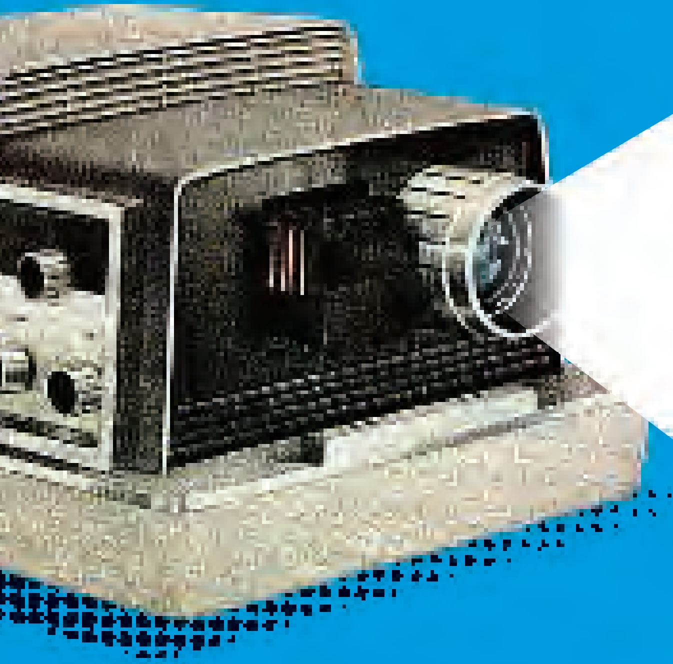
marico
make a difference



TRANSFORMING MARICO

ANNUAL REPORT
2014-2015

Make a **BIGGER** difference.

The year: 2015. *The target:* to become an Emerging Market Multinational by 2018, and the category leader in male grooming, health foods & edible oils, and hair & skin nourishment. *The means:* transform 5 areas core to our business. Because we know that only if we take our company to the next level, can we make a bigger difference.

1 INNOVATION

Success is SWEETER with this JAM.

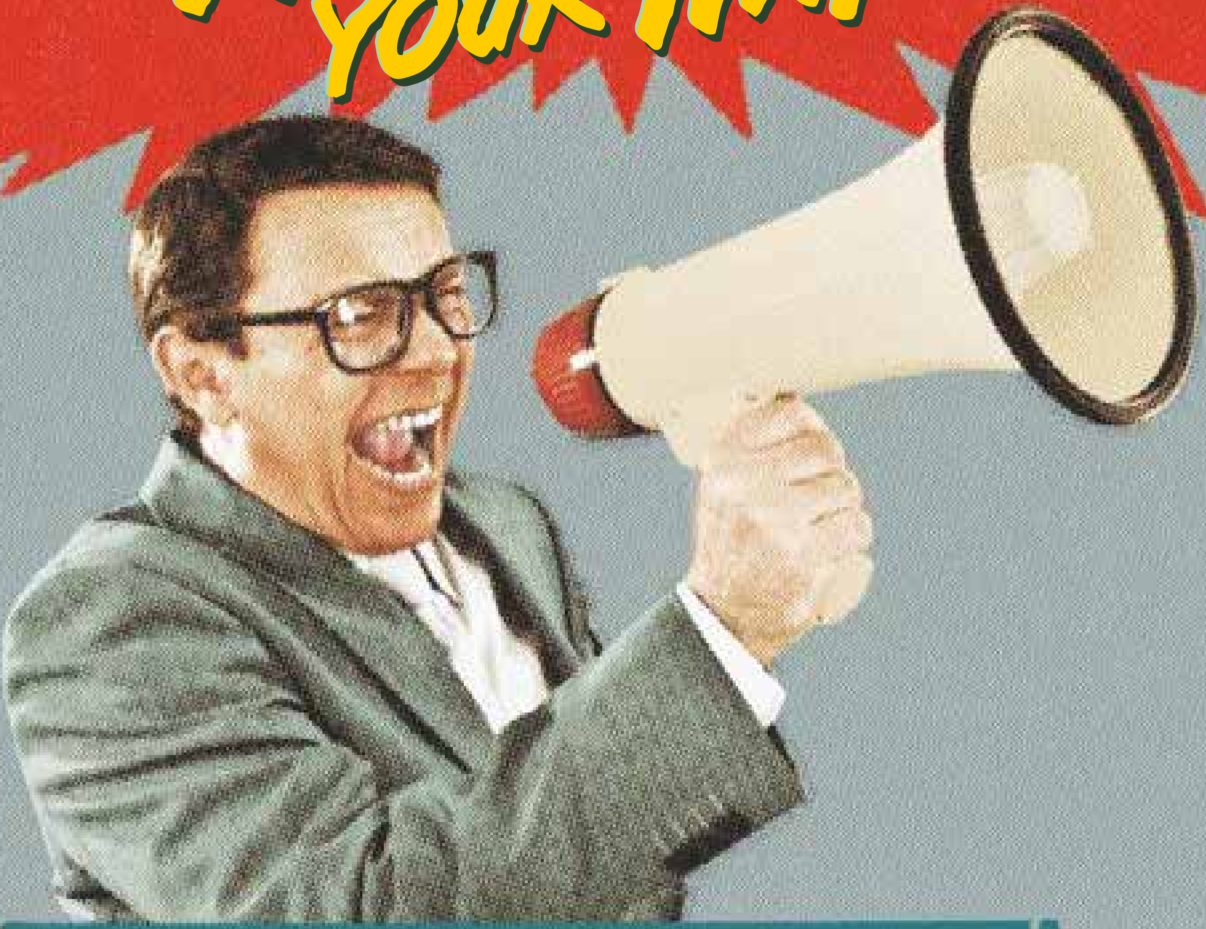
Innovation is a way of life at Marico. So serious are we about innovation, we believe it should resonate across verticals and departments. We call this 'Institutionalising Innovation'.

—— One of the initiatives that make up the 'innovation culture' at Marico is **'INNOVATION JAM'** – a unique program that rewards out-of-the-box ideas for new products and organisation processes. Innovation Jam has, in a short span of time, seen a wealth of fresh ideas, with 5 ideas already being developed. Innovation, as you can see, has been a winning recipe for Marico.

Tried & Tasted!!

2 GO-TO-MARKET

INCREASE YOUR REACH. AMPLIFY YOUR IMPACT!



INCREASING MARKET REACH IS ONE OF MARICO'S TOP PRIORITIES. TO ACHIEVE THIS, WE'RE NOT ONLY REACHING OUT TO MORE STORES BEYOND THE CURRENT 3.6 MILLION OUTLETS THAT STOCK OUR PRODUCTS, BUT ALSO IMPROVING OUR IN-STORE PRESENCE IN EACH STORE.

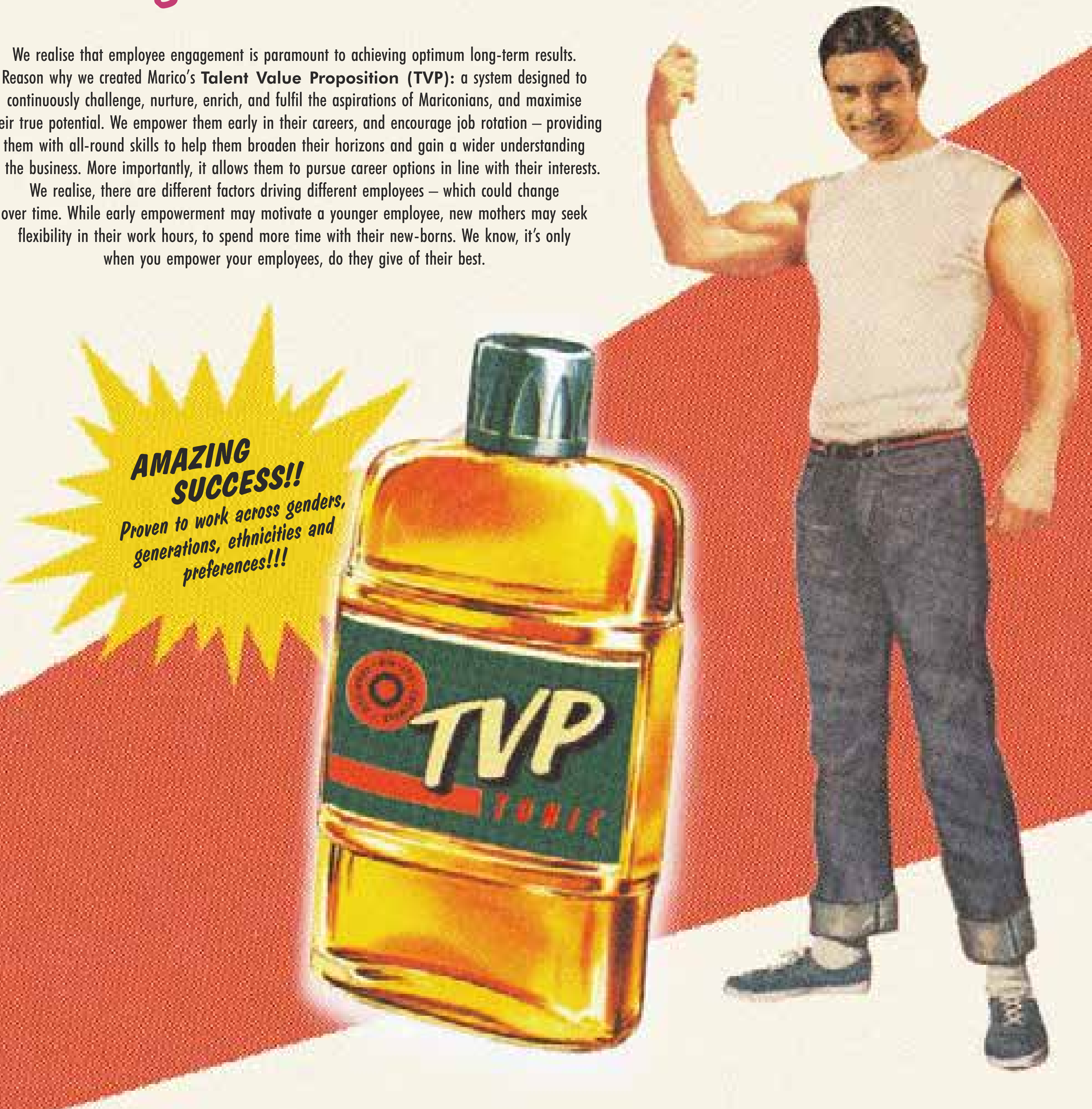
To increase our penetration, we will focus on expanding distribution both in urban and rural markets. Apart from retail outlets, beauty & cosmetic stores, and chemists, we are putting in place an E-commerce strategy. To enhance the capability of our sales force, we have simplified and outsourced processes such as Order Management. This will not only release management bandwidth towards improving reach, but also improve operational efficiency using planning and forecasting models – enabling store owners to run their businesses more efficiently. And with the help of channel partners and wholesalers, we hope to increase the Indirect Reach of our brands. The result is loud and clear: better growth.

3 TALENT VALUE PROPOSITION

Maximise your **POTENTIAL** and see the DIFFERENCE!

