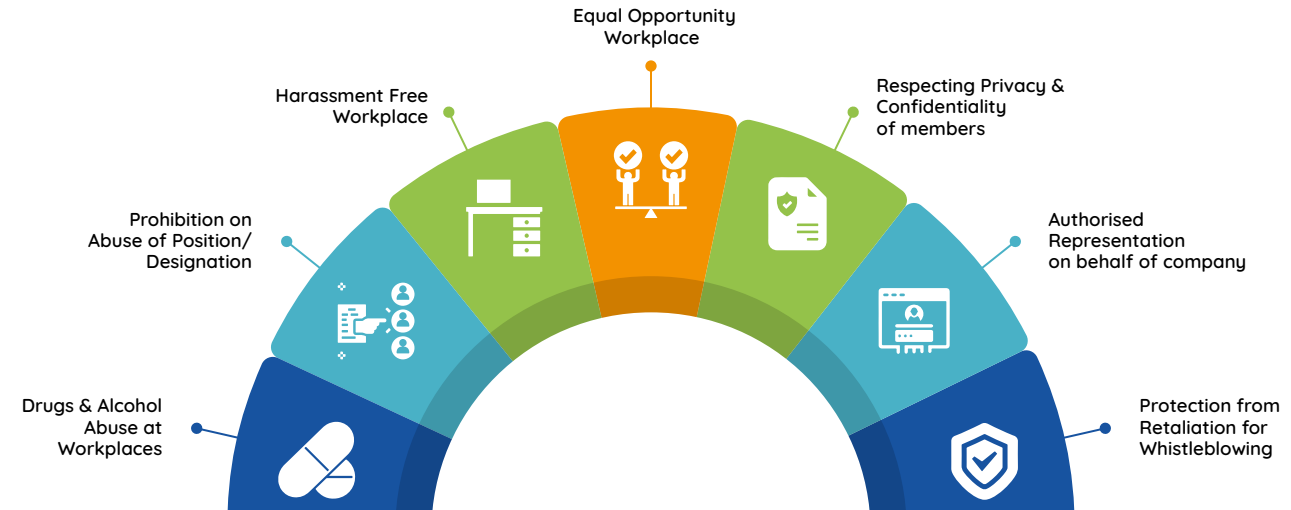


Anti Money laundering

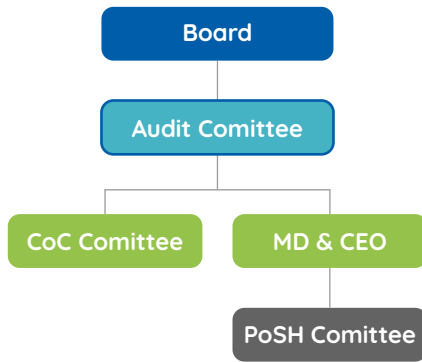
Company Assets, Financial Integrity & Confidentiality



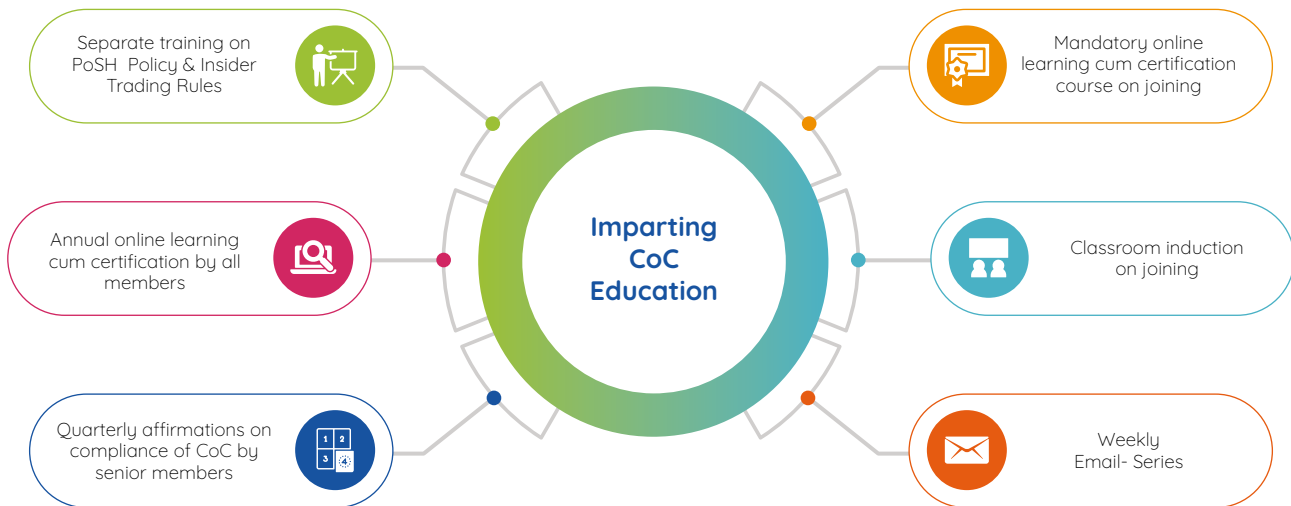
Workplace Integrity Encompasses



Administration & Governance Code



- Administration & Governance of the CoC is ensured at the highest level with the Nomination & Remuneration Committee exercising regular oversight over the functioning of the CoC, issues reported and actions taken.
- The Prevention of Sexual Harassment Committee was formed in 2009 in accordance with the Directives issued by the Hon'ble High Court Division in Petition No. 5916 of 2008.
- Marico was one of the first among multinational and listed companies to frame a Prevention of Sexual Harassment Policy and implement the internal committee mechanism as per the High Court Directive



A 360° Ethics & Compliance Program is run to educate members, business associates and vendors towards preventing breaches and encouraging reporting of the same

BAPLC CERTIFICATE



ANNUAL REPORT CHECKLIST

Particulars	Page Number
Corporate Objectives, Values & Structure	
Clarity and Presentation	
Vision and Mission	14
Overall Strategic Objectives	14-15
Core Values and Code of Conduct/Ethical Principles	13, 142
Profile of the Company	10-11
Director's profiles and their representation on Board of other companies and Organization Chart	34-39
Management Report and Analysis including Director's Report / Chairman's Review/ CEO's Review etc.	
A general review of the performance of the company	23-28
Description of the performance of the various activities/ products/ segments of the company and its group companies during the period under review. (Weight age to be given for pictorial/ graphical/ tabular presentations used for this purpose)	98-99
A brief summary of the Business and other Risks facing the organization and steps taken to effectively manage such risks	121-122
A general review of the future prospects/ outlook.	109
Information on how the company contributed to its responsibilities towards the staff (including health & safety)	73-78
Information on company's contribution to the national exchequer & to the economy	103
Sustainability Reporting	
Social Responsibility Initiatives (CSR)	93-96
Environment Related Initiatives	89
Environmental & Social Obligation	88-92
Integrated Reporting	55-96
Appropriateness of Disclosure of Accounting policies and General Disclosure	
Disclosure of adequate and properly worded accounting policies relevant to Assets, liabilities, Income and expenditure in line with best reporting standards	189
Any specific accounting policies	189
Impairment of Assets	192-193
Changes in accounting policies/Changes in accounting estimates	107
Accounting policy on subsidiaries (if there is no subsidiary, full marks should be granted)	
Segment Information	
Comprehensive segment related information bifurcating Segment revenue, segment results and segment capital employed	99, 177, 184
Availability of information regarding different segments and units of the entity as well as non-segmental entities/ units	99
Segment analysis of Segment Revenue Segment Results Turnover Operating profit Carrying amount of Net Segment assets	177, 184

Particulars	Page Number
Financial Statements (Including Formats)	
Disclosures of all contingencies and commitments	196
Comprehensive related party disclosures	100
Disclosures of Remuneration & Facilities provided to Directors & CEO	178
Statement of Financial Position / Balance Sheet and relevant schedules	161
Income Statement / Profit and Loss Account and relevant schedules	162
Statement of Changes in Equity / Reserves & Surplus Schedule	163
Disclosure of Types of Share Capital	171
Statement of Cash Flow	164
Consolidated Financial Statement (CFS)	N/A
Extent of compliance with the core IAS/IFRS or equivalent National Standards	120
Disclosures / Contents of Notes to Accounts	165-197
Information about Corporate Governance	
Board of Directors, Chairman and CEO	34-37
Audit Committee (Composition, role, meetings, attendance, etc.) Internal Control Management & Risk	110
NRC Committee	113
Ethics & Compliance	142
Remuneration and other Committees of Board	178
Human Capital	73-78
Communication to Shareholders & Stakeholders Information available on website Other information	29-31
Management Review and Responsibility	91
Disclosure by Board of Directors or Audit Committee on Evaluation of Quarterly Reports	110
Any other investor friendly information	29-31
Risk Management & Control Environment	
Description of the Risk Management Framework	121-122
Risk Mitigation Methodology	
Disclosure of Risk Reporting	
Stakeholders Information	
Distribution of shareholding (Number of shares as well as category wise, e.g. Promoter group, FII etc.)	30
Shares held by Directors/Executives and relatives of Directors/ Executives	136
Redressal of investors' complaints	31
Graphical/ Pictorial Data:	
Earnings per Share	26
Net Assets	25
Stock Performance	29
Shareholders' Funds	28
Return on Shareholders Fund	28
Horizontal/ Vertical Analysis including following	32

Particulars	Page Number
Total Revenue	23
Operating profit	
Profit Before Tax	
Profit after Tax	
EPS	
Statement of Financial Position (Balance Sheet)	
Shareholders Fund	24
Property Plant & Equipment	161
Net Current Assets	
Long Term Liabilities/ Current Liabilities	
Profitability/ Dividends/ Performance and Liquidity Ratios	
Gross Profit Ratio	23-28
Earning before Interest, Depreciation and Tax	
Price earning ratio	
Current Ratios	
Return on Capital Employed	
Debt Equity Ratio	
Statement of Value Added and Its Distribution	
Government as Taxes	65
Shareholders as dividend	
Employees as bonus/ remuneration	
Retained by the Entity	
Market share information of the Company's product/ services	
Economic value added	
Presentation of Annual Report & Financial Statements	
Quality of the Report/ Layout of Contents	Qualitative
Cover and printing including the theme on the cover page	Qualitative
Appropriateness and effectiveness of photographs and their relevance	Qualitative
Effectiveness of Charts and Graphs	Qualitative
Clarity, simplicity and lucidity in presentation of Financial Statements	Qualitative
Timeliness in issuing Financial Statements and holding AGMs	
3 months' time to produce the Annual Report and hold AGM	AGM is scheduled to be held timely on Tuesday, 26th July 2023
Delay after the initial period of 3 months	
If the period is over 6 months	
Additional Disclosures	
Corporate Governance Certificate	124
Certificate of Due Diligence by CEO/MD & CFO	123

SHAREHOLDERS' INFORMATION



NOTICE OF THE TWENTY-THIRD ANNUAL GENERAL MEETING

NOTICE is hereby given to all Members/Shareholders of **Marico Bangladesh Limited** that the 23rd Annual General Meeting (AGM) of the Company will be held on **Wednesday, 26th July 2023 at 10.00 A.M.** via digital platform hosted from the Corporate Office of the Company to transact the following businesses:

AGENDA

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2023 together with the Reports of the Directors and the Auditors thereon.
2. To approve Dividend for the year ended March 31, 2023 as recommended by the Board of Directors of the Company.
3. To elect/re-elect Directors due to rotation & retirement.
4. To re-appoint A. Qasem & Co as Statutory Auditors of the Company and fix their remuneration for the financial year ending March 31, 2024.
5. To appoint the Compliance Auditor for the year 2023-2024 under the BSEC CG Code.

