May 2, 2018

The Secretary,
Listing Department,
The BSE Limited,
1st Floor, Phiroze Jeejeebhoy
Towers, Dalal Street,
Mumbai – 400 001
Scrip Code: 531642

The Manager,
Listing Department,
The National Stock Exchange of India Limited,
Exchange Plaza, C-1 Block G,
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051
Scrip Symbol: MARICO

Dear Sir/Madam,

Sub: Information Update for quarter & year ended March 31, 2018

Please find enclosed Information update on the consolidated financial results of the Company (i.e. Marico Limited and its Subsidiaries) for the quarter and year ended March 31, 2018.

The same is being made available on the website of the Company at:
http://marico.com/india/investors/documentation/quarterly-updates

This is for your information and record.

Thank you

For **Marico Limited**

Hemangi Ghag

Hemangi Ghag
Company Secretary & Compliance Officer

Encl: As above

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Marico – Information Update for Q4FY18 (Quarter ended March 31, 2018)

Executive Summary: Consolidated Results

Particulars (INR Cr)	Q4FY18	Growth	FY18	Growth
Revenue from Operations	1,480	12%	6,333	7%
EBITDA	252	-2%	1,138	-2%
EBITDA Margin (%)	17.0%	Down 252 bps	18.0%	Down 156 bps
Profit After Tax	181	7%	814	2%
India Volume Growth (%)		1%		1.5%
Overall Volume Growth (%)		2%		1.3%

In Q4FY18, Revenue from Operations at INR 1,480 crore (USD 229 million), grew by 12% YoY. The India business volumes grew by a modest 1%, while the International business posted a very healthy constant currency growth of 16% (volume growth of 5%). Value growth in the India business was led by price hikes in the Coconut Oil portfolio. Gross margins (down 522 bps YoY) continued to remain under pressure owing to the unrelenting inflation in copra prices against a benign input cost environment in the base quarter.

Other highlights relating to the performance are as follows:

- Sustained offtake growth led to market share gains in 90% of the portfolio on a MAT basis.
- **Rural growth (12%) outpaced urban growth (5%) for the third straight quarter. Modern Trade and E-Commerce** continued to grow briskly. **CSD grew 32%**, bouncing back after 4 quarters of decline.
- **Parachute Rigids** declined by 5% in volumes, an aberration caused by relatively concentrated price increases in H2FY18 (aggregating to ~22%) and 15% spikes in volumes in both, the base quarter (Q4FY17) as well as the preceding quarter (Q3FY18). However, the franchise witnessed market share gains of 90 bps (March 2018 MAT).
- Broad based recovery witnessed in **Value Added Hair Oils** (VAHO) led the franchise to 11% volume growth. The portfolio gained 70 bps in volume market share on a MAT basis.
- **Saffola Edible Oils** had a flattish quarter in the wake of sluggishness witnessed in the super premium segment of the edible oils market. Efforts towards turning around this segment are expected to bear fruit in the coming year.
- **Healthy Foods** recorded satisfactory growth, with **Saffola Masala Oats** at 70% value market share (March '18 MAT) in the flavoured oats category.
- **Premium Hair Nourishment** and **Male Grooming** continued on the recovery path during the quarter.
- All international regions, except Vietnam, posted double-digit constant currency growth. **Bangladesh** continued its good run, posting 17% constant currency growth in Q4FY18 and **MENA** staged a much awaited comeback on a low base.
- **Advertising & Sales Promotion** spends was up 14% in Q4FY18 on a comparable basis. In the medium term, **ASP will be stepped up to 10-11% of Sales** to support forthcoming innovations.
- **EBITDA margins** contracted by 252 basis points YoY to 17.0% - at the medium term guidance.

Summary of value growth across Businesses:

Categories/Businesses	Q4FY18	FY18	Share of Group's FY18 Turnover
FMCG Business	**12%**	**7%**	
India	12%	9%	78%
International	13%	1%	22%

Market Shares in Key Categories - Basis Moving Annual Total (MAT) – March 2018

Brand & Territory	~MS%	Rank	Brand & Territory	~MS%	Rank
^Coconut Oils (India)	59%	1st	^Parachute Coconut Oil (Bangladesh)	87%	1st
^Saffola – Super Premium Refined Oils in Consumer Packs (India)	69%	1st	^Post wash Leave-on Serums (India)	82%	1st
^Value Added Hair Oils (India)	34%	1st	*Hair Creams/Gels (India)	63%	1st
^Value Added Hair Oils (Bangladesh)	21%	2nd	*X-Men Male Shampoo (Vietnam)	39%	1st
*X-Men Male Aerosol Deodorants (Vietnam)	28%	2nd	*Saffola Oats (India)	28%	2nd

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

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

Marico – Information Update for Q4FY18 (Quarter ended March 31, 2018)

India Business

The FMCG Business in India achieved a turnover of INR 1,157 crore (USD 180 million), a growth of 12% over the same period last year. For FY18, the turnover was at INR 4,969 crore (USD 770 million), a growth of 9% on a year-on-year basis.

Volume growth during the quarter was 1%, underperforming the medium term growth expectation due to a one-off decline in the Coconut Oil portfolio and headwinds in Saffola Edible Oils. Overall value growth of 12% during the quarter was primarily driven by price hikes taken in the Coconut Oil portfolio to counter the significant copra price inflation witnessed during the year.