Challenge! Enrich!! Fulfil!!!

We realise that employee engagement is paramount to achieving optimum long-term results. Reason why we created Marico's **Talent Value Proposition (TVP):** a system designed to continuously challenge, nurture, enrich, and fulfil the aspirations of Mariconians, and maximise their true potential. We empower them early in their careers, and encourage job rotation – providing them with all-round skills to help them broaden their horizons and gain a wider understanding of the business. More importantly, it allows them to pursue career options in line with their interests. We realise, there are different factors driving different employees – which could change over time. While early empowerment may motivate a younger employee, new mothers may seek flexibility in their work hours, to spend more time with their new-borns. We know, it's only when you empower your employees, do they give of their best.



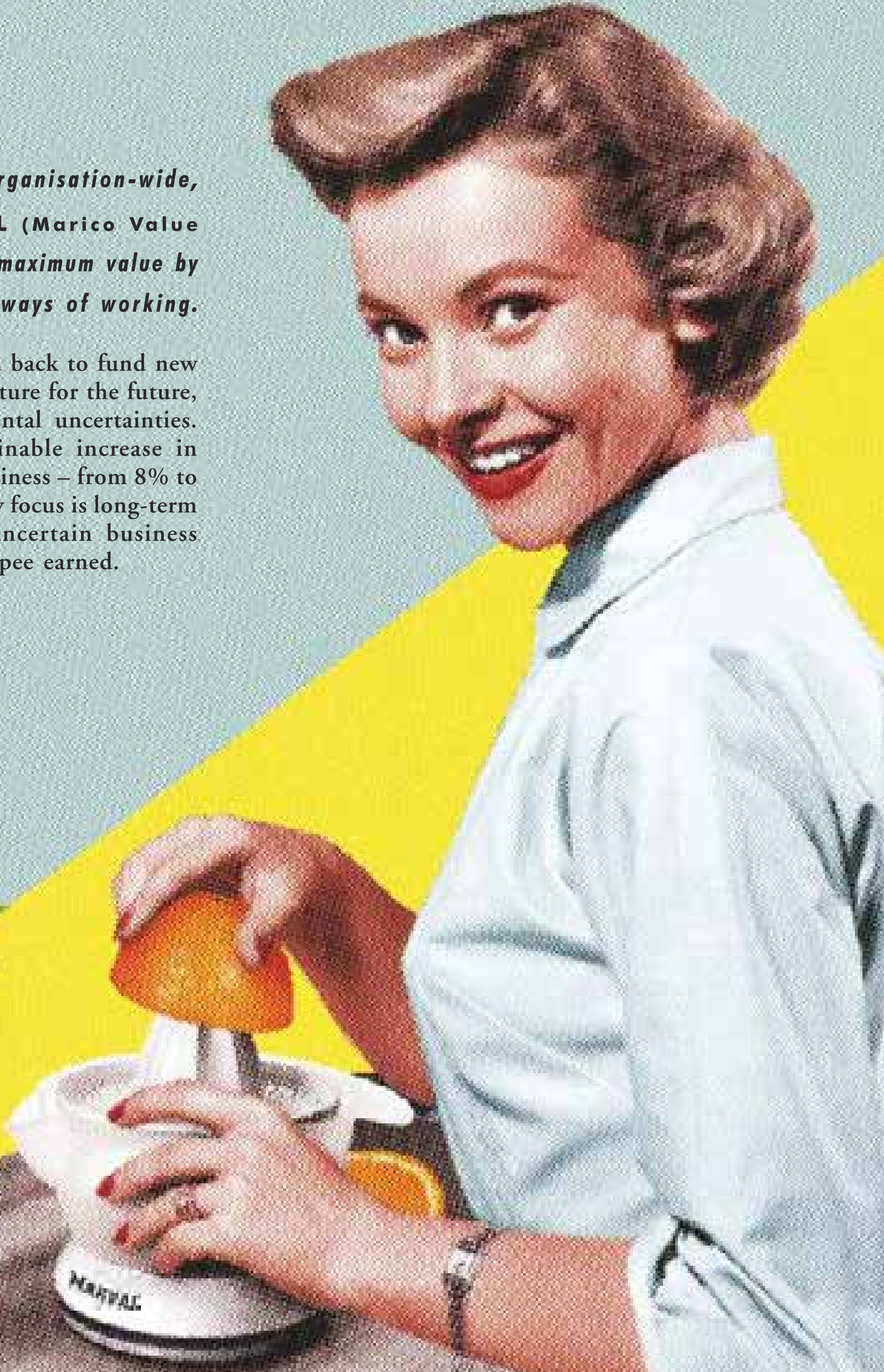
"Good, better, best. Never let it rest. Until your good is better and your better is best."

4 VALUE MANAGEMENT

For best results use MARVAL.

AT MARICO, *we've set up an organisation-wide, cross-functional program —* **MARVAL (Marico Value Management)** *— that seeks to extract maximum value by questioning and remodelling existing ways of working.*

The savings accruing thereof are ploughed back to fund new product developments, augment infrastructure for the future, and offset losses arising from environmental uncertainties. The initiative has already seen a sustainable increase in operating margins of our International Business – from 8% to 16% in FY 2014 alone. MARVAL's primary focus is long-term sustainability of operating profits in uncertain business situations. After all, a rupee saved is a rupee earned.

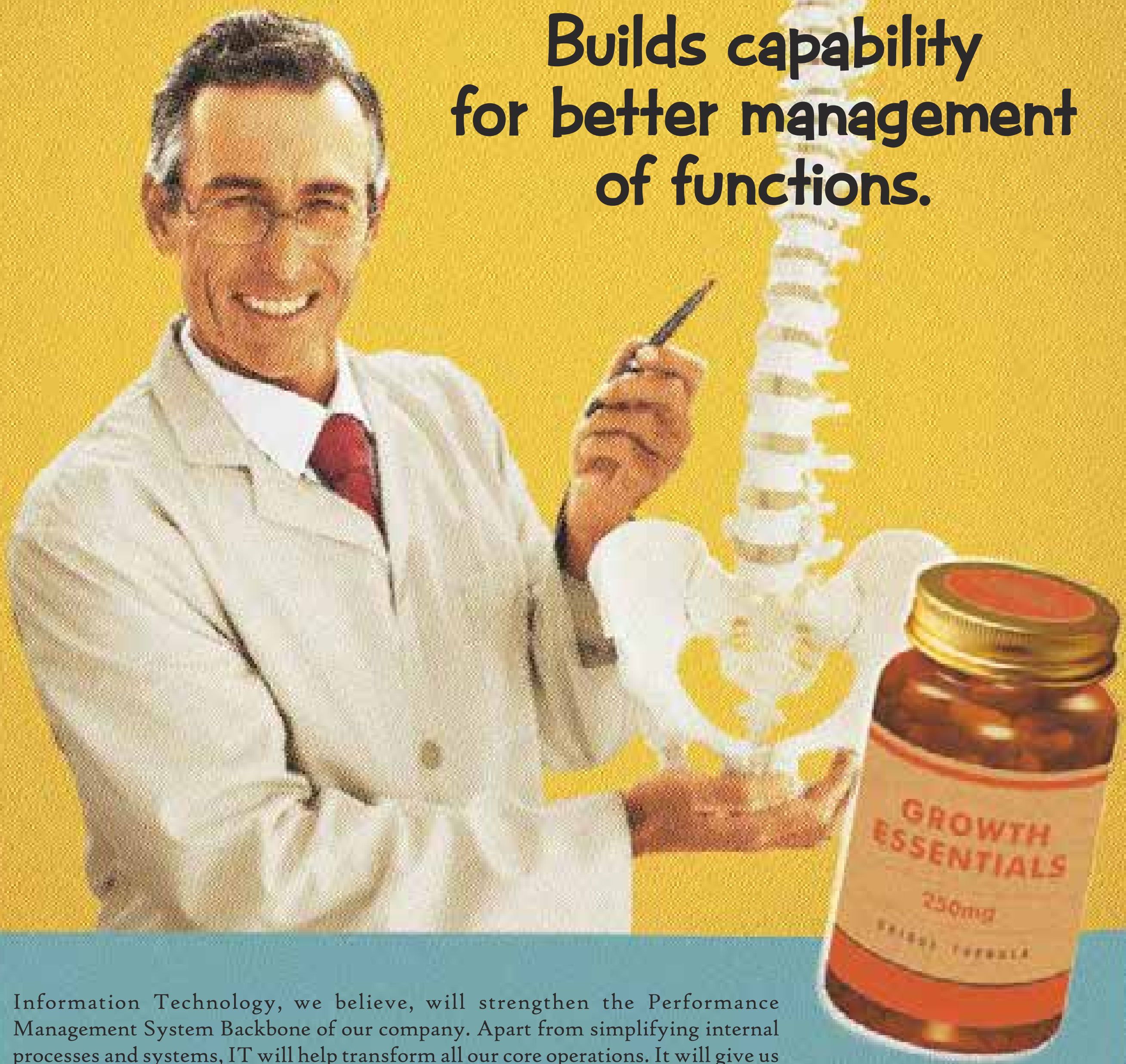


EXTRACT VALUE WITH EVERY DROP!

5
IT & ANALYTICS

STRENGTHENS BACKBONE.

Builds capability for better management of functions.



Information Technology, we believe, will strengthen the Performance Management System Backbone of our company. Apart from simplifying internal processes and systems, IT will help transform all our core operations. It will give us access to information and automate key processes in order to run our businesses more efficiently. We have begun the practise of IT-enabled analytics to understand consumer behaviour better, track product performance, and forecast future trends. Moreover, we're able to monitor real-time conversations about our brands across social media platforms and use digital media to connect with our audiences, making a measurable difference to their lives.

