

# Q4 FY24 Results

MAY 2024



# Safe Harbour Statement

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward-looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward-looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.

## Macro Overview

4



## Performance Highlights

6



## Outlook

13



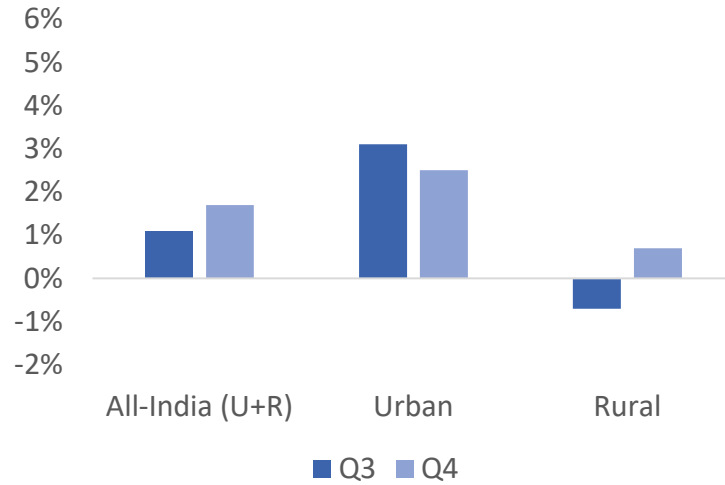
## Financials

20

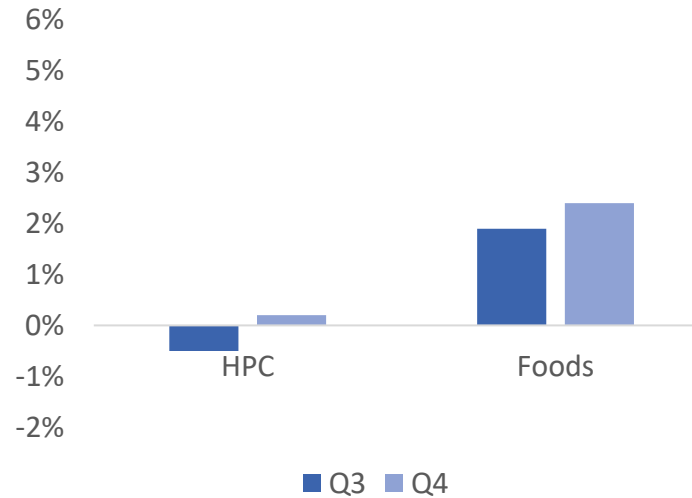


# Stable demand trends in FMCG | Overall macro-context conveys positivity

FMCG Sector: Volume Growth\*



FMCG Sector: HPC and Foods Growth\*



Stable trends across Rural and Urban; HPC and Foods tread in line with preceding quarters

\* Figures above represent 3-yr CAGRs to arrive at normalized growth.



Economic growth trajectory strong; Outlook promising



Stable retail inflation and favorable consumer pricing across FMCG categories



Expectations of a healthy monsoon season in FY25



Continued Government spending, while maintaining fiscal prudence



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4



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6



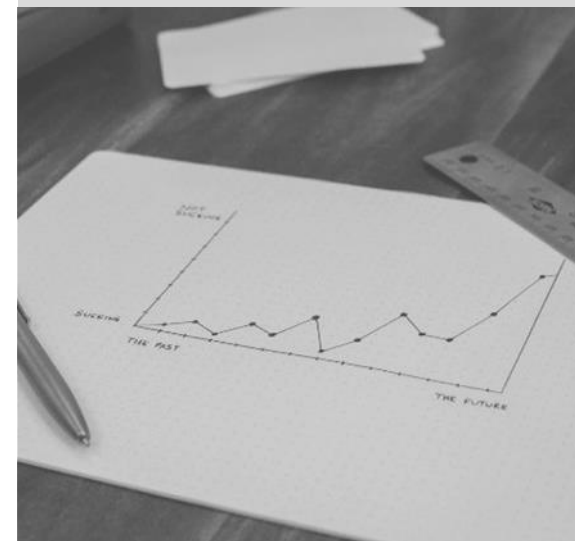
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13



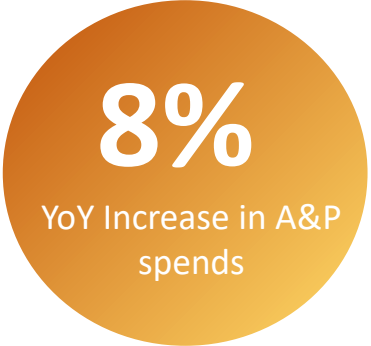
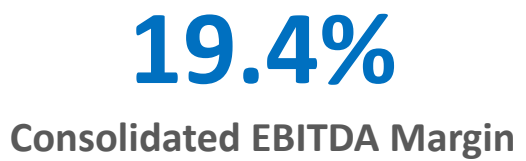
## Financials