The operating margin during Q4FY18 was **21.8%** before corporate allocations as against 26.0% for the same period last year. For the full year, the operating margin was **21.3%** before corporate allocations as against 24.3% in FY17. Persistent inflation in copra prices continued to dent margins, which was partially offset by the price increases in Parachute Rigids and tighter cost management. A&P spends in the India business was up 27% during the quarter on a comparable basis. The Company will continue to focus on a balanced approach towards volume growth and profitable margins. In the medium term, we would be comfortable at 20% plus EBITDA margins.

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

Categories	Q4FY18		FY18		% of FY18 India Business Turnover
	Value Growth	Volume Growth	Value Growth	Volume Growth	
Parachute Coconut Oil (Rigid packs)	24%	-5%	22%	2%	36%
Value Added Hair Oils portfolio	9%	11%	4%	4%	26%
Saffola (Refined Edible Oil)	-3%	-1%	-4%	-1%	18%

Parachute Coconut Oil: One-off volume decline; Medium term growth guidance retained; Focus on increasing rural market share

In Q4FY18, Parachute Rigids (packs in blue bottles) posted a volume decline of 5%, an anomaly caused by a combination of relatively concentrated price increases in H2FY18 (aggregating to ~22%) and 15% spikes in volumes in the post-demonetisation base quarter (Q4FY17) as well as the preceding quarter (Q3FY18). Volumes grew 5% in H2FY18, as trade began to stabilize post the GST implementation. Volume growth for the year was at 2%, lower than the medium term expectation on account of one-offs in Q1 (pre-GST destocking by trade) and Q4. However, on the back of healthy offtake growth, the Coconut Oil franchise gained 90 bps in volume market share to ~59% (March 2018 MAT).

During the year, the copra prices went up by 75% while the company increased the consumer prices by ~22%, as it chose to resort to the approach of protecting the franchise at the cost of short term margin losses.

Of the total coconut oil market, approximately 30-35% in volume terms is in loose form. This loose 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. Notwithstanding lower volume growth this year, the Company retains the guidance of 5-7% volume CAGR over the medium term.

Saffola: Flat quarter for Edible Oils; Foods witnessed healthy growth

The Saffola refined edible oils franchise recorded a flattish quarter in volume terms. Headwinds in the super-premium segment of Edible Oils persisted, while the mid and mass market segments witnessed growth.

Despite a flat quarter, the brand maintained its leadership position in the super premium refined edible oils segment with a ~69% volume market share (March 2018 MAT).

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

The growing consumer trend towards healthier culinary choices and the strong brand equity continue to lend confidence in the medium term potential of the franchise. To overcome the near term challenges, we have made tweaks in our variant communication, market/channel/media prioritization and pricing strategies. We are confident that these initiatives will bear fruit by H1FY19.

In Q4FY18, the **Healthy Foods** franchise grew by 18% in value terms. **Saffola Masala Oats (SMO)** maintained its momentum, on the back of focused inputs and a renewed promotional campaign, which led to a consolidation in its value share to 70% (March 2018 MAT) in the flavoured oats category. The recently launched variants of Saffola Masala Oats viz. **Pongal Surprise, Tandoori Magic & Tangy Chaat**, continue to see good traction.

We are expanding the prototyping of **Saffola Masala Oats vending machines** in corporate offices, gyms and hospitals in Mumbai, Pune and New Delhi. We have placed more than 150 vending machines currently, reaching ~83,000 consumers across 100 commercial establishments in these cities. Also, **Saffola Masala Cuppa Oats** have been placed in out of home (OOH) locations in Mumbai in addition to trade. These initiatives fuel consumer trials and repeats.

The initial response to **Saffola Active Slimming Nutri-Shake and Saffola Active Soups,** launched in H2FY18, has been encouraging.

We believe that future growth will come from expanding the category with continuous innovation in product and packaging and are taking definitive steps towards the same.

Value Added Hair Oils: Double digit volume growth lends impetus to the premiumisation journey; Nihar Shanti Amla extends its lead in market share

Value Added Hair Oils brands registered a volume growth of 11% during the quarter on the back of broad-based growth in the franchise. Strong offtake growth led to the Company to consolidating its market leadership with a volume share of ~34% and value share of ~26% (March 2018 MAT).

Nihar Naturals Shanti Amla Badam consolidated its market leadership in volume terms within the Amla hair oil category. A renewed advertising campaign and the association of the brand with a societal purpose augmented the brand image. The gain of ~149 bps in market share during the quarter reflects the continuing strong growth trajectory. The increased scale of the franchise enables the Company to benefit from operating leverage, despite competitive pricing.

Both **Hair & Care Fruit Oils** and **Parachute Advansed Aloe Vera Enriched Coconut Hair Oil** continued to gain traction.

Nihar Naturals Sarson Kesh Tel, a value added mustard oil targeting the pool of loose mustard oil users, launched across markets in North and parts of East India, also continued to gain traction and expand its reach. The brand exit volume market share in the perfumed mustard oil category grew to ~10% (March 2018 MAT). The Company will continue to invest behind the brand as the unorganised mustard oil market is a sizeable opportunity. The Company's rural GTM initiatives hold it in good stead to make the most of the same.

