Marico – Information Update for Q4FY20 (Quarter ended March 31, 2020)

Executive Summary: Consolidated Results

Particulars (INR Cr)	Q4FY20	Growth	FY20	Growth
Revenue from Operations	1,496	-7%	7,315	0%
EBITDA	282	-4%	1,469	11%
EBITDA Margin (%)	18.9%	Up 58 bps	20.1%	Up 200 bps
Profit After Tax (excluding one-offs)	204	-3%	1,043	13%
India Volume Growth (%)		-3%		1%
Overall Volume Growth (%)		-4%		2%
International Constant Currency Growth (%)		-6%		5%

In Q4FY20, Revenue from Operations was at INR 1,496 crores (USD 206 million), down 7% YoY. The India business recorded a volume decline of 3%, vastly affected by disruptions in the last fortnight of March, due to lockdowns initially enforced in some states and eventually all over the country, to contain the outbreak of COVID-19 in India. But for this disruption, the business would have delivered low to mid single digit volume growth during the quarter. In the last week of March, the Company was able to record sales largely in the Saffola Oils and Foods portfolio. The India business managed to post low-single digit volume growth in secondary sales in the quarter.

The Company witnessed some encouraging signs in demand in its core portfolios until early March, which sharply diminished as economic activity progressively slowed and adherence to social distancing norms became an imperative. Stress in personal care categories, heightened during this period. In contrast, foods and allied categories, which were growing healthily earlier as well, gained disproportionately with households stocking up these items in the days leading to the lockdown. While overall category growth rates stayed muted, Marico's core brands continued to gain market shares on a MAT basis. Challenges for the traditional channel in rural and urban mounted during the quarter, while Modern Trade and E-Commerce grew healthily and gained higher salience in the India business.

With COVID-19 turning into a pandemic, the overseas geographies were also impacted in varying degrees. The International business declined by 6% in constant currency terms with MENA and South Africa businesses posting sharp drops, while Bangladesh and Vietnam still ended in the green, given relatively limited restrictions imposed in these regions in the month of March.

While EBITDA was down 4% YoY, gross margins improved marginally by 22 bps, due to the unfavorable portfolio mix in the India business. PAT stood at INR 204 cr., down 3% YoY on a like-to-like basis.

Other highlights relating to the performance are as follows:

- **Parachute Rigids** declined by 8% in volume terms, primarily impacted by the disruption in supply chain operations in March leading to negligible sales in the last week. The brand had posted low-single digit volume growth in the first two months of the quarter, as impending pricing corrections and consumer promotions hit the retail shelves from the beginning of the quarter. The brand continued to log volume market share gains in excess of 250 bps during the quarter and on a MAT basis.
- **Value Added Hair Oils** declined by 11% in volume terms, as primary sales plummeted in the second half of March with cessation of sales in last week. However, there was a modest decline in secondary volumes during the quarter. The franchise consolidated its volume market share at 35% (MAT Mar' 20).
- **Saffola Edible Oils** posted a robust 25% volume growth, continuing its healthy run through the year, coupled with the upsurge in demand for essential items prior to the lockdown.
- **Foods** grew by 22% in value terms, led by the **Oats portfolio,** as its value market share jumped 354 bps to 33% in the Oats category (MAT Mar'20).
- **Premium Hair Nourishment and Male Grooming** declined by 19% and 9% in volume terms respectively, as discretionary personal care portfolios lost favour during the lockdown.
- In the International business, **Bangladesh** and **Vietnam** grew 6% and 1% (in cc terms) respectively. Prior to the COVID-19 led impact, Bangladesh and Vietnam were trending towards posting double digit and mid-single digit constant currency growth respectively. **MENA** and **South Africa** declined by 50% and 26% (in cc terms) respectively. However, secondary sales in the Middle East witnessed a mid-single digit decline.
- **A&P spends in Q4FY20 stood at 8.4% of sales, down 109 bps YoY,** largely due to high spends on new products in the base quarter and rationalization of spends on discretionary segments of the portfolio. The Company continued to invest in the core.

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Summary of value growth across Businesses:

Categories/Businesses	Q4FY20	FY20	Share of Group's FY20 Turnover
FMCG Business	-7%	0%	
India	-8%	-2%	77%
International	-5%	5%	23%

Market Shares in Key Categories in the India Business - Basis Moving Annual Total (MAT) – Mar'20

Brand & Territory	~MS%	Rank	Brand & Territory	~MS%	Rank
^Coconut Oils	62%	1st	^Value Added Hair Oils	35%	1st
^Saffola – Super Premium Refined Oils in Consumer Packs	76%	1st	^Post wash Leave-on Serums	65%	1st
*Saffola Oats	33%	2nd	*Hair Gels/Waxes/Creams	59%	1st

^Volume Market Share ***Value Market Share**

India Business

The domestic business delivered a turnover of INR 1,146 crore (USD 158 million), down 8% on a year-on-year basis, impacted by the disruption in supply chain operations due to lockdowns enforced in the month of March to contain the outbreak of COVID-19. The business would have delivered flattish revenue growth in the quarter, had these disruptions not occurred. The operating margin improved to 22.8% in Q4FY20 as against 21.5% in Q4FY19 despite an unfavorable portfolio mix, partly due to rationalized A&P spends and tighter cost controls. The Company would aim to maintain EBITDA margins at 20% plus in the India business over the medium term.

The table below summarizes volume and value growths across key segments:

Categories	Q4FY20		FY20		% of FY20 India Business Turnover
	Value Growth	Volume Growth	Value Growth	Volume Growth	
Parachute Coconut Oil (Rigid packs)	-12%	-8%	-2%	0%	38%
Value Added Hair Oils	-18%	-11%	-7%	-2%	24%
Saffola (Refined Edible Oils)	25%	25%	12%	9%	20%

Coconut Oil: Pricing Interventions Connect; Healthy Market Share Gains Continue

Parachute Rigids declined by 8% in volume terms, severely impacted by the lockdown-led disruptions in March. As a result, the brand ended with flat volumes for the full year. The brand had posted low-single digit volume growth in the Jan-Feb'20 period on an improved value proposition, as the impending pricing corrections and consumer promotions hit the retail shelves from the beginning of the quarter. The brand strengthened its leadership position with a gain of 268 bps in volume market share (MAT Mar' 20). Overall, the volume market share of the Coconut Oil franchise (includes Nihar Naturals and Oil of Malabar) consolidated at 62% (MAT Mar'20).

Of the total coconut oil market, approximately 30-35% in volume terms is unorganised (sold in unbranded loose packs). This component provides headroom for growth to branded players. The Company's flagship brand Parachute, being the market leader, is well placed to capture a significant share of this growth potential on a sustainable basis. The Company operates in a band of gross margin per unit and will take judicious pricing decisions to maintain a sweet spot between volume growth and margins. The Company would continue to exercise a bias for franchise expansion as long as margins remain within a band. Towards that end, we will continue to invest behind brand building and tactical inputs to remain competitive. Therefore, given the market construct and brand equity, the Company expects to deliver 5-7% volume CAGR in Parachute Rigids over the medium term.