Special Business

6. Pursuant to BSEC notification no. BSEC/CMRRCD/2009-193/10/Admin/118 dated 22 March 2021, to consider and approve the related party transactions among the Company and its associated company, Marico Limited Marico Consumer Care Products S.A.E, Marico Gulf LLC, ZED Lifestyle Pvt Ltd and Marico Middle East FZE as set out in Note 27 of the Auditor's Report & Financial Statements of the Company to approve related party transactions in the Financial Year 2023-24, for sale or purchase of assets in excess of 1% and for the sale or purchase of raw material, packaging material or finished goods in excess of 10% of the Company's revenue for Financial Year 2022-23, in the normal course of business and on an arm's length basis.

Dhaka

Date: 4 July 2023

By Order of the Board

For, **Marico Bangladesh Limited**

Corporate Office:

Marico Bangladesh Limited

The Glass House, Level-06, Plot-02, Block-SE(B)

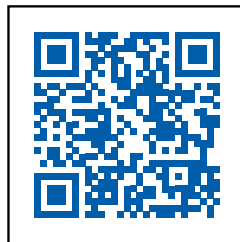
Gulshan Avenue, Dhaka-1212



Md. Sahabuddin FCS
Company Secretary

NOTES:

1. Members whose names appear in the member/Depository Register of the company as recorded in the CDBL database on the Record Date i.e. Thursday, May 25, 2023 as per BSEC guideline are eligible to attend the 23rd Annual General Meeting (AGM) and receive the final dividend approved at the AGM.
2. A Member entitled to attend and vote at the AGM may appoint a Proxy to attend and vote in his/her stead. The "Proxy Form", duly filled, signed and stamped at BDT 20 must be sent through email to the Company's secretarial department at secretarial.mbl@marico.com no later than 72 hours before commencement of the AGM.
3. Members/Shareholders are requested to update their respective BO Accounts with their relevant information including 12-digit Taxpayers' Identification Number (TIN), bank account details including routing number, e-mail address, cell phone number and mailing address, through their respective Depository Participants.
4. Pursuant to the Bangladesh Securities and Exchange Commission's Directives dated 23rd March 2021 under Reference Number: BSEC/CMRRCD/2009-193/12 the 23rd Annual General Meeting will be a virtual meeting conducted via live webcast through digital platform.
5. The Company will send the Annual Report 2023 with Proxy Form and Attendance Slip in soft format to the e-mail of the shareholders as per their BO account details maintained with CDBL. In case of non-receipt of Annual Report 2023 sent through email, shareholders may collect the same from the company's website: www.marico.com/bangladesh.
6. The joining details and Frequently Asked Questions (FAQs) will be available in the Annual Report and published on the Investor Relations section of the Company's website at: <https://marico.com/bangladesh>. It will also be communicated to the e-mail address and cell phone number of Shareholders' as per the details in their BO accounts.
7. Members/Shareholders can join virtual AGM from Laptop, PC, Mobile or Tab with following link at <https://agmbd.live/marico2023> or by scanning the QR Code below.

**Proposed Ordinary Resolution for Agenda No. 6**

“RESOLVED THAT, approval is hereby granted for the related party transactions between the Company and its associated companies, Marico Limited Marico Consumer Care Products S.A.E, Marico Gulf LLC, ZED Lifestyle Pvt Ltd and Marico Middle East FZE as set out in the Auditor's Report & Financial Statements of the Company;

FURTHER RESOLVED THAT, approval is further granted for related party transactions in the Financial Year 2023-24, for sale or purchase of assets in excess of 1% and for the sale or purchase of raw material, packaging material, finished goods or services in excess of 10% of the Company's revenue for Financial Year 2022-23, in the normal course of business and on an arm's length basis.”

Explanatory Statement for Agenda No. 6

The Company carries out a number of transactions with its parent and associated companies in the normal course of business and on an arm's length basis including the purchase of raw material, packaging material, finished goods, machinery or equipment as well as recharges for services, sale of finished goods and packaging materials and remittance of royalty and technical assistance fees. The purchase from associated companies is done to achieve economies of scale, technical and strategic gains, supply assurance and consistent quality. Considering its growth plans, the Company envisages that transactions with related parties being associated companies, Marico Limited Marico Consumer Care Products S.A.E, Marico Gulf LLC, ZED Lifestyle Pvt Ltd and Marico Middle East FZE, would either individually or in the aggregate, likely exceed the 10% threshold in the case of sale or purchase of raw materials and may exceed the 1% threshold for the purchase of assets being machinery and equipment particularly as the Company progresses towards the commercial operations of its 3rd manufacturing unit at Bangabandhu Shilpanagar. Hence approval is being sought from the Shareholders for the aforesaid related party transaction(s) proposed to be entered into by the Company in the financial year 2023-24. The Board, as such, recommends the above ordinary resolution for members' approval.

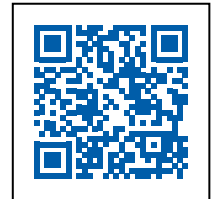
FREQUENTLY ASKED QUESTIONS (FAQS) ON VIRTUAL SHAREHOLDER MEETING

1. Why is this Annual General Meeting (AGM) only virtual?

Pursuant to the Bangladesh Securities and Exchange Commission's Notification No. SEC/SRMIC/94-231/91 dated March 31, 2021, a listed company can arrange and hold virtual shareholder meeting, which can be conducted via live webcast by using digital platform. Considering the health and safety of all our valued shareholders, members and others who plan to attend the AGM, Marico Bangladesh will hold its 23rd AGM virtually by using digital platform. We believe virtual AGM will increase the ability to engage with all the shareholders, regardless of their number of shares, resources or physical location.

2. How can I participate in the AGM?

You are eligible to participate in the AGM, if you were a shareholder of Marico Bangladesh as on the "Record Date" i.e. 25 May 2023 You will be able to participate in the AGM online from your laptop, desktop, tablet and smartphone. The link for joining the virtual AGM is: <https://agmbd.live/marico2023> or you can even scan this QR Code



For logging in to the system, you need to put your 16-digit BO ID number, total number of shares held on the "Record Date", and other credentials as a proof of your identity. The link of the webcast will also be available at the "Investor Information" section of the Company's website <https://marico.com/bangladesh>. The link will also be sent to all our valued shareholders over SMS.

3. How can I submit questions/comments prior to and during the meeting?

The virtual AGM portal will be live 24 hours before the commencement of AGM. You can log-into the portal and leave your questions or comments in writing or upload voice recording for the Board. You can also submit your questions/comments in writing to the Company's designated investor relations email address: secretarial.mbl@marico.com and during the AGM by typing it out in the "chat" option of the webcast.

4. How will the Company address our questions/comments?

During the live Q&A session on the AGM Day, the Board and the Management will try to answer the relevant questions, which will be submitted through the system and/or email prior to or during the meeting. However, Marico Bangladesh reserves the right to edit and reject questions it deems profane, irrelevant or otherwise inappropriate.

5. Who is entitled to vote?

Each holder of shares of Marico Bangladesh Limited as on the "Record Date" i.e. 25 May 2023 is entitled to vote at the AGM. The results of voting will be broadcasted in real time in respect of the specific agenda item.

6. What is the voting requirement to approve each of the Agenda?

Each agenda will be passed by majority of votes cast from members attending the meeting. Each agenda receiving more votes in "FAVOUR" than votes "AGAINST" will be passed.

7. What is the deadline for voting my shares?

Your vote must be received before the polls close for each agenda item during the AGM.

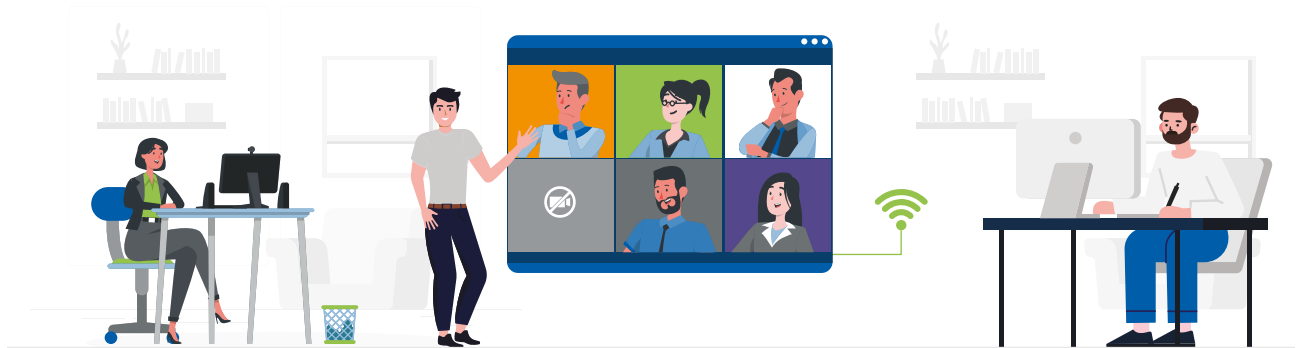
8. What If I have technical difficulties or trouble accessing the virtual meeting?

If you encounter any difficulties accessing the virtual meeting through the link prior to or during the AGM, please call +8801730329786 or +8801729229215 for support.

VIRTUAL SHAREHOLDER MEETING

Pursuant to the Bangladesh Securities and Exchange Commission's Notification No. SEC/SRMIC/94-231/91 dated March 31, 2021, a listed company can arrange and hold virtual shareholder meeting, which can be conducted via live webcast by using digital platform. Accordingly, Marico Bangladesh will hold its 23rd AGM 2023 virtually by using digital platform and online shareholder tools that –

- Facilitate shareholder attendance and participation.
- Enable shareholders to participate fully, and equally, from any location around the world.



We believe the virtual shareholder meeting will increase the ability to engage with all the shareholders, regardless of their number of shares, resources, or physical location.



Access

Marico Bangladesh values the importance of effective communication with its Shareholders. The Company recognizes the rights of Shareholders and the Shareholders' interest are primarily ensured through Marico's AGM.

Accordingly, we have designed our virtual format to enhance, rather than constrain, Shareholder access, participation and communication.



Q&A

The Company does not place restrictions on the type or form of questions that may be asked; however, the Company reserves the right to edit profanity or other inappropriate language for publication.

During the live Q&A session of the meeting, the Chair or the Management will try to answer the questions as they come in.



Vote

The Shareholders will be able to cast their vote on the Agenda items and the results will be broadcasted in real time at the time of approval on the specific agenda item.

We believe good Corporate Governance involves openness and trustful cooperation between all stakeholders involved in the Company, including the owners of the Company – the Shareholders. We have carefully designed the 23rd AGM of the Company to provide continuous and meaningful Shareholder engagement and participation. Our committed Board of Directors and Management Team value these interactions and invest significant time and resources to ensure that it has an open line of communication with Shareholders.