Promotes healthy **GROWTH**

COMPANY INFORMATION

BOARD OF DIRECTORS
Mr. Harsh Mariwala, Chairman
Mr. Saugata Gupta, Managing Director & CEO
Mr. Anand Kripalu
Mr. Atul Choksey
Mr. B. S. Nagesh
Ms. Hema Ravichandar
Mr. Nikhil Khattau
Mr. Rajeev Bakshi
Mr. Rajen Mariwala

MANAGEMENT TEAM
Mr. Vivek Karve, Chief Financial Officer
Mr. Sameer Satpathy, Chief Marketing Officer
Dr. Sudhakar Mhaskar, Chief Technology Officer
Mr. Jitendra Mahajan, Chief Supply Chain Officer
Mr. Mukesh Kripalani, Chief Business Process Transformation & IT
Mr. Samardeep Subandh, Chief Sales Officer - India
Mr. Ashutosh Telang, Chief Human Resources Officer
Mr. Sridhar B., Chief Operating Officer
- Rest of South Asia, Middle East & Africa
Mr. Ashish Joshi, Chief Operating Officer - South East Asia Business

COMPANY SECRETARY & COMPLIANCE OFFICER
Ms. Hemangi Ghag

AUDIT COMMITTEE
Mr. Nikhil Khattau, Chairman
Ms. Hema Ravichandar, Member
Mr. B. S. Nagesh, Member
Mr. Rajen Mariwala, Member
Ms. Hemangi Ghag, Secretary to the Committee
Mr. Harsh Mariwala, Permanent Invitee
Mr. Saugata Gupta, Permanent Invitee

CORPORATE GOVERNANCE COMMITTEE
Ms. Hema Ravichandar, Chairperson
Mr. Rajeev Bakshi, Member
Mr. Anand Kripalu, Member
Mr. B. S. Nagesh, Member
Mr. Ashutosh Telang, Secretary to the Committee
Mr. Harsh Mariwala, Permanent Invitee
Mr. Saugata Gupta, Special Invitee

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Mr. Harsh Mariwala, Chairman
Mr. Atul Choksey, Member
Mr. Rajen Mariwala, Member
Ms. Priya Kapadia, Secretary to the Committee

RISK MANAGEMENT COMMITTEE
Mr. Saugata Gupta, Chairman
Mr. Harsh Mariwala, Member
Mr. Vivek Karve, Member & Secretary to the Committee

STAKEHOLDERS' RELATIONSHIP COMMITTEE
Mr. Nikhil Khattau, Chairman
Mr. Rajen Mariwala, Member
Ms. Hemangi Ghag, Secretary to the Committee

BANKERS
Axis Bank Limited
Barclays Bank PLC
BNP Paribas
Citibank N. A.
HDFC Bank Limited
ICICI Bank Limited
Kotak Mahindra Bank Limited
Standard Chartered Bank
State Bank of India
The Hong Kong and Shanghai Banking Corporation Limited

STATUTORY AUDITORS
Price Waterhouse, Chartered Accountants

INTERNAL AUDITORS
Ernst & Young LLP

COST AUDITOR
Ashwin Solanki & Associates

SECRETARIAL AUDITOR
Dr. K. R. Chandratre

REGISTERED OFFICE
7th Floor, Grande Palladium, 175 CST Road,
Kalina, Santacruz (East), Mumbai 400 098

OUR PRESENCE
Factories – 16 (9 in India and 7 overseas)
Regional Offices – 4 in India
Depots – 32 in India
Overseas Offices – 10

WEBSITES
www.marico.com
www.maricobd.com
www.maricoinnovationfoundation.org
www.parachuteadvansed.com
www.saffolalife.com
www.haircodeworld.com
www.icpvn.com
www.chottekadam.com
www.setwet.com
www.livonhairgain.com
www.livonilovemyhair.com
www.code10.com

INDEX

CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Shareholders,

It gives me immense pleasure in presenting to you the 27th Annual Report of the Company. 2014-15 was a year of transition for the country and also for your Company. The new government at the Centre was sworn in with the mandate of bringing the economy back on the growth track. With this backdrop, I stepped down in my operational role and Mr. Saugata Gupta, the CEO of the FMCG business was appointed as the Managing Director of your Company. The Board has directed me to continue to act as the Chairman of the Board, mentoring and advising the MD for your Company's strategy and future road map.

During the year under review, your Company's unified FMCG business has delivered good growth in line with its strategy, despite a continuing difficult macro environment. We continue to drive successful results and grow our businesses profitably. The consolidated top line grew 22% on the back of an underlying volume growth of 4%. The consolidated profit after tax grew 18% compared to last year, despite unprecedented input cost inflation. Your Company will stay focused on the five transformational areas for growth – Innovation, Go-To-Market transformation, Value Management, Talent Value Proposition, and IT & Analytics, while deriving further synergies from the unification of Domestic and International FMCG businesses.

During the year, our India business grew by 26% with an underlying volume growth of 6%. The macro-economic environment continued to be subdued; however, we continued to expand our franchise reflecting the strong equity of our brands. Close to 80% of our portfolio gained market share during the year which is a noteworthy achievement given that we already are market leaders in 90% of our portfolio. The India business maintained margins at 17.7% despite 60% inflation in copra prices.

The international business grew by 10% on constant currency terms sustaining operating margins over 17%, up from 8-9% a couple of years ago. The long term potential of the International business is intact. Your Company has planned strategic brand building investments in core markets of Bangladesh, Vietnam, Middle East North Africa (MENA) and South Africa coupled with expansion in adjacent markets such as Nepal, Pakistan, Cambodia, Myanmar, Sri Lanka and East Africa.

Your company aspires to be a leading emerging market multi-national with leadership in two core categories of nourishment and male styling in two continents – Asia and Africa. With continued focus on 5 areas of transformation, the Company plans to meet this aspiration by seeking to win amongst consumers, trade and talent.

Your Company has the purpose of "Making a Difference" to the lives of all its stakeholders. This purpose is embedded in the Corporate Social Responsibility Policy of your Company. During the year, we remained committed to this purpose with various initiatives. Saffolalife 'Protect Her Heart Campaign' launched in 2014, Nihar Shanti Amla's child education cause of "Chotte Kadam Pragati Ke Aur" and Social Innovation Acceleration Program (SIAP) of Marico Innovation Foundation (MIF) are just a few noteworthy examples. The Directors' Report carries a detailed update on these initiatives.

Your Company's efforts to achieve and sustain highest standards of corporate governance were duly recognised during the year. A study of India's Best Boards was conducted jointly by The Economic Times and Hay Group India. Your Board emerged as one of the four companies that were recognized as the country's Best Boards. Your Board will continue to remain committed to furthering the interest of its shareholders.

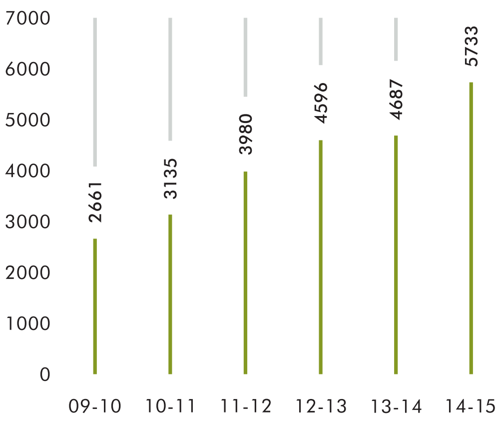
I wish to re-affirm our commitment to innovation and purpose-inspired growth, which will continue to be at the heart of everything we do. I would also like to attribute our success over the past year to our employees & associates who have demonstrated their ability to embrace change and proactively influence the course of our business. Lastly, I would like to thank all the shareholders for their resolute trust in the Company and look forward to their continued support and participation in the growth of the Company.

With warm regards,

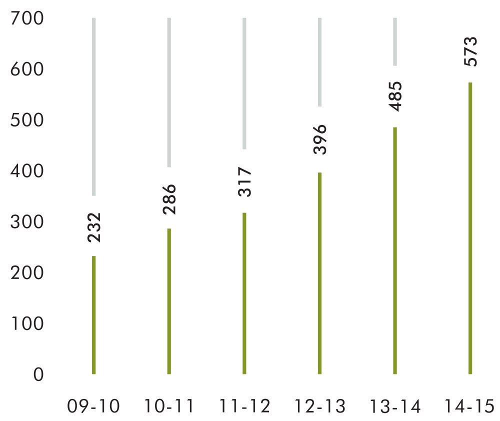
Harsh Mariwala
Chairman

PERFORMANCE AT A GLANCE

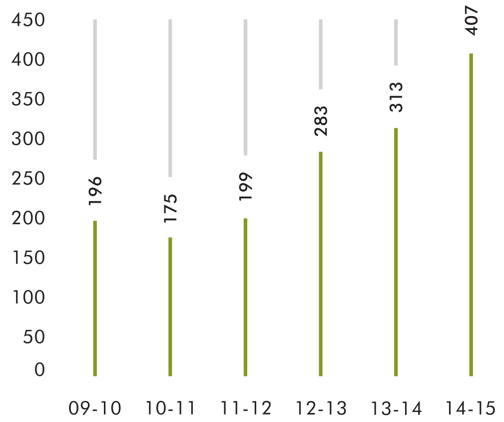
REVENUE FROM OPERATIONS INR/Cr.



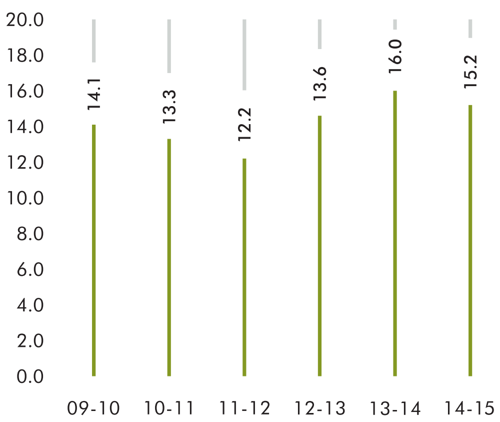
NET PROFIT INR/Cr.



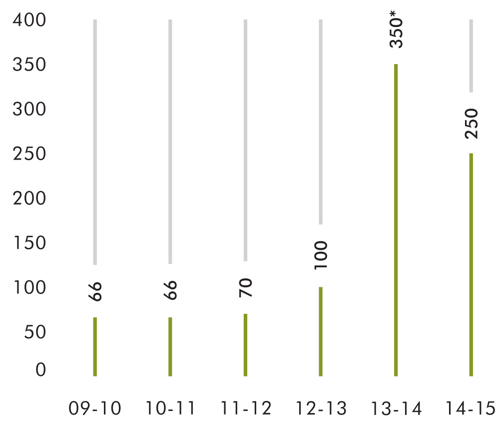
EVA INR/Cr.



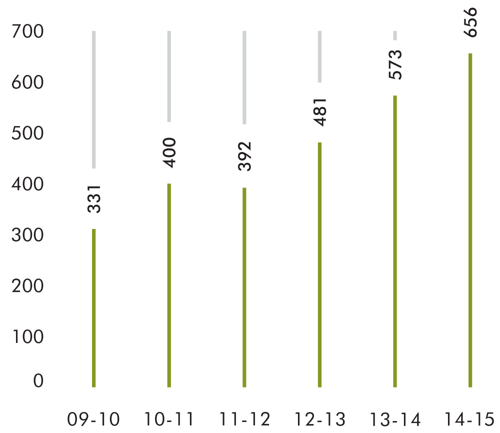
EBIDTA MARGINS (%)



DIVIDEND DECLARED (%)



CASH PROFITS INR/Cr.



Note 1: FY14 financials do not include the Skin Care Business (Kaya) which has been de-merged effective April 1, 2014
*Note 2: Includes a special Silver Jubilee Dividend of 175% to commemorate 25 years since incorporation

SUSTAINABLE WEALTH CREATION

Investment	Through	Shares	Value (in Rs.)	Indexed Value
April 1996 - Original Purchase	IPO	100	17,500	100
August 2002	Bonus (Equity 1:1)	100	–	–
September 2002	Bonus (Preference 1:1)	200	–	–
May 2004	Bonus (Equity 1:1)	200	–	–
February 2007	Share Split (10:1)	4,000	–	–
Holdings and Cost as on March 31, 2015		**4,000**	**17,500**	**100**

Investment	Through	Shares	Value (in Rs.)	Indexed Value
March 31, 2015	Market value	4,000	15,68,800	8,965
March 2004	Redemption proceeds of Bonus Preference shares	200	4,000	23
April 1996 - March 2015	Dividend Received*#	–	57,138	327
Gross Returns			16,29,938	9,314
Compound Annual Return since IPO			27%	27%

* Dividends are inclusive of those received on Bonus Preference Shares
# Subject to taxes as applicable

MANAGEMENT DISCUSSION & ANALYSIS

This discussion covers the financial results and other developments during April 2014 - March 2015 in respect of Marico Consolidated comprising its domestic and international FMCG business. The Consolidated entity has been referred to as 'Marico' or 'Group' or 'Company' in this discussion.