Saffola: Stellar Growth in Edible Oils; Foods Sustains Steady Growth

Saffola refined edible oils grew by 25% in volume terms on a very strong base, maintaining its healthy run of growth, topped up by households stocking up on food and essential items in the early stages of the COVID-19 outbreak. While the brand posted healthy growth in the traditional channel, higher salience in the new age channels of Modern Trade & Ecommerce enabled it to further outperform through the quarter. The growth was further backed by significant media investments and in-store promoter programs. The brand communication continues to build relevance and drive adoption among its target consumers by re-affirming its superior credentials. The renewed communication appears to have resonated with the consumer and we continue to implement differential packs/pricing/channel strategies in an attempt to maintain a healthy growth trajectory for the brand. The brand registered a healthy 9% volume growth for the full year. Consequently, the brand gained 350 bps in volume market share brand to consolidate its volume market share at ~76% in the Super Premium Refined Edible Oils category (MAT Mar' 20). In FY21, we expect the brand to continue to do well and post a double-digit growth on the back of in-home eating trend and stronger equity of the brand.

The **Foods** franchise posted value growth of 22% in Q4FY20 and 31% in FY20, led by the Saffola Oats franchise. The value market share of **Saffola Masala Oats** strengthened to ~86% in the flavored oats category (Mar'20 MAT), driven by consistent communication and distribution expansion. The brand continued to gain traction in Modern Trade and E-Commerce.

Saffola FITTIFY Gourmet and **Coco Soul** range performed well in the Jan-Feb'20 period. The Company continued the prototype of **Saffola Perfect Nashta** in Modern Trade and select General Trade channels in Delhi and NCR. Given the encouraging response, the prototype was extended to Mumbai during the quarter.

We believe that growth in this category will come through continuous innovation in product and packaging and the Company is taking definitive steps towards the same.

Value Added Hair Oils: Weak quarter due to slump in March end

Value Added Hair Oils was down 11% in volume terms in Q4FY20, as primary sales plummeted in the last fortnight of March. The mid and premium segments of the category continued to underperform. The franchise declined by 2% in volume terms in FY20.

Nihar Naturals Shanti Amla Badam gained 88 bps in volume share (MAT Mar'20) in the Amla Hair Oils category. Among the newer introductions, **Parachute Advansed Aloe Vera Enriched Coconut Hair Oil** and **Hair & Care Dry Fruit Oil**, both now scaled up to a pan-India level, continued to post healthy growth.

The Company franchise gained volume and value market share to consolidate at 35% and ~26% respectively.

In the medium term, the Company aims to revive growth in this franchise by adopting a three-pronged strategy:
a) Continue aggressive participation at the bottom of the pyramid on the back of its leadership position;
b) Accelerate growth in the mid segment through pricing & brand renovation; and
c) Aim to gain market share in the premium segments, where the Company is relatively under-represented, through innovations offering higher order sensorial and functional benefits, and brand building.

Premium Hair Nourishment: Discretionary nature weighs on performance

Premium Hair Nourishment declined by 19% in volumes in Q4FY20. The franchise recorded negligible sales in the last fortnight of March, given the discretionary nature of the portfolio.

Despite the decline in Q4, **Livon Serums** posted high single-digit volume growth in FY20. While the growth in the bottle packs was led by new age channels of Modern Trade and Ecommerce, the 2.5 ml sachet pack (priced at INR 3) played its role as the key trial pack by expanding the brand's reach in General Trade.

With a dominant volume share of **~65%** (MAT Mar'20) in the leave-in conditioners category, the Company continues to focus on innovation and consumer engagement to drive category growth. However, if the lockdown is prolonged, we may revise our strategy for this franchise.

Male Grooming: Being discretionary category, loses favor

The Male Grooming franchise declined by 9% in volumes, mainly due to nearly zero sales in the last fortnight of March. The franchise (ex-deos) grew 5% in volume terms in FY20.

Set Wet consolidated its **55% value market share (MAT Mar'20)** in the styling category. **Set Wet Hair Waxes** continued to gained share in the overall styling segment.

Parachute Advansed Men Hair Cream had a flattish quarter, but sustained momentum in the E-Commerce channel. The Company has planned focused initiatives to accelerate growth of this franchise. Execution will however be contingent upon the duration of lockdown and return to normalcy thereafter.

Premium Skin Care: Defocus in near term; Medium term aspiration intact

Kaya Youth O2 has a presence in General Trade in Mumbai, Pune and Delhi, Modern Trade in the top 8 metros and E-commerce. The beauty advisor program, which was initially rolled out to 70 stores, is emerging as a key driver and has been scaled up to more high potential outlets in the modern trade and self-service channels. The Company will aim to extend this range to build a larger portfolio play over the medium term. However, the Company may lie low in this category in the near term, given that premium personal care will be unable to gain traction in the current environment.

Foray into the Hygiene segment: Mediker Hand Sanitizer and Veggie Clean launched

With the rising consciousness among consumers about personal health and hygiene, the Company introduced Mediker Hand Sanitizer in April'20. The hand sanitizer packs have 70% v/v alcohol content that is sufficient to kill 99.9% germs without water, ensuring effective protection on-the-go from disease-causing germs. We have launched three SKUs – 90 ml, 200 ml, 500 ml for INR 45, INR 100 and INR 250 respectively. Distribution of the range is being ramped up across all channels.

In April'20, the Company also launched Veggie Clean, a first-of-its-kind fruit and vegetable cleaner, made with a unique mix of 100% safe ingredients that removes all the germs, bacteria, chemicals, waxes and soil present on the surface of fruits and vegetables without leaving any residue, aftertaste or smell. This solution does not contain any harmful preservative and is soap-free, chlorine-free as well as alcohol-free. Veggie Clean will be available across Modern Trade and E-commerce channels in two SKUs - 200 ml and 400 ml for INR 149 and INR 289 respectively.

Input Costs and Pricing

During the quarter, the average market price of domestic copra was flat YoY. Other key input prices for the India business - Rice Bran Oil was up 7%, while Liquid Paraffin (LLP) and HDPE were down 3% and 15% respectively, on a YoY basis.

In the current scenario, with a prolonged slowdown in demand looking imminent, raw material costs are expected to be benign except edible oils, which may continue to be firm given higher in-home consumption. The Company will choose to pass on the benefit to consumers and protect & grow volume growth across franchises.

The Company derives comfort and confidence from the pricing power that its brands enjoy. The Company would continue to exercise a bias for franchise expansion as long as margins remain within a band and do not fall below a threshold at the overall business level.

Sales and Distribution

Marico reaches 5.1 million retail outlets, which are serviced by its nationwide distribution network. The Company has continued to expand its direct distribution and now serves over 0.9 million outlets directly. It reaches 58,000 villages through its stockist network.