GENERAL SHAREHOLDER INFORMATION

AGM-Date, time	10:00 a.m. Wednesday, July 26, 2023 Virtually held by using digital platform through the following link https://agmbd.live/marico2023	
Financial Year	April 01, 2022 – March 31, 2023	
Dividend Paid & Recommended	Total 750% Cash Dividend has been declared including 450% Interim Cash Dividend in Mid-Q1 and 300% Cash Dividend in Q1 of FY23, all of which have been duly distributed subsequently. Thus, the total dividend payout for 2022-2023 stands at 750%.	
Dividend Payment Date	The entire dividend declared earlier in Mid-Q1 & Q1 have been paid in due time as per the rules	
Listing on Stock Exchanges	Dhaka Stock Exchange Limited (DSE) Chittagong Stock Exchange Limited	
Stock/Scrip Code	DSE – MARICO CSE – MARICO	
ISIN number	BD0481MRICO6	
Category	Pharmaceuticals & Chemical	
Investors' enquiry	+8802222297139 Email: secretarial.mbl@marico.com Website: http://marico.com/bangladesh	



MARICO BANGLADESH LIMITED

Registered Office: House-1, Road-1, Sector-1, Uttara, Dhaka-1230, Bangladesh
Corporate Office: The Glass House, 6th Floor, Plot: 02, Block: SE (B), Gulshan Avenue, Dhaka- 1212

PROXY FORM

TWENTY THIRD ANNUAL GENERAL MEETING ON WEDNESDAY, JULY 26, 2023 AT 10:00 A.M

BO ID																			
--------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares held														
---------------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I/We, _____ of _____
being a shareholder /shareholders of the above-named Company hereby appoint Mr./Mrs. _____
_____ of _____
_____ as my/our proxy to vote for me/us on my/our behalf at the **TWENTY THIRD ANNUAL GENERAL MEETING** of
the company to be virtually held by using digital platform through the following link <https://agmbd.live/marico2023> and
at any adjournment(s) thereof.

Signed this ____/ ____/ 2023

Revenue
Stamp

Signature of Proxy _____

Signature of Member _____

Notes:

1. A shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself.
2. A Proxy need not be a shareholder.
3. This form in order to be effective must be duly stamped @ BDT20, completed and signed and the scan copy of the same must be sent through email to secretarial.mbl@marico.com 48 hours before the commencement of the meeting at 10:00 A.M. on Wednesday, July 26, 2023.

AUDITOR'S REPORT & FINANCIAL STATEMENTS



Independent Auditor's Report

To the Shareholders of Marico Bangladesh Limited

Report on the Audit of the Financial Statements

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, of the financial position of the Company as at 31 March 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the year ended 31 March 2023. These matters were addressed in the context of the audit of the financial statements, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

- **Revenue recognition**

Referring to the Note 18 and Note 40.15 to the financial statements, Revenue of BOT 14,135 million is recognized in the statement of profit or loss of Marico Bangladesh Limited. This material item is subject to considerable inherent risk due to the risk of being overstated at the end of the reporting period on account of variation in the timing of transfer of control by the management in order to meet expectations of the shareholders and also to achieve performance targets. Accordingly, there could be potential misstatements that revenue made during the period end are not recognised in the correct reporting period.

How our audit addressed the key audit matter:

In light of the fact that the high degree of complexity and high volume of transactions give rise to an increased risk of accounting misstatements, we assessed the Company's processes and controls for recognizing revenue as part of our audit. Our audit approach included testing of the controls and substantive audit procedures.

- Assessed key controls related to the reporting of revenue; starting from the contract approval to the recognition of sales and subsequent balance of the customer and cash receipt.
- Assessed the invoicing and measurement systems up to entries in the general ledger.
- Analysed and tested customer contracts, invoices and receipts on a sample basis.
- Tested the sales transactions at the year-end on a sample basis by reviewing the relevant supporting documents to ensure the completeness of revenue recognition in the current and subsequent accounting period.
- Performed substantive year end cut-off testing by selecting samples of revenue transactions recorded at and after year end, and verified the underlying supporting documents.
- Scrutinised sales returns and reversals, which were recorded in the general ledger subsequent to year end to identify any significant unusual items.

Furthermore, we read and analysed the disclosures made in the financial statements.

- **Uncertain Tax Position:**

Referring to Note 26 & Note 29 of the financial statements, the Company is subject to periodic review by local tax authorities on a range of tax matters during the normal course of business including indirect taxes and transaction related tax matters that could eventually require payments of taxes and possible additional charges. Judgement is required in assessing the level of provisions and disclosure of contingent liabilities, required in respect of uncertain tax position that reflects management's best estimates of the most likely outcome based on the facts available.

This was a key audit matter because of the amounts involved and because of the estimation of the likely impact and the final outcome of these matters.

The Company records provisions for uncertain liabilities, including tax contingencies, when it is more likely than not that a liability has been incurred, and the amount can be reliably estimated.

How our audit addressed the key audit matter:

In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:

- Obtained a listing of all ongoing tax litigations
- Discussed with the management regarding tax matters, tax jurisdictions and tax communications;
- Evaluated management's judgment regarding the expected resolution of matters
- Sought and obtained confirmations from external legal counsel of the company
- Analysis of responses in letters independently obtained from the tax consultant and external counsels of the Company on various matters
- Obtained and read the disclosures made in the accompanying financial statements

Other information included in the Company's 2023 Annual Report

Other information consists of the information included in the Company's 2023 Annual Report other than the financial statements and our auditor's report thereon. Management is responsible for the other information. The Company's 2023 Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other legal and regulatory requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 2020, we also report the following:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made do verification thereof;
- ii) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of these books;
- iii) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- iv) The expenditure incurred was for the purposes of the company's business.

A.Qasem & Co.

Chartered Accountants



Akhtar Sanjida Kasem, FCA, FCMA, CFE

Partner

Enrolment Number: 643

DVC: 2305030643AS129739

Place: Dhaka

Date: 27 April 2023

Marico Bangladesh Limited

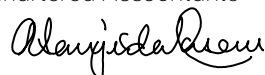
Statement of financial position

As at 31 March 2023

	Notes	As At	
		31 March 2023	31 March 2022
		BDT	BDT
Assets			
Non Current Assets			
Property, plant and equipment	5A	1,304,594,243	981,096,486
Intangible assets	6	553,054	51,883
Right-of-use assets	7	266,911,631	292,715,995
Deferred tax asset	26.2	12,486,990	13,850,105
Advances, deposits and prepayments	8	65,871,163	73,743,809
Investment property	5B	8,103,932	12,825,500
Other financial assets	9	7,086,385	726,235
Total Non Current Assets		1,665,607,398	1,375,010,013
Current Assets			
Inventories	10	2,528,550,222	2,332,427,872
Advances, deposits and prepayments	8	1,028,621,890	748,075,043
Other financial assets	9	4,184,389,716	2,086,909,585
Cash and cash equivalents	11	2,228,805,865	505,194,161
Total Current Assets		9,970,367,693	5,672,606,661
Total Assets		11,635,975,091	7,047,616,674
Equity			
Share capital	12	315,000,000	315,000,000
Share premium	12.1	252,000,000	252,000,000
Retained earnings		3,019,315,643	2,122,057,310
Total equity		3,586,315,643	2,689,057,310
Liabilities			
Non Current liabilities			
Employee benefit obligation	13	26,683,320	43,669,953
Lease liabilities	14	46,397,509	78,641,492
Total Non Current liabilities		73,080,829	122,311,445
Current liabilities			
Employee benefit obligation	13	25,893,750	24,414,204
Trade and other payable	15	7,106,383,606	3,539,898,923
Unclaimed dividend	16	8,402,017	8,138,333
Lease liabilities	14	57,310,504	49,476,669
Current tax liabilities	17	778,588,742	614,319,789
Total current liabilities		7,976,578,619	4,236,247,919
Total liabilities		8,049,659,448	4,358,559,364
Total equity and liabilities		11,635,975,091	7,047,616,674

Footnotes: 1. Independent auditor's report in page 1 to 4.
2. The notes 1 to 40 form an integral part of these financial statements.

A.Qasem & Co.
Chartered Accountants



Akhtar Sanjida Kasem, FCA, FCMA, CFE

Partner

Enrolment Number: 643

DVC: 2305030643AS129739

Place: Dhaka

Date: 27 April 2023



Md. Sahabuddin
Company Secretary



Rajat Diwaker
Managing Director



Parveen Mahmud
Director

Statement of profit or loss and other comprehensive income

For the year ended 31 March 2023

	Notes	For the year ended	
		31 March 2023	31 March 2022
		BDT	BDT
Revenue	18	14,135,741,140	13,032,188,243
Cost of sales	19	(6,811,203,460)	(5,960,795,907)
Gross profit		7,324,537,680	7,071,392,336
Other income	22.1	27,424,065	17,087,007
General and administrative expenses	20	(1,221,802,840)	(1,190,388,541)
Marketing, selling and distribution expenses	21	(989,417,810)	(1,253,654,958)
Other expense	22.2	(2,861,570)	(92,020)
Operating profit		5,137,879,525	4,644,343,824
Finance income	23.1	162,981,942	126,636,587
Finance costs	23.2	(4,355,821)	(37,014,899)
Net finance income		158,626,121	89,621,688
Profit before contribution to workers participation fund and welfare fund		5,296,505,646	4,733,965,512
Contribution to workers participation fund & welfare fund	24	264,825,282	236,698,275
Profit before tax		5,031,680,364	4,497,267,237
Income tax expenses	26	(1,159,268,355)	(943,410,886)
Profit for the year		3,872,412,009	3,553,856,351
Other comprehensive income			
Remeasurements of defined benefit liability	13.3	17,346,325	18,628,563
Total comprehensive income for the year		3,889,758,334	3,572,484,914
Earnings per share		BDT	BDT
Basic earnings per share (per value of Tk 10)	25	122.93	112.82

Footnotes: 1. Independent auditor's report in page 1 to 4.
2. The notes 1 to 40 form an integral part of these financial statements.

A.Qasem & Co.
Chartered Accountants


Md. Sahabuddin
Company Secretary


Rajat Diwaker
Managing Director


Akhtar Sanjida Kasem, FCA, FCMA, CFE
Partner
Enrolment Number: 643
DVC: 2305030643AS129739


Parveen Mahmud
Director

Place: Dhaka
Date: 27 April 2023

Marico Bangladesh Limited

Statement of changes in equity

For the year ended 31 March 2023

	Attributable to owners of the Company			
	Share capital	Share premium	Retained earnings	Total
	BDT	BDT	BDT	BDT
Balance at 1 April 2022	315,000,000	252,000,000	2,122,057,310	2,689,057,310
Total comprehensive income for the year				
Profit for the year	-	-	3,872,412,009	3,872,412,009
Other comprehensive income	-	-	17,346,325	17,346,325
Total comprehensive income for the year	315,000,000	252,000,000	3,889,758,334	3,889,758,334
Transactions with owners of the Company				
Contributions and distributions				
Final dividend for the year 2021-2022	-	-	(630,000,000)	(630,000,000)
First interim for the year 2022-2023	-	-	(1,417,500,000)	(1,417,500,000)
Second interim for the year 2022-2023	-	-	(945,000,000)	(945,000,000)
Total transactions with owners of the Company	-	-	(2,992,500,000)	(2,992,500,000)
Balance at 31 March 2023	315,000,000	252,000,000	3,019,315,643	3,586,315,643
Balance at 1 April 2021	315,000,000	252,000,000	1,069,572,396	1,636,572,396
Total comprehensive income for the year				
Profit for the year	-	-	3,553,856,351	3,553,856,351
Other comprehensive income	-	-	18,628,563	18,628,563
Total comprehensive income for the year	-	-	3,572,484,914	3,572,484,914
Transactions with owners of the Company				
Contributions and distributions				
Final dividend for the year 2020-2021	-	-	(630,000,000)	(630,000,000)
First interim dividend for the year 2021-2022	-	-	(630,000,000)	(630,000,000)
Second interim for the year 2021-2022	-	-	(630,000,000)	(630,000,000)
Third interim for the year 2021-2022	-	-	(630,000,000)	(630,000,000)
Total transactions with owners of the Company	-	-	(2,520,000,000)	(2,520,000,000)
Balance at 31 March 2022	315,000,000	252,000,000	2,122,057,310	2,689,057,310

- Footnotes:**
1. Independent auditor's report in page 1 to 4.
 2. The notes 1 to 40 form an integral part of these financial statements.