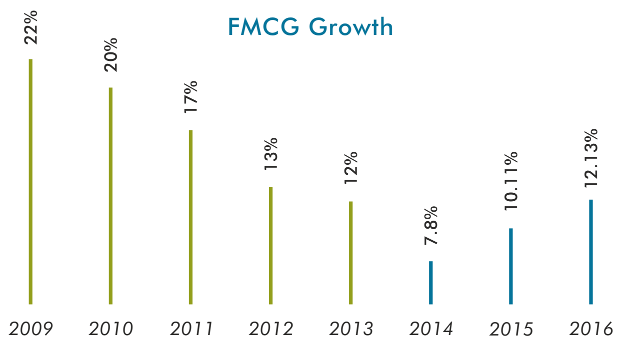
Some statements in this discussion describing projections, estimates, expectations or outlook may be forward looking. Actual results may however differ materially from those stated on account of various factors such as changes in government regulations, tax regimes, economic developments, exchange rate and interest rate movements, impact of competing products and their pricing, product demand and supply constraints within India and the countries within which the Group conducts its business.

INDUSTRY STRUCTURE AND DEVELOPMENT

India

The Indian economy has been through challenging times in the last two years, faced with prolonged high inflation coupled with low growth. However, it has transitioned from being one of the most fragile economies amongst the emerging markets in mid-2013 to one that is currently receiving significant capital inflows. Business sentiment improved post May 2014 with the change in government which is pro-growth and is taking efforts to boost investments.

India's consumer inflation, which had been in the double digits between 2010 and 2013, has come down to about 5%, in part due to the RBI's tight monetary policy, the government's moves to contain food inflation and the sharp decline in commodity prices especially crude oil.



Source: Nielsen India

While sentiment appears to have improved, it has not yet translated to tangible improvement in consumption across the sector. However, India's USD 37 billion FMCG sector [Source: Nielsen] is witnessing perceptible signs of a sustained recovery. The primary factors expected to drive the recovery are a stronger GDP and rise in employment.

The new government has gradually been improving the ease of doing business, clearing projects that have been stuck, bringing in accountability in bureaucracy and making efforts to increase both domestic and foreign direct investment. Opening of more than 120 million bank accounts, auction of coal blocs, awarding highway contracts, deregulation of diesel prices and increased FDIs in defense, railway infrastructure and construction are some of the positive reforms undertaken by the new government so far. The Union Budget for FY16 provides a roadmap for the government's policy thrust. This is expected to have a positive impact on consumption.

The government's GDP forecast for FY16 is 8.1%-8.5% compared to 7.4% in FY15 based on the new way of calculating GDP. At this level, it is estimated to be on par with China, currently the fastest growing economy in the world. However, these growth rates are difficult to reconcile with other developments in the economy. As the government itself points out, the data should be interpreted with caution and seen as signs of a recovering rather than a surging economy.

The fundamentals of the consumer sector in India continue to remain strong. According to United Nations, India is forecasted to be the most populous country by 2030. In addition, the dependency ratio (ratio of non-working age people to working age) is expected to decline and drop below China in the next two decades [Source: UN]. Even among the ASEAN countries, India has one of the best demographic profiles.

Apart from population growth, India is witnessing other trends that make it a favourable market from a consumption perspective. These include urbanisation, increase in the number of nuclear families, improvement in education levels, more women in the workforce and modernisation of lifestyles.

India's GDP per capita has more than tripled over the past decade. Various macro-economic studies have shown that growth in per capita consumption is not linear with per capita income. S-curve analysis suggests that at the current GDP/capita of USD 1500, consumption should accelerate from the current levels, especially in premium categories.

The above macro-economic and demographic statistics make India look like a very attractive market for all consumer companies. However, like any other market, India has its own share of challenges, overcoming which will be the key to growth and profitability. **Economic inequality** continues to remain one of the most formidable challenges in the country. At the lower end of the population, as much as 50% of consumption expenditure can be on food, making these households highly vulnerable to down-trading in times of high food inflation. Two-thirds of the Indian population lives in **remote villages** that are not well connected with the main cities. While this adds to the cost of serving rural markets, it also calibrates distribution expansion strategies. Regional players offer strong competition in these regions as they use a heavy discounting model with distributors which make some of the commoditised categories vulnerable. Lastly, monsoon continues to play an important role in the economy as more than 50% of the GDP comprises agriculture. The year gone by witnessed a less than normal rain fall with prediction on the forthcoming monsoon not being very favourable. Although, the growth in industry and service sectors over the years has reduced vulnerability to monsoon, it continues to be an important factor impacting disposable income and consumer sentiments.

In spite of these challenges, India's economy is well poised for growth given the correction in macro imbalances, weak global commodity prices, structural reforms by the new government and the cyclical recovery that is in progress.

Bangladesh

The Bangladesh population is estimated at more than 160 million. It is largely an ethnically homogenous society with the highest population density in the world.

Over the last year, inflation rate has been steadily declining. Government subsidy payments were cut with a fall in global petroleum prices. The country's Forex Reserve continues to be on a rising trend. However, Bangladesh witnessed a fresh wave of political uncertainty towards the end of the financial year, which is expected to impact business sentiment.

In the long term, Bangladesh promises substantial potential in terms of socio-economic growth. A developing economy with a young demographic profile provides the perfect consumer base for the FMCG sector to flourish.

Middle East and North Africa (MENA)

Falling global oil prices in recent weeks have brought the economic vulnerabilities of the GCC region to the forefront. However, countries like the UAE may not have an immediate impact on the back of tourism, real estate, and retail sectors. The GDP of UAE is forecasted to grow at 4.6% in 2015. In Saudi Arabia, subdued inflationary conditions are expected to continue.

The Egyptian economy has embraced liberalisation in the recent past, thereby opening the doors to foreign direct investment and paving the path to economic growth. International rating agency Fitch upgraded Egypt's credit rating to "B" with a "Stable" outlook. Fitch expects annual GDP growth to continue to strengthen from 2.1% in 2013 to 4.7% in 2016. However, strengthening dollar and falling forex reserves are likely to impact EGP.

A steadily growing population and a developing economy provide a good base for FMCG companies. Penetration levels in hair grooming and skin care products are modest. Egypt also offers a gateway to North African countries such as Algeria, Libya and Morocco.

Vietnam

Vietnam is one of the fastest growing countries in South East Asia. In the year 2014, the Vietnamese economy grew by 6.0%, higher than the governments' target of 5.8%. Local economy is maintaining recovery momentum and is expected to grow faster going forward. The Vietnam government also approved a hike in minimum wages rate by 15% effective 1st January, 2015. The demographics of the country are very promising, with an extremely young and educated population providing an opportunity for FMCG companies to grow rapidly.

South Africa

The South African GDP grew by 1.5% in 2014 but is expected to rebound to 2.0% in 2015, as a large Rand depreciation may stimulate an export-led recovery. High levels of unemployment and inequality are considered to be the most salient economic problems facing the country. The long-term potential growth rate of South Africa has been estimated at 3.5%.

RISKS & CONCERNS

Changing Consumer Preferences

Demand can be adversely affected by a shift in consumer preferences. Given the explosion and ever growing popularity of social media, the speed of such a shift could be very swift.

Marico invests significantly in consumer in-sighting to adapt to changing preferences.

Input Costs

Unexpected changes in commodity prices can impact margins. The past few years have witnessed wide fluctuations in the input materials prices. As a result, the overall level of uncertainty in the environment continues to remain high.

However, brands with greater equity and pricing power may find it easier to adjust prices when the input prices increase and hold prices when the input prices decline.

Macro-Economic Factors

In situations of economic constraints, items which are in the nature of discretionary spending are the first to be curtailed. Factors such as low GDP growth and high food inflation can result in down-trading from branded to non-branded or premium to mass market products.

Political Risks

Unrest and instability in countries of operation can significantly impact the business.

Marico operates in the Developing & Emerging economies of Asia and Africa and is exposed to political risk in Bangladesh, Vietnam, Middle East, Egypt, Myanmar, and South Africa.

Competition

Increase in the number of competing brands in the marketplace, counter campaigning and aggressive pricing by competitors have the potential of creating a disruption.

Marico has entered categories such as mass skin care, breakfast cereals, hair styling, post wash leave-in conditioners, deodorants, shampoos (in South East Asia) and hair colours where the competitive intensity is relatively higher as compared to the segments it has been operating in hitherto, such as coconut oil, hair oils and refined edible oils.

Product Innovation and New Product Launches

Success rate for new product launches in the FMCG sector is low. New products may not be accepted by the consumer or may fail to achieve the sales target. Even more so in cases where industry leaders invest behind creating new categories.

Marico has adopted the prototyping approach to new product introductions that helps maintain a healthy pipeline and at the same time, limits the downside risks.

Foreign Currency Exposure

Marico has a significant presence in Bangladesh, South East Asia, Middle East, Egypt and South Africa. The Group is therefore exposed to a wide variety of currencies like the US Dollar, South African Rand, Bangladeshi Taka, UAE Dirham, Egyptian Pound, Malaysian Ringgit and Vietnamese Dong. Import payments are made in various currencies including but not limited to the US Dollar, Australian Dollar and Malaysian Ringgit.

Significant fluctuation in these currencies could impact the Company's financial performance. The Company is, however, conservative in its approach and uses plain vanilla hedging mechanisms.

Funding Costs

Though the FMCG sector is not capital intensive, fund requirements arise on account of inventory position building, capital expenditure undertaken or funding inorganic growth. Changes in interest regime and in the terms of borrowing will impact the financial performance of the Group.

The Group maintains comfortable liquidity positions, thereby insulating itself from short term volatility in interest rates.

Acquisitions

Acquisitions may divert management attention or result in increased debt burden on the parent entity. It may also expose the company to country specific risk. Integration of operations and cultural harmonisation may also take time thereby deferring benefits of synergies of unification.

Marico has been able to integrate its acquisitions with the mainstream with focus on talent and processes. Given its comfortable liquidity position and conservative capital management practices, the acquisitions have not put any pressure on the financial position of the Group.

Private Labels

Expansion of modern trade can lead to the emergence of private labels. While the risk of private labels has been relatively low in India, this can change considerably quickly with e-commerce gaining traction in Urban India.

Talent acquisition and retention

Inappropriate hiring and inability to retain top talent may result in a firm's ability to pursue its growth strategies effectively.