In order to cope up with the twin challenges of manpower and logistics availability posed by the unprecedented crisis of COVID-19, the Company has identified and nimbly executed a number of innovative GTM approaches. The Company joined forces with Zomato and Swiggy to use their platforms for direct delivery to customers. Post enforcement of complete lockdown, a tele-caller facility was set up to directly reach ~80K top retail outlets in the country and take orders from them. In order to ensure uninterrupted supplies to retailers, the Company tied up with start-ups like Porter, Delhivery etc. The Company also introduced a direct to home delivery portal for consumers in select metro cities. This has been critical in ensuring business continuity during the crisis.

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Markets/Distribution Channels

General Trade sales in urban and rural were down 12% and 15% in volume terms, respectively, after witnessing better trends in the Jan-Feb'20 period. During the quarter, Modern Trade grew by 44%, while E-Commerce grew 29%. Pantry loading by households in the days leading up to the lockdown also provided a fillip to Modern Trade sales. Urban, including the alternate channels, grew 4%. Specific measures with respect to price management and SKU assortment initiated in the last quarter, to ensure harmonious growth among traditional and alternate channels, showed positive results. CSD (7% of sales) declined by 18%, as CSD suspended operations in the last week of March-20.

In FY20, urban and rural sales were down 8% and 3%, in volume terms, respectively. Rural contributed to 31% of domestic sales. Modern Trade grew by 27%, while E-Commerce grew 43%. Urban, including the alternate channels, grew 2%. Modern Trade and E-commerce contributed to 17% and 5% of the India business respectively. CSD (7% of sales) grew by 6%.

International Business

The summary of top line performance of the International Business is as under:

Particulars	Q4FY20	FY20
Turnover (INR Crore)	350	1,660
Reported Growth	-5%	5%
Constant Currency Growth	-6%	5%
Exchange Rate impact	1%	0%

Marico's International business declined by 6% in Q4FY20 in constant currency terms, due to consumption slowdown and COVID-19 led restrictions affecting growth in the overseas markets. The operating margin in the international business stood at 18.0% in Q4FY20 vs 19.1% in Q4FY19 due to a significant uptick in A&P spends on new launches. In FY20, the business delivered 5% constant currency growth. The revenue contribution from new products in FY20 jumped to ~5% in FY20 from ~2% in FY19. The operating margin for the FY20 stood at 21.5%. The Company aims to maintain international operating margin at circa 20% over the medium term.

Market Shares in Key International Markets - Basis Moving Annual Total (MAT) – Mar'20

Brand & Territory	~MS%	Rank	Brand & Territory	~MS%	Rank
^Parachute Coconut Oil (Bangladesh)	82%	1st	^Value Added Hair Oils (Bangladesh)	23%	2nd
*X-Men Male Deodorants (Vietnam)	31%	2nd	*X-Men Male Shampoo (Vietnam)	37%	1st

^Volume Market Share ****Value Market Share***

Bangladesh (49% of the International Business)

The business in Bangladesh grew by 6% in Q4FY20 in constant currency terms, despite the enforcement of a lockdown in the country in the last week of March'20. In FY20, the business grew 12% in constant currency terms.

Parachute Coconut Oil declined by 6% in constant currency terms in Q4FY20. However, the franchise posted 5% constant currency growth in FY20. With the category having matured in this market, the Company expect to grow this franchise in mid-single digits on a constant currency basis over the medium-term on the back of its dominant market share, distributive strength and consumption growth.

The non-Coconut oil portfolio in Bangladesh grew by 26% and 29% in Q4FY20 and FY20, respectively, in constant currency terms. Consequent to the consistent high double digit growth in Value Added Hair Oils, the Company retained market leadership in value terms on MAT basis and also attained leadership in volume terms on P3M (past 3 months) basis.

For supporting the needs of health and hygiene, Marico Bangladesh launched **Mediker SafeLife Hand Sanitizer** and **Hand Wash**, bringing Mediker's international expertise in care and protection to the country.

The initial response to the recent launches - baby care range (Parachute Just for Baby), Male Grooming Range (Studio X) and Olive Oil (Parachute Skinpure), has been positive.

The non-Coconut Oil portfolio in Bangladesh constitutes over ~30% of the total business in Bangladesh. The Company will leverage its strong distribution network and learnings from the India market to quickly scale up its new product introductions in Bangladesh. With this, the contribution of the non-coconut oil portfolio is likely to exceed 35% by FY22. We remain confident of delivering double-digit constant currency growth in this geography over the medium term. The healthy macro indicators also provide the required thrust for growth. In FY21, however, the macro headwinds may indicate a higher single digit CCG.

South East Asia (26% of the International Business)

The South East Asia business grew by 5% in Q4FY20 in constant currency terms, due to limited COVID 19 –led restrictions in the region. The business grew 4% in FY20 in constant currency terms.

Vietnam posted growth of 1% in constant currency terms as the Home and Personal Care (HPC) segment had a flat quarter. The Foods portfolio managed to post decent growth. The business delivered 5% constant currency growth in FY20. The Company has initiated an aggressive cost management program which will enable resource generation for brand building.

To serve the pressing hygiene needs of its consumers, the Company launched **X-Men Go Hand Sanitizer**, a cleansing gel that gives 99% protection, in a convenient pack size for men to carry on the go. Launched in April, the product has been made available in both General and Modern Trade.

We expect to deliver steady constant currency growth in this geography over the medium term. In FY21, we expect normalcy to return faster compared to other regions due to well-implemented safety measures by the local government.

Middle East and North Africa (MENA) (12% of the International Business)

The MENA business declined by 50% in constant currency terms. Secondary sales in the Middle East witnessed a mid-single digit decline. However, stoppage of supply chain in the last few days in March led to a severe impact on primary sales leading to a constant currency decline of 52%. The business has recovered in April and we hope normalcy will return by end-Q1FY21. In Egypt, we were tracking well in the first two months. However, the COVID outbreak impacted volumes severely in March given that our portfolio is discretionary in nature. Coupled with some destocking at distributor level to manage credit, this led to a significant 42% decline in constant currency terms. We remain cautious about Egypt at this stage and will be aggressive on cost management to give the business a fighting chance to survive and thrive.

South Africa (7% of the International Business)

The South Africa business declined by 26% in constant currency terms, due to continued macro headwinds coupled with social distancing and other restrictions enforced to contain the outbreak of COVID-19 in the region. In Q4FY20, the Company has recognized an impairment loss of INR 10 Crores towards Goodwill arising out of South African Hair styling brand ISOPlus, which was acquired in 2017. The same is disclosed under 'Exceptional items' in the Consolidated Statement of Profit and Loss.

The macros in the region continue to be weak. We expect some revival in this business over the medium term on the back of a pipeline of new products.