Marico Bangladesh Limited
Statement of cash flows
For the year ended 31 March 2023

	For the year ended	
	31 March 2023	31 March 2022
	BDT	BDT
Cash flows from operating activities		
Collection from customers and others	14,289,512,210	13,062,730,254
Payment to suppliers and for operating expenses	(8,089,335,233)	(8,604,981,806)
Cash generated from operating activities	6,200,176,977	4,457,748,448
Interest paid	(8,968,594)	(8,627,922)
Interest received	196,329,343	84,266,200
Income tax paid	(993,636,288)	(928,032,728)
Net cash from operating activities	5,393,901,438	3,605,353,998
Cash flows from investing activities		
Acquisition of property, plant and equipment	(517,290,654)	(313,759,008)
Acquisition of intangible assets	(1,151,571)	(1,200,000)
Proceeds from disposal of PPE	(328,075)	37,481
Encashment of/(Investment in) fixed deposits	(2,122,524,749)	(184,197,196)
Net cash used in investing activities	(2,641,295,049)	(499,118,723)
Cash flows from financing activities		
Net proceeds from loans and borrowings	-	(250,000,000)
Dividend paid	(963,573,744)	(2,520,000,000)
Payment of lease liability	(65,420,941)	(227,445,375)
Net cash used in financing activities	(1,028,994,685)	(2,997,445,375)
Net increase in cash and cash equivalents	1,723,611,704	108,789,900
Opening cash and cash equivalents	505,194,161	396,404,261
Closing cash and cash equivalents	2,228,805,865	505,194,161

Marico Bangladesh Limited**Notes to the financial statements**

For the year ended 31 March 2023

1. Reporting entity**1.1 Company profile**

Marico Bangladesh Limited (hereinafter referred to as "MBL"/"the Company") is a public limited company incorporated on 6 September 1999, vide the certificate of incorporation number C-38527(485)/99 of 1999 in Bangladesh under the Companies Act 1994 and has its registered address at House # 01, Road # 01, Sector # 01, Uttara Model Town, Dhaka-1230. The corporate address of the Company is at The Glass House, Level 6-7, Plot 2, Block SE(B), Gulshan 1, Dhaka 1212. The Company was initially registered as a private limited company and subsequently converted into a public limited company on 21 September 2008. The Company was listed with both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) on 16 September 2009.

1.2 Nature of business

The Company is engaged in manufacturing and marketing of consumer products under the brand name of Parachute, Nihar, Saffola, Hair Code, Livon, Parachute Advanced, Beliphool, Ayurvedic Gold, Extra Care, Parachute Body Lotion, Set-Wet, Just for Baby, Beardo, Medicare safelife and Bio Oil in Bangladesh. The Company started its commercial operation on 30 January 2000. Subsequently, it started its commercial production at Filling unit, Crushing unit and Refinery unit in 2002, 2012 & 2017 respectively. Its manufacturing plants are located at Mouchak, Kaliakoir, Gazipur and Shirirchala, Mahona, Bhabanipur, Gazipur. The company has invested to set up a new manufacturing plant in Mirsharai Economic Zone (MEZ). The Company sells its products through its own distribution channels comprising of sales depots located in Gazipur, Chittagong, Bogra and Jessore.

2. Basis of preparation**2.1 Statement of compliance**

In accordance with the requirement of the gazette notification issued by The Financial Reporting Council (FRC) on 22 November 2020, the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

The Company also complied with the requirements of following laws and regulations from various Government bodies:

- i. Bangladesh Securities and Exchange Rules 2020;
- ii. The Companies Act, 1994;
- iii. The Income Tax Ordinance, 1984; and
- iv. The Value Added Tax and Supplementary Duty Act, 2012;

The title and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act, 1994. However, such differences are not material and in the view of management, IFRS format gives a better presentation to the shareholders.

Details of the Company's accounting policies including changes during the period, if any, are included in note 40.

2.2 Authorisation for issue

These financial statements are authorised for issue by the Board of Directors in its 123rd Board of Directors meeting held on 27 April, 2023.

2.3 Reporting period

The financial period of the Company covers one year from 01 April to 31 March and is followed consistently.

2.4 Comparative and reclassification

Comparative information has been disclosed for all numerical, narrative and descriptive information where it is relevant for understanding of the current year financial statements. Comparative figures have been rearranged/reclassified wherever considered necessary, to ensure better comparability with the current year financial statements and to comply with relevant IFRSs.

3. Functional and presentation currency

These financial statements are presented in Bangladeshi Taka (Taka/TK/BDT) which is the Company's functional and presentation currency. All amounts have been rounded off to the nearest integer.

4. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

(a) Judgements

Information about judgements related to lessee accounting under IFRS 16 made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is described in note 40.04 & 40.17.

(b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 March 2023 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next twelve month period is included in the following notes:

Note 26.2 Deferred tax

Note 5A Property plant equipment

Note 6 Intangible assets

Note 10 Inventories

Note 13 Employee benefit obligation

Note 17 Current tax liabilities

Note 29 Contingent liabilities

5. Property, plant and equipment

See accounting policy in Note 40.02

	Freehold land	Plant and machinery	Factory building	Office building	Office equipment	Computers	Furniture and fixtures	A.C and refrigerators	Assets under construction	Total
	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
A. Reconciliation of Carrying amount										
Cost										
Balance at 1 April 2021	176,749,959	1,064,817,634	231,192,150	207,119,863	73,033,340	35,258,942	84,999,451	2,448,4038	112,860,789	2,010,516,166
Asset held for sale adjustments in Opening Balance	-	-	-	136,844,485	-	-	23,356,261	-	-	160,200,746
Additions-Other than Mirsharai unit	-	-	-	-	-	-	-	-	311,449,966	311,449,966
Additions- Mirsharai unit	-	-	-	-	-	-	-	-	40,981,893	40,981,893
Transfer from asset under construction	-	277,065,905.7	771,880	26,170,433	28,272,028	4,016,570	1,345,150	3,622,789	(341,264,755)	-
Transfer to investment property	-	-	-	(138,784,967)	-	-	(23,356,261)	-	-	(162,141,228)
Disposals	-	(337,654)	(195,702)	-	(963,712)	(100,667)	(1,476,882)	(812,799)	-	(3,887,416)
Balance at 31 March 2022	176,749,959	1,341,545,886	231,768,328	231,349,814	100,341,657	39,174,844	84,867,719	27,294,028	124,027,893	2,357,120,127
Balance at 1 April 2022	176,749,959	1,341,545,886	231,768,328	231,349,814	100,341,657	39,174,844	84,867,719	27,294,028	124,027,893	2,357,120,127
Asset held for sale adjustments in Opening Balance	-	-	-	-	-	-	-	-	-	-
Additions-Other than Mirsharai unit	-	-	-	-	-	-	-	-	144,451,880	144,451,880
Additions- Mirsharai unit	-	-	-	-	-	-	-	-	350,518,932	350,518,932
Transfer from asset under construction	-	73,570,376	14,502,148	1,586,295	125,998,065	11,795,335	5,023,441	1,841,209	(234,316,870)	-
Transfer to investment property	-	-	-	-	-	-	-	-	-	-
Disposals	-	(57,542,643)	-	-	(7,504,046)	(733,019)	(868,465)	-	-	(66,648,173)
Balance at 31 March 2023	176,749,959	1,357,573,619	246,270,476	232,936,109	218,835,676	50,237,160	89,022,695	29,155,237	384,681,835	2,785,442,766

	Freehold land	Plant and machinery	Factory building	Office building	Office equipment	Computers	Furniture and fixtures	A.C and refrigerators	Assets under construction	Total
	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Accumulated depreciation and impairment loss										
Balance at 1 April 2021	-	798,686,656	209,299,038	67,178,308	60,752,143	25,842,426	64,110,249	12,779,081	-	1,238,647,901
Asset held for sale adjustments in Opening Balance	-	-	-	105,997,772	-	-	18,337,509	-	-	124,335,281
Depreciation for the year	-	94,950,572	1,471,719	28,730,638	14,398,317	5,131,611	16,124,499	4,027,715	-	164,835,071
Impairment loss (reversal of impairment) of PPE	-	5,898,787	-	-	(4,761,389)	-	-	-	-	1,137,398
Transfer to investment property	-	-	-	(125,959,467)	-	-	(23,356,261)	-	-	(149,315,728)
Disposals	-	(337,654)	(155,155)	-	(842,276)	(81,180)	(1,396,204)	(803,814)	-	(3,616,283)
Balance at 31 March 2022	-	899,198,361	210,615,602	75,947,251	69,546,795	30,892,857	73,819,793	16,002,982	-	1,376,023,640
Balance at 1 April 2022	-	899,198,361	210,615,602	75,947,251	69,546,795	30,892,857	73,819,793	16,002,982	-	1,376,023,640
Asset held for sale adjustments in Opening Balance	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	108,707,098	1,980,651,82	9,132,661	27,997,050	5,962,278	8,431,425	3,827,197	-	166,038,362
Impairment loss (reversal of impairment) of PPE	-	201,450	-	-	-	-	-	-	-	201,450
Disposals	-	(52,382,313)	-	-	(7,444,238)	(733,019)	(855,359)	-	-	(61,414,929)
Balance at 31 March 2023	-	955,724,596	212,596,254	85,079,912	90,099,608	36,122,116	81,395,859	19,830,179	-	1,480,848,523
Carrying amounts										
At 31 March 2022	176,749,959	442,347,525	21,152,726	155,402,563	30,794,861	8,281,987	11,047,926	11,291,046	124,027,893	981,096,486
At 31 March 2023	176,749,959	401,849,023	33,674,222	147,856,197	128,736,068	14,115,044	7,626,836	9,305,058	384,681,835	1,304,594,243

B. Investment property

See accounting policy in Note 40.05

Office building

Depreciation for the year ended (Office building)

31 March 2023	31 March 2022
BDT	BDT
140,659,360	138,784,967
(132,555,428)	(125,959,467)
8,103,932	12,825,500

** Due to change of management decision from selling the property (Uttara office building) to rent the property, the relevant assets have been transferred from Asset held for sales category to investment property.