20



# Sequential improvement in India & Overseas businesses | Revenue growth back in positive terrain

Q4 FY24 (YoY)



75% of the domestic business either gained or sustained **market share** on MAT basis.  
100% of the domestic business either gained or sustained **penetration** on MAT basis.  
Consolidated revenue growth to trend upwards in FY25, as price drops in domestic business anniversarize in Q1.  
Record operating margin of 21.0% in FY24, in line with stated expectations

# Steadying trends in PCNO & Saffola Oils | Base effect subdues VAHO; expect pickup in FY25

## Parachute Coconut Oil (34% of Domestic Revenues)



2%

Volume Growth

2%

Value Growth

## Saffola Edible Oils (20% of Domestic Revenues)



Mid single-digit  
volume growth;  
Pricing decline to  
abate in FY25

(16%)

Value Growth

## Value Added Hair Oils (21% of Domestic Revenues)



Mid and Premium  
segments fared  
relatively better

(7%)

Value Growth



# Foods scale to ~4x since FY20 | Profitability focus leads to ~800 bps GM expansion in FY24



Q4 Value Growth

24%



# Premium Personal Care: Sustains healthy traction

## Serums | Male Grooming | Skin Care



~ ₹300 cr.

Q4 Run-rate

## Digital-First Brands



~ ₹450 cr.

Q4 Exit ARR

# Unleashing Innovative Products | Elevating Ad Campaigns | Amplifying Outreach



## Initiation of Master Brand Advertising in Saffola

**THE TIMES OF INDIA**

**Sensex hits 75k, was at 25k when Modi won 10 yrs ago**

**Survey estimates 3% increase in wheat production for...**

**India's carbon-neutral...**

**SALAD ON WORLD HEALTH DAY, BACK TO ROADSIDE JUNK TODAY?**

One day of health talk isn't enough. It's what we do daily that shapes our health. Saffola, with its range of products, helps you take your 'Roz Ka Healthy Step' towards better health.

**Saffola**  
ROZ KA HEALTHY STEP

\*Saffola® encourages using less oil, balanced diet and regular exercise.





# International Business regains strong momentum | 10% CCG in Q4



Bangladesh



**8%**

Q4 CCG

Bounce back from transient headwinds



South-East Asia



**Flat**

Q4 CCG

Resilient amidst slower HPC demand in Vietnam



MENA



**19%**

Q4 CCG

Lead by robust growth in Egypt



South Africa



**13%**

Q4 CCG

Growth led by Ethnic Hair Care

International business records 9% CCG in FY24; Strong momentum in MENA and SA offers margin upside



## Macro Overview

4



## Performance Highlights

6



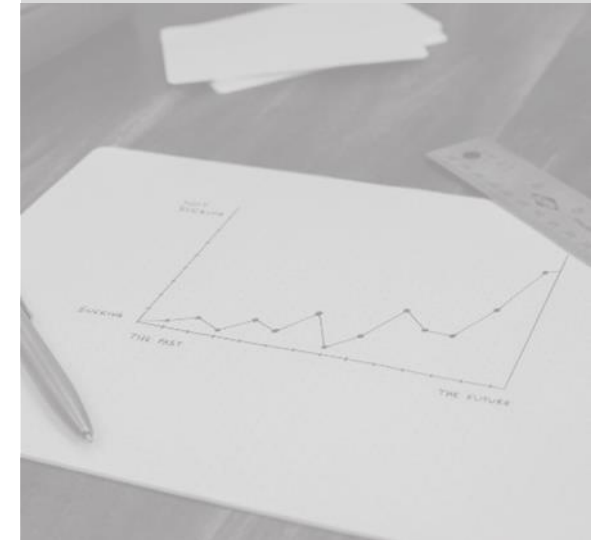
## Outlook

13



## Financials

20



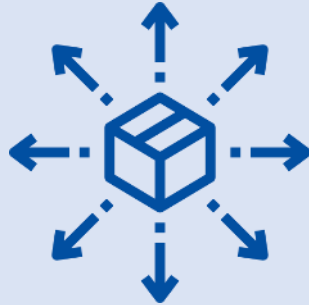
# Staying True to the 4Ds

Unlock the next leg of growth through...

