



# Q3 FY22 Results

JANUARY 2022



# Safe Harbour Statement

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## Macro Context

4



## Q3 Performance Highlights

6



## Strategy and Outlook

18

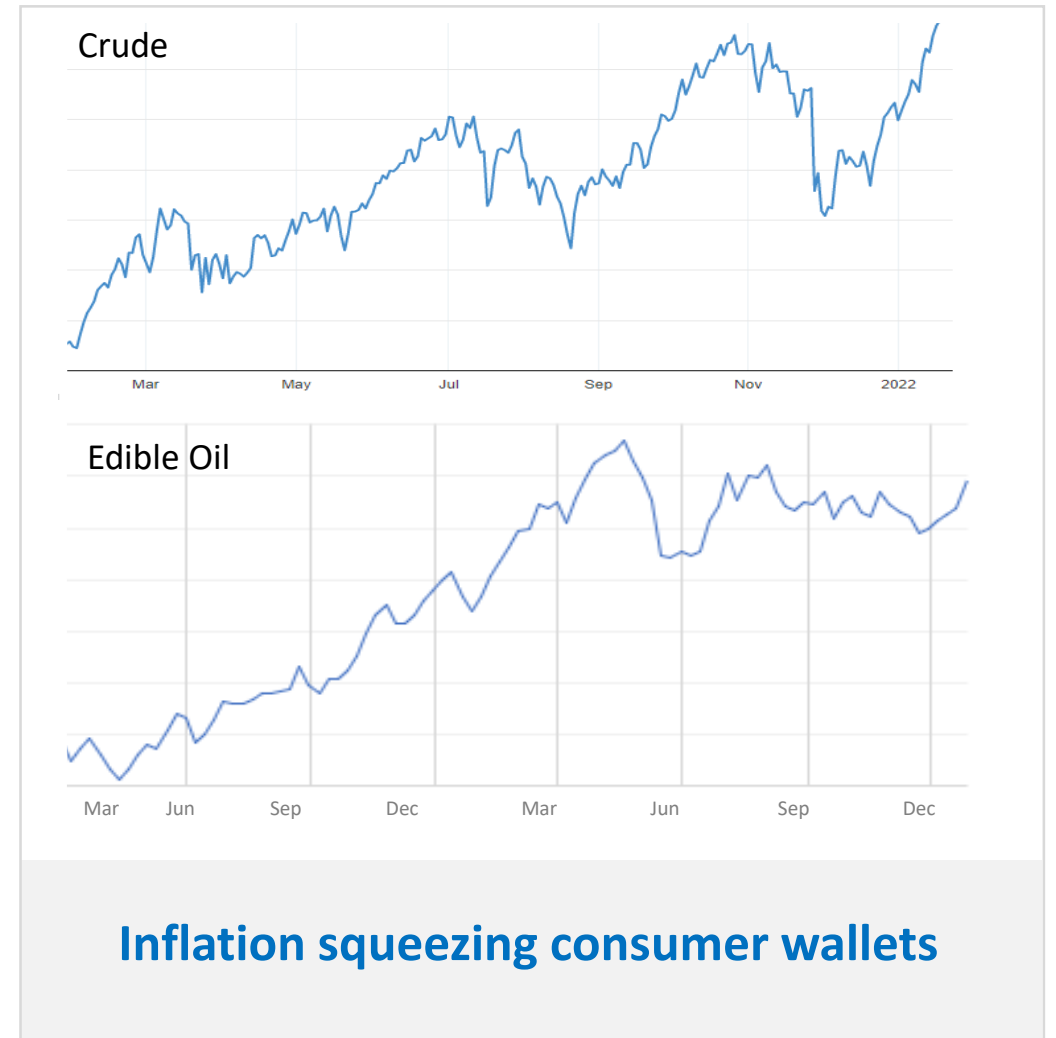
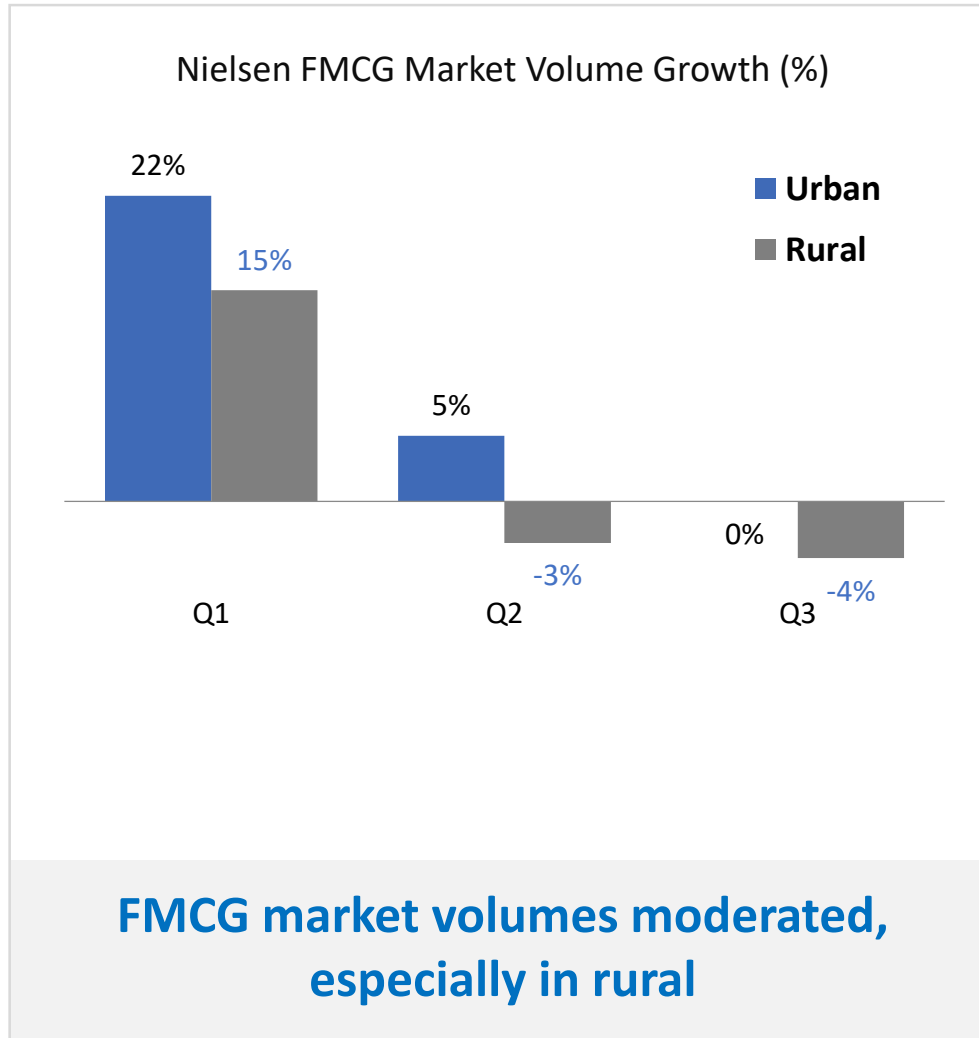