New Country Development & Exports (6% of the International Business)

With expansion in adjacent markets such as Nepal and Bhutan, exports to diaspora and other markets generated revenues of nearly USD 14 million in FY20. The business grew by 2% in constant currency terms during the quarter, to close with a 33% constant currency growth in FY20. The Company remains positive on the future prospects of this business, as it incubates new geographies to expand its franchise. Early signs of easing of cross-border supply chain makes us confident of reviving growth in FY21.

Note: The country wise contribution to International Business revenue is based on FY20 turnover.

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Operating Margin Structure for Marico Limited (Consolidated)

% to Revenues	Q4FY20	Q3FY20	Q4FY19	FY20	FY19
Material Cost (Raw + Packaging)	50.7	50.9	51.0	51.2	54.8
Advertising & Sales Promotion (ASP)	8.4	10.1	9.5	9.9	9.0
Personnel Costs	7.2	6.4	7.3	6.5	6.4
Other Expenses	14.8	12.2	14.0	12.2	11.8
PBDIT margins	18.9	20.4	18.3	20.1	18.1
PBDIT before ASP	27.3	30.6	27.8	30.0	27.1

(a) In Q4FY20, the average market price of domestic copra was flat on a Y-o-Y basis. Rice Bran Oil was up 7%, while Liquid Paraffin (LLP) and HDPE prices were down 3% and 15% respectively. The consumption prices may differ from market prices depending on the stock positions the Company has taken.

(b) A&P spends, was at 8.4% of sales in Q4FY20, down 18% on a YoY basis.

(c) Other Expenses (includes certain items which are variable in nature) was down 2% YoY. Other expenses is likely to remain in the range of 11-13% of turnover in the medium term.

Other Expenses	Q4FY20	Q4FY19	% variation	FY20	FY19	% variation
Fixed	76	79	-4%	273	258	6%
Variable	145	146	-1%	623	608	2%
Total	**221**	**225**	**-2%**	**896**	**866**	**3%**

Capital Expenditure and Depreciation

The estimated capital expenditure in FY21 is likely to be around INR 125–150 crore (USD 17-20 million). Depreciation during Q4FY20 was INR 38 crore vs 39 crore in Q4FY19.

Direct Taxation

The ETR for FY20 was 24.1%. It should be noted that this tax rate is basis the accounting charge in the P&L account.

In view of the recent changes in the corporate tax rates, the Company will continue to recognize tax expense after availing the exemptions/deductions as per the existing provisions of the Income Tax Act and not opt for the revised rate structure. However, from a cash flow point of view, the Company will utilize MAT credit accumulated over the years. The current MAT credit stands at INR 133 crores as of 31st March, 2020.

Impact of Ind AS-116

Ind AS-116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognizes depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion. The accounting treatment has no impact on the actual cash flows of a Company.

In order to facilitate a like-to-like comparison, Marico has restated the financials for the comparative quarters as reported in the statutory disclosures, including the last financial year (FY19). **As per the restated financials, EBITDA margin stands revised upwards by 60-100 bps in the reported periods.**

The impact of Ind AS 116 on the Company's consolidated financial statements for the reported periods is as under:

(in INR crores)	Q4 FY20	Q4 FY19	FY20	FY 19
Increase in Depreciation and Amortization expense	9	10	37	35
Reduction in Other Expenses	(15)	(11)	(50)	(45)
Increase in Interest Cost	4	4	16	16
Increase in EBITDA	15	11	50	45

Capital Utilization (Marico Consolidated)

Given below is a snapshot of various capital efficiency ratios for Marico:

Ratio	FY20	FY19
Return on Capital Employed (%)	42.4	42.0
Return on Net Worth (%)	34.0	33.7
Working Capital Ratios (Group)		
- Debtors Turnover (Days)	26	21
- Inventory Turnover (Days)	70	73
- Net Working Capital (Days)	37	38
Debt: Equity (Group)	0.11	0.12
Finance Costs to Turnover (%) (Group)	0.7	0.5

1. The variation in ratios is due to:
    a) Lower inventory turnover was on account of benign input costs and lower buildup of raw materials.
    b) Higher receivables turnover was due to increase in revenue contribution from MT and E-Commerce, higher receivables from CSD and selective extension of credit periods in GT due to the liquidity stress and also to support our channel partners during lockdown. In the near term, we expect the receivable days to remain at higher levels although we do not expect any bad debt risks.
    c) However, net working capital was lower due to higher payables, on account of supply chain financing initiatives.
2. The Net Debt position of the Marico Group as of March 31, 2020 is as below:

Particulars (INR Crores)	Mar 31, 2020	Dec 31, 2019	Mar 31, 2019
Gross Debt	340	342	347
Cash/Cash Equivalents and Investments (Marico India: INR 765 Crore & Marico International: INR 182 Crore)	947	1,517	960
Net Debt/(Surplus)	**(607)**	**(1,175)**	**(613)**
Foreign Currency Denominated out of the total gross debt	230	249	219
Foreign Currency Debt as a % age of Gross Debt	68%	73%	63%
Rupee Debt out of the total gross debt	110	93	128
Total Debt Payable within One year	328	329	333
Average Cost of Debt (%) : Pre tax	3.8%	4.2%	4.8%

The Company may roll over some of the loans when they fall due during the year or redeem investments for repayment. Marico has adequate cash flows to maintain healthy debt service coverage.

3. During the current year, the Company continues to generate steady cash. The net surplus of the Group as at March 31, 2020 was about **INR 607 Crore** (Gross debt of INR 340 Cr. & Gross Investments of INR 947 Cr). The future growth strategy is anchored primarily in healthy organic growth. While the Company is open to strategic acquisitions, the leverage ratios are comfortable. The overall dividend payout ratio in FY20 stood at **96**% of the consolidated profit after tax (excluding one-offs). While dividend payout in the next year will be contingent upon the profit levels, the Company will most likely maintain a 75-80% pay-out ratio.

Sustainability

Sustainability is a long-term commitment and the way of life at Marico. We continue to play our role as a responsible corporate with strong focus on environmental stewardship and driving social progress initiatives. During the year, we demonstrated steady progress and success through several initiatives and programs that were rolled out to create a sustainable ecosystem.

Responding to the climate change challenge, we have taken very specific and focused efforts to enhance the renewable energy share in our operations, which stands at 79.5% as on FY2019-20. During this financial year, one of Marico manufacturing units was certified as "carbon neutral" and also achieved GreenCo "Platinum" rating, a testimony of our efforts on climate action.

Taking our fight forward to tackle environment and social nuance created by plastic waste, under "UpCycle" program, we completed several successful trails to use recycled plastic. Implementation process is underway to completely phase-out the use of PVC in our product packaging before end of next year. Also in-line with Plastic Waste Management (Rules) 2018, Marico completed its Extended Producers Responsibility (EPR) commitment for FY2020 to collect and effectively dispose 50% of post-consumer multi-layer packaging waste.