Marico invests heavily in "hiring right" and "talent development & engagement". This helps provide fulfilling careers to members in Marico.

Compliance

Inadequate compliance systems and processes pose a reputation risk for an organisation. They may result in financial losses and penalties.

Marico has invested in compliance systems and processes to ensure that all its functions and units are aware of the laws and regulations to comply with, and that adequate monitoring mechanism are put in place to ensure compliance.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Marico has a well-established and comprehensive internal control structure across the value chain to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition, that transactions are authorised, recorded and reported correctly and that operations are conducted in an efficient and cost effective manner. The key constituents of the internal control system are:

- Establishment and periodic review of business plans
- Identification of key risks and opportunities and regular reviews by top management and the Board of Directors
- Policies on operational and strategic risk management
- Clear and well defined organisation structure and limits of financial authority
- Continuous identification of areas requiring strengthening of internal controls
- Operating procedures to ensure effectiveness of business processes
- Systems of monitoring compliance with statutory regulations
- Well-defined principles and procedures for evaluation of new business proposals/capital expenditure
- A robust management information system
- A robust internal audit and review system

Ernst & Young LLP has been carrying out internal audits for Marico for the last three years. The work of internal auditors is coordinated by an internal team at Marico. This combination of Marico's internal team and expertise of a professional firm ensures independence as well as effective value addition.

Internal audits are undertaken on a continuous basis, covering various areas across the value chain like manufacturing, operations, sales and distribution, marketing, and finance. The internal audit program is reviewed by the Audit Committee at the beginning of the year to ensure that the coverage of the areas is adequate. Reports of the internal auditors are regularly reviewed by the management and corrective action is initiated to strengthen the controls and enhance the effectiveness of the existing systems. Summaries of the reports are presented to the Audit Committee of the Board.

The statutory auditors, as part of their audit process, carry out a systems and process audit to ensure that the ERP and other IT systems used for transaction processing have adequate internal controls embedded to ensure preventive and detective controls. The audit report is reviewed by the management for corrective actions and the same is also presented to and reviewed by the Audit Committee of the Board.

THE MARICO GROWTH STORY

Marico achieved revenue from operations of INR 5,733 crore (USD 940 million) during FY15, a growth of 22% over FY14. The volume growth underlying this revenue growth was at 4%. Profit After Tax (PAT) for FY15 was INR 573 crore (USD 94 million), a growth of 18% over FY14.

Over the past 5 years, the FMCG top line and bottom line have grown at a compounded annual growth rate (CAGR) of 18% and 15% respectively.

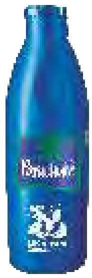
Domestic FMCG Business: Marico India

The FMCG business in India achieved a turnover of INR 4,449 crore (USD 730 million) during the year, a growth of 26% over the same period last year. The business delivered 6% volume growth. The operating margin of the India business during FY15 was 17.7% before corporate allocation. The Company believes that an operating margin in the band of 17% to 18% is sustainable in the medium term.

Coconut Oil

Parachute's rigid portfolio (packs in blue bottles) crossed the landmark of INR 1,500 crore (USD 245 million) in revenues in FY15. The portfolio recorded a volume growth of 6% for FY15 over FY14. Competitive position being favourable throughout the year, Parachute along with Nihar increased its market share by more than 100 bps to 57% during the 12 months ended March 2015. A strong volume growth coupled with market share gains is a testimony to the pricing power that Parachute enjoys.

The non-focused part of the portfolio (pouch packs) witnessed contraction as the raw material prices faced inflationary pressures while the Company maintained minimum threshold margins.



The Company undertook a detailed study on the branded coconut oil market size. Based on the study, the branded coconut oil market size is INR 4,500 crore (USD 738 million). However, there is also a significant part of the market of approximately 35-40% in volume terms which is still in loose form. This loose component provides headroom for growth to the 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. This is expected to be complemented by share gain in rural market where Parachute's share is lower than its urban market share.

Foods: Super premium refined edible oils and oat cereals

The Saffola refined edible oils franchise grew by 6% in volume terms for the year. Super premium refined oils category growth was impacted in the second half of the year mainly on account of increased price premium with respect to other branded refined oils. In line with the Company strategy of not sacrificing long term growth for short term gains, Marico did not take any pricing action on the portfolio. Instead, towards the end of the year, the Company initiated a few alternative steps to correct the growth trajectory going forward. This includes introduction of a new SKU of 500ml to encourage trials, increased distribution and driving one of the variants through focused market actions. These initiatives are currently in the prototype stage and will be scaled up basis market feedback.

Despite a lower rate of growth, the brand gained market share by 268 bps and further strengthened its leadership position in the super premium refined edible oils segment to 58% during the 12 months ended March 2015.

In the Oats category, Saffola has a strong no.2 position with a value market share of 21% during the 12 months ended March 2015 and an exit market share of 24%. Various distribution initiatives undertaken by the Company have resulted in Saffola oats now being the most distributed oats brand in the country. Saffola flavoured oats are available in eight variants. Two sweet flavours with fruits were introduced to complement the bouquet of six savoury (masala) flavours. Focus on value added offerings in the oats segment has enabled the Company to capture a 61% value share in the flavoured oats market on a 12-months basis. The portfolio is consistently gaining share with March 2015 exit value market share of 67%. During the year, the franchise reached a top line of INR 80 Crore (USD 13 million). The Company's ability to localise the product to suit the Indian palate and drive consumption by increasing the occasion of use, apart from breakfast to in-between meals, has been the key catalyst in creating and succeeding in this category. The Company continues to focus on improving the margins in this franchise with focused cost management initiatives in order to ensure sustainable profitable growth.

In order to encourage consumers to adopt healthy eating habits, the franchise has introduced Saffola Fit Foodie (www.fitfoodie.in) – a one stop destination for healthy recipes designed by Saffola's expert panel, headed by Vikas Khanna, the master chef. This has ensured productive interaction between the consumer and the brand.

Value Added Hair Oils

Marico's hair oil brands (Parachute Advansed, Nihar Naturals, and Hair & Care) grew by 10% in volume terms during the year.

Marico continues to grow faster than the value added hair oils market of INR 5,800 crore (USD 950 million). During the year, the Company further strengthened its market leadership by 88 bps to 29% volume share (for 12 months ended March 2015) and continues to premiumise with value share gain of 210 bps to 22% for the same period. Going forward, the Company will continue to focus on premiumisation to drive growth in the category.

Towards the premiumisation journey, Parachute Advansed Aromatherapy was launched as a prototype in Mumbai. The launch aims at making hair oiling relevant to urban lifestyle through the benefit of de-stressing and relaxation.

This year, this portfolio reached many milestones. Parachute Advansed Jasmine and Nihar Naturals Perfumed oil crossed the turnover of INR 250 Crore (USD 40 million) each. Nihar Shanti Amla is now an INR 300 crore (USD 50 million) brand. The Company's Value Added Hair Oils portfolio crossed INR 1,000 crore (USD 164 million) landmark this year with 4 strong brands. Parachute Advansed Ayurdevic Oil, with a presence in southern states, is growing rapidly and is expected to clock a turnover of circa INR 60-65 crore (USD 10 million) next year. The Value Added Hair Oils franchise, has registered a compounded annual growth rate of 20% in volume terms over the last 5 years.

Nihar Shanti Amla continues to gain market share and achieved a volume market share of about 33% for the 12 months ended March 2015 in the Amla hair oil category (MAT FY14: 30%). The exit market share of Nihar Shanti Amla was more than 36% reflecting a continued strong trajectory of growth. The increased scale of the franchise enables the

Company to benefit from operating leverage thereby improving net margins despite competitive pricing.

Loose mustard oil is the most widely used hair oil in the Hindi heartland. To address this market, the Company is prototyping Nihar Naturals Shanti Sarson Kesh Tel, a value added mustard hair oil. It delivers the goodness of mustard but with pleasant sensorial. The prototype was launched in Rajasthan in February 2015 and has received a positive response.

The hair oils category has been amongst the fastest growing large sized FMCG segments in India and compares very well with other highly penetrated personal care categories. There is also an emergence of new age hair oils in the developed markets that could create a super-premium segment in India too. This serves to emphasise that hair oils can drive both beauty and nourishment. Marico will continue to focus on upgrading the portfolio by playing across segments that cater to the consumer's needs of nourishment and problem-solution.

Body Lotion

Body Lotion, an INR 1,000 crore (USD 164 million) category in India, remained flat during FY15. In spite of the muted growth in the category, Parachute Advansed Body lotion gained volume share and maintained its No.3 position with 6% share for the 12 months ended March 2015.

The body lotion penetration level is below 20% in India. The Company plans to increase its participation in the skin care segment in the longer term.

Youth Portfolio

The Youth Portfolio plays in three categories i.e., Hair Gels, Leave-in serums and Deodorants. The Set Wet gels and Livon portfolio (which also consists of a hair gain tonic) forms 2/3rd of the Youth Portfolio. The Company will focus on expanding these high margin categories while maintaining share in the cluttered deodorants category (1/3rd of the Youth Portfolio).

The portfolio has grown by 5% in value terms during FY15. As a result of the revamped strategy, the portfolio is expected to get back to the medium term outlook of consistent 15-20% growth.

Set Wet gels and Livon serums have 44% and 82% share in their respective categories. These categories are at a very nascent stage as their penetration in India is far lower as compared to other emerging markets. Being market leaders, the Company is well poised to innovate and grow the market. The re-launch of Set Wet gels was accompanied with a jump in distribution. The coverage was scaled up in both urban and rural markets by 53% from April 2014.

During the year, the Company launched Livon Moroccan Silk Serum. It combines the goodness of Moroccan Argan Oil with the easy-to-apply serum format and is especially suited for Indian hair. It has been launched in two SKUs (30ml @ INR 149 and 59ml @ INR 259) and is available in the top 20 cities. With the current distribution stabilised, the footprint of the brand is planned for further increase to the Livon brand universe in the next year.

Set Wet and Zatak deodorants maintained its share in the deodorants category at 4%. The category is large and growing with fragmented market shares. The Company aims at maintaining its share in the category through tactical support. It will also benefit from the positive rub-off from Set Wet gels brand building initiatives. In the medium term, the Company expects some consolidation to take place in the category and gain from its wide distribution supported by brand building initiatives.

Distribution

Marico's rural sales continue to clock a faster pace of growth at 32% compared to urban sales of 23%. Sales in Modern Trade (9% of the domestic turnover) continued its good run with 24% growth for the full year. CSD and Institutional sales (7% of the domestic turnover) grew at a healthy rate of 33% for FY15.

The continued focus on distribution expansion in rural markets has pushed the Company's rural sales to 33% of total domestic sales in FY15. In rural, incremental direct coverage provides an ideal platform to enhance the reach of the Value Added Hair Oils portfolio. The Company has increased its direct rural reach by 25% to 50,000 villages in the last two years.

This year, the Company embarked on a Go-To-Market (GTM) transformation journey. With foray into newer categories such as breakfast foods, body lotion, male grooming and hair serums, it is important to expand the direct distribution in urban areas beyond general trade to other channels such as modern trade, open format, chemist/cosmetic stores.