**Diversification**



**Distribution**



**Digital**



**Diversity**



.....and continue to maintain focus on

**Grow the Core**

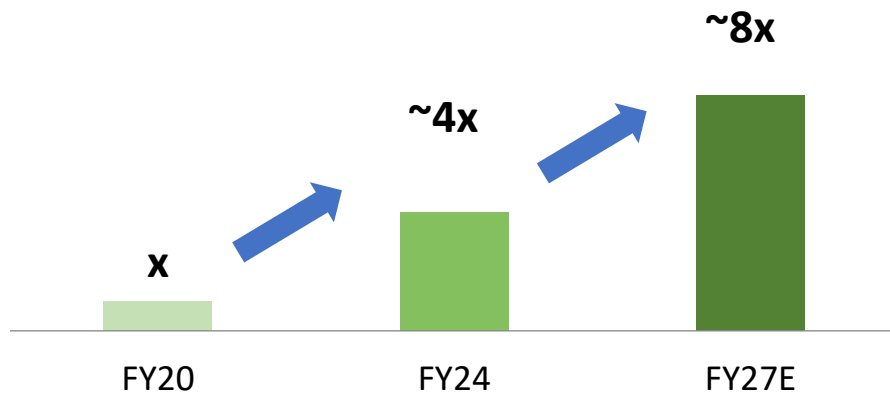
**Cost Management**

**ESG Commitments**

# Diversification remains a key priority: Profitable Scale up in Foods to continue

Foods portfolio to be  
2x of current scale in FY27

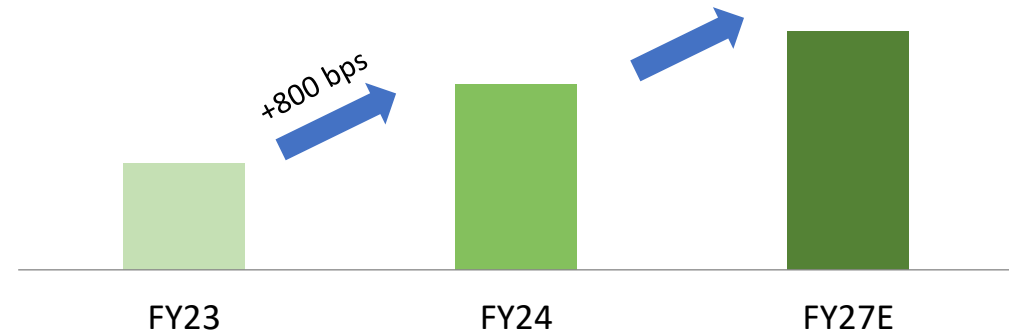
Foods Revenues (in INR cr.)



Foods poised for 20%+ CAGR after successful initiatives towards refinements in supply chain and GTM during FY24

Aim to drive consistent improvements in profitability  
as constituent franchises attain critical mass

Foods Gross Margin (%)



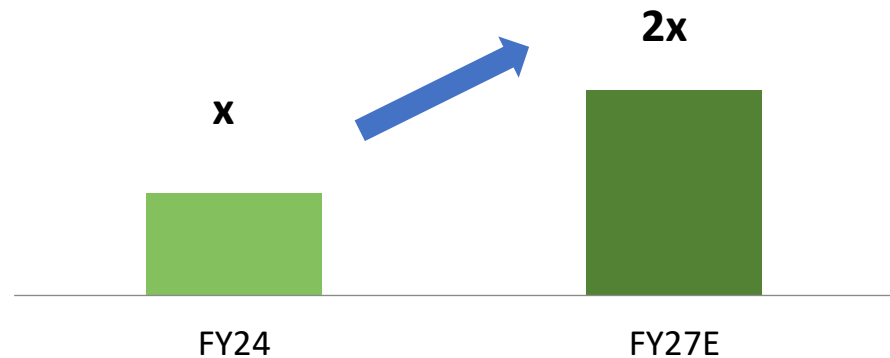
Focused initiatives lead to robust ~800 bps GM expansion in FY24 alone.



# Diversification remains a key priority: Digital Business to leverage enhanced capabilities

ARR of Digital-First brands expected to be **2x in FY27**

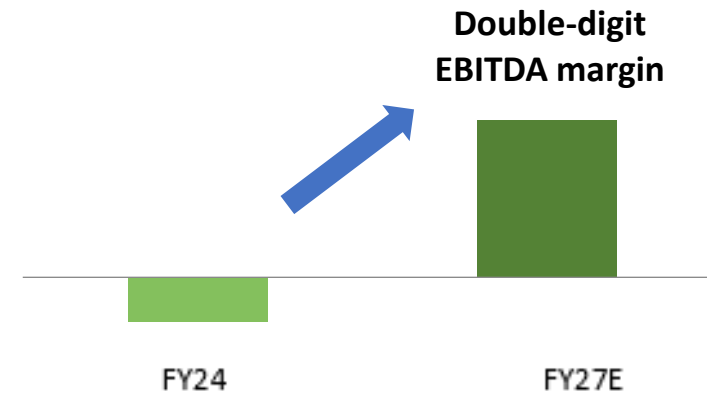
Digital-first brands ARR (in INR cr.)



