

## CHAIRMAN'S LETTER TO SHAREHOLDERS A PERSONAL MESSAGE

Dear Shareholders

The year 2004-05 marks an important new milestone in Marico's 15-year journey. The Marico Group has crossed the Rs.1000 crore mark - a significant achievement for an Indian FMCG enterprise.

Not many would know that Marico was spun off as a new company from the consumer products division of The Bombay Oil Industries Limited, with just two brands - Parachute and Saffola. Back then, Marico's turnover was Rs.100 crore. It has come a long way since.

Over the past 15 years, Marico has built new brands, created new categories, dominated markets with shares close to 100%, moved up from products to services, taken its brands to 24 countries across the world, and built a powerful franchise of 13 crore loyal consumers.

During this period, it has progressed from being a largely industrial enterprise to a more consumer-focussed entity, creating enduring value for its consumers through a wide range of products and services.

Today, Marico's turnover comes from 12 brands across products and services in the area of beauty and wellness. Investments in brand building have enabled these brands to occupy leadership positions in their respective categories - while new brands are continuously being developed.

Thanks to its loyal consumer franchise and the nature of its businesses, Marico continues to prosper along a path of sustained profitable growth – both, within the Indian subcontinent, and beyond.

Your Company has established markets overseas, taking its products and services to 24 countries across the world. In the early nineties, Marico expanded its network to the Middle East, setting up a strong marketing and distribution base in the Gulf, and later in the decade, set up a wholly-owned subsidiary in Bangladesh, cornering 50% of the market for coconut oil. Then in 2002, Marico acquired controlling interest in Sundari LLC, a US based ayurvedic skin care company. During 2004-05, Marico's International Business turnover touched Rs. 100 crore - representing 10% of the Group's turnover.

From a strength of about 200 employees in its early days, the Marico Group has grown to a team of 1300. Continuous investments in processes and people, and developing a distinct work culture, ensure that the company is managed by a team of highly motivated, enthusiastic individuals. Besides, Marico has developed a strong network of vendors, solution providers and associates - who will continue to partner its progress and drive future growth.

Your Company is built on a foundation of strong brands, a committed management, a powerful network of associates, and an unshakeable consumer franchise. I look forward to your continued support in taking your company well beyond the Rs. 1000 crore mark.

With warm regards,



**Harsh Mariwala**

**Chairman and Managing Director**