## Financials

23



# Visible Moderation in Market Growth | Rural still muted, but should recover soon





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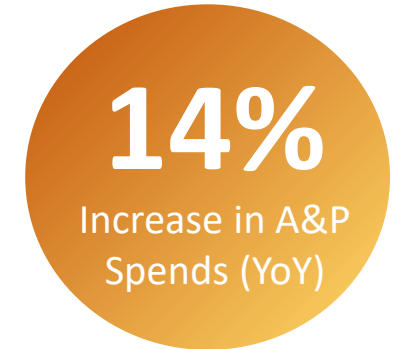
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# Resilient domestic business amidst challenging macros | Stellar performance in International

Q3 FY22 (YoY)



**17.9%**

Consolidated  
EBITDA Margin

**4%**

Consolidated  
EBITDA Growth

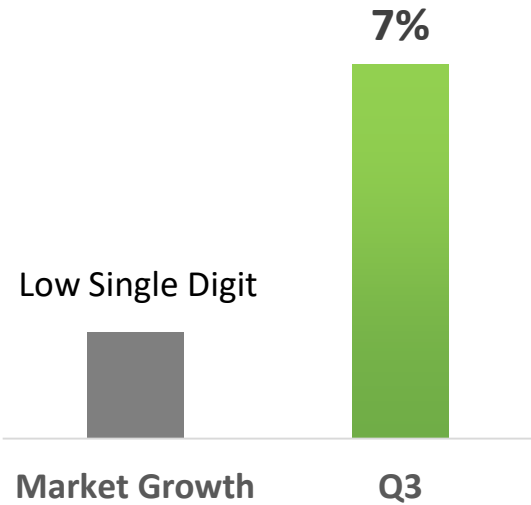
**1%**

Consolidated  
PAT (bei) Growth

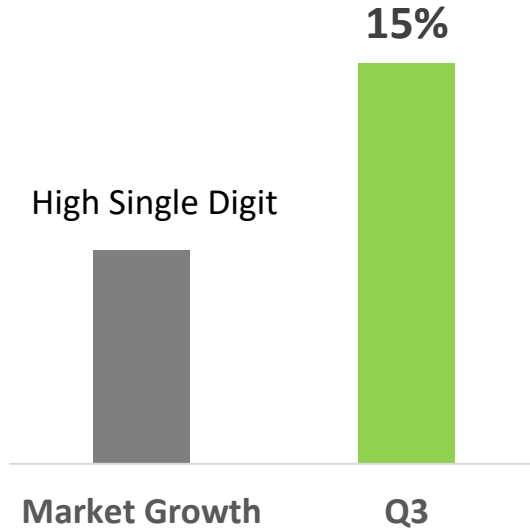
Ramped up brand building spends despite short term inflationary pressures

# India: Outperforms overall FMCG market | Robust Market Share Gains Continue

**2-Year Volume CAGR close to medium term aspiration**



**2-year Revenue CAGR ahead of market**



**Strengthening competitive position**

**94%** portfolio winning Market Share (MAT Dec'21)

**95%** portfolio gaining Penetration (MAT Dec'21)

Q3 domestic volumes were flat on a YoY basis

# Parachute: Healthy market share gains continue



**Q3 FY22**

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**1%**

**Volume Growth**

**8%**

**Value Growth**

**Proactive pricing measures undertaken**

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**220 bps**

Volume MS gain in rigid packs (MAT Dec'21)

**Copra prices correct further from late Dec'21 | soft outlook in Q4**

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**5-7%**

Medium-term volume growth Aspiration



# VAHO: Double digit growth on 2-year CAGR basis



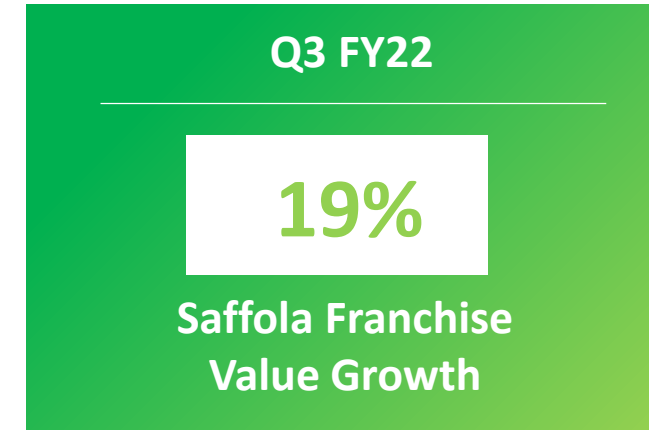
Q3 FY22

**3%**  
Value Growth

**~80 bps**  
Value MS Gain  
(Oct-Dec'21)

Premiumisation through  
launch of 2 digital-first  
brands in the  
anti-hairfall segment