Premium Hair Nourishment: Strong growth for Livon Serums in Modern Trade and E-Commerce

In Q4FY18, Premium Hair Nourishment (Livon and H&C Silk n Shine) grew 11% in value terms on a comparable basis. The portfolio was seen gaining traction in H2FY18.

Livon Serum sachets registered strong growth during the quarter. With a reach of more than 1 lac stores, sachets are emerging as a key pack in ensuring accessibility and are generating more than 70% of brand trials. Livon Serums continued to witness higher growth in Modern Trade and E-Commerce.

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The new marketing campaign for Livon Serums - **'Salon in my bag'** – launched in January 2018, focused on delivering salon finish hair on demand for millennials. With a media plan focusing on creating impact, the campaign reached out to more than 20 mn girls in age group of 18-35 across all youth channels & digital platforms like Facebook, Instagram & YouTube.

Being the market leader with a volume share of **~82%** (March 2018 MAT) in the Post wash Leave-on Serums, the Company will focus on driving category growth through innovation and consumer engagement.

We are closely monitoring the initial response to Livon Hair Gain Tonic, launched in a new 70 ml pack in March 2018.

Male Grooming: Reversal from decline continues; Aim to have a broad spectrum play in the category

Male Grooming grew 5% in Q4FY18 in value terms on a comparable basis.

The value market share of **Set Wet Hair Gels** currently stands at 58%, constituting circa 60% of total Male Grooming Portfolio.

On gaining significant traction in Karnataka and Kerala, **Parachute Advansed Men Range** has been extended to Maharashtra and Andhra Pradesh as well.

The recently launched affordable pocket spray, **Set Wet Blast** (priced at INR 49), received a good response from trade & consumers across all the launch markets. Given the positive response, the brand will be extended to other markets.

The initial response to **Set Wet Hair Waxes,** launched in Q3FY18, has been encouraging. The product has been launched on E-Commerce and in select regions of Mumbai, Punjab, Delhi, Kerala, NER and Haryana.

The Company will aim to build a consistent value growth trajectory in the category in FY19.

Input Costs and Pricing

During the quarter, the average market price of copra was up by 6% sequentially and by 61% Y-o-Y. However, sustained high prices usually leads to rationing of demand & thus prices should stabilize around current levels.

Other key inputs, Rice Bran Oil was down 3%, while Safflower Oil, Liquid Paraffin (LLP) and HDPE (a key ingredient in packaging material) were up 26%, 20% and 10%, respectively, during the quarter compared to Q4FY17.

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 Initiatives

During the year, the Company took the following initiatives leading to Sales efficiencies:

- The Company has successfully used geo-tags & analytics for route optimization and extended it to 26 distributors across 8 cities, which enables coverage of more outlets with lesser manpower. This efficiency in sales beats helped reduce manpower by 13%, which has been redeployed.
- On the rural front, 1400+ rural field forces were equipped with a new version of PDAs to enable an exhaustive, daily tracking of the rural business across 50,000+ towns.
- Additionally, we rolled out an end-to-end in-house field force assessment app through which 1800+ urban field force were assessed, leading to a better control & faster turnaround time.

Markets/Distribution Channels

Rural growth continued to outpace urban growth. In Q4FY18, Marico's rural sales grew by 12% while urban sales grew by 5% in value terms. In FY18, Marico's rural sales (32% of the India turnover in FY18) grew by 8% while urban sales grew by 7% in value terms.

Modern Trade (11% of the India turnover in FY18) grew by 23% in Q4FY18 and 15% in FY18, fueled by factors such as a comfortable and modern shopping experience, access to diverse categories as well as a wide variety of brands under a single roof and attractive prices. CSD (7% of the India turnover in FY18) delivered a strong performance in Q4FY18 by growing 32% to end flattish for the year.

With the growing relevance of the Digital marketplace, E-commerce (over 1% of India Turnover in FY18) has become an integral pivot of growth. This business grew by 181% during the quarter, albeit on a low base. This segment is expected to contribute ~2% of the India Business in FY19.

International Business

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

Particulars	Q4FY18	FY18
Turnover (INR Crore)	323	1,364
Reported Growth	13%	1%
Constant Currency Growth	16%	9%
Exchange Rate impact	-3%	-8%

During the quarter, Marico's International business grew by 16% in constant currency terms (volume growth of 5%). For the full year, the business grew by 9% in constant currency terms (volume growth of 1%) over FY17.

The operating margin (before corporate allocations) was at **11.8%** in Q4FY18 against 9.8% in Q4FY17. The improvement in profitability was driven by better efficiency in spends. For FY18, operating margin (before corporate allocations) was at **16.6%** in FY18 against 16.5% in FY17. The Company aims to maintain international margins at ~16-17% and continue to invest and plough back savings to drive growth.

Bangladesh (45% of the International Business)

In Bangladesh, topline grew by 17% in Q4FY18 (volume growth of 3%) and 13% in FY18 (volume growth of 4%) in constant currency terms. In addition to volumes, growth was led by an improving revenue mix as the journey of premiumisation gathered pace during the year and price increases taken to counter the input cost push.

Parachute Coconut Oil reported growth of 6% in constant currency terms during the quarter, while maintaining the leadership position with ~87% volume market share. The scope of volume growth in coconut oil segment is limited as the category has matured in this market. However, the Company is confident of growing this franchise at a single digit constant currency growth over the medium term on the back of its dominant position.