**Beardo** scales by ~3x since FY21;  
**Just Herbs** crossed INR 1bn ARR in FY24;  
**Personal Care play in Plix** gaining traction

Aim for **Double Digit EBITDA** in Digital-first brands in FY27

Digital-first brands EBITDA Margin (%)



**Beardo** records positive EBITDA in FY24 – aim to move towards **double digit EBITDA margin** in FY25;  
Minimal cash burn in **Just Herbs** and **Plix**

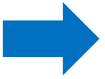
# Project SETU: Drive growth in GT through transformative expansion in Direct Reach

## 3-Year Phased Plan

FY24



FY27



A fit for purpose and  
fit for future GTM Model



To drive profitable growth  
and competitive advantage



Market share Gain across  
categories in rural and  
urban



Better Assortment in urban  
stores – diversification &  
premiumisation

~5.8x\*

Total : Direct Reach



~4x

Total : Direct Reach

# Project SETU: Resource re-allocation to fund coverage improvement & demand generation

Project SETU will be cost neutral



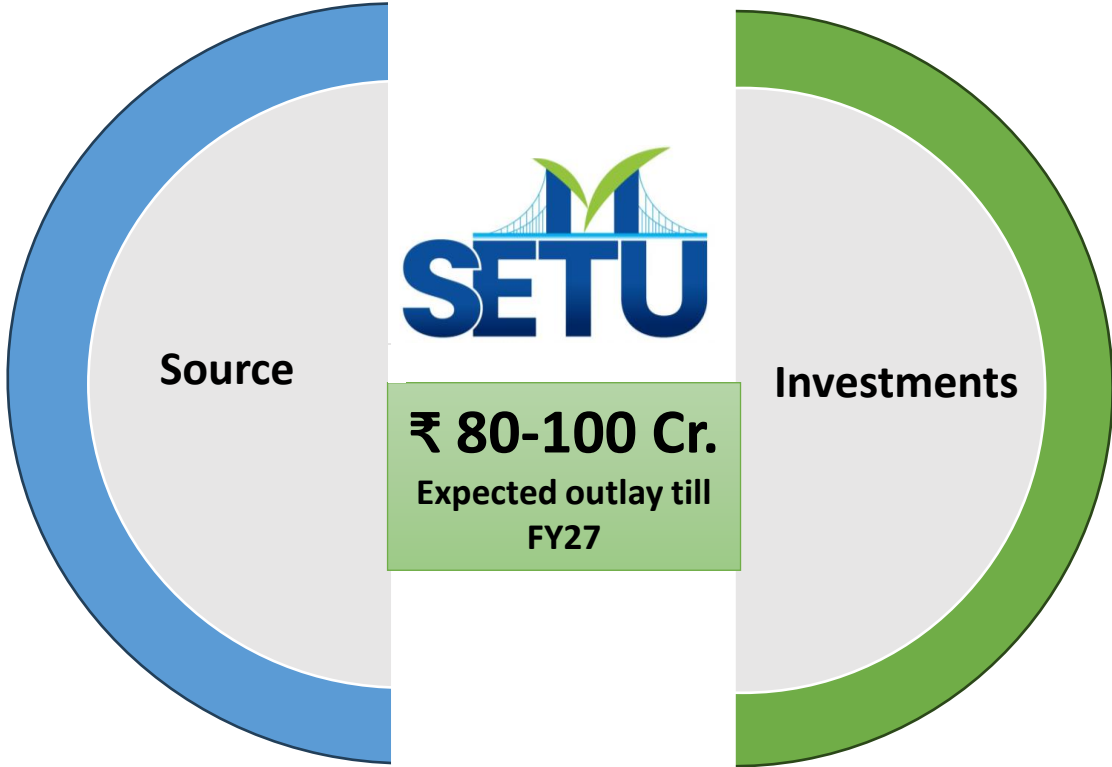
## BTL & Channel Spends

Optimize Wholesale channel spends (indirect distribution cost) & Promotional spends in Organised Trade