Project ONE (Outlet Network Expansion) was conceived with an objective of increasing Marico's direct coverage in its top 6 metros. The project has increased direct coverage in these cities by 60%. Project ONE has significantly augmented the reach of the Company's brands by improving assortment and availability at the outlet. It has met with a very positive response from the retailer community as it gives them convenience of service and access to promotions. Project ONE has delivered a business of INR 33 crore (USD 5 million) in FY15. The Company will expand the coverage of this initiative in FY16.

Robust IT infrastructure is the backbone of any successful sales system and towards that, the Company has embarked on a journey to refresh and reconfigure its point of sale IT infrastructure and software systems. This would enable the Company to improve visibility, sales force productivity and strengthen commercial controls. This project is expected to be delivered by the middle of FY16. The Company has also initiated usage of advanced analytics to predict optimal assortment at a store level. The project is currently being pilot-tested in one major city.

International FMCG Business: Marico International

Marico's International FMCG business (its key geographical constituents being Bangladesh, South East Asia, Middle East, Egypt and South Africa) comprised 22% of the Marico Group's turnover in FY15. The business reported a 10% constant currency growth during the year. The operating margin for the full year was at 17.1% (before corporate allocations). The Company will endeavour to maintain international margins in the region of 16-17% and continue to invest and plough back savings to drive growth.

During the year, the International Business continued to focus on the following key pivots of growth in its chosen emerging markets in Asia and Africa:

1. Aggressive growth in non-Parachute portfolio in Bangladesh
2. Recovery in Middle East
3. GTM transformation in Egypt
4. Invest in new markets

Bangladesh (45% of the International Business)

The Bangladesh business reported a top line constant currency growth of 13% during the year. The top line growth during the year was driven by overall volume growth of 3% backed by strong performance in the value added hair oils portfolio.

Parachute coconut oil grew by 7% in constant currency terms during the year and maintained leadership position with 81% share. Given that the scope of growth in Bangladesh's Parachute franchise is limited, the Company has taken substantial measures in deploying adjacent sources of growth to diversify the portfolio.

During the year, the Company's Value Added Hair Oils portfolio grew at a healthy rate of 38% in constant currency terms and maintained its market position at No.3. As hair fall is a critical issue among Bangladeshi women, this year the Company also launched Parachute Advansed Extra Care – a coconut based hair oil with added ingredients like fenugreek (Methi), Indian gooseberry (Amla) and Aloe vera. The product has been received well and is expected to be the next pillar of growth in the country. The management will aim at being the market leader in the category in the medium term.

The Company's HairCode brand (coupled with HairCode Active variant) gained 420 bps market share and continued to lead the powdered hair dye market with a value market share of around 37%. During FY15, the brand grew by 9% in constant currency terms. HairCode Keshkala, a liquid hair dye launched earlier this year, has been received well and is consistently gaining market share.

In the last couple of years, the Company has made significant investments to expand its non-coconut oil portfolio such as value added hair oils, hair dyes, deodorants, leave-in conditioners and premium edible oils. These products have been accepted well and are expected to create a portfolio of the future in Bangladesh. This year, the Company also launched Set Wet Infinity deodorant and Parachute Advansed Body Lotion in the Bangladesh market. Consequent to these initiatives, the non-coconut oil portfolio is now ~20% of the total business in Bangladesh as compared to 10% three years back.

The Company expects to leverage its strong distribution network and learning from the India market to quickly scale up its new product introductions in Bangladesh. From FY17 onwards, more than 80% of the incremental growth in the Bangladesh business is expected to come from the non-coconut oil portfolio backed by modest growth in core coconut oil business.

Middle East and North Africa (MENA - 18% of the International Business)

The Business in MENA grew by 4% in FY15 on a constant currency basis. This was mainly led by the recovery in Middle East.

The Middle East business continued the positive momentum and grew on constant currency basis by 67% in FY15, also aided by a suppressed base in FY14. The business has grown in double digits in all the quarters in FY15 and has reduced its losses substantially. This trend of improvement is expected to continue and the management expects the business to become profitable in the medium term.

The Company undertook a distribution transition in Egypt during the year. The transition was aimed at eliminating dependence on single distributor and achieving better Go-To-Market (GTM) model for realising the maximum distribution potential. Due to this transition, the Egypt business declined by 26% in FY15. However, the post transition lead indicators are looking positive and in the long run, this is expected to bring in many transformational benefits such as increased direct distribution, improved retail selling, professional set-up of distribution, and reduced working capital requirement resulting in lower credit risk. The benefit of lower working capital has already accrued to the business. This marks the completion of the final phase of GTM transformation in MENA. This initiative has not impacted the market shares and HairCode and Fiancée continue to be the market leader with 59% share.

South East Asia (26% of the International Business)

The business in South East Asia (of which Vietnam is a significant portion) grew by 5% in FY15 in constant currency terms. Business in Vietnam witnessed an uptick during the end of the year. X-Men maintained its leadership in male shampoos with 39% market share and is the number two player in male deodorants. The foods business registered a double digit constant currency growth during the year.

The Company continues to scale up its presence in neighbouring countries like Malaysia, Myanmar and Cambodia.

South Africa (8% of the International Business)

The business reported a constant currency growth of 9% during the year, backed by double digit growth in the skin care and health care business. During the year, the Company launched the Caivil Gold Fusion Oil range as part of the extensive Caivil offering and Mega Black hair colour under Black Chic. Marico is now the 4th largest ethnic hair care company in South Africa.

The Company is in the process of appointing distributors to initiate export-led business in East Africa.

RESULTS OF OPERATIONS – AN OVERVIEW

Marico achieved revenue from operations of INR 5,733 crore during FY15, a growth of 22% over FY14. The volume growth underlying this revenue growth was 4%.

Profit after tax (PAT) for FY15 was INR 573 crore, a growth of 18% over FY14.

TOTAL INCOME

Our total income consists of the following

1. Revenue from Operations includes sales from "Consumer Products" including coconut oil, value added hair oils, premium refined edible oils, anti-lice treatments, fabric care, functional and other processed foods, hair creams & gels, hair serums, shampoos, shower gels, hair relaxers & straighteners, deodorants and other similar consumer products, by-products, scrap sales and certain other operating income.

2. Other Income, primarily includes profits on sale of investments, dividends, interest and miscellaneous income.

The following table shows the details of income from sales and services for FY15 and FY14.

INR/Cr.

Particulars	FY 15	FY 14
Revenue from Operations	5,733.0	4,686.5
Other Income	58.9	58.2
Total Income	**5,791.9**	**4,744.7**

There has been 22% growth in Revenue from Operations on account of 26% growth in Marico India and 10% growth in Marico International.

Expenses

The following table sets the expenses and certain other profit and loss account line items for the years FY15 and FY14:

INR/Cr.

Particulars	FY 2015		FY 2014	
	Amount (INR/Cr.)	% of Total Income	Amount (INR/Cr.)	% of Total Income
Revenue from Operations	5,733.0		4,686.5	
Expenditure				
Cost of Materials	3,119.0	54.4%	2,399.2	51.2%
Employees Cost	325.1	5.7%	285.0	6.1%
Advertisement and Sales Promotion	649.8	11.3%	561.2	12.0%
Depreciation, Amortisation and Impairment	84.3	1.5%	76.9	1.6%
Other Expenditure	768.9	13.4%	693.5	14.8%
Finance Charges	23.0	0.4%	34.5	0.7%
Tax	236.8	4.1%	190.5	4.1%

Cost of Materials

Cost of material comprises consumption of raw material, packing material, semi-finished goods, purchase of finished goods for re-sale and increase or decrease in the stocks of finished goods, by-products and work in progress.

The prices of copra, one of the main ingredients, have been up by 60% as compared to last year. Rice bran oil prices remained flat for the year while Safflower Oil and Liquid Paraffin were down by 13% and 10% respectively. Considering copra accounts for a major proportion of input costs, the Company's gross margins declined by 321 bps during FY15.

Employee Cost

Employee cost includes salaries, wages, bonus and gratuity, contribution to provident and other funds, and staff welfare schemes expenses. The Company has an extensive process of performance management enhancement through the deployment of MBR (Management By Results), which is intended to create an environment where employees are encouraged to challenge and stretch themselves. Linked to this is a variable compensation element based on the Company's target achievement and the individual's performances against goals identified.

Apart from the annual salary revisions and increase in headcount, the increase is mainly on account of higher provision towards Employee Stock Option Plan (ESOP) and Stock Appreciation Rights Scheme (Company's long term incentive plan).

Advertisement and Sales Promotion

The Company continues to make investments behind existing products and new products. ASP spends on new products comprises a significant part of the overall ASP. Overall increase in ASP spends for the full year was 16%. Significant part of the overall ASP was invested behind new products such as Foods and Youth portfolio in India and new launches in Bangladesh, Vietnam and Myanmar. The Company also continued to invest behind the core i.e., Value Added Hair Oils and Saffola in India and Hair Oils and Hair Creams in the Middle East. ASP as a % of Sales declined on account of high inflation led top line growth.

Depreciation, Amortisation and Impairment

For the year as a whole, depreciation has increased from INR 76.9 crore (USD 12.6 million) in FY14 to INR 84.3 crore (USD 13.8 million) in FY15. Increase in depreciation to the extent of INR 9.8 crore (USD 1.6 million) was on account of adoption of the useful life of fixed assets as per Schedule II of Companies Act 2013, effective April 1, 2014.

Other Expenses

The other expenses comprise items which are fixed in nature (about 1/3rd of other expenses) and certain items which are variable in nature (more than 2/3rd of other expenses) that generally move in tandem with throughput growth.

- Fixed Expenses include items such as rent, repairs and maintenance, traveling, legal & professional charges and donation. In FY15, increase in fixed expenses was mainly on account of higher Legal & Professional charges towards outsourcing of transactional processes in finance & accounting and supply chain operations, foreign exchange losses on repayment of external commercial borrowings (ECB) and purchase of analytics software.
- Variable Expenses include items such as freight, subcontracting charges, power and fuel, warehousing, input and output taxes, etc. Increase in variable expense is on account of inflation in freight, subcontracting charges and other rates and taxes.

Other Expenses	FY15	FY14	% variation
Fixed	222	204	9%
Variable	547	489	12%
Total	**769**	**693**	**11**

Finance Charges

Finance charges include interest on loans and other financial charges. Reduction in finance charges is in line with reduction in the Company's Net Debt (refer balance sheet).

Direct Tax

The Effective Tax Rate (ETR) for the Company during FY15 was 28.8% as compared to 27.4% during FY14. The increase in the ETR is primarily due to phasing out of tax exemptions in India and Vietnam.

Balance Sheet

Statement of Assets and Liabilities – Consolidated Financials

INR/Cr.