As part of the "Parachute Kalpavriksha" program to create long lasting impact on farming community, we enrolled 9,550 farmers during FY2019-20. The cumulative farmer enrolment under the program, since inception stands at 20,417 farmers covering over 1.28 lakh acres of coconut farms.

In our pursuit to ensure water security and availability, under "Jalashay" initiative we created 640 million litres of additional water harvest potential in 2019-20, which is equivalent to 3.2 times the water footprint in our operations. We completed construction of 95 additional farm ponds in the State of Tamil Nadu and Puducherry (Union Territory) and de-silting activity of 77 water bodies in the State of Maharashtra.

Expanding our sustainability vision to value-chain partners, we have made steady progress on our responsible sourcing initiative under "SAMYUT". During the year, we completed certification of nearly 61% of our critical raw material and packaging material suppliers and plan to cover the remaining critical value chain partners in the next year.

Marico's sustainability efforts are in-line with its purpose statement to 'Make a Difference' and we constantly lookout for ideas to put this into practice in responsible ways.

Marico United Against COVID

The COVID-19 outbreak has been especially harsh on certain sections of the society who have been the worst affected in this crisis either due to employment loss or unavailability of the daily necessities. In addition, there are also members of our society in essential services who are fighting at the forefront round the clock. In partnership with various government agencies, Marico is providing meals for migrant labourers, the police force, health-workers, and the disadvantaged and elderly during this time. The Company is working with CII and FICCI under the able guidance of the Ministry of Consumer Affairs and other Government authorities for this initiative. We have managed to deliver over 188,750 cooked meals till date, in addition to distribution of 443,916 mini meals servings (majorly Saffola Oats, Fittify Soup) and supply of Saffola Edible Oils sufficient for 669,125 meals in community kitchens. We have partnered with GiveIndia to deliver these cooked meals and are working towards an ambitious target to provide 10 lakh meals across the country.

As a responsible corporate citizen, we have made a contribution to PM Cares Fund to help the government fight this pandemic. Safeguarding the lives of those who are fighting the battle on-ground, we have donated safety and hygiene kits to primary healthcare workers, the police force and emergency services staff.

Innovation is at the core of Marico and to support our medical infrastructure, Marico Innovation Foundation (MIF) has launched a unique, nationwide platform called #Innovate2BeatCOVID. Grants worth INR 2.5 Crore will be given to the most impactful innovations.

Most of the manufacturing units have now opened up, based on the Government Orders/advisories to ensure continued supplies of essential food and groceries to the consumers. Apart from securing our people on the ground with personal protective equipment, all our distributor salespersons are covered under insurance for COVID-19 related treatment. They will also be given extra monetary help under "COVID Assistance". Marico members have together created a fund through voluntary member contributions aided with equivalent contribution from Marico Limited. The fund will be allocated to help the front line teams of our business partners who are working on-ground ensuring the availability of essential Marico products to consumers.

The Company is working with other FMCG companies to implement the "Suraksha Stores" initiative. We will help neighborhood stores in adopted geographies to ensure safety and hygiene practices, thereby making such stores a safer place for consumers to shop.

Marico Bangladesh supported the government's efforts in the fight against Covid-19 with contribution to the Prime Minister's Relief and Welfare Fund and launched Mediker SafeLife hand sanitizer and hand-wash. Any profit generated from the sales of the sanitizers and hand wash for a period of six months, will be contributed towards the Prime Minister's Relief Fund, Bangladesh.

Marico – Information Update for Q4FY20 (Quarter ended March 31, 2020)

Awards and Certifications

- Nihar Naturals Shanti Amla Badam and Nihar Naturals Coconut Hair Oil won the Bronze award in the Sustainable Success (Products) Category and Regional Category respectively at EFFIE India 2020.
- Parachute featured among the 'The Economic Times Brand Equity 100 Most Trusted Brands 2020'.
- Marico's Perundurai unit has been certified as "Carbon Neutral" facility by DNV GL Assurance India Pvt. Ltd and received the Platinum rating as per GreenCo Rating System by CII-Godrej Green Business Centre.
- Set Wet bagged the Silver award for integration in "Dabangg 3" as its style partner at Exchange4media Primetime Awards.
- Livon won the Silver award for Best Use of Influencers at Kaleido Awards 2020.

Corporate Events

- The Board at its meeting held on March 06, 2020 appointed Mr. Kanwar Bir Singh Anand as an Additional Director (Independent) for a term of 5 years with effect from April 1, 2020. The appointment is subject to approval of the Shareholders at a general meeting.

Marico's Growth Philosophy

Over the medium term, Marico aspires to be an admired emerging market MNC with leadership in the core categories of leave-in hair nourishment, foods and male styling in the following regions – South Asia, South East Asia, Middle East and North Africa and South Africa. Marico plans to meet this aspiration by seeking to win amongst consumers, trade and talent. The Company has identified the following key strategic drivers for achieving this goal - grow the core, build new engines of growth, premiumise the play and commitment to sustainability. Further, we have identified the five key enablers for executing this strategy and will strive to develop top quartile capability in these areas namely, Innovation, Go to Market transformation, Talent & Culture, Digital, Analytics & Automation and Cost Management.

This strategy will be executed synergistically under the 'One Marico' umbrella. As the Company scales up, it has to maintain a delicate balance between entrepreneurial way of working while continuing to strengthen governance and processes. The Company's focus will be on creating winning brands, winning culture and a winning talent pool to create a virtuous cycle of great talent and an enabling culture driving innovation driven growth.

The COVID outbreak and consequent changes in consumer behavior and their preferences creates new possibilities – new categories and new sales channels. The Company will put together a strategy to leverage these trends and create a sustainable advantage for itself.

Near Term / Medium Term Outlook

Marico India

- In FY20, the India business delivered a volume growth of 1%, amidst a tough consumption environment, especially in rural, with acute liquidity stress crippling the traditional trade channel, fall in overall discretionary spending, delay in pricing interventions in the Parachute Coconut Oil, underperformance of mid and premium segments of Value Added Hair Oils, and lastly, the unprecedented COVID-19 led disruption in the last fortnight of March.
- With the first quarter of FY21 starting on a considerably bleak note due to the extended period of lockdown, it is difficult to set an aspiration for FY21, until more clarity emerges in Q2.
- In the current environment, we are focusing on movement of food and grocery items of daily use to the consumers, subject to necessary approvals from local Government authorities, and taking all possible efforts, including use of alternative last-mile logistical options, introduction of direct to home delivery portal for consumers in select cities and partnering with food aggregators, to ensure uninterrupted supplies of essential products to our customers across all channels (General Trade, Modern Trade and E-Commerce) within the existing constraints.
- In the near term, the Company will channelize its energies towards the following:
    - As consumers are likely to be more value-seeking during this economic downturn, consumer-advantaged pricing and small packs will be a key focus.