The non-Coconut oil portfolio in Bangladesh grew by 47% and 32% in constant currency terms in Q4FY18 and FY18 respectively. This was led by handsome volume led growth in Value added Hair Oils, driven by the flagship brand 'Parachute Advansed Beliphool'. Currently in a firm second position, we aim to gain market leadership in this category in the medium term. Premium Edible Oils and Male Grooming (Set Wel Gels and Deodorants) also responded well during the quarter.

Consequently, **the non-coconut oil portfolio contributed to 26% of the total business in Bangladesh in FY18** as compared to 10% in FY12. The non-Coconut oil portfolio is likely to become ~30-35% over next 2-3 years. Therefore, the Company is confident of delivering a double-digit constant currency growth in the medium term in this geography.

South East Asia (26% of the International Business)

Business in South East Asia (mainly Vietnam and Myanmar) declined by 3% in Q4FY18 and 2% in FY18 in constant currency terms.

Vietnam declined by 4% in constant currency terms due to headwinds in the male shampoo category. The business declined 5% in constant currency in FY18. The flagship brand 'X-Men' maintained its leadership in male shampoos. We are taking definitive steps to reignite the male shampoo category and are investing in setting up a top-notch IT backbone to support our GTM initiatives. This is expected to deliver results by the end of H1FY19. The Foods business continued to post single digit growth in constant currency terms.

Myanmar grew steadily through the year and recorded a topline of over USD 8 million during the year.

Middle East and North Africa (MENA) (14% of the International Business)

The MENA Business posted a volume led recovery, growing 61% in Q4FY18 in constant currency terms. With the anniversarisation of the Egyptian currency devaluation, optical growth for the quarter was higher.

Hair Code in **Egypt** and Parachute in **Middle East** enjoy strong brand equities. However, the macros continue to be tough. As a result, we remain cautiously optimistic about the medium term outlook on these markets.

South Africa (9% of the International Business)

South Africa (including Isoplus) posted a growth of 23% in Q4FY18 and 16% in FY18, in constant currency terms. Despite challenging macro-economic conditions, the standalone business grew in low single digits in constant currency terms through the year. The integration of newly acquired Isoplus has progressed as per schedule and the operating results have been satisfactory.

New Country Development & Exports (5% of the International Business)

With expansion in adjacent markets such as Sri Lanka, Nepal, Bhutan, exports to diaspora and other markets generated revenues of ~USD 11 million this year. This business grew by 16% in Q4FY18 and 15% in FY18, in constant currency terms. The Company remains positive on the future prospects of this business.

Note: The country wise contribution to International Business revenue is based on FY18 turnover.

OPERATING MARGIN STRUCTURE FOR MARICO LIMITED (CONSOLIDATED)

% to Revenues (including excise duty)	Q4FY18	Q4FY17	Q3FY18	FY18	FY17
Material Cost (Raw + Packaging)	53.4	48.1	53.5	53.0	47.9
Advertising & Sales Promotion (ASP)	7.9	8.4	8.9	9.2	11.0
Personnel Costs	7.0	7.4	6.3	6.7	6.8
Other Expenses	14.7	16.4	12.7	13.1	14.8
PBDIT margins	17.0	19.6	18.6	18.0	19.5
PBDIT before ASP	25.0	28.0	27.5	27.2	30.5

(a) The average market price of Copra, the largest component of input costs, was 61% higher in Q4FY18 as compared to Q4FY17. Liquid Paraffin (LLP), Safflower Oil and HDPE were up 20%, 26% and 10% respectively. Rice Bran Oil was down 3%. The consumption prices may differ from market prices depending on the stock positions the Company has taken. On an overall basis, the gross margins declined by 522 bps during the quarter, compared to Q4FY17.

(b) ASP spends to sales ratio during the quarter was 7.9%. Unlike in the previous taxation regime, the Goods & Services Tax system allows the credit of taxes paid at each stage as a set-off against the taxes to be paid at every subsequent stage. In light of the same, the ASP of the base quarter (Q4FY17) is 7.8% on a comparable basis. The Company has been driving improvements in the efficiency of A&P spends, which have led to savings. Advertising & Sales Promotion spends was up 14% in Q4FY18 on a comparable basis. In the medium term, ASP will be stepped up to 10-11% of Sales to support forthcoming innovations.

(c) Personnel Costs in Q4FY18 grew by 5%, on account of annual salary revisions, offset by a lower provision for Stock Appreciation Rights (STAR).

(d) Other expenses in Q4FY18 and FY18 are not comparable on a YoY basis on account of the following exceptions:
   a. Expenses being recognized in the P&L, net of taxes, under the GST regime.
   b. One-time exchange loss in the base.

   On adjusting for these, Other Expenses was higher by 10% in Q4FY18 and 4% in FY18 on a YoY basis.
   Other expenses are likely to remain in the range of 12-14% of turnover in the medium term.

Other Expenses	Q4FY18	Q4FY17	% variation	% variation adjusting for exceptions (a-b)	FY18	FY17	% variation	% variation adjusting for exceptions (a-b)
Fixed	83.5	92.0	-9%	3%	291.6	337.7	-14%	2%
Variable	133.7	125.4	7%	14%	536.9	539.8	-1%	5%
Total	**217.2**	**217.4**	**0%**	**10%**	**828.4**	**877.5**	**-6%**	**4%**

The detailed Financial Results and other related useful information are available on Marico's website – http://marico.com/india/investors/documentation/quarterly-updates

Capital Expenditure and Depreciation

The estimated capital expenditure in FY19 is likely to be around INR 125–150 crore (USD 19-23 million).