	31 March 2023	31 March 2022
	BDT	BDT
6. Intangible assets		
See accounting policy in Note 40.03		
Cost		
Opening balance	23,261,875	22,061,875
Additions	964,780	1,200,000
Disposals	-	-
Closing balance	24,226,655	23,261,875
Accumulated amortisation		
Opening balance	23,209,991	21,835,790
Amortisation during the year	463,609	1,374,200
Disposals	-	-
Closing balance	23,673,601	23,209,991
Carrying amount	553,054	51,883
7. Right-of-use assets		
See accounting policy in Note 40.04		
Reconciliation of carrying amount		
Cost		
Opening balance	420,063,229	241,332,175
Additions-other than Mirsharai unit	34,874,051	6,722,593
Additions-Mirsharai unit	-	172,800,922
Disposal	(2,274,698)	(792,461)
Closing balance	452,662,582	420,063,229
Accumulated depreciation		
Opening balance	127,347,234	76,738,542
Addition/ Adjustment	58,403,716	51,139,195
Disposal	-	(530,503)
Closing balance	185,750,950	127,347,234
Carrying amount	266,911,631	292,715,995
8. Advances, deposits and prepayments		
Advances		
Advance for capital goods	90,131,526	57,509,956
Advance to suppliers and others	955,953,219	737,479,714
	1,046,084,745	794,989,670
Deposits		
Security deposits	12,068,498	11,125,498
	12,068,498	11,125,498
Prepayments		
Prepaid expenses	36,339,810	15,703,685
	36,339,810	15,703,685
	1,094,493,053	821,818,852

8.1

		31 March 2023	31 March 2022
		BDT	BDT
8.1	Current and non-current classification of advances, deposits and prepayments		
	Current	1,028,621,890	748,075,043
	Non-current	65,871,163	73,743,809
		1,094,493,053	821,818,852
9.	Other financial assets		
	Fixed deposits	1,614,295,444	1,942,382,196
	Treasury Bills	2,450,611,500	
	Trade receivables	60,694,023	52,229,788
	Loans to employees	7,736,276	1,537,577
	Accrued interest	58,138,858	91,486,259
		4,191,476,102	2,087,635,820
9.1	Current and non-current classification of other financial assets		
	Current	4,184,389,716	2,086,909,585
	Non-current	7,086,385	726,235
		4,191,476,101	2,087,635,820
9.2	Fixed deposits (maturity more than three months)		
	BRAC Bank Limited	502,700,000	300,000,000
	The City Bank Limited	101,372,222	150,000,000
	IPDC Finance Limited	101,381,111	309,379,333
	IDLC Finance Limited	102,871,000	394,817,863
	DBH Finance PLC	101,350,000	-
	Commercial Bank of Ceylon	502,070,000	388,185,000
	Eastern Bank Limited	101,171,111	-
	Bank Alfalah	101,380,000	400,000,000
		1,614,295,444	1,942,382,196
9.3	Treasury Bills (maturity more than three months)		
	Treasury Bill for 182 days	483,215,500	-
	Treasury Bill for 91 days	1,967,396,000	-
		2,450,611,500	-
10.	Inventories		
	See accounting policy in Note 40.06		
	Raw materials	1,704,670,892	1,406,999,188
	Packing materials	272,010,468	278,205,653
	Finished goods	387,071,251	391,631,323
	Stores and spares	35,838,517	25,261,419
	Materials in transit	128,959,096	230,330,289
		2,528,550,222	2,332,427,872

		31 March 2023	31 March 2022	
		BDT	BDT	
11.	Cash and cash equivalents			
	See accounting policy in Note 40.07			
	Cash at bank	11.1	1,506,765,881	497,055,828
	Balance with bank for unclaimed dividend	16	8,402,017	8,138,333
	Fixed deposits	11.2	713,637,967	-
			2,228,805,865	505,194,161
11.1	Cash at bank			
	BRAC Bank Limited		64,385,293	44,520,844
	Citibank N.A.		8,086,752	1,607,081
	Islami Bank Bangladesh Limited		29,975,632	6,689,940
	Sonali Bank Limited		7,091,891	2,754,523
	Standard Chartered Bank		345,278,771	425,793,218
	The Hongkong and Shanghai Banking Corporation Ltd.		8,558,663	7,719,415
	Eastern Bank Limited		930,972,202	1,071,792
	Dutch Bangla Bank Limited		4,329,995	250,000
	The City Bank Limited		55,688	6,649,014
	Commercial Bank of Ceylon		108,030,994	-
			1,506,765,881	497,055,828
11.2	Fixed deposits (maturity less than three months)			
	BRAC Bank Limited		354,529,467	-
	Eastern Bank Limited		359,108,500	-
			713,637,967	-
12.	Share capital			
	See accounting policy in Note 40.09			
	Authorised			
	40,000,000 ordinary shares of Tk 10 each		400,000,000	400,000,000
			400,000,000	400,000,000
	Issued, subscribed and paid up			
	Issued for cash		41,500,000	41,500,000
	Issued for consideration other than cash		273,500,000	273,500,000
			315,000,000	315,000,000
12.1	Composition of shareholding			
Details	No. of share		% of Holding	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Marico Limited, India	28,350,000	28,350,000	90.00%	90.00%
Institutions	2,691,569	2,790,979	8.54%	8.86%
General Shareholders	458,431	359,021	1.46%	1.14%
	31,500,000	31,500,000	100.00%	100.00%

12.2 Classification of shareholders by holding

Holdings	No. of shareholders		% of Holding	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Less than 500 shares	3805	3055	0.50%	0.59%
500 to 5,000 shares	205	205	0.80%	0.99%
5,001 to 10,000 shares	44	42	1.05%	0.92%
10,001 to 20,000 shares	23	23	0.90%	0.68%
20,001 to 30,000 shares	12	8	0.90%	0.66%
30,001 to 40,000 shares	3	6	0.30%	0.54%
40,001 to 50,000 shares	6	5	0.88%	0.58%
50,001 to 100,000 shares	10	10	2.10%	2.03%
100,001 to 1,000,000 shares	4	4	2.57%	3.01%
Over 1,000,000 shares			90.00%	90.00%
	4112	3358	100.00%	100.00%

	No. of share	
Share premium on paid up share capital	252,000,000	252,000,000
	252,000,000	252,000,000

12.4 Dividends

The following dividend was declared and paid by the Company in the year

2,992,500,000	252,000,000
2,992,500,000	252,000,000

After the reporting date, the following dividend was proposed/declared/recommended by the board of directors. The dividend has not been recognised as liabilities in accordance with IAS 10.

BDT 20 per qualifying ordinary share (2022: BDT 20)

-	630,000,000
-	630,000,000

13. Employee benefit obligation

See accounting policy in Note 40.11

Provision for gratuity	13.1	21,786,564	41,704,422
Provision for leave encashment		30,790,506	26,379,735
		52,577,070	68,084,157
Current		25,893,750	24,414,204
Non-Current		26,683,320	43,669,953
		52,577,070	68,084,157

13.1 Employee benefits - gratuity

Net defined benefit asset		(76,118,863)	(56,847,711)
Total employee benefit asset		(76,118,863)	(56,847,711)
Net defined benefit liability		97,905,427	98,552,133
Total employee benefit liability		97,905,427	98,552,133
Total employee benefit liability	13.2	21,786,564	41,704,422

13.2 Current and non-current classification of employee benefits- gratuity

Current		21,324,183	21,276,959
Non-Current		462,381	20,427,463
		21,786,564	41,704,422

13.3 Movement in net defined benefit (asset) liability

	Defined benefit obligation		Fair value of plan assets		Net defined (asset) liability	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Balance at 1 April	98,552,133	105,889,144	(56,847,711)	-	41,704,422	105,889,144
Included in Profit or Loss						
Interest expense/ (Income)	7,391,410	7,941,686	(4,263,578)	(5,806,797)	3,127,832	2,134,889
Current Service Cost	25,810,134	29,732,911	-	-	25,810,134	29,732,911
	131,753,677	143,563,741	(61,111,289)	(5,806,797)	70,642,388	137,756,944
Included in OCI						
Actuarial (gain)/loss arising from:						
-Demographic assumption	(3,385,949)	(10,398,351)	-	-	(3,385,949)	(10,398,351)
-Financial assumption	(11,974,514)	(4,088,673)	-	-	(11,974,514)	(4,088,673)
-Experience adjustment	(6,244,677)	(9,357,403)	-	-	(6,244,677)	(9,357,403)
Return on plan asset excluding interest income	-	-	4,258,815	5,215,864	4,258,815	5,215,864
	(21,605,140)	(23,844,427)	4,258,815	5,215,864	(17,346,325)	(18,628,563)
Other						
Contribution paid by the employer	-	-	(31,509,499)	(77,423,959)	(31,509,499)	(77,423,959)
Benefits paid	(12,243,110)	(21,167,181)	12,243,110	21,167,181	-	-
	(12,243,110)	(21,167,181)	(19,266,389)	(56,256,778)	(31,509,499)	(77,423,959)
Balances as at 31 March	97,905,427	98,552,133	(76,118,863)	(56,847,711)	21,786,564	41,704,422
				31 March 2023	31 March 2022	

13.4 Defined benefit obligation**(i) Actuarial assumption**

The followings were the principal actuarial assumptions at the reporting date:

Discount rate	8.2%	7.5%
Salary increase rate	10.0%	11.4%
Employee turnover rate	16.0%	14.5%

Assumptions regarding future mortality have been used based on published statistics and mortality tables. As there is no published mortality table in Bangladesh and hence the Indian Assured Lives Mortality rate (2006-08) ultimate based on the mortality experience of assured lives in India is being used as a reasonable approximation. This table is based on the experience of assured lives in India during the years 2006 to 2008.

	31 March 2023	31 March 2022
	BDT	BDT
13.5 Provision for leave encashment		
Opening balance	26,379,735	24,608,796
Provision for leave encashment	13,053,811	11,064,487
Payment during the year	(8,643,040)	(9,293,548)
	30,790,506	26,379,735
Current	4,569,566	3,137,245
Non-Current	26,220,940	23,471,221
	30,790,506	26,608,466

	Note	31 March 2023	31 March 2022
		BDT	BDT
14. Lease liabilities			
See accounting policy in Note 40.17			
The Company leases many assets, including properties, warehouses, depots sales offices and land. Total number of lease assets is twenty and average terms of period of lease is four to fifty years. The incremental borrowing rate (IBR) ranges from 2.70% to 10.40%. The factory leases were entered into many years ago as combined leases of land and buildings. The following table sets out a maturity analysis of lease payables, showing the undiscounted lease payments to be paid after the reporting date.			
Less than one year		57,310,505	49,476,673
One to two years		26,134,320	53,963,404
Two to three years		12,571,804	8,149,986
Three to four years		7,691,383	11,144,568
Four to five years		-	5,383,534
More than five years		-	-
		103,708,013	128,118,165
Lease liabilities included in the statement of financial position			
Current		57,310,504	49,476,669
Non-current		46,397,509	78,641,492
		103,708,013	128,118,161
Amounts recognised in profit or loss			
Interest on lease liabilities		8,411,440	9,411,049
		8,411,440	9,411,049
Amounts recognised in the statement of cash flows			
Lease rental		65,420,941	227,445,375
Total cash outflow for lease liabilities and interest payments		65,420,941	227,445,375
15. Trade and other payable			
See accounting policy in Note 40.08 iii (a)			
Trade payables	15.1	2,550,342,837	1,320,963,934
Other payables	15.2	4,556,040,771	2,218,934,989
		7,106,383,606	3,539,898,923
15.1 Trade payables			
Intercompany trade payable			
Payable against raw material		711,260,029	468,683,405
Payable against packing material		-	3,330,329
Payable against finished goods		376,955	-
		711,636,984	472,013,734
Third party trade payable			
Payable against raw material		1,283,806,815	154,777,316
Payable against services		542,270,032	579,892,305
Payable against packing material		12,629,005	113,941,766
Payable against finished goods		-	338,813
		1,838,705,853	848,950,200
		2,550,342,837	1,320,963,934

	Note	31 March 2023	31 March 2022
		BDT	BDT
15.2 Other payables			
Intercompany other payable			
Royalty payable		252,640,679	122,503,570
General and technical assistance fees payable		319,344,214	175,229,505
Payable against capital goods		-	3,396,608
Dividend payable		2,028,925,000	-
		2,600,909,894	301,129,683
Third party other payable			
Payable against expenses		369,197,008	501,301,644
Payable against business promotion expense		567,190,500	789,221,105
Import duty and related charges payable		170,339,552	183,188,039
Withholding tax and VAT payable		204,077,026	6,692,649
Workers' profit participation and welfare fund		264,825,282	236,698,275
Festival bonus		19,716,272	8,226,709
Advance from customers		244,697,045	108,859,723
Payable against capital goods		57,776,466	45,290,470
Audit fees payable		880,000	850,000
Interest on Deferred LC		8,212,324	-
Supplementary duty		48,219,403	37,476,693
		1,955,130,877	1,917,805,306
Total other payables		4,556,040,771	2,218,934,989