## Reduce Wastage

Savings from reducing supply chain costs and improving efficiencies



## Coverage & Infra Improvement Costs



Scaled up sales force, distributor commercials, process simplification

## Demand Generation



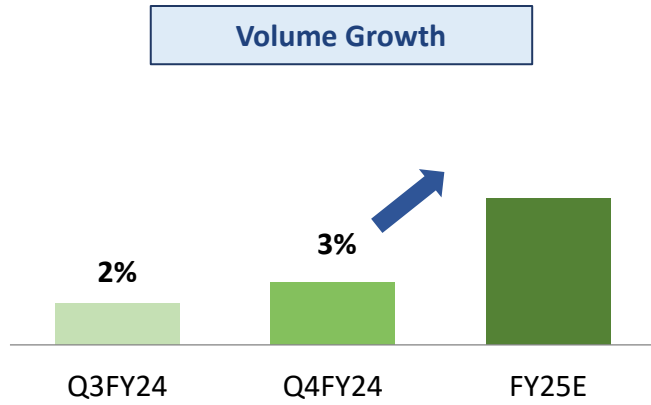
In-store visibility & rural demand generation



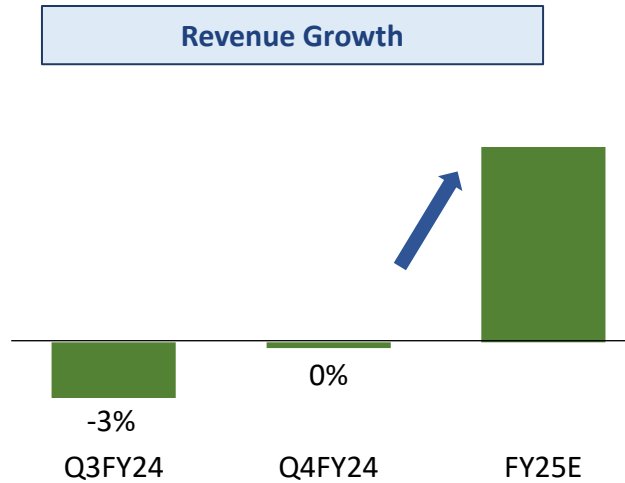
# Looking ahead: Setting up for robust revenue-led earnings growth in the near & medium term

## India Business – Aiming for visible improvement

### Volume Growth

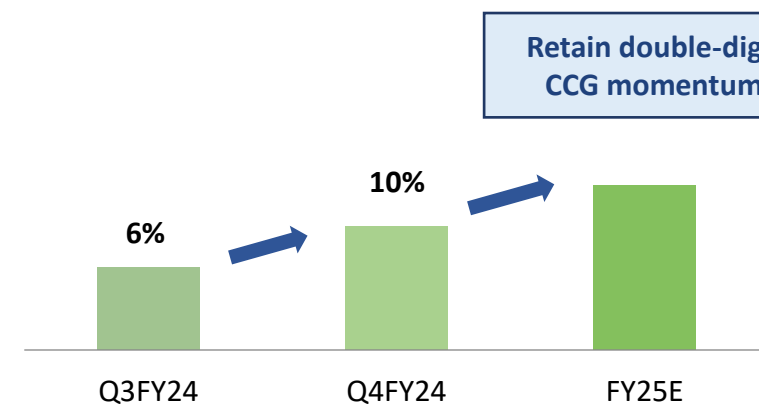


### Revenue Growth



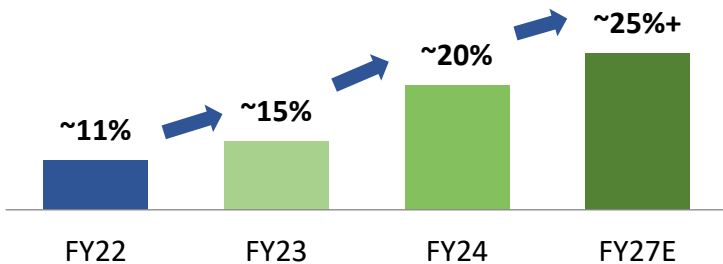
## International Business (CCG) - Going Strong

### Retain double-digit CCG momentum



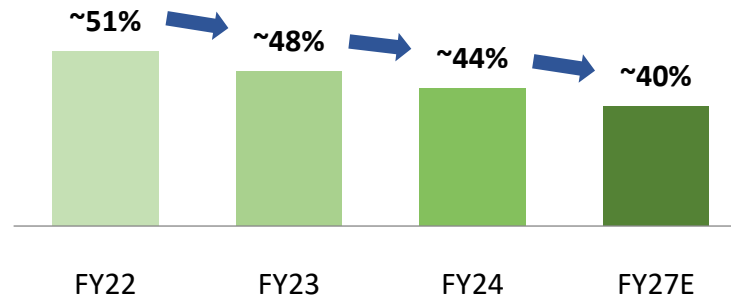
## India Business – Robust Diversification Journey