Depreciation during Q4FY18 was INR 23.1 crore (USD 3.6 million) compared to INR 26.5 crore (USD 4.1 million) in Q4FY17. The decrease is on account of the one-time depreciation impact on account of higher impairment provision in the base quarter.

For the full year, depreciation was at INR 89.1 crore (USD 13.8 million) as compared to INR 90.3 crore (USD 13.5 million) in FY17.

Impairment of Investment in Marico Consumer Care Limited (MCCL)

The Company has made an assessment of the fair value of investment made in its subsidiary, Marico Consumer Care Limited (MCCL), towards the acquisition of the Youth portfolio in 2012. During the quarter and year ended March 31, 2018, the Company has made a provision of Rs.104 crores towards impairment of investment made in MCCL, after taking into account the past business performance, prevailing business conditions and revised expectations of the future performance. The same is disclosed under "Exceptional items" in the Standalone Statement of Profit and Loss.

During the year ended 31 March 2014, the Capital Reduction Scheme pertaining to MCCL for the adjustment of intangible assets was duly approved and given effect, wherein the value of intangibles in MCCL was adjusted against Share Capital & Securities Premium in MCCL and against Reserves in the Consolidated financial statements. Consequent to this, the above mentioned impairment provision has no impact on the Consolidated financial statements.

Direct Taxation

The Effective Tax Rate (ETR) during Q4FY18 is 26.0% as compared to 31.4% during Q4FY17. ETR in Q4 FY18 was lower due to tax exemption in the new Guwahati manufacturing unit. In FY18, ETR was 25.9% vs. 29.4% in FY17.

The expected ETR for FY19 is 26-27%. It should be noted that this tax rate is basis the accounting charge in the P&L account. The Company will continue to pay basis MAT and therefore from the cash flow point of view there is no change. The current MAT credit of about INR 1.4 Crore as of 31st March, 2018 is expected to be utilised by the Company over the next few years.

Marico – Information Update for Q4FY18 (Quarter ended March 31, 2018)

Capital Utilization (Marico Group)

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

Ratio	FY18	FY17
Return on Capital Employed	41.7%	47.1%
Return on Net Worth	33.5%	36.8%
Working Capital Ratios (Group)		
- Debtors Turnover (Days)	17	15
- Inventory Turnover (Days)	80	67
- Net Working Capital (Days) including surplus cash	58	46
Debt: Equity (Group)	0.12	0.11
Finance Costs to Turnover (%) (Group)	0.3%	0.3%

* Turnover Ratios calculated on the basis of average balances

1. The variation in ratios is due to:
    1. The fall in ROCE is because of decrease in EBIT margins on account of input cost push.
    2. Increase in inventory days is on account of inflation in copra and other key input prices in India & International geographies as well as position build up in key commodities.
    3. Increase in net working capital days is primarily on account of increased inventory.

2. The Net Debt position of the Marico Group as of March 31,2018 is as below:

Particulars (INR Crores)	Mar 31, 2018	Dec 31, 2017	Mar 31, 2017
Gross Debt	311	272	241
Cash/Cash Equivalents and Investments (Marico Ltd: INR 523 Crore. Marico International: INR 126 Crore)	649	1,157	763
Net Debt/(Surplus)	**(338)**	**(885)**	**(522)**
Foreign Currency Denominated out of the total gross debt	194	180	181
Foreign Currency Debt as a % age of Gross Debt	62%	66%	75%
Rupee Debt out of the total gross debt	117	92	60
Total Debt Payable within One year	291	253	241
Average Cost (%) : Pre tax	4.9%	4.4%	4.0%

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 31st March, 2018 is about INR 338 Crore (Gross debt of INR 311 Crore and Gross Investments of INR 649 Crore). The future growth strategy is anchored primarily in healthy organic growth. While the Company is open to strategic acquisitions, the leverage ratios are comfortable. In absence of any strategic acquisitions, company will continue to maintain a healthy dividend payout. The overall dividend payout ratio hence is **78%** of the consolidated profit after tax as compared to 64% during FY17.

Other Corporate Events

On April 13, 2018, the Company announced a strategic investment in **Revolutionary Fitness Private Limited** by agreeing to acquire upto 22.5% equity stake, through primary and secondary infusions. Revolutionary Fitness Private Limited owns Revofit (https://revofit.com) - an integrated fitness and holistic wellness solutions app (available on Android and iOS), which provides a 360-degree approach to a healthy lifestyle. In the first tranche, Marico acquired 12.66% equity in Revolutionary Fitness Private Limited.

Awards

Corporate Awards:

- Marico was ranked among the **Top 10 companies in Corporate Governance** among all constituent companies of the S&P BSE 100 Index, as per a study jointly developed by International Finance Corporation (IFC), Institutional Investor Advisory Services India Limited (a proxy advisory firm based in Mumbai) and Bombay Stock Exchange Limited (BSE), with the financial support of the Government of Japan.
- Marico won the **Walmart Best Supplier Award 2017** in the non-foods category.
- Marico was listed in **Jombay's Top 50 People Capital Index (PCI) companies**. Jombay is one of the fastest growing Talent Assessment and Capability Building companies. PCI is an indicator (or a measure) of employee perception on how well the organisation is developing their people capital and is inspired by the Human Capital Index published by the World Economic Forum for different countries.