 For further information / clarification, contact Marico on Tel (91-22) 6648 0480, E-mail: investor@marico.com

- Enhancing the value proposition of recruitment packs in **Coconut Oil**, thereby hastening the conversion from loose to the branded fold in this scenario.
- Continue aggressive strategies in the bottom of pyramid segment of **Value Added Hair Oils** to garner volume growth and market share gains.
- Scaling up availability and distribution of **Saffola Edible Oils**, leveraging the strong equity of the brand, especially given the rising consciousness towards health and wellness and high incidence of in-home cooking.
- With a near cessation of out-of-home consumption and increasing in-home savoury meals consumption, focus on broad-basing of the **Foods portfolio** through innovation to serve the evolving consumer needs.
- Drive low-unit price point packs in **Male Grooming** and **Premium Hair Nourishment**, given the significant reduction in personal care occasions.
- In view of the heightened need of hygiene and sanitization among consumers, the Company has launched Mediker Hand Sanitizer and Veggie Clean in India during the quarter and will further broaden its play in the Hygiene segment for long term sustainability in performance.
- With further acceleration in online shopping and online media consumption, the Company will continue to aggressively push for growth of the E-Commerce business. E-Commerce contributed more than 5% of India sales in FY20.
- Given the perceptible shifts in consumer behaviour during this crisis, the Company will prioritise investments in Foods and Hygiene over Premium Personal Care categories.
- While there may be no change in the manufacturing strategy, the company may relook at its stocking points and filling locations, in some cases, to improve agility and execution in this environment.

- The Company will take a step back from premiumisation initiatives in the short term, while preparatory work in terms of R&D and proposition building will continue behind the scenes. We remain committed to delivering volume-driven growth, by strengthening the franchise in the core categories and driving premiumisation across the newer categories of Foods, Male Grooming, Skin Care and Premium Hair Nourishment.
- **Parachute Rigids** had a flat FY20. Given the market construct and strengthening brand equity, the Company expects to grow volumes in the range of 5-7% over the medium term.
- **Value Added Hair Oils** has posted 2% volume decline in FY20. The Company aims to revive volume growth in this franchise in the near term with focused pricing and marketing initiatives, innovation, driving premiumisation, scale-up of new launches and active participation in the bottom of the pyramid segment.
- **Saffola Edible Oils** volumes grew by 9% in FY20. The brand appears to have charted a sustainable growth path after a variety of channel/pricing/promotion measures taken over the last 18 months. We aim to sustain high single digit volume growth over the medium term in this franchise.
- **Foods** grew 31% in value terms in FY20. The Company will continue to innovate and broad-base its play in this category, thereby maintaining 20% plus CAGR over the medium term.
- We aim to build **Premium Hair Nourishment**, **Male Grooming and Skin Care** into growth engines of the future and expect to deliver value growth of 20% plus CAGR over the medium term in these portfolios. Though, in the near term, our expectations remain soft.
- The Company's medium-term **Go-To-Market (GTM) strategy** will be focused on improving the width and depth of its distribution. The Company is investing behind upgrading its distribution infrastructure in urban GT to ensure profitability of channel partners. Renewed efforts towards enhancing reach in salons, pharmacy chains, cosmetics and specialty food outlets will be an area of focus. The Company is also augmenting direct reach in rural markets through expansion of its stockist network. The Company aims to ensure sustainable, harmonious and incremental growth in General Trade, Modern Trade and E-commerce through specific price and SKU management measures. Aggressive growths in E-Commerce and newer GTM models (mentioned in the note on 'Sales and Distribution' on Page 4) are bound to change the way the Company interacts with retailers and consumers.

- The Company is focusing on **Digital initiatives** in a big way to improve consumer engagement, drive sales through E-commerce for internet-savvy consumers and build Data Analytics capabilities. Investment in Zed Lifestyle (who owns Beardo) is likely to enhance the capability in E-commerce and salons over the medium-term.
- We will endeavor to maintain the EBITDA margins at c.20% levels in FY21, by judiciously balancing the pricing, A&P spends and overheads amidst a probable subdued consumption environment.

Marico International

- Over the last few years, the company has systematically invested in the core international markets to strengthen both the brands and the organizational capability to handle growth. The Company is confident that the key markets are well-poised to capitalize on the market opportunities.
- Like in case of India, with the first quarter of FY21 starting on a considerably somber note due to the extended period of lockdown, it is difficult to set an aspiration for FY21, until more clarity emerges in Q2.
- The business in **Bangladesh** is likely to continue the momentum as the medium term macro prospects look promising. Therefore, the Company will leverage its distributive strength to further consolidate market shares in the core portfolios, scale up new launches of FY20 and enter into new categories.
- As a market leader, the **Vietnam** business will continue to invest in the male grooming category and excellence in sales and distribution systems. The Company has initiated an aggressive cost management program, which will enable resource generation for brand building. **Myanmar** and the **rest of South East Asia** are growth engines of the future.
- In the **MENA** region, the Company will focus on getting the basics right by judiciously investing behind brands and Go-to-Market initiatives. In the Middle East, the Company will work towards strengthening the Coconut Oils and Hair Oils play. However, Egypt may struggle due to persistent macro headwinds.
- The **South Africa** business has been subdued by macroeconomic headwinds and resultant sluggishness in demand. We are cautious on the near term outlook of the business, but expect to protect the core franchise of ethnic hair care and health care over the medium term.
- The Company will continue to invest in developing new countries and scale the business profitably. In the short term, ably restoring the supply chain will be key.
- We aim to clock an organic broad-based double-digit constant currency growth and maintain operating margins at circa 20% over the medium term.
- With considerable room for organic growth in the business, the Company will only be opportunistic with respect to acquisitions, which may either be immediately value accretive due to operating leverage or enable consolidation of leadership in existing categories.

Overall (India + International)

- While the Company holds its medium term aspiration of delivering 8-10% volume growth and 13-15% revenue growth, the near term is currently unpredictable. The Company will focus on right pricing and availability of goods to the consumer to maneuver through the current crisis.
- We will continue to invest behind brand building to support market growth initiatives in core categories and expansion into adjacent categories. In the near term, the Company will reallocate spends from non-media to media channels. Spends on the digital platforms will continue to rise.
- The Company will continue to drive cost excellence across the organization to extract savings that will be redeployed towards igniting profitable growth and pricing. The Company may also explore aggressive work from home programs to adapt to the more contemporary ways of working.
- In FY21, the Company will strive to maintain the operating margin at FY20 levels. However, company would be comfortable maintaining operating margin at 19% plus over the medium term.

THANK YOU FOR YOUR PATIENT READING

Marico – Information Update for Q4FY20 (Quarter ended March 31, 2020)

Performance of Marico India and Marico International

In accordance with the revised Ind-AS, the Company has organized the business into two categories viz, India & International. Accordingly the Company has reported its segmental results for these categories.