Particulars	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital	64.50	64.49
Reserves and Surplus	1,760.28	1,296.14
Sub-total Shareholder's fund	**1,824.78**	**1,360.63**
Minority Interest	13.65	35.79
Non-current Liabilities		
Long-term Borrowings	168.74	251.54
Deferred Tax Liabilities (Net)	7.88	9.62
Other Long-term Liabilities	-	0.01
Long-term Provisions	8.65	3.31
Sub-total Non-current Liabilities	**185.27**	**264.48**
Current Liabilities		
Short-term Borrowings	165.43	274.35
Trade Payables	564.32	502.52
Other Current Liabilities	276.53	444.81
Short-term Provisions	95.30	82.37
Sub-total Current Liabilities	**1,101.58**	**1,304.05**
TOTAL – EQUITY AND LIABILITIES	**3,125.28**	**2,964.95**
ASSETS		
Non-current Assets		
Fixed Assets	589.81	637.75
Goodwill on Consolidation	489.15	254.25
Non-current Investments	45.75	49.86
Long-term Loans and Advances	50.63	60.93
Other Non-current Assets	120.77	155.03
Sub-total Non-current Assets	**1,296.11**	**1,157.82**
Current Assets		
Current Investments	238.05	260.67
Inventories	994.71	796.24
Trade Receivables	176.75	223.19
Cash and Cash Equivalents	204.94	406.40
Short-term Loans and Advances	179.13	86.47
Other Current Assets	35.59	34.16
Sub-total Current Assets	**1,829.17**	**1,807.13**
TOTAL – ASSETS	**3,125.28**	**2,964.95**

Shareholders' Funds

This comprises the paid up share capital and reserves & surplus. Increase in Share Capital is on account of stock options exercised by the employees under the ESOP Scheme. Annexure to the Directors' Report provides further details of stock options issued, exercised and pending to be exercised.

Increase in Reserves & Surplus from INR 1,296.14 crores in FY14 to INR 1,760.28 crores in FY15 is on account of profits earned during the year net off the dividend distributed and Foreign Currency Translation Reserve generated due to forex translation impact as per Accounting Standard 11 (AS11) on revaluation of goodwill of foreign subsidiary.

Minority Interest

Minority Interest represents the share of consolidated profits attributable to non-Marico shareholders in Marico Bangladesh Limited and International Consumer Products Corporation:

1. Company's Bangladesh subsidiary, Marico Bangladesh Limited (MBL), had listed 10% of its equity share capital on the Dhaka Stock Exchange in September 2009 by issuing fresh shares to public in that country.
2. The Company acquired 85% stake in International Consumer Products Corporation (ICP) in Vietnam and started consolidating it with effect from February 18, 2011. The balance 15% shareholding was brought back during the year making it a wholly-owned subsidiary.

Reduction in minority interest from INR 35.79 crores in FY14 to INR 13.65 crores in FY15 is mainly on account of buyback of 15% minority stake in ICP Vietnam. The minority interest as on 31st March, 2015 now represents 10% minority stake of MBL.

Long-term Borrowings

Long Term borrowings represent borrowings which have repayment schedules exceeding one year. The Long Term borrowings have come down from INR 251.54 crores to INR 168.74 crores primarily due to reclassification of part of ECB to Other Current Liabilities (as it is due for repayment within one year from the date of the balance sheet) and impact of translation of ECB loan as at year end as per AS11.

Deferred Tax Liabilities (DTL - net)

Deferred Tax Liabilities represent timing differences resulting due to variations in the treatment of items as per Income Tax Act, 1961 and Indian GAAP. The reduction in DTL from INR 9.62 crores in FY14 to INR 7.88 crores in FY15 is largely due to the timing difference on the treatment of intangibles in Indian GAAP and The Income Tax Act, 1961.

Long-term Provisions

Long Term Provisions are provisions for Leave Entitlements, Gratuity and Employee Stock Appreciation Rights Scheme (STAR). Long term provisions have increased from INR 3.31 crores in FY14 to INR 8.65 crores in FY15 due to Leave Entitlements and STAR schemes.

Short-term Borrowings

Short Term Borrowings represent borrowings taken for working capital purposes. This have reduced to INR 165.43 crores in FY15 from INR 274.35 crores in FY14 due to repayment of various short-term loans out of internal accruals.

Trade Payables

Trade payables represent amounts payable to vendors.

Other Current Liabilities

Other Current Liabilities include debts or obligations that are due within one year from the date of the balance sheet. Other Current Liabilities have decreased from INR 444.81 crores in FY14 to INR 276.53 crores in FY15 on account of payment of unpaid dividend & repayment of debentures offset by reclassification of part of ECB to Other Current Liabilities.

Short-term Provisions

Short-term Provisions represent provisions towards employee benefits and Income tax and Disputed Indirect Taxes. The amount has increased from INR 82.37 crores in FY14 to INR 95.30 crores in FY15 primarily due to increase in provision towards employee benefits and disputed indirect taxes.

Fixed Assets

Fixed assets represent the investments made by the Company in tangible assets such as Buildings, Plant and Machinery, Furniture and Fixtures, etc. Reduction in Fixed Assets from INR 637.75 crores in FY14 to INR 589.81 crores in FY15 is on account of the normal impact of depreciation and impairment.

Goodwill on Consolidation

Goodwill on consolidation represents the excess of consideration paid to acquire companies over their net assets. Goodwill on Consolidation has increased from INR 254.25 crores in FY14 to INR 489.15 crores in FY15 mainly on account of buyback of 15% minority stake in ICP Vietnam and due to the foreign currency translation impact as per AS11 on revaluation of goodwill of foreign subsidiary.

Non-current Investments

Non-current Investments comprise long-term investments the full value of which, will not be realised before one year from the date of the balance sheet. Decrease in non-current investments from INR 49.86 crores in FY14 to INR 45.75 crores in FY15 is on account of reclassification of a part of mutual fund investments to current investments during the year.

Long-term Loans and Advances

Long-term Loans and Advances include the amounts paid by the Company recoverable in cash or in kind after 12 months from the balance sheet date. These include security deposits, advances paid to suppliers in select cases, balance with statutory and government authorities, advances given to Welfare of Mariconians (WEOMA) Trust, etc. Long-term Loans and Advances have decreased from INR 60.93 crores in FY14 to INR 50.63 crores in FY15 during the year mainly due to repayment of a part of loan given to WEOMA Trust.

Other Non-current Assets

Other non-current assets include receivables /entitlements maturing after more than 12 months from the balance sheet date. Decrease in Other Non-current assets from INR 155.03 crores in FY14 to INR 120.77 crores in FY15 is on account of MAT Credit utilisation during the year.

Current Investments

Current investments comprise short-term investments the full value of which will be realised before one year from the date of the balance sheet. It includes investments made in Mutual Funds, Bank Certificates of Deposits, etc. Decrease in current investments from INR 260.67 crores in FY14 to INR 238.05 crores in FY15 is mainly on account of decrease in investments in Mutual Funds.

Inventory

Inventory includes the stocks of raw material, packing material, work-in-progress, stock-in-trade and finished goods held for sale in the ordinary course of business. Increase in inventory from INR 796.24 crores in FY14 to INR 994.71 crores in FY15 is mainly due to higher raw material inventory in India & Bangladesh and higher finished goods stock in India, mainly due to inflation in raw material costs.

Trade Receivables

Trade Receivables include the monies to be received from its customers against sales made to them. Decrease in trade receivables from INR 223.19 crores in FY14 to INR 176.75 crores in FY15 is attributed to reduction in one of the subsidiaries in Egypt – Marico Egypt Industries Company (MEIC) – due to lower credit period to new distributor & lower sales (refer section on MENA above to know more about GTM transformation) and in Marico Limited on account of higher collection from Canteen Stores Department (CSD).

Cash and Cash Equivalents

This includes amounts lying in Cash and with the Company's bankers. There is a decrease in the cash balances from INR 406.40 crores in FY14 to INR 204.94 crores in FY15 primarily due to payment of Dividend declared during the last quarter of FY14 and remaining unpaid as on March 31, 2014, partially compensated by increase in Fixed Deposits (FD).

Short-term Loans and Advances

Short-term loans and advances include monies to be received within one year from the date of the balance sheet. Increase in short-term loans and advances from INR 86.47 crores in FY14 to INR 179.13 crores in FY15 are mainly on account of increase in Inter Corporate Deposits and higher advance for import.

Other Current Assets

Other current assets include all other monies to be received within one year from the date of the balance sheet, such as interest receivable, export incentive receivable, assets held for disposal, etc. Increase in Other Current Assets from INR 34.16 crores in FY14 to INR 35.59 crores in FY15 is on account of reclassification of a property as Asset Held for disposal.

Contingent Liabilities

Contingent liabilities increased from INR 589.91 crores in FY14 to INR 737.33 crores in FY15

1. Major component of this liability is a possible obligation of INR 565.62 crores on account of excise which has been explained in detail in the Notes to Accounts.
2. Other contingent liabilities include a letter of credit issued in the normal course of business and tax payments disputed with the various regulatory authorities of the country.

CAPITAL UTILISATION

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

Ratio	FY15	FY14
Return on Capital Employed • Marico Group	47%	31.9%
Return on Net Worth (Group)	36%	27.5%
Working Capital Ratios (Group)		
• Debtors Turnover (Days)	13	16
• Inventory Turnover (Days)	57	64
• Net Working Capital (Days) including surplus cash	45	60
Debt: Equity (Group)	0.23	0.44
Finance Costs to Turnover (%) (Group)	0.4%	0.7%

* Turnover Ratios calculated on the basis of average balances

The ratios have continued to be healthy for the year. They have shown an improvement over last year.

1. ROCE has improved on account of 16% increase in profits before interest and tax and reduction in net working capital (refer notes 2 and 3 below).
2. The debtor and inventory days have come down on account of higher inflation led top line growth and distribution transition in Egypt (lower credit).
3. Decrease in net working capital days is on account of reduction in surplus in Vietnam due to buy back of minority stake in ICP and higher inflation led top line growth.
4. Finance cost as a % of turnover has come down consequent to reduction in the Gross Debt of the Company.

SHAREHOLDER VALUE

The Company's dividend distribution policy is aimed at sharing its prosperity with its shareholders.

Dividend Declared

Keeping in mind the increase in profits made by the Company and in an endeavour to maximise the returns to its shareholders, the Company increased its dividend payout during the year to 250% as compared to 175% (excluding one-time silver jubilee dividend) during FY14. The overall dividend payout ratio is 30% as compared to 24% during FY14. The Company will endeavour to improve the dividend payout ratio further depending on its fund requirements for organic and inorganic growth.

HUMAN RESOURCES (HR)

The HR function's Mission is to *'attract and nurture talent to succeed'* for Marico to achieve its business aspiration. The Company strives to achieve this by continuously providing opportunities to challenge, enrich, and fulfill the aspirations of Mariconians so that they can maximise their true potential. The HR function is also the custodian of Marico's culture and governance standards. In 2015, the HR function took several initiatives to strengthen the three pillars of the HR mission namely: (1) Encourage diversity of ideas and people to promote Innovation; (2) Create an Agile organisation that wins; and (3) Drive cutting-edge people practices.