Individual Awards/Accolades:

- **Ms. Anuradha Aggarwal**, Chief Marketing Officer was ranked #12 in **Impact 50's Most Influential Women 2018**.
- **Mr. Vivek Karve,** Chief Financial Officer was awarded the **Financial Express CFO of the Year Award 2018** in the 1000+ cr. Companies category.

Marico's Growth Philosophy

Over the medium term, Marico aspires to be an admired emerging market MNC with leadership in two core categories of nourishment and male styling in 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. Towards this goal, the Company has identified 5 areas of Transformation where it will develop top quartile capability, processes and execution excellence ahead of growth - Innovation, Go to Market transformation, Talent Value Proposition, IT & Analytics 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.

Near Term / Medium Term Outlook

Marico India

- FY18 was a year of structural change. The landmark reform of GST creates a level playing field in the marketplace to the benefit of organized players in the medium term. However, the short term volatility in the trade environment affected the Company's performance in H1FY18. While trade has now stabilized, the E-way bill implementation for intra state movements may usher in short term volatility.
- There have been early signs of a revival in rural, as it outpaced urban growth in the last three quarters of FY18. We expect the government's spending plans to bolster rural development and raising of minimum support prices of crops to help regain the momentum in rural demand in the medium term. Normal monsoons, as recently forecasted, would be critical for a pickup in overall sentiment and demand growth in rural areas.
- The year was also marked by hyperinflation in one of the key inputs, copra, which kept margins in check through the year. As sustained high prices usually lead to rationing of demand, we expect prices to stabilize around current levels and soften only in H2FY19.
- For FY19 and beyond, the Company retains the target of 8-10% volume growth, healthy market share gains on the back of increased investment in the core portfolio, aggressive new product launches, distribution expansion, judicious pricing and tighter cost management.
- In **Parachute Rigids**, the Company aims to grow volumes in the range of 5-7% in the medium term, despite a volatile FY18.
- In **Value Added Hair Oils**, the Company aims for double-digit volume growth on the back of the core portfolio, driving premiumisation and scale up of new launches.

- While **Saffola Edible Oils** had a challenging year, we are confident of overcoming the near term challenges through focused marketing initiatives. We expect a visible recovery in the performance by H1FY19.
- In **Healthy Foods**, the Company will continue to innovate aggressively to cater to the consumer need of tasty and healthy options and aim to build a consistent double digit value growth trajectory over the medium term.
- We expect to continue on the recovery path in the **Premium Hair Nourishment and Male Grooming** portfolios and build it into a growth engine for the future.
- With cost push & increased ASP investment, we expect short-term headwinds against margins although they will continue to be at 20%+ levels.
- The Company's Go-To-Market strategy will be focused on improving the width and depth of its distribution – both direct and wholesale. Strategic initiatives in sales and supply chain will aim at ushering in efficiency in selling and go-to-market.
- The Company is focusing on increasing its Digital footprint, to improve consumer engagement, drive sales through E-commerce for the new-age consumers and build data analytics capabilities. Investments in Zed Lifestyle (Beardo) and Revolutionary Fitness (Revofit) are likely to enhance our capability in this space over the medium term.
- We are aggressively investing in the E-Commerce business and expect it to contribute ~2% of the India Business by FY19.

Marico International

- Over the last three 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 each of these markets is well-poised to capitalize on the market opportunities.
- The business in **Bangladesh** had a promising year and is likely to continue the momentum as the medium term macro prospects look promising. Therefore, the Company will continue to invest in brand building, Go to Market transformation and will diversify beyond Coconut Oil within its stated strategy.
- As a market leader, the **Vietnam** business will invest in reigniting the male grooming category and excellence in sales and distribution systems. Myanmar and the rest of South East Asia is the new growth engine for future.
- In the **MENA** region, the Company will focus on getting its basics right by judiciously investing behind brands and Go-to-Market initiatives.
- The **South African** business will leverage the new acquisition of Isoplus to gain scale and grow profitably.
- The Company will continue to invest in developing new countries and scale the business profitably.
- We expect to clock an organic top line growth of 12-15% in constant currency in the near to medium term.
- We aim to maintain the guidance of 16-17% operating margins 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)

- The Company will aim for a volume growth of 8-10% and a topline growth of 15% plus (depending on inflation) in the medium term.
- The Company will focus on fewer but bigger innovations to create growth engines of the future.
- Market growth initiatives in core categories and expansion into adjacent categories will be supported by investments in ASP in a band of 10-11% of Sales, with a focus on brand building.
- Focus on cost management will continue and savings will be redeployed in igniting profitable growth.
- Operating margin is expected to be maintained in a band of 17-18% over the medium term. In the near term, the Company has chosen to focus on volume growth and market share gains over short term profitability. However, we expect to meet our earnings growth guidance over the medium term.

- Marico believes that social, environmental and economic values are interlinked and we belong to an Interdependent Ecosystem comprising Shareholders, Consumers, Associates, Employees, Government, Environment and Society. Our stated purpose is to **"Make a Difference"** by ensuring a positive impact of our existence on all stakeholders. A firm has to work closely with its ecosystem to create a sustainable & inclusive growth for all. We have a focused approach in identifying sustainability goals in line with our business strategy and purpose. CSR initiatives are an integral part of our sustainability efforts and Marico is committed to making a sustainable impact on the society.