# Saffola Oats becomes No. 1 player in the category with ~42% market share



Saffola Oats franchise

**~560 bps**

Gain in Value MS  
(MAT Dec'21)

Competitive pricing to lead to recovery  
in volume growth in the near term

**~28%**

Saffola Foods Growth in Q3

GROWING  
RELEVANCE OF  
HEALTHY LIVING

INCREASED  
PENETRATION



# Saffola Foods poised to reach circa 500 cr. topline this year

## Key TV Campaigns



Q3 market shares:

~13% in MT (all-time high)

~23% in E-commerce

Prototyping in select GT markets

Tracking ahead of expectations

Available across channels and Saffola e-store

# Premium Personal Care: Gradually building momentum



Livon Serums ahead of pre-COVID levels | clocks double digit growth YoY



Set Wet portfolio treading the recovery path



- Leverage leadership position of our brands and low penetration of categories
- Beardo and Just Herbs in line with expectations | Beardo likely to achieve 100 Cr run rate on exit basis



# Aspiration of ₹ 450-500 cr. topline by FY24 from Digital-first brand portfolio



Beardo



Pure Sense



Just Herbs



Coco Soul



# International Business powers on | Delivers 18% CCG



Bangladesh



**16%**  
CCG

**New launches**  
scaling up well



South East Asia



**27%**  
CCG

**Broad based**  
recovery in  
**Vietnam**



South Africa



**6%**  
CCG



MENA



**21%**  
CCG

CCG – Constant Currency Growth

# Recent Launches – International (1/2)



Bangladesh



**Red King**  
Men's Cooling Oil



**Parachute Just for Baby**  
No Tears Baby Shampoo



South East Asia - Vietnam



**X-Men Clean and Fresh**  
Male Shampoo Range

# Recent Launches – International (2/2)



MENA - Middle East



**Saffola Masala Oats**  
Savoury Oats Range



**Parachute Skinpure Aromatic**  
100% Organic Extra Virgin CNO Range



**Parachute Advanced**  
Hair Oil Range



MENA - Egypt



**Fiancee**  
Nourishing Hair Oil Range

**Fiancee**  
Nourishing Hair Cream  
(Pump and Jar Packs)





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# Near Term Outlook



## External Stimulus

- Impact of pandemic should remain controlled in light of expanding vaccination coverage
- Expect enhanced stimulus in the upcoming Union Budget
- Optimistic of improvement in rural consumption sentiment



## Business and Competitive Position

- Domestic business to grow ahead of market
- Maintain Market Share Gain Momentum
- Sustain growth momentum in the International Business