### Foods & Premium Personal Care - Revenue Share(%)



## International Business – Reducing Bangladesh Share

### Bangladesh Revenue Share in International Business (%)



Domestic revenue growth to trend higher with pricing & volume growth gradually picking up; Aggressive diversification to continue

Bangladesh to continue growing in double digits; MENA & South Africa scaling up – broad basing of the business in progress

## Macro Overview

4



## Performance Highlights

6



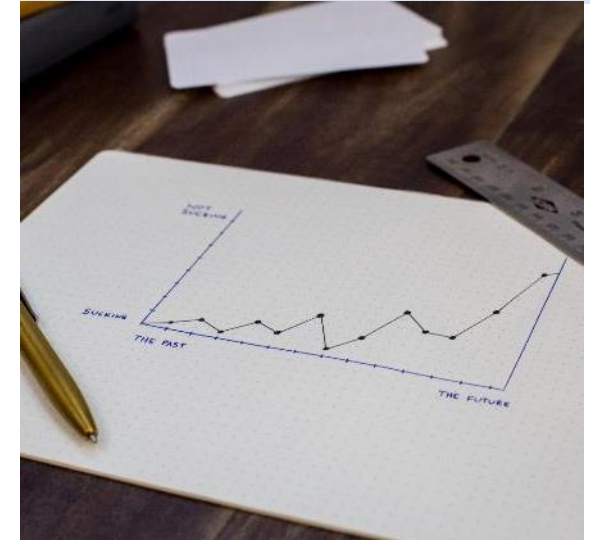
## Outlook

13



## Financials

20



# Consolidated Profit & Loss Statement

(in ₹ cr.)						
Particulars	Q4FY24	Q4FY23	Change (%)	FY24	FY23	Change (%)
<b>Revenue from Operations</b>	<b>2,278</b>	<b>2,240</b>	<b>2%</b>	<b>9,653</b>	<b>9,764</b>	<b>-1%</b>
Material Cost	1,103	1,178	-6%	4,748	5,351	-11%
ASP	226	210	8%	952	842	13%
Employee Cost	186	171	9%	743	653	14%
Other Expenses	321	288	11%	1,184	1,108	7%
<b>EBITDA</b>	<b>442</b>	<b>393</b>	<b>12%</b>	<b>2,026</b>	<b>1,810</b>	<b>12%</b>
EBITDA Margin	19.4%	17.5%	186 bps	21.0%	18.5%	245 bps
<b>PBT excl. one-offs</b>	<b>399</b>	<b>373</b>	<b>7%</b>	<b>1,937</b>	<b>1,715</b>	<b>13%</b>
<b>Reported PAT</b>	<b>318</b>	<b>302</b>	<b>5%</b>	<b>1,481</b>	<b>1,302</b>	<b>14%</b>
<b>Recurring PAT</b>	<b>318</b>	<b>280</b>	<b>14%</b>	<b>1,470</b>	<b>1,280</b>	<b>15%</b>

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

Particulars (% of Revenues)	Q4FY24	Q3FY24	Q4FY23	FY24	FY23
<b>Material Cost (Raw + Packaging)</b>	48.4%	48.7%	52.6%	49.2%	54.8%
<b>Advertising &amp; Sales Promotion (ASP)</b>	9.9%	10.2%	9.4%	9.9%	8.6%
<b>Personnel Costs</b>	8.2%	7.8%	7.6%	7.7%	6.7%
<b>Other Expenses</b>	14.1%	12.1%	12.9%	12.3%	11.3%
<b>PBDIT margins</b>	19.4%	21.2%	17.5%	21.0%	18.5%
<b>PBDIT before ASP</b>	29.3%	31.3%	26.9%	30.9%	27.2%