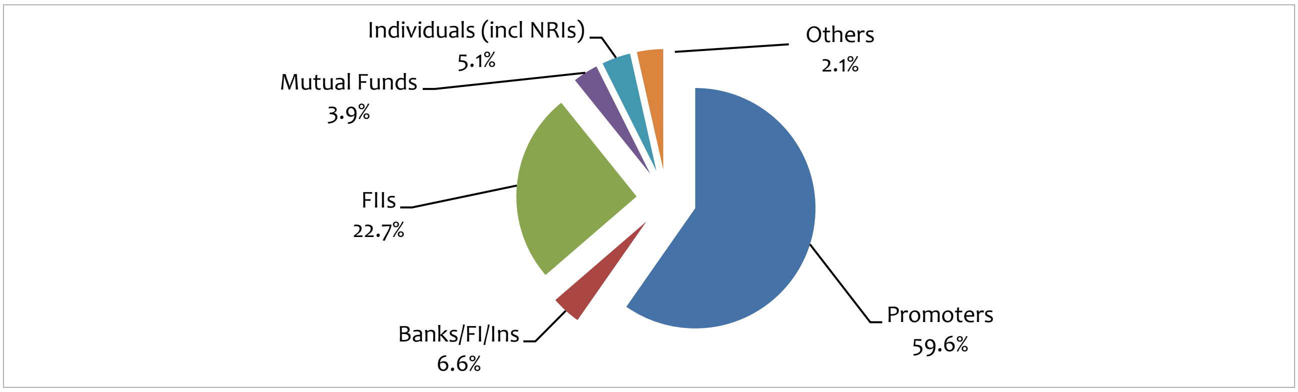
INR Crore

Particulars	Q4FY20	Q4FY19	FY20	FY19
1. Segment Revenue				
i. India	1,146	1,240	5,655	5,756
ii. International	350	369	1,660	1,578
2. Segment Result				
(Profit before Interest and Tax and exceptional items)				
i. India	238	240	1,170	1,075
ii. International	57	60	336	292
3. Segment Result as % of Segment Revenue (PBIT)				
i. India	20.8	19.4	20.7	18.7
ii. International	16.3	16.3	20.2	18.5
3. Capital Employed (Segment Assets - Segment Liabilities)				
i. India	1,432	1,366		
ii. International	733	684		

Note: PBIT pertains to Profit before Interest and Tax directly attributable to both the segments. Corporate taxes, interest income and interest expense are kept unallocated for the purpose of segment reporting. Accordingly, the segment capital employed does not reflect the assets and liabilities corresponding to above income and expenses. Goodwill has been allocated to respective businesses.

Annexure 1-A: Shareholding Pattern

The Shareholding pattern as on March 31, 2020 is as given in the graph below:

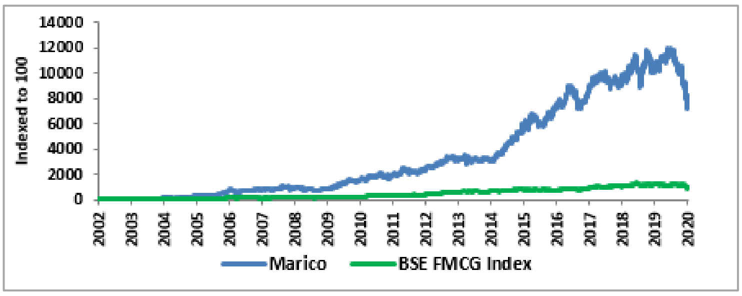


Details of ESOPs as on March 31, 2020:

Details of the Plan	Total Options Granted	Options Forfeited	Options Exercised	Options pending to be exercised
Schemes under the Marico Employee Stock Option Plan, 2016	4,911,050	274,040	73,690	45,63,320

Options pending to be exercised are less than 0.4% of the issued share capital.

Annexure 1-B: Share Performance on the Stock Exchanges



- Marico's long term performance on the exchange vis-a-vis its peer group is depicted in the graph alongside.
- Marico's market capitalization stood at INR 35,480 crore (USD 4.7 billion) on March 31, 2020. The average daily volume on BSE and NSE during Q4FY20 was about 3,027,672 shares.

Marico – Information Update for Q4FY20 (Quarter ended March 31, 2020)

Annexure 1-C: Average Market Prices of Input Materials

(Based on simple average of the daily market prices. Company's actual procurement prices may differ.)

Month	Rs/100KG COCHIN CN OIL	Rs/100KG COPRA CALICUT	Rs/10KG KARDI OIL JALNA*	Rs/10KG RICE BRAN	Rs /LT LIQUID PARAFFIN	Rs / KG HDPE*
Jan-19	16,200	11,500	1,565	597	44	103
Feb-19	16,007	11,379	1,570	600	47	103
Mar-19	14,958	10,508	1,576	596	49	102
Apr-19	14,546	10,214	1,565	591	48	101
May-19	13,477	9,458	1,565	578	47	99
Jun-19	12,967	9,304	1,565	569	46	92
Jul-19	13,156	9,191	1,565	583	44	91
Aug-19	14,580	10,564	1,565	616	45	92
Sep-19	15,013	10,795	1,565	625	44	93
Oct-19	14,567	10,235	1,971	608	44	86
Nov-19	14,590	10,342	1,947	640	44	85
Dec-19	14,802	10,648	2,003	684	46	85
Jan-20	15,056	11,058	2,079	696	46	87
Feb-20	15,272	11,102	1,995	628	45	87
Mar-20	15,481	11,121	1,890	601	44	87
Q4FY20 vs Q4FY19	-3%	0%	27%	7%	-3%	-15%
Q4FY20 vs Q3FY20	4%	7%	1%	0%	2%	2%

*For Kardi Oil Jalna and HDPE, the prices are inclusive of taxes as applicable.

Annexure 1-D: Movements in Maximum Retail Prices (MRP) In Key SKUs

Month	50 ml PCNO	100 ml PCNO	250 ml PCNO	500 ml PCNO	1 Ltr Saffola Total	1 Ltr Saffola Tasty	1 Ltr Saffola Gold	1 Ltr Saffola Active
Jan-19	20	39	105	199	200	135	159	135
Feb-19	20	39	105	199	200	135	159	135
Mar-19	20	39	105	199	200	135	159	135
Apr-19	20	39	105	199	200	135	159	135
May-19	20	39	105	199	200	135	159	135
Jun-19	20	39	105	199	200	135	159	135
Jul-19	20	39	105	199	200	135	159	135
Aug-19	20	39	105	199	200	135	159	125
Sep-19	20	39	105	199	200	135	159	125
Oct-19	20	39	105	199	200	135	159	125
Nov-19	20	39	105	199	200	135	159	125
Dec-19	20	39	105	199	200	135	159	125
Jan-20	20	39	105	199	200	135	159	125
Feb-20	20	39	105	199	200	135	159	125
Mar-20	20	39	105	199	200	135	159	125

Note: Prices of Saffola Tasty are applicable to all regions of India excluding South.