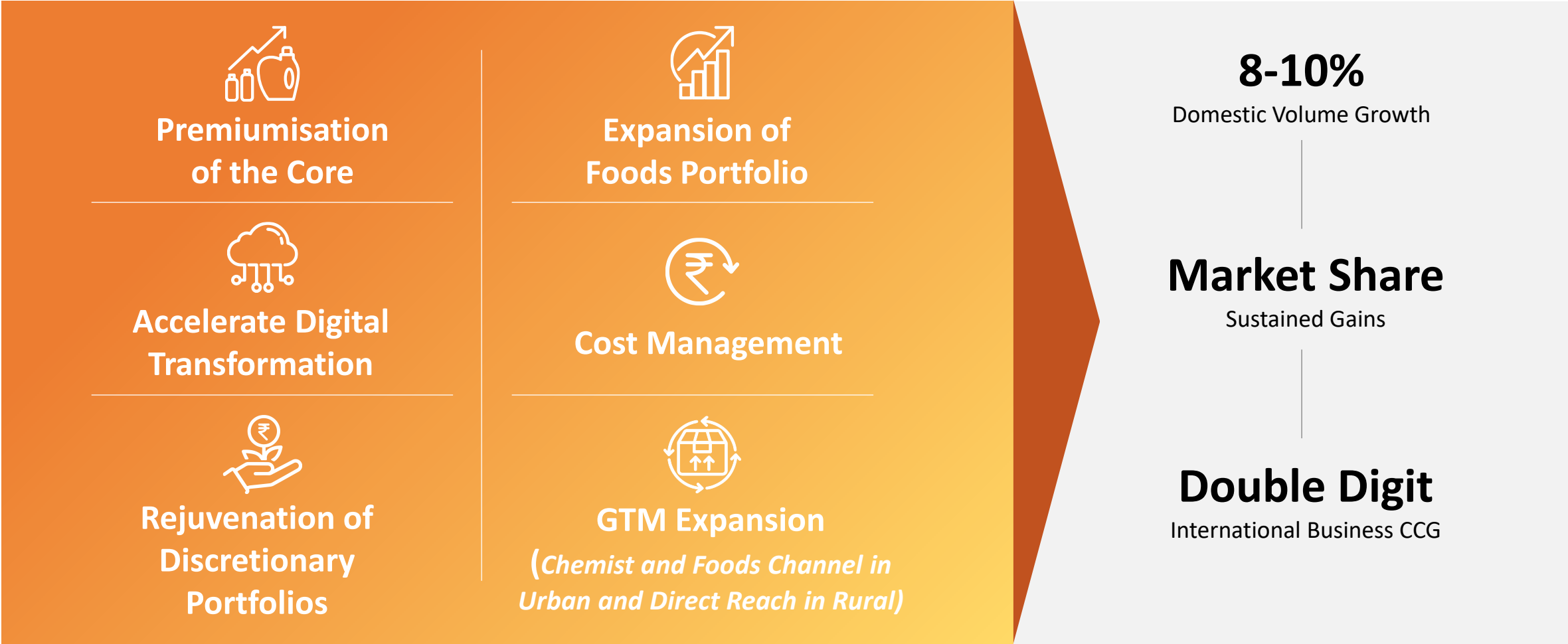


## Margins

- Expect further moderation in copra prices
- Gross margin improvement to continue on a sequential basis
- Cost Rationalization remains a focus



# Medium-Term Strategic Priorities Remain Consistent



# Integrating ESG focus with Sustainable Value Creation Goals



# Awards and Recognitions



Winners in 'Innovations in Operations' in the 'Manufacturing' category at the IDC Industry Innovation Awards 2021



Parachute has been ranked as one of the top 5 purposeful brands in FMCG by Kantar BrandZ India's report



FICCI CSR Award winners in the 'Education' category, for our Teacher Empowerment Program in Madhya Pradesh, led by Nihar Shanti Amla.

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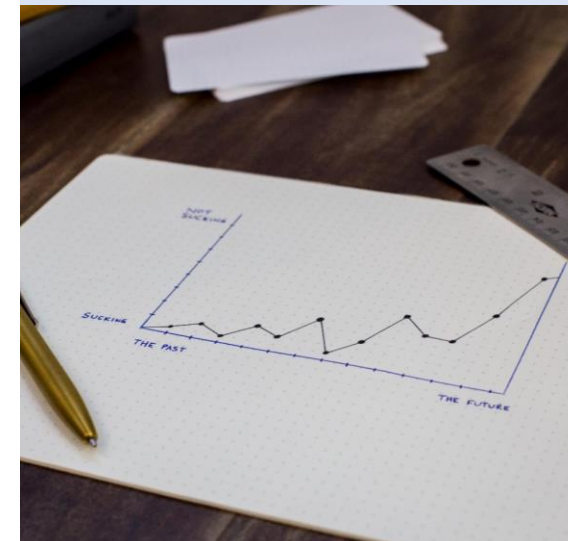
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# Consolidated Profit & Loss Statement