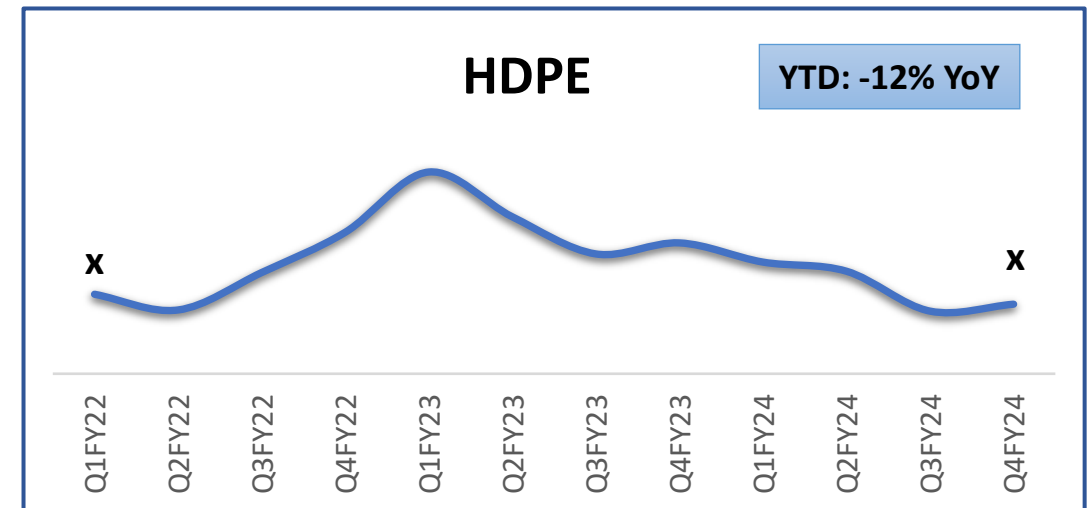
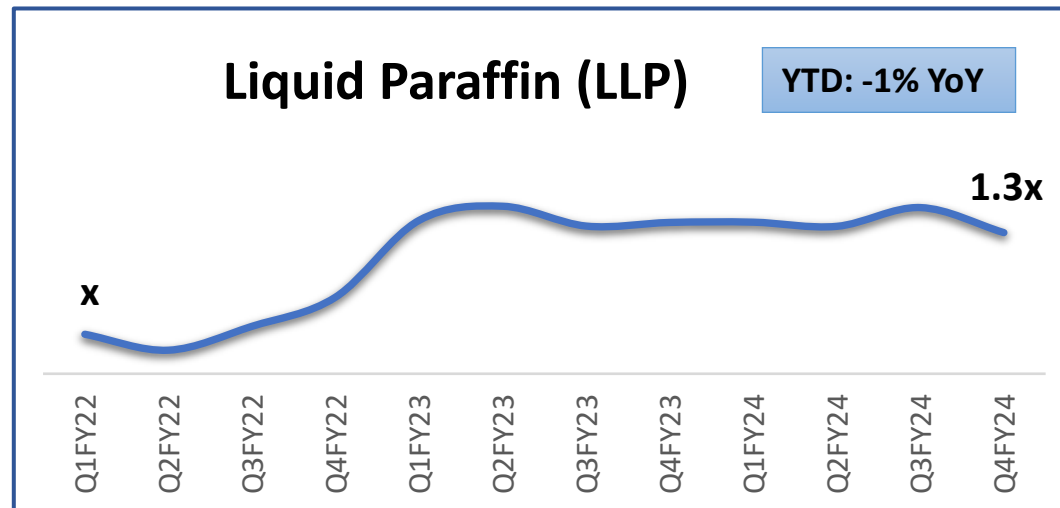
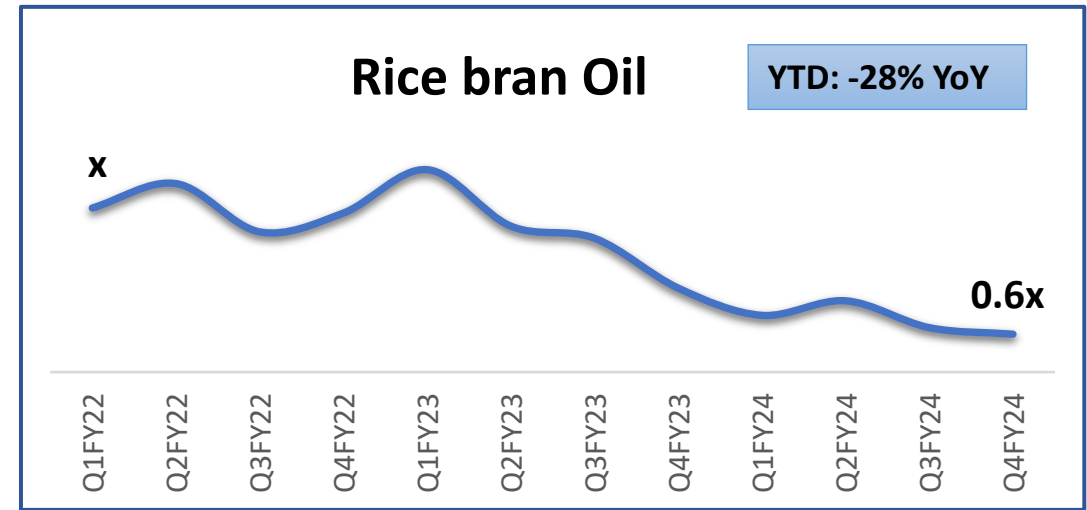
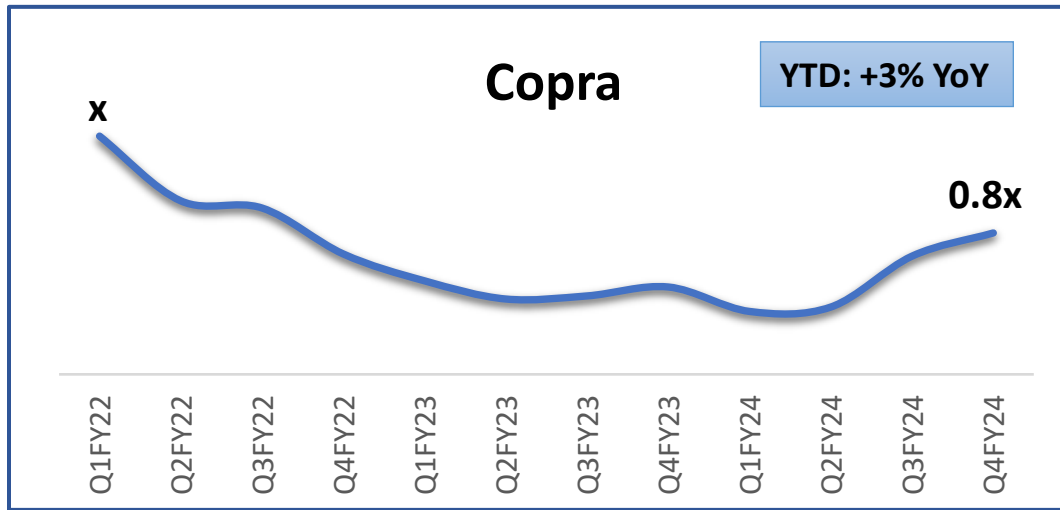