THANK YOU FOR YOUR PATIENT READING

Marico – Information Update for Q4FY18 (Quarter ended March 31, 2018)

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	**Q4FY18**	**Q4FY17**	**FY18**	**FY17**
1. Segment Revenue				
i. India	1,157	1,035	4,969	4,579
ii. International	323	287	1,364	1,356
2. Segment Result				
(Profit before Interest and Tax and exceptional items)				
i. India	240	251	1,004	1,059
ii. International	34	22	210	199
3. Segment Result as % of Segment Revenue (PBIT)				
i. India	20.7%	24.2%	20.2%	23.1%
ii. International	10.5%	7.5%	15.4%	14.6%
3. Capital Employed (Segment Assets - Segment Liabilities)				
i. India (refer Note 1 below)			1,343	993
ii. International			700	627

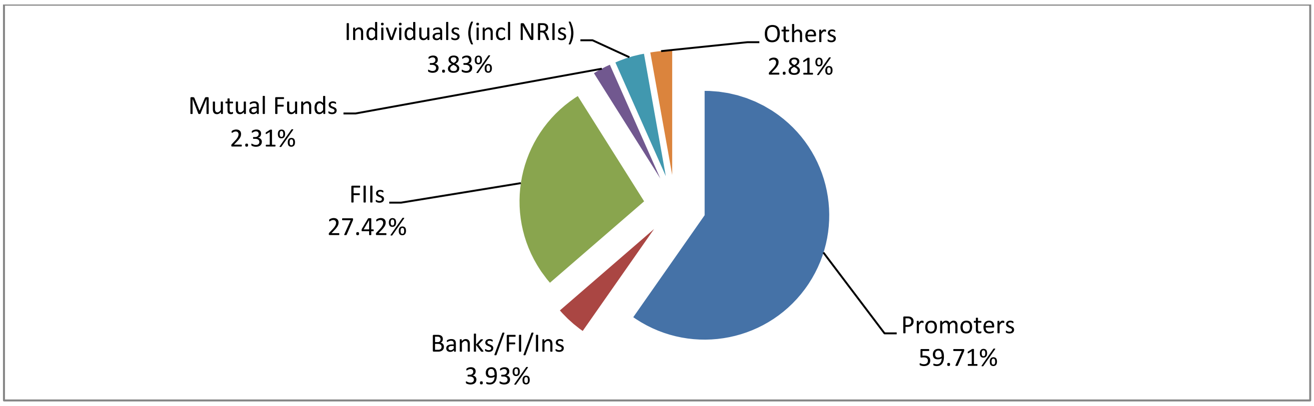
Note 1: The Segment Result as a % of Segment Revenue of the India business decreased in Q4FY18 and FY18 due to significant increase in the input costs.

Note 2: The increase in capital employed in India business is due to higher inventory on account of inflation in copra and other key input prices as well as position build up in key commodities.

Note 3: 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, 2018 is as given in the graph below:

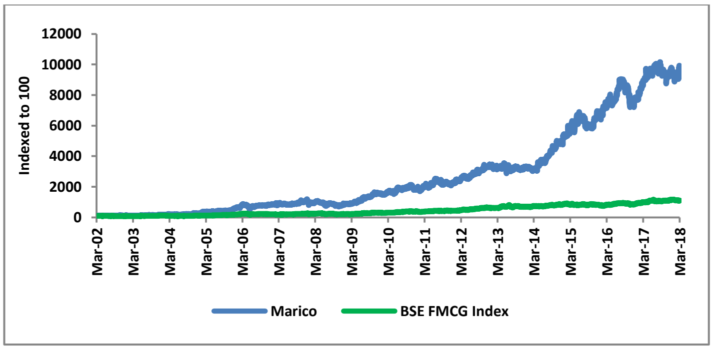


Details of ESOPs as on March 31, 2018:

Details of the Plan	Total Options Granted	Options Forfeited	Options Exercised	Options pending to be exercised
MD-CEO ESOP Plan 2014 – Scheme 1	93,200	Nil	93,200	Nil
Schemes under the Marico Employee Stock Option Plan, 2016	2,746,710	276,940	Nil	2,469,770

Options pending to be exercised are less than 0.2% of the issued share capital.

Annexure 1-B: SHARE PERFORMANCE ON 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 42,089 crore (USD 6.5 billion) on March 31, 2018. The average daily volume on BSE and NSE during Q4FY18 was about 1,259,697 shares.