16. Unclaimed Dividend balance

Financial Year	Dividend Type	Rate of Dividend	Total Dividend	Record Date	Unclaimed Dividend as on 31 March 2023	Unclaimed Dividend as on 31 March 2022
2019	Interim	250%	787,500,000	15-Nov-18	-	211,283
	Interim	200%	630,000,000	18-Apr-19	-	294,780
2020	Interim	200%	630,000,000	12-Nov-19	-	288,947
	Interim	300%	945,000,000	18-Feb-19	4,101,001	4,104,001
	Final	200%	630,000,000	18-Jun-20	262,821	262,971
2021	Interim	300%	945,000,000	16-Aug-20	345,203	345,353
	Interim	200%	630,000,000	17-Nov-20	201,153	201,303
	Interim	200%	630,000,000	15-Feb-21	324,144	566,582
	Final	200%	630,000,000	27-May-21	690,580	815,740
2022	Interim	200%	630,000,000	18-Aug-21	450,240	751,988
	Interim	200%	630,000,000	11-Nov-21	329,016	332,866
	Interim	200%	630,000,000	27-Feb-22	233,666	-
	Final	200%	630,000,000	26-May-22	230,083	-
2023	Interim	450%	1,417,500,000	23-Jun-22	891,823	-
	Interim	300%	945,000,000	21-Aug-22	342,288	-
Unclaimed Dividend					8,402,017	8,138,333

*Total value of Unclaimed dividend represent balance after all adjustments

	Note	31 March 2023 BDT	31 March 2022 BDT
17. Current tax liabilities			
Provision for income tax	17.1	7,913,544,700	6,755,639,460
Advance income tax	17.2	(7,134,955,958)	(6,141,319,671)
		778,588,742	614,319,789
17.1 Provision for income tax			
Opening balance		6,755,639,460	5,817,546,371
Provision for current period/year		1,163,138,344	1,041,906,778
Provision for prior year:			
Assessment year 2021-2022		-	(103,813,689)
Assessment year 2016-2017		(5,233,104)	-
		7,913,544,700	6,755,639,460
17.2 Advance income tax			
Opening balance		6,141,319,671	5,213,286,943
Payment during the year:			
Payment for current year		644,673,998	640,883,657
Payment for prior year:			
Assessment year 2015-2016		-	826,880
Assessment year 2017-2018		-	14,120,614
Assessment year 2020-2021		-	272,201,577
Assessment year 2022-2023		348,962,290	-
		7,134,955,958	6,141,319,671

17.3 Year wise break up of provision for current tax and balance of advance income tax for open years

Accounting year ended	Assessment year	Provision for income tax (Amount in Taka)	Advance income tax (Amount in Taka)	Status
31 March 2023	2023-24	1,163,138,344	644,673,998	-
31 March 2022	2022-23	1,041,906,778	989,845,947	Return submitted
31 March 2021	2021-22	964,603,887	928,793,586	Return submitted
31 March 2020	2020-21	908,685,699	859,770,282	Return submitted
31 March 2019	2019-20	715,903,898	714,242,632	At High Court
31 March 2018	2018-19	603,956,939	560,411,195	Open at DCT level
31 March 2017	2017-18	511,139,076	496,953,399	At TAT*
31 March 2016	2016-17	530,996,790	518,801,913	At TAT*
31 March 2015	2015-16	502,672,641	482,334,515	At TAT*
31 March 2014	2014-15	475,304,697	468,166,315	At High Court
31 March 2013	2013-14	279,549,372	234,442,800	At TAT*
31 March 2012	2012-13	206,588,040	236,519,377	At TAT*
30 September 2008	2009-10	9,098,540	-	At TAT*
		7,913,544,700	7,134,955,958	

*Taxes Appellate Tribunal

	Note	For the year ended	
		31 March 2023	31 March 2022
		BDT	BDT
18. Revenue			
See accounting policy in Note 40.15			
Parachute coconut oil		8,575,818,742	8,035,153,540
Value added hair oil (VAHO)		4,045,021,205	3,788,084,915
Color		45,058,227	45,498,638
Health & Beauty		596,802,096	420,450,050
Baby Segment		276,654,565	228,307,108
Others*		596,386,305	514,693,992
		14,135,741,140	13,032,188,243
*Others include male grooming, byproduct & others			
18.1 Segregation of revenue between domestic and export			
Revenue from domestic operation		14,026,050,969	12,798,159,091
Revenue from export		109,690,172	234,029,152
		14,135,741,140	13,032,188,243
19. Cost of sales			
Opening stock of finished goods		391,631,323	304,234,340
Cost of goods manufactured	19.1	6,806,643,388	6,048,192,890
		7,198,274,711	6,352,427,230
Closing stock of finished goods		(387,071,251)	(391,631,323)
		6,811,203,460	5,960,795,907
19.1 Cost of goods manufactured			
Materials consumed	19.1.1	6,343,144,115	5,650,524,138
Factory overhead	19.1.2	463,499,274	397,668,752
		6,806,643,388	6,048,192,890
19.1.1 Materials consumed			
Opening stock of raw materials, packing materials and others		1,940,796,549	1,676,217,439
Purchases during the year		6,543,826,537	5,915,103,248
Closing stock of raw materials, packing materials and others		(2,141,478,971)	(1,940,796,549)
		6,343,144,115	5,650,524,138
19.1.2 Factory overhead			
Communication expenses		627,981	486,688
Cost of outsourced human resources		106,628,524	96,494,547
Depreciation		129,203,888	103,983,953
Entertainment		12,844,092	9,441,400
Power expenses		107,347,279	74,690,325
Printing and stationery		1,863,650	945,875
Repairs and maintenance		19,321,267	19,710,098
Salaries and allowances		60,186,158	68,690,696
Security charges		9,463,572	7,842,239
Travelling and conveyance		7,417,068	5,893,249
Warehouse rent		8,595,795	9,489,683
		463,499,274	397,668,752

	Note	For the year ended	
		31 March 2023	31 March 2022
		BDT	BDT
20. General and administrative expenses			
Salaries and allowances		567,872,945	568,704,447
Gratuity		28,937,964	31,660,008
Rent, rates and taxes		11,148,820	11,247,572
Professional and legal charges		34,773,932	26,886,850
Security charges		2,019,492	1,800,846
Stamp and license fees		11,966,027	11,652,170
Directors' remuneration and fees		26,010,874	35,086,351
Repair and maintenance		19,129,995	20,509,289
Communication expenses		4,501,237	3,015,348
Subscription to trade association		258,101	235,220
Entertainment		35,574,525	29,464,244
Printing and stationery		2,287,305	4,142,835
Vehicle running expenses		47,405,317	33,779,238
Travelling and conveyance		23,769,460	18,353,362
Audit fees		1,148,000	1,487,500
Insurance premium		23,596,129	21,467,541
Bank charges		7,013,258	3,716,484
AGM and public relation		10,474,793	8,269,536
Conference and training		8,638,629	12,749,964
Electricity and gas charges		800,893	860,237
Amortisation		500,968	1,374,200
Royalty		134,373,952	122,503,570
Depreciation		43,393,075	60,851,114
Depreciation on right-of-use asset		58,403,716	51,139,195
General and technical assistance fees		106,444,576	87,142,865
CSR expense		11,358,855	22,288,555
		1,221,802,840	1,190,388,541
* In FY23 General and administration expenses include expenses related to Mirsharai Economic Zone (MEZ) unit.			
21. Marketing, selling and distribution expenses			
Advertisement, travelling and communication expense		737,847,583	999,384,285
Business promotion expenses		29,811,543	20,411,085
Other selling & distribution expenses		68,906,349	67,922,456
Entertainment		8,258,554	1,398,620
Free sample		6,566,773	10,302,808
Freight- outward		99,289,089	86,703,702
Market research expenses		38,737,919	67,532,002
		989,417,810	1,253,654,958
22. Other (income)/expense			
Other income	22.1	(27,424,065)	(17,087,007)
Other expenses	22.2	2,861,570	92,020
		(24,562,496)	(16,994,987)

	Note	For the year ended	
		31 March 2023	31 March 2022
		BDT	BDT
22.1 Other income			
Gain on sale of PPE		(277,387)	(129,503)
Gain on lease disposal		(1,535,798)	-
Gain on cessation of liability		(146,794)	-
Refund from insurance		(1,696,289)	(1,029,984)
Insurance claim		(748,701)	(1,867,578)
Sale of RM PM		-	(473,179)
Rental income		(10,206,000)	(1,025,000)
Scrap sales		(12,813,096)	(12,561,763)
		(27,424,065)	(17,087,007)
22.2 Other expenses			
Loss on sale of PPE		2,861,570	92,020
		2,861,570	92,020
23. Net finance income			
Finance income	23.1	162,981,942	126,636,587
Finance costs	23.2	(4,355,821)	(37,014,899)
		(158,626,121)	89,621,688
23.1 Finance income			
Interest on fixed deposits		150,288,437	106,201,333
Interest on call deposits		12,693,505	20,435,254
		162,981,942	126,636,587
23.2 Finance costs			
Interest on overdraft and loans		17,180,918	7,735,850
Foreign exchange (gain)/loss		(21,236,537)	19,868,000
Interest on lease		8,411,440	9,411,049
		4,355,821	37,014,899
24. Contribution to WPPF			
Profit before contribution to WPPF		5,296,505,646	4,733,965,512
Applicable contribution rate		5%	5%
		264,825,282	236,698,275
The Company operates a fund for workers as workers' profit participation and welfare fund and provides 5% of its profit before workers' profit participation fund (WPPF) and tax as per provision of the Bangladesh Labour Act 2006.			
25. Earnings per share			
25.1 Basic earnings per share			
Profit attributable to ordinary shareholders (net profit after tax)		3,872,412,009	3,553,856,351
Weighted average number of ordinary shares outstanding during the year		31,500,000	31,500,000
Earnings per share (EPS) in Taka		122.93	112.82
25.2 Diluted earnings per share			
As per IAS-33 "Earnings Per Share", the calculation of diluted earning per share does not assume conversion, exercise or other issue of potential ordinary shares that would have an anti dilutive effect on earning per share. The Company has no dilutive instruments hence the diluted earning per share has not considered.			