(in ₹ cr.)			
Particulars	Q3FY22	Q3FY21	Change (%)
<b>Revenue from Operations</b>	<b>2,407</b>	<b>2,122</b>	<b>13%</b>
Material Cost	1,355	1,125	20%
ASP	223	196	14%
Employee Cost	144	148	-3%
Other Expenses	254	240	6%
<b>EBITDA</b>	<b>431</b>	<b>413</b>	<b>4%</b>
EBITDA Margin	17.9%	19.5%	(155 bps)
<b>PAT bei</b>	<b>310</b>	<b>307</b>	<b>1%</b>

**9.3%**

A&P as a % of  
Sales

**18%**

International  
Constant Currency  
Growth



# Working Capital

Particulars	Q3FY22	Q3FY21
Debtors Turnover (Days)	29	23
Inventory Turnover (Days)	53	49
Net Working Capital (Days)	19	21

- Increase in revenue mix from alternate channels -> higher debtors days
- Strategic position building and inflation in raw materials -> higher inventory days

## Annexure 1: Operating Margin Structure for Marico Limited (Consolidated)

Particulars (% of Revenues)	Q3FY22	Q2FY22	Q3FY21
<b>Material Cost (Raw + Packaging)</b>	56.3%	57.5%	53.0%
<b>Advertising &amp; Sales Promotion (ASP)</b>	9.3%	8.0%	9.2%
<b>Personnel Costs</b>	6.0%	6.3%	7.0%
<b>Other Expenses</b>	10.6%	10.6%	11.3%
<b>PBDIT margins</b>	17.9%	17.5%	19.5%
<b>PBDIT before ASP</b>	27.2%	25.5%	28.7%

## Annexure 2: Market Shares in Key Categories in the India Business - MAT Dec'21

Franchise	~MS%	Rank
^ Coconut Oils	63%	1 <sup>st</sup>
^ Parachute Rigids within Coconut Oils	53%	1 <sup>st</sup>
^ Saffola – Super Premium ROCP	83%	1 <sup>st</sup>
* Saffola Oats (Market leader in Flavoured Oats)	42%	1 <sup>st</sup>
^ Value Added Hair Oils	37%	1 <sup>st</sup>
^ Post wash Leave-on Serums	64%	1 <sup>st</sup>
* Hair Gels/Waxes/Creams	57%	1 <sup>st</sup>

^ Volume Market Share    \* Value Market Share

# Annexure 3: ESG Performance Snapshot (till Q3 FY22)



## Emissions & Energy

- **79.1%** reduction in GHG emission intensity (Scope 1+2)
- **72%** energy sourced from renewables



## Water Stewardship

- **100% replenishment** of water consumed in operations
- **2,520 mn litres** of water capacity created till date



## Circular Economy

- **95%** recyclable packaging by weight
- **41,50,000 kg** of post-consumer plastic waste collected and co-processed till date



## Sustainable Coconut

- **0.234 mn** acreage enrolled covering **56,012 farmers**
- **15%** improvement in productivity in farms



## Social Value Creation

- **0.8 mn+** students impacted from Nihar Shanti Pathshala Funwala's Whatsapp-based English literacy program
- **3,000+** beneficiaries trained and **2,000+** placed by the Nihar Skills Academy



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[www.parachuteadvansed.com](http://www.parachuteadvansed.com)

[www.livonilovemyhair.com](http://www.livonilovemyhair.com)

[www.saffola.marico.in](http://www.saffola.marico.in)

[puresense.co.in](http://puresense.co.in)

[www.saffolalife.com](http://www.saffolalife.com)

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[www.setwet.com](http://www.setwet.com)

[www.cocosoul.in](http://www.cocosoul.in)

[www.maricoinnovationfoundation.org](http://www.maricoinnovationfoundation.org)

[www.beardo.in](http://www.beardo.in)

[www.parachutekalpavriksha.org](http://www.parachutekalpavriksha.org)

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# Thank You

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