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-17	11,788	8,079	1,173	617	38	102
Feb-17	12,996	8,748	1,112	623	39	104
Mar-17	12,254	8,631	1,085	611	43	102
Apr-17	12,938	9,189	1,046	587	43	100
May-17	12,658	9,081	1,015	549	42	102
Jun-17	12,700	9,048	1,050	532	41	102
Jul-17	13,338	9,617	1,216	547	39	101
Aug-17	14,472	10,560	1,320	578	39	97
Sep-17	15,996	11,826	1,302	610	38	97
Oct-17	16,078	12,043	1,287	563	42	99
Nov-17	16,936	12,513	1,281	597	46	99
Dec-17	19,132	14,172	1,409	583	48	101
Jan-18	19,187	14,433	1,474	583	50	106
Feb-18	18,938	14,021	1,454	591	47	115
Mar-18	17,378	12,637	1,313	620	47	118
Q4FY18 vs Q4FY17	50%	61%	26%	-3%	20%	10%
Q4FY18 vs Q3FY18	6%	6%	7%	3%	6%	14%
FY18 vs FY17	64%	75%	18%	-4%	21%	0%

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

Month	40 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-17	15 - 48 ml	30	77	145	190	135	150	130
Feb-17	15 - 48 ml	30	77	145	190	135	150	130
Mar-17	20 - 50 ml	32	83	159	190	135	150	130
Apr-17	20 - 50 ml	32	83	159	195	135	150	130
May-17	20 - 50 ml	32	83	159	195	140	155	135
Jun-17	20 - 50 ml	32	83	159	195	140	155	135
Jul-17	20 - 50 ml	32	83	159	195	140	155	135
Aug-17	20 - 50 ml	32	83	159	195	130	150	130
Sep-17	20 - 50 ml	32	83	159	195	130	150	130
Oct-17	20 - 50 ml	36	89	175	195	130	150	130
Nov-17	20 - 50 ml	36	89	175	195	130	150	130
Dec-17	20 - 50 ml	36	89	175	195	130	150	130
Jan-18	20 - 50 ml	39	105	199	195	130	150	130
Feb-18	20 - 50 ml	39	105	199	195	130	150	130
Mar-18	20 - 50 ml	39	105	199	195	130	150	130

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

Saffola Edible Oils					
Saffola Active	1 litre Free	5 ltr	Jan	Extra Volume	National
Healthy Foods					
Saffola Masala Oats	1 pack free with 4 Packs	39 gm	Feb	Extra Volume	National – General Trade
Value Added Hair Oils					
Nihar Naturals	20 ml Free	100 ml	Jan	Extra Volume	National

Annexure 2: Profile giving Basic / Historical Information

Marico is a leading Indian Group in Consumer Products 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 63.3 billion (USD 982 Million) during 2017-18. Marico markets well-known brands such as Parachute, Saffola, Hair & Care, Nihar, Parachute Advansed, Nihar Naturals, Mediker, Revive, Set Wet, Livon, Fiancée, HairCode, Caivil, Black Chic, Isoplus, Code 10, Ingwe, X-Men, and Thuan Phat. 90% of Marico's portfolio of brands occupies 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 Kanjikode, Perundurai, Puducherry, Paonta Sahib, Baddi, Jalgaon, and Guwahati and are supported by subcontracting units. Marico's subsidiaries, Marico Bangladesh Limited, Marico Egypt Industries Company, 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 15.2 crore packs every month through about 4.7 million retail outlets services by its nationwide distribution network comprising 4 Regional Offices, 31 carrying & forwarding agents (CFAs) and about 5,600 distributors and stockists. Marico's distribution network covers almost every Indian town with population over 10,000.

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

	Urban	Rural
Sales Territories	253	52
Town's covered	600	53,000
Distributor	740	-
Super Distributor	-	140
Stockists	-	4,694

Marico – Information Update for Q4FY18 (Quarter ended March 31, 2018)

Financial Highlights

Particulars (INR/crores)	FY14	FY15	FY16	FY17	FY18
Revenue from Operations	4,687	5,733	6,024	5,936	6,333
Material Cost	2,399	3,119	3,078	2,849	3,359
Personnel Cost	285	325	373	404	422
ASP	561	650	693	659	586
Other Costs	693	769	829	864	828
Profit Before Tax	695	822	1,029	1,150	1,117
Net Profit (PAT)	485	573	711	799	814
Earnings per Share (INR)	7.5	8.9	5.5*	6.2*	6.3*
Book Value per Share (INR)	21.1	28.3	15.6*	18.0*	19.7*
Net Worth	1,361	1,825	2,017	2,326	2,543
EBITDA%	16.0%	15.2%	17.5%	19.5%	18.0%
ROCE %	32%	39%	45%	47%	42%

Note: FY13 includes Kaya. FY16, FY17 and FY18 financials are as per IND – AS and hence not comparable with earlier years. *EPS and Book Value per Share for FY16, FY17 and FY18 has been calculated on the post bonus number of shares.

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 Q4FY18 (Quarter ended March 31, 2018)

Contents of this Update

1. Financial results as per Ind-AS wef 1st April 2016 and other developments during Q4FY18 for the Marico Group– Marico Limited, Marico Bangladesh Limited, MBL Industries Limited, Marico Middle East FZE, Marico South Africa Consumer Care (Pty) Limited, Marico South Africa (Pty) Limited, MEL Consumer Care SAE, Egyptian American Investment & Industrial Development Company SAE, Marico Egypt Industries Company SAE, Wind CO, Marico Malaysia Sdn. Bhd., Marico South East Asia Corporation (erstwhile International Consumer Products Corporation), Marico Consumer Care Limited and Zed Lifestyle Pvt Ltd.

2. A Profile containing basic/historical information on Marico.

In this note, figures mentioned in INR are converted to USD basis INR/USD of 64.4 and 64.5, being the average rate for the quarter and year, respectively.

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 constitutes unpublished price sensitive information under the SEBI (Prohibition of Insider Trading) Regulations, 1992.

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