	Note	For the year ended	
		31 March 2023	31 March 2022
		BDT	BDT
26			
Income tax expenses			
See accounting policy in Note 40.14			
Amounts recognised in profit or loss			
Current tax expense		1,163,138,344	1,041,906,778
Current year		(5,233,104)	(103,813,689)
Adjustment for prior year		1,157,905,240	938,093,089
Deferred tax income/(expense)		1,363,115	5,317,797
		1,159,268,355	943,410,886

26.1 Reconciliation of effective tax rate

		For the year ended			
		31 March 2023		31 March 2022	
		%	BDT	%	BDT
Profit before income tax			5,031,680,364		4,497,267,237
Income tax using the corporate tax rate	22.5%		1,132,128,082	22.5%	1,011,885,128
Factors affecting the tax charge for current year:					
Short/(higher) fiscal depreciation and amortisation over that of accounting	0.07%		3,631,437	0.02%	966,022
Disallowance for excess perquisites	0.15%		7,486,853	0.29%	13,099,251
Short/(higher) of leave encashment payment over provision	0.02%		992,423	0.01%	398,462
Disallowance for contribution to CSR project	0.03%		1,419,857	0.06%	2,786,069
Impairment loss of property, plant and equipment	0.00%		45,326	0.01%	255,915
Allowance for exemption of export income	0.00%		-	-0.21%	(9,517,369)
Effect of special rate of export income	-0.08%		(4,239,008)	0%	-
Short/(higher) of lease rent payment over depreciation on RoUA	0.00%		-	0.03%	1,565,666
Other inadmissible expenses	0.42%		20,944,370	0.46%	20,467,634
Depreciation on leased assets	0.26%		13,140,836	0%	-
Interest on lease liabilities	0.04%		1,892,574	0%	-
Actual rent on leased assets	-0.28%		(14,304,407)	0%	-
Adjustment for prior years	-0.10%		(5,233,104)	-2.31%	(103,813,689)
Deferred tax expense	0.03%		1,363,115	0.12%	5,317,797
Total income tax expense	23.04%		1,159,268,355	20.98%	943,410,885

26.2 Deferred tax

31 March 2023	Balance as at 31 March 2023			
	Net balance at 01 April 2022	Recognised in profit /loss	Recognised in OCI	Net balance as at 31 March 2023
	BDT	BDT	BDT	BDT
Property, plant and equipment	(2,918,968)	(36,210,971)	-	(39,129,939)
Provision for leave encashment	(5,935,440)	(992,424)	-	(6,927,864)
RoU assets and lease liability under IFRS 16	(4,995,696)	38,566,509	-	33,570,813
Net deferred tax (assets)/liabilities	(13,850,104)	1,363,115	-	(12,486,990)
				(46,057,803)
				33,570,813

31 March 2022	Balance as at 31 March 2022			
	Net balance at 01 April 2022	Recognised in profit /loss	Recognised in OCI	Net balance as at 31 March 2022
	BDT	BDT	BDT	BDT
Property, plant and equipment	(12,069,256)	9,150,288	-	(2,918,968)
Provision for leave encashment	(6,152,199)	216,759	-	(5,935,440)
RoU assets- Impact of IFRS 16	(946,447)	(4,049,249)	-	(4,995,696)
Net deferred tax (assets)/liabilities	(19,167,902)	5,317,798	-	(13,850,104)
				(8,854,408)
				(4,995,696)

27. Related party transactions

27.1 Parent and ultimate controlling party

Marico Limited, India has 90% shareholding of the Company. As a result, the parent of the Company is Marico Limited, India. The ultimate controlling party of the Company is Marico Limited, India.

27.2 Transactions with key management personnel

Directors' remuneration and fees

For the year ended	
31 March 2023	31 March 2022
BDT	BDT
26,010,874	35,086,351
26,010,874	35,086,351

Compensation for the Company's key management personnel includes salaries & meeting fees. These expenses are included in administrative expenses.

27.3 Other related party transactions

During the year the Company carried out a number of transactions with related parties in the normal course of business and on an arm's length basis. The name of related parties, nature of transactions, their total value and closing balance have been set out in accordance with the provisions of IAS 24 Related party disclosure.

27.3.1 Transactions with parent company

Name of the related parties	Relationship	Nature of transaction	Transaction amount	Balance as at 31 March 2023	Balance as at 31 March 2022
			BDT	BDT	BDT
Marico Limited, India	Parent company	Purchase of RM and PM	296,684,651	20,566,343	166,408,080
		Purchase of Asset (Mould)	290,653	-	3,396,608
		Royalty	134,373,952	252,640,679	122,503,570
		Dividend	2,693,250,000	2,028,925,000	-
		General and technical assistance fees	105,794,942	319,344,214	175,229,505
		Sales of PM	3,264,600	-	-

27.3.2 Transactions with other related parties

Name of the related parties	Relationship	Nature of transaction	Transaction amount	Balance as at 31 March 2023	Balance as at 31 March 2022
			BDT	BDT	BDT
Marico Middle East FZE	Associated company	Purchase of RM	3,203,431,789	690,693,686	305,605,654
		Sales of FG	252,892,198	-	-
Marico for Consumer Care Products SAE (Erstwhile Wind Co)	Associated company	Sales of FG	2,562,422	1,162,456	-
		Sales of Asset (Mould)	1,152,166	-	-
Marico Gulf LLC	Associated company	Sales of FG	571,925	-	-
ZED LIFESTYLE PVT LTD	Associated company	Purchase of FG	657,472	376,955	-

28. Disclosures as per BSEC notification no. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018**28.1 Calculation of net asset value per share**

	As at	
	31 March 2023	31 March 2022
	BDT	BDT
Net asset	3,586,315,643	2,689,057,309
Number of shares	31,500,000	31,500,000
Net asset value (NAV) per share	113.85	85.37

28.2 Calculation of net operating cash flow per share (NOCFPS)

Net cash from operating activities	5,393,901,438	3,605,353,998
No. of shares	31,500,000	31,500,000
Net operating cash flow per share (NOCFPS)	171.23	114.46

28.3 Reconciliation of net profit with cash flows from operating activities

Profit after tax	3,872,412,009	3,553,856,351
Adjustment for:		
Depreciation	231,000,680	215,974,262
Amortisation	500,968	1,374,200
Interest expense	17,180,918	7,735,850
Effect of exchange rate fluctuations on cash held	-	
Interest on lease	8,411,440	9,411,049
Interest income	(162,981,942)	(126,636,587)
Gain on sale of PPE	2,861,570	(37,484)
Tax expense	1,159,268,355	943,410,886
	5,128,653,996	4,605,088,528
Changes in operating assets and liabilities:		
Inventories	(196,122,351)	(351,976,096)
Advances, deposits and prepayments	(240,052,630)	(271,691,833)
Other financial assets	(14,662,933)	18,080,670
Employee benefit obligation	1,839,236	33,430,948
Trade and other payable	1,520,521,656	424,816,228
Cash generated from operating activities	6,200,176,975	4,457,748,448
Interest paid	(8,968,594)	(8,627,922)
Interest received	196,329,343	84,266,200
Income tax paid	(993,636,288)	(928,032,728)
Net cash flows from operating activities	5,393,901,437	3,605,353,998

* Net operating cash flow increased due to higher collection and lower payment to supplier in FY 23 compared to LY.

29. Contingent liabilities

The Company has contingent liability of BDT 1,077,100,000 as on 31 March 2023 in respect of indirect tax (VAT) and workers' profit participation & welfare fund. These are being vigorously defended by the Company. The management does not consider that it is appropriate to make provision in respect of any of these claims.

The Company has ordinary letter of credit amount of Taka 195,597,931 and Taka 228,603,680.02 and Taka 173,805,883 with Standard Chartered Bank, Commercial bank of Ceylon and City Bank NA respectively. Shipping guarantee of Taka 14,192,997 with Standard Chartered Bank.

30. Production Capacity

Main product	Unit of measure	Installed capacity	
		31 March 2023	31 March 2022
Parachute Coconut Oil (PCNO)	KL	36,500	36,500
Copra Crushing	MT	72,000	72,000
CCNO Refining	MT	18,000	18,000
Value Added Hair Oil (VAHO)	MT	17,160	17,160
Water based product	MT	12,000	12,000
Edible Oil	MT	4,000	4,000

31. Commitment

i) Capital commitment	160,780,609	326,364,655
ii) Other commitment	438,954,821	1,180,256,797

L/C amount for import of raw material, packing materials and finished goods which were not received till the reporting date

32. Dividends declared and remitted

The Company remitted the following amounts, net of taxes in foreign currency during the year to Marico Limited, India, a non-resident shareholder of the Company.

The company remitted following amounts, net of tax in foreign currency to Marico Ltd. India, a non resident shareholder of the Company.

Dividend for	Dividends declared BDT	Dividends remitted	
		31 March 2023	31 March 2022
Final dividend for the year 2020-2021	(630,000,000)	-	510,300,000
First interim dividend for the year 2021-2022	(630,000,000)	-	510,300,000
Second interim for the year 2021-2022	(630,000,000)	-	510,300,000
Third interim for the year 2021-2022	(630,000,000)	-	510,300,000
Final dividend for the year 2021-2022	(630,000,000)	-	-
First interim for the year 2022-2023	(1,417,500,000)	395,000,000	-
Second interim for the year 2022-2023	(945,000,000)	-	-
		395,000,000	2,041,200,000

33. Capital management

For the purpose of the company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

To maintain or adjust capital structure, the Company may adjust the amount of dividend, return on capital, issue new share or obtain long term-debt. All major investment and financing decisions, as a part of its capital management, are evaluated and approved by its Board of Directors.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2023.

34. Segment information

The Company essentially provides similar products to customers across the country. Business activities in which it engages and the economic environments in which it operates are of similar nature. Its business is not segmented by products or geographical areas and its operating result is viewed as a whole by its management. Hence, segment information is not relevant for the Company.

35. Number of employees

The number of employees engaged for the whole year or part there of who received a total salary of TK 36,000 p.a. and above is 412 (previous year: 383), among them 76 employees left Marico and 336 (Previous year: 300) existed at 31 March 2023.

36. Subsequent events

No significant events have occurred after the reporting period.

37. Financial instruments - fair values and financial risk management

37.1 Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 March 2023

Particulars	Notes	Carrying amount								Total	
		Fair value hedging instruments	Mandatorily at fair value	FVOCI-debt instruments	FVOCI-equity instruments	Financial assets at amortized cost	Other financial liabilities	Total			
		BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	
Financial assets measured at fair value											
Financial assets not measured at fair value											
Fixed deposits	9	-	-	-	-	1,614,295,444	-	-	-	-	1,614,295,444
Treasury Bills	9	-	-	-	-	2,450,611,500	-	-	-	-	2,450,611,500
Loan to employees	9	-	-	-	-	7,736,276	-	-	-	-	7,736,276
Trade receivables	9	-	-	-	-	60,694,023	-	-	-	-	60,694,023
Cash and cash equivalents	11	-	-	-	-	2,228,805,865	-	-	-	-	2,228,805,865
		-	-	-	-	6,362,143,108	-	-	-	-	6,362,143,108
Financial liabilities measured at fair value											
Financial liabilities not measured at fair value											
Trade and other payables	15	-	-	-	-	-	-	-	4,556,040,771	-	4,556,040,771
Lease liabilities	14	-	-	-	-	-	-	-	103,708,013	-	103,708,013
		-	-	-	-	-	-	-	4,659,748,784	-	4,659,748,784

37. Financial instruments - fair values and financial risk management (continued)

37.1 Accounting classifications and fair values (continued)

31 March 2022

Particulars	Notes	Carrying amount								Total
		Fair value hedging instruments	Mandatorily at fair value	FVOCI-debt instruments	FVOCI-equity instruments	Financial assets at amortized cost	Other financial liabilities			
		BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Financial assets measured at fair value		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Financial assets not measured at fair value										
Fixed deposits	9	-	-	-	-	1,942,382,196	-	-	-	1,942,382,196
Loan to employees	9	-	-	-	-	1,537,577	-	-	-	1,537,577
Trade receivables	9	-	-	-	-	52,229,788	-	-	-	52,229,788
Cash and cash equivalents	11	-	-	-	-	505,194,161	-	-	-	505,194,161
		-	-	-	-	2,501,343,721	-	-	-	2,501,343,721
Financial liabilities measured at fair value		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value										
Trade and other payables	15	-	-	-	-	-	-	3,539,898,923	-	3,539,898,923
Lease liabilities	14	-	-	-	-	-	-	128,118,161	-	128,118,161
		-	-	-	-	-	-	3,668,017,084	-	3,668,017,084

37.2 Financial risk management

The Company management has overall responsibility for the establishment and oversight of the Company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

37.2.1 Credit risk

Credit risk is the risk of financial loss if a customer or counterpart to a financial instrument fails to meet its contractual obligation which arises principally from the Company's receivables from customers.