## Annexure 2: Working Capital

Particulars	Q4FY24	Q3FY24
<b>Debtors Turnover (Days)</b>	<b>46</b>	<b>45</b>
<b>Inventory Turnover (Days)</b>	<b>52</b>	<b>48</b>
<b>Net Working Capital (Days)</b>	<b>36</b>	<b>27</b>

**Note: The Company has maintained healthy working capital ratios through the year.**

# Annexure 3: Movement of Key Raw Material Prices



## Annexure 4: Market Shares in Key Categories in the India Business - MAT Mar'24

Franchise	~MS%	Rank
^ Coconut Oil Franchise	63%	1 <sup>st</sup>
^ Parachute Rigids within Coconut Oil	54%	1 <sup>st</sup>
* Saffola Oats	41%	1 <sup>st</sup>
* Value Added Hair Oils	27%	1 <sup>st</sup>
^ Post wash Leave-on Serums	50%	1 <sup>st</sup>
* Hair Gels/Waxes/Creams	52%	1 <sup>st</sup>

^ Volume Market Share    \* Value Market Share

# Annexure 5: ESG Performance Snapshot (Q4 FY24)



## Emissions & Energy

- **80%** reduction in GHG emission intensity (Scope 1+2)
- **67%** Renewable energy share (thermal + electrical)

## Water Stewardship

- **936** farm ponds constructed; **377+ crore liters** of water conservation potential created till date

## Responsible Sourcing

- **75%** critical vendors have completed Level 1 (Educate) of Samyut, Marico's Responsible Sourcing program
- **18%** critical vendors have completed Level 2 (Evaluate)

## Sustainable Coconut

- **0.370 Mn** acreage enrolled covering **101120 farmers** till date
- **17%** improvement in productivity in farms that have completed more than a year under the program

## Social Value Creation

- **>1.5L** trees planted till date under Marico's Afforestation program
- **>750 Marico members** actively engaged in at least one social impact initiative during the year, as part of Marico's "Be the Impact" program

Marico's ESG framework comprises of 8 focus areas – Energy & Emissions, Water stewardship, Circular economy, Responsible sourcing, Brands with purpose, Inclusion and diversity, Sustainable agriculture and Corporate governance. To read the latest updates, please visit Marico's <https://sustainability.marico.com/>



# Annexure 6: Awards and Recognitions



Marico was awarded as the **Best Employer of India - 2023-24**, by **Kincentric**



Marico has been recognised as the **"Most Consumer Centric Brand of the Year"** at the **3rd Smart CX Summit & Awards 2024**.



Marico has been recognized as one of the **Best Managed Companies India 2023** by **Deloitte, India**



Marico is honoured to be recognized yet again, in the **'LEADERSHIP'** category at the annual assessment in the **Indian Corporate Governance Scorecard for 2023** by **IiAS**



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

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

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

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[www.true-elements.com](http://www.true-elements.com)

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

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

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# Thank You

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