Annexure 1-E: Key Consumer Offers during the Quarter for the India Business

Coconut Oil					
Parachute Rigids	25% extra	175 ml	Feb-Mar	Extra Volume	National
Parachute Rigids	100 ml free	500 ml	Feb	Extra Volume	Key markets
Parachute Rigids	INR 5 off	100 ml	Jan-Feb	Price-off	Key markets
Saffola Edible Oils					
Saffola Total	1 ltr free	5 ltr	Jan-Feb	Extra Volume	National
Saffola Active	1 ltr free	5 ltr	Feb	Extra Volume	National
Foods					
Saffola Oats	400 gm free	1 kg	Jan-Mar	Extra Volume	National
Value Added Hair Oils					
Nihar Naturals	45 ml free	200 ml	Jan-Feb	Extra Volume	National
Nihar Naturals	20 ml free	98 ml	Jan-Feb	Extra Volume	National
Nihar Shanti Amla	12 ml free	78 ml	Jan-Mar	Extra Volume	National
Nihar Shanti Amla	50 ml free	190 ml	Jan-Mar	Extra Volume	National

Annexure 2: PROFILE GIVING BASIC / HISTORICAL INFORMATION

Marico is one of India's leading consumer goods companies operating in the global beauty and wellness space. Marico's Products in Hair care, Skin Care, Health Care and Male Grooming generated a turnover of about INR 73.1 billion (USD 1.03 billion) in 2019-20. Marico markets well-known brands such as Parachute, Saffola, Saffola FITTIFY Gourmet, Hair & Care, Parachute Advansed, Nihar Naturals, Mediker, True Roots, Kaya Youth O2, Coco Soul, Revive, Set Wet, Livon, Fiancée, HairCode, Caivil, Black Chic, Isoplus, Code 10, Ingwe, X-Men, Sedure and Thuan Phat. Atleast 90% of Marico's portfolio of brands occupy leadership positions in their respective categories. Marico's products are present in Bangladesh, other SAARC countries, the Middle East, Egypt, South and Sub-Saharan Africa, Malaysia, Myanmar and Vietnam.

Marico's own manufacturing facilities in India are located at Perundurai, Puducherry, Paonta Sahib, Baddi, Jalgaon, Guwahati and Sanand and are supported by subcontracting units. Marico's subsidiaries, Marico Bangladesh Limited, MEL Consumer Care & Partners (Wind Co.), Marico South East Asia Corporation (erstwhile International Consumer Products Corporation) have their manufacturing facilities at Mouchak and Shirir Chala, near Gazipur in Bangladesh, Sadaat City, Egypt, Ho Chin Min City, Vietnam and Phú Quốc Island, Vietnam respectively.

Marico was incorporated in 1988 and during 1990 took over the then 40-year old consumer products business of The Bombay Oil Industries Limited. It made its initial public offer for equity shares in March 1996.

Reach

Marico today touches the lives of 1 out of every 3 Indians. Marico sells over 1.5 billion packs every year through 5.1 million retail outlets serviced by its nationwide distribution network comprising 4 Regional Offices, 25 carrying & forwarding agents (CFAs) and about 7000 distributors and stockists. Marico's distribution network covers almost every Indian town with population over 5,000.

The table below provides an indicative summary of Marico's Distribution Network in India:

	Urban	Rural
Sales Territories	227	48
Towns covered	600	58,000
Distributor	675	-
Super Distributor	-	180
Stockists	-	6,105

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Financial Highlights

Particulars (INR/crores)	FY16	FY17	FY18	FY19	FY20
Revenue from Operations	6,024	5,936	6,333	7,334	7,315
Material Cost	3,078	2,849	3,359	4,017	3,745
Personnel Cost	373	404	422	466	478
ASP	693	659	588	659	727
Other Costs	829	864	827	866	896
Profit Before Tax	1,029	1,150	1,117	1,257	1,383
Net Profit After Tax (PAT)#	711	799	814	926	1,043
EBITDA%	17.5%	19.5%	18.0%	18.1%	20.1%
Earnings per Share (INR)	5.5	6.2	6.3	7.2	8.1
Net Worth	2,017	2,326	2,543	2,988	3,038
Book Value per Share (INR)	15.6	18.0	19.7	23.1	23.5

From FY19, financials have been restated on the adoption of AS 116 and hence are not comparable with earlier years. PAT for FY19 and FY20 excludes one-offs.

Represents Net Profit attributable to owners

Mode of Issue of this update

We have issued this Information Update, first to the Stock Exchanges, posted it on Marico's website and then sent it to the financial community members who are on Marico's regular mailing list.

Marico Investor Relations Team

Pawan Agrawal Executive Vice President & Head – Finance & Investor Relations (pawan.agrawal@marico.com)
Harsh Rungta Manager – Investor Relations (harsh.rungta@marico.com)

Marico – Information Update for Q4FY20 (Quarter ended March 31, 2020)

Contents of this Update

- Financial results as per Ind-AS w.e.f. 1st April 2016 and other developments during the quarter under review for the Marico Group – Marico Limited, Marico Bangladesh Limited, Marico Bangladesh Industries Limited, Marico Middle East FZE, Marico South Africa Consumer Care (Pty) Limited, Marico South Africa (Pty) Limited, MEL Consumer Care SAE, Egyptian American Company for Investment and Industrial Development SAE, Marico Egypt Industries Company, Marico for Consumer Care Products SAE (MEL Consumer Care & Partners – Wind, a partnership firm got converted into a joint stock company w.e.f. 19th December, 2017), Marico Malaysia Sdn. Bhd., Marico South East Asia Corporation, Marico Consumer Care Limited, Zed Lifestyle Pvt. Ltd. and Revolutionary Fitness Private Limited.
- Profile containing basic/historical information on Marico.

In this note, the quarterly and annual figures mentioned in INR have been converted to USD basis INR/USD rate of 72.5 and 71.0 respectively, being the average exchange rates during these periods.

We recommend that readers refer to the Marico Group financials to get a better appreciation of the business performance. A copy of the latest Annual Audited Financial Results of Marico Limited (Standalone and Consolidated) is available on Marico's website.

Disclosure of Information, Communication with Investors / Analysts / Financial Community

Marico issues fresh information updates, like the one you are reading now, on the day it declares its Quarterly Financial Results. Some forward looking statements on projections, estimates, expectations, outlook etc. are included in such updates to help investors / analysts get a better comprehension of the Company's prospects and make informed investment decisions.

Actual results may, however, differ materially from those stated on account of factors such as changes in government regulations, tax regimes, economic developments within India and the countries within which the Company conducts its business, exchange rate and interest rate movements, impact of competing products and their pricing, product demand and supply constraints.

All the aforesaid information is also available on Marico's Website: www.marico.com. In view of this, information contained in such updates is made public and thus not therefore constitute unpublished price sensitive information under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Marico holds periodic meetings/ conference calls, from time to time, with individual members of the financial community.