The Company makes sales on advance basis i.e. it receives advance from customers prior to sale, so there is no credit risk due to uncollectibility from the customers. However, the Company maintains most of the financial assets with short-term deposits and cash and cash equivalents.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Notes	31 March 2023	31 March 2022
		BDT	BDT
Financial assets			
Fixed deposits	9	1,614,295,444	1,942,382,196
Treasury Bills	9	2,450,611,500	
Loans to employees	9	7,736,276	1,537,577
Trade receivables	9	60,694,023	52,229,788
Cash and cash equivalents	11	2,228,805,865	505,194,161
		6,362,143,108	2,501,343,722

37.2.2 Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The contractual maturities of financial liabilities of the Company are as follows:

	Notes	Carrying amount	Contractual cash flows					
			Expected cash flow	6 months or less	6-12 months	1- 2 years	2- 5 years	More than 5 years
			BDT	BDT	BDT	BDT	BDT	BDT
31 March 2023								
Trade and other payables	15	4,556,040,771	4,556,040,771	4,556,040,771	-	-	-	-
Lease liabilities	14	103,708,013	103,708,013	27,909,973	29,400,532	26,134,320	20,263,187	-
		4,659,748,784	4,659,748,784	4,583,950,744	29,400,532	26,134,320	20,263,187	-
31 March 2022								
Trade and other payables	15	3,539,898,923	3,539,898,923	3,539,898,923	-	-	-	-
Lease liabilities	14	128,118,161	128,118,165	27,628,104	28,352,033	57,413,676	14,724,352	-
		3,668,017,084	3,668,017,088	3,567,527,027	28,352,033	57,413,676	14,724,352	-

37.2.2 Market risk

Market risk is the risk that includes changes in market price, such as foreign exchange rate, interest rates, and equity prices that may affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Currency risk

The Company's exposures to foreign currency risk at 31 March'23 are as follows:

	31 March 2023	31 March 2022
	USD	USD
Import of goods and services	(2,175,727)	(4,335,687)
Bank balance	325,923	2,179,283
	(1,849,804)	(2,156,404)

The following significant exchange rates have been applied during the year:

	Average rate		Year-end spot rate	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Exchange rate (USD/BDT)	98.20	85.37	105.07	86.22

ii) Foreign exchange rate sensitivity analysis

The basis for the sensitivity analysis to measure foreign exchange risk is an aggregate corporate-level currency exposure. The aggregate foreign exchange exposure is composed of all assets and liabilities denominated in foreign currencies.

A 1% change in foreign exchange rates would have increased/(decreased) equity and profits or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates remain constant.

	Profit/(loss)		Equity	
	Strengthening	Weakening	Strengthening	Weakening
	BDT	BDT	BDT	BDT
31 March 2023				
USD (1% movement)	(1,943,589)	1,943,589	(1,943,589)	1,943,589
31 March 2022				
USD (1% movement)	(1,859,165)	1,859,165	(1,859,165)	1,859,165

iii) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates. The Company is not exposed to fluctuations in interest rates as it has no floating interest rate bearing financial liability as at the reporting date. The Company has not entered into any agreement involving derivative instrument at the reporting date.

As at 31 March 2023, the interest rate profile of the Company's interest bearing financial instruments was:

	31 March 2023	31 March 2022
	BDT	BDT
Fixed rate instruments		
Financial assets	-	-
Fixed deposit receipts	1,614,295,444	1,942,382,196
Financial liabilities	-	-
Variable rate instruments		
Financial assets	-	-
Financial liabilities	-	-

38. Basis of measurement

The financial statements of the Company have been prepared on historical cost basis except for net defined benefit (asset)/liability for which the measurement basis is the fair value of plan assets less the present value of the defined benefit obligation, as explained in note 40.11.

39. Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 April 2020 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

A number of new standards are effective for annual periods beginning after 1 April 2020 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

The following amended standards and interpretations are effective from 1 April 2020.

- Amendments To References To Conceptual Framework in IFRS Standards.
- IFRS 17 Insurance Contracts.
- Definition of Material (Amendments to IAS 1 and IAS 8)

40. Significant accounting policies

The Company has consistently (otherwise as stated) applied the following accounting policies to all periods presented in these financial statements.

Note	Particulars
40.01	Foreign currency transactions
40.02	Property, plant and equipment
40.03	Intangible assets
40.04	Right of use assets
40.05	Investment Property
40.06	Inventories
40.07	Cash and cash equivalents
40.08	Financial instruments
40.09	Share capital
40.10	Dividend to the equity holders
40.11	Employee benefits
40.12	Accruals
40.13	Provisions
40.14	Income tax
40.15	Revenue
40.16	Finance income and finance cost
40.17	Lease liabilities
40.18	Impairment
40.19	Contingencies
40.20	Earnings per share
40.21	Events after the reporting period

40.01 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency (BDT) at exchange rates at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are re-translated into (BDT) at the exchange rates ruling at the statement of financial position date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into (BDT) at the exchange rate ruling at the date of transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

40.02 Property, plant and equipment

i) Recognition and measurement

Property, plant and equipment (PPE) is recognised as an asset if it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the item can be measured reliably.

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets, bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

Parts of an item of property, plant and equipment having different useful lives, are accounted for as separate items (major components) of property, plant and equipment.

ii) Subsequent cost

Subsequent cost of an item of property, plant and equipment is capitalised only if it is probable that future economic benefits embodied within the item will flow to the Company and its costs can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

iii) Depreciation

No depreciation is charged on land and asset under construction (AuC) as the land has unlimited useful life and AuC has not yet been placed in service /commissioned.

Other items of property, plant and equipment is depreciated on a straight line basis in profit or loss over the estimated useful lives of each item of property, plant and equipment. Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. Depreciation is charged from the month of acquisition of property, plant and equipment and no depreciation is charged in the month of disposal.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. The estimated useful lives of the items of property, plant and equipment for the current and comparative year are as follows:

Assets	Depreciation rate
Plant and machinery	10-33%
Factory equipment	20-33%
Moulds	15-33%
Factory building	5-20%
Laboratory equipment	20-33%
Office equipment	33-50%
Computers	33-50%
Furniture and fixtures	20-50%
Office building	10-20%
A.C and refrigerators	20-33%

iv) Derecognition

An asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Gains or losses arising from the derecognition of an asset are determined as the difference between net disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

v) Asset under construction

Asset under construction represents the cost incurred for acquisition and/or construction of items of property, plant and equipment that are not ready for use which is measured at cost. These are transferred to the property, plant and equipment on the completion of the projects.

vi) Capitalisation of borrowing costs

As per the requirements of IAS 23 Borrowing Costs, directly attributable borrowing costs are capitalised during construction period for all qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made. All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

40.03 Intangible assets**i) Recognition and measurement**

Intangible assets have finite useful lives and are stated at cost less accumulated amortisation and any impairment losses. Intangible assets are recognised in accordance with IAS 38 Intangible assets. Intangible assets include cost of acquisition of computer software, intellectual property, copyright and other costs incidental to such capital expenditure.

ii) Subsequent costs

Subsequent costs are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. All other costs are recognised in profit or loss as incurred.

iii) Amortisation

Amortisation is recognised in profit or loss on straight line basis over the estimated useful lives of intangible assets from the date they are available for use.

Intangible asset (Computer Software) is amortised at the rate of 20% to 33%.

iv) Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in profit or loss.

40.04 Right of use assets

The Company recognises a right-of-use asset at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liabilities. When a right-of-use asset meets the definition of investment property, it is presented in investment property. The right-of-use asset is initially measured at cost, and depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, in accordance with the Company's accounting policies.

40.05 Investment Property

Investment property is land or a building (including part of a building) or both that is:

- held to earn rentals or for capital appreciation or both;
- not owner-occupied;
- not used in production or supply of goods and services, or for administration; and
- not held for sale in the ordinary course of business.

Investment property may include investment property that is being redeveloped.

An investment property is measured initially at cost. For subsequent measurement an entity must adopt either the fair value model or the cost model as its accounting policy for all investment properties.

Under the cost model, investment property is measured at cost less accumulated depreciation and any accumulated impairment losses. Fair value is disclosed. Gains and losses on disposal are recognised in profit or loss.

40.06 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average cost method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Stores and spares and material in transit are measured at cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

40.07 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturity of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the company in the management of its short term commitments.

40.08 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets – policy applicable from 1 April 2018

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – business model assessment: policy applicable from 1 April 2018

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets - subsequent measurement and gains and losses: policy applicable from 1 April 2018

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

40. Significant accounting policies (continued)

Financial assets includes cash and cash equivalents, trade and other receivables and short term investment.

(a) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and all cash deposits with maturities of three months or less that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

(b) Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

(c) Short-term investment

Short-term investment consists of fixed deposits with original maturity of more than three months. The Company has the positive intent and ability to hold FDR to maturity, and such financial assets are carried as financial assets at amortised cost. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

iii. Financial liability

All financial liabilities are recognised initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include trade and other payables etc.

(a) Trade and other payables

The Company recognises trade and intercompany payables when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

(b) Loans and borrowings

The Company derecognises loans and borrowings when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises loans and borrowings when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

40.09 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

Paid up capital represents total amount contributed by the shareholders and bonus shares, if any, issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

40.10 Dividend to the equity holders

The Company recognises a liability to make cash dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in Bangladesh, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

40.11 Employee benefits

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

ii) Defined benefit plan (Gratuity)

The Company operates an unfunded gratuity scheme, provision in respect of which is made annually covering all its eligible employees. This scheme is qualified as defined benefit plan.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. When the benefits of the plan are improved, the portion of the increased benefit related to past service by employees is recognised in profit and loss on a straight line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in profit and loss. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in other comprehensive income. Relevant tax impacts of such remeasurements are also recognised under other comprehensive income.

iii) Leave encashment

The Company operates unfunded leave encashment scheme, i.e. if its employees do not avail leave during his/her service, s/he will be entitled to encash privilege leave at the time of separation from the Company subject to maximum 40 days, at the rate of one month's basic pay for 30 days of privilege leave. This scheme is qualified as other long term employee benefits.

The Company's net obligation in respect of leave encashment scheme is the amount of future benefit that employees have earned in return for their service in the current and prior year and the calculation is performed annually by a qualified actuary.

iv) Workers' profit participation and welfare fund

The Company operates fund for workers as workers' profit participation and welfare fund ("the Fund") and provides 5% of its profit before tax as per provision of the Bangladesh Labour Act 2006. The Company recognises the contribution to the fund as short term employee benefits.

The Fund is governed by Bangladesh Labour Act, 2006 as amended up to 28 September 2015 and the trust deed.

40.12 Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amongst due to employees. Accruals are reported as part of trade and other payables.

40.13 Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate thereof can be made.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits are required to settle the obligation, the provisions are reversed.

40.14 Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i) Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Provision for corporate income tax is made following the rate applicable for companies as per Finance Act 2022 i.e. 22.5%

ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

40.15 Revenue

The Company has initially applied IFRS 15 Revenue from contracts with customers from 1 April 2018. The Company recognises as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, IFRS 15 establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods are considered as transferred when (or as) the customer obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

40.16 Finance income and finance cost**i) Finance income**

Finance income comprises interest income on funds invested and is recognised as it accrues in profit or loss using the effective interest method.

ii) Finance cost

Finance costs comprise interest expense on borrowings and foreign exchange gain or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

40.17 Lease liabilities

The lease liabilities is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liabilities is subsequently increased by the interest cost on the lease liabilities and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

40.18 Impairment

i. Financial assets

The Company recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ii) Non-financial assets

The carrying amounts of the Company's non-financial assets (other than inventories) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of impairment loss (if any). Where it is not possible to determine the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

40.19 Contingencies

i) Contingent liability

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the statement of financial position of the Company. Moreover, contingencies arising from claims, litigations, assessments, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

ii) Contingent asset

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Company does not recognise contingent asset.

40.20 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential ordinary shares during the relevant years.

40.21 Events after the reporting period

Events after statement of financial position date that provide additional information about the Company's position at the statement of financial position date are reflected in the financial statements. Events after statement of financial position date that are non-adjusting events are disclosed in the notes when material.

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