The key highlights are presented below:

1) Encourage diversity of ideas and people to promote Innovation

Innovation is a key driver of Marico's sustainable profitable growth for which the following initiatives were taken last year:

a. **Innovation Jam** was established to crowdsource ideas from members on a specific topic or challenge.

b. **BMW Awards**: Marico constituted a special category of awards, the Breakthrough Marico WINNOVATION (BMW) Awards, to recognise and reward breakthrough innovations, game changing and high impact strategic initiatives that significantly impact Marico's sustainable profitable growth.

c. **Encouraging Innovation and Risk-taking**: Marico re-designed its performance-linked reward mechanism to proactively hedge performance risks for goals related to innovations, new product development or new country development. This was done to promote risk-taking, encourage imagination and create a safety-net for high-risk goals that will fuel Marico's future growth.

2) Create an Agile organisation that wins

Marico articulated its business aspiration to become an emerging markets multinational company two years ago. Since then, the business structure has been fine-tuned and One Marico harmonisation journey was initiated by establishing Centres of Excellence (COEs) in expertise functions. The COEs' mandate is to harmonise the ways of working across geographies, establish norms for best-in-class processes and build functional capability. The following COEs have now been established:

a. **Media & Digital Marketing**: To ensure value delivery of Marico's media investments globally by leveraging multi-market experience to shorten learning cycles, ensuring consistency in best practices and jump shifting the digital marketing journey.

b. **Corporate Communication & Public Relations**: To offer expertise and counsel to the company's international market operations on hiring agencies for brand and corporate PR initiatives, media protocols and press conferences.

c. **Consumer In-sighting**: To strengthen capability, across geographies and markets, to conduct consumer in-sighting through quantitative and qualitative research on consumers, markets and environmental, socioeconomic, demographic trends for brand building.

d. **Value Management (Marval)**: To drive a value enhancement culture by identifying 'value creating' ideas and working on them through cross-functional teams to make them sustainable.

Culture Building

Marico believes that culture is a key enabler for delivering on Marico's business aspiration. This year, Marico conducted an in-depth member in-sighting study to get qualitative insights on the core cultural elements that will help deliver our business aspirations. The study has enabled us to identify the shifts in mindsets and behaviours the company needs to make and the core cultural strengths that need to be preserved to achieve our business aspiration.

3) Drive cutting-edge people practices

This year, we undertook the following initiatives to strengthen our people practices:

- Leveraged **MC^2**, Marico's Facebook page, for engagement with campus students through digital contests, recruitment and crowdsourcing ideas for socially relevant projects. In just two years, the page has more than 73,000 dynamic fans.
- Introduced a **Talent Pipeline Process** to formally track the talent pipeline for critical positions.
- Undertook focused **Career Planning** to equip supervisors to proactively identify and discuss realistic career options with members during career development discussions.
- Launched **iLearn**, a global technology enabled learning platform with anytime-anywhere access to members.
- Constituted a **Young Board** which has 8 young home grown leaders representing different functions and geographies, to bring in fresh perspectives on organisation building initiatives. The Young Board's mandate is to work on 1-2 key organization initiatives including spotting new opportunities, potential pitfalls and making recommendations to Marico's top leadership team.
- Leveraged **Maricognize**, a unique social recognition program, to celebrate big and small contributions.

Marico continues to leverage its established practices and programs to attract talent and deliver on its Talent Value Proposition.

As on March 31, 2015, the employee strength of Marico Limited worldwide was 2,402.

OUTLOOK

Marico India

- While there has been no significant recovery on ground, the Company expects urban consumption to recover gradually.
- The Company has a robust innovation pipeline with multiple prototypes planned for the next year.
- The Company will strive to report volume recovery and maintain medium-term growth rates in the range of 8-10% by growing the core and rapidly scaling New Products.
- The direct distribution initiative of Project ONE is expected to fuel volume growths in the Metro markets.
- Sustain efforts to premiumise in the value added hair oils category to further strengthen its Value market leadership.
- Saffola volume growth is expected to be back in line with the medium term outlook of 8-10%.
- Execute the revamped strategy and drive innovation in the Youth portfolio to enable growth at about 15% to 20%.
- The Oats franchise is expected to contribute up to INR 125 Crores (USD 20 million) by next year.
- Over the medium term, operating margin before corporate allocations of about 17% to 18% is sustainable.

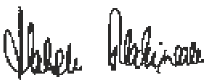
Marico International

- The Company will continue its efforts in building organic growth capability.
- It expects to clock an organic top line growth of ~ 15% in constant currency in the medium term. Any acquisition will add to the organic growth.
- The structural shift in operating margins is expected to be sustained at around 16-17%. Any excess will be ploughed back to fund future growth.
- Medium term growth potential in the core markets of Bangladesh, Vietnam, and MENA is intact and will continue to drive growth.
- Expansion in adjacent markets such as Nepal, Pakistan, Cambodia, Myanmar, Sri Lanka, East Africa, etc.

Overall

- The Company will aim at a volume growth of 8-10% and a top line growth of ~ 15% in the medium term.
- Operating margin is expected to be maintained in the band of 15-16%.
- The Company will focus on deriving synergies from the unification of Domestic and International FMCG businesses. This includes acceleration of cross-pollination & portfolio harmonisation, talent mobility, supply chain synergies and process harmonisation leading to cost arbitrage.
- The Company will focus on fewer but bigger innovations to create growth engines of the future.
- Significant portion of the gains from the value transformation exercise in India and overseas will be ploughed back to fund growth and innovation.
- Market growth initiatives in core categories and expansion into adjacent categories will be supported by investments in ASP in the region of 11-12% of sales with a focus on digital marketing.
- The Company will continue to invest in increasing its direct rural reach and Go-To-Market transformation initiatives including driving saliency through e-commerce.
- The Company will focus on building capabilities to set it up for growth in the long run.
- The Company will continue to support various initiatives which are true to its Purpose of "Make a Difference".

On behalf of the Board of Directors,



Harsh Mariwala
Chairman

Place: Mumbai Date: April 30, 2015

CONSUMER FOCUSED INITIATIVES

1) **Nihar Shanti Amla – CRY**
"Chotte Kadam Pragati ke Aur" campaign
In 2012, Nihar Shanti Amla launched a programme called "Chotte Kadam Pragati Ke Aur" to support the education of underprivileged children under the age group of 6 – 18 years in India. Under this programme Nihar partnered with CRY to support its projects with a prime focus of mobilisation and retention of children in the schools.

Last year, the brand funded a total of 16 education projects impacting 74,672 children.

2) **Saffola World Heart Day**
Saffola's vision is to create a Heart Healthy India by educating & inspiring people on the importance of taking care of their heart. Saffola's thought leadership and genuine efforts in the sphere of public welfare has led it to become differentiated from the competition and is highly trusted by the consumers as well.

This vision has been built through a number of Saffolalife Initiatives over the years on the occasion of World Heart Day (September 29). In 2014, Saffola championed the cause of 'Women Heart Health'. The Saffolalife 'Protect Her Heart Campaign' educated people on the fact that 3 out of 5 women in India over the age of 35 develop a cholesterol problem. The brand partnered with SRL Diagnostics to carry out 1.35 lac free cholesterol tests across 700 centres in India.

MEMBER FOCUSED INITIATIVES

Marico believes that its people are a key source of competitive advantage and hence the Company strives towards holistic wellbeing of its employees who are called Members. Member-focused initiatives are underpinned with the Marico philosophies of Care & Concern and Empowerment, which are integral to the way of life at Marico.

This also translates into our Talent Value Proposition which is "To continuously challenge, enrich and fulfill the aspirations of Mariconians so that they can maximise their true potential to Make a Difference".

Code of Conduct

The underlying philosophy of Marico's Code is to conduct the business in an ethical manner as well as create a work environment that is conducive for members and associates alike, based on the Company's values and beliefs.

Marico launched its updated Code of Conduct (CoC) worldwide in March 2014. Members have been provided many options to speak up fearlessly to report any violations of the Code, or share their concerns confidentially through various forums such as toll-free phone, email, website helpline, complaint drop box and access to Committee members as per the various Committees under the Code of Conduct.

Below is the snapshot of the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in FY15:

Category	No. of complaints filed during FY15	No. of complaints filed during FY15
Child labour, forced labour, involuntary labour	Nil	Nil
Sexual Harassment	2	0
Discriminatory employment	Nil	Nil

Member Well-being

At Marico, Member Benefit & Wellness programs are designed to extend care and support holistic wellbeing of the Members. The employee profile of Marico Limited in India is as below:

Total number of Employees (Including Global)	2402
Temporary/Contractual/Casual Human Resources	892
Permanent Women Employees	151
Permanent Employees with disabilities	4

* On an average in FY15

The Company's member benefits include support in case of health cover, life cover and accident cover. Marico also conducts programs on Health, Emotional and Financial wellness to support members through their various life stages.

Health & Safety Well-being

During the year, health camps were conducted across different locations in India. A **Health Newsletter** on topics of everyday health such as lifestyle diseases and first aid is shared on a monthly basis. Health talks were conducted for women on the importance of skin care by a renowned skin specialist on the occasion of International Women's Day. Additionally, Saffolalife - an initiative by the brand Saffola, our health care brand, provided free cholesterol tests to the members and one dependent as part of the World Heart Day celebrations this year.

Marico participated in **Stepathlon**, for the third year in a row. This year the participation increased by 265%, with 305 members joining the event from across the world.

Safety and skill up-gradation training is provided every year to members. The member coverage for such trainings in FY15 is given below:

Type of Employee	% Trained
Permanent Employees	66%
Permanent Women Employees	58%
Casual/Temporary/Contractual Human Resources	72%
Employees with disability	100%

Financial Well-being

Certified financial advisors conducted financial wellness workshops and webinars on Tax Planning to equip members to manage their personal finances. A total of 175 employees across 10 locations benefited from the sessions.

Emotional Well-being

Marico's Member Assistance Program (MAP) is aimed at extending emotional support and assistance to members and their immediate families when in need. Trained Counsellors from Marico's MAP partner conducted sessions to equip supervisors to identify signs of stress & understand member concerns better and familiarised members on how to use the MAP services to provide, extend or use emotional support when required.

Well-being Initiatives For Mothers

Women constitute an important part of Marico's workforce and with the philosophy to empower working mothers to effectively integrate their careers and family life, Marico introduced the Mothers policy in May 2013. This included extended paid maternity leave, flexible working options and handbooks for Expectant and New Mothers, and Supervisors to help them navigate through this life stage of the woman employee. The revised policy has helped us retain almost all new mothers at Marico.

Community Well-being

Joy of Giving Week is an institutionalised initiative at Marico. The Joy of Giving Week, aims at creating greater awareness of the various social issues in India, sensitising and educating members on how they can contribute to the society by providing an avenue to employees to actively give to society in ways that would be simple and yet impactful.

In addition to celebrating the Joy of Giving Week, members in different locations at Marico come together to support big and small causes. Some of the initiatives taken by members are shared below:

- Members from the Kanjikode factory, in association with the Rajiv Gandhi Youth foundation, cleaned and repainted the nursery school in a nearby village that was declared as one having the most unhygienic conditions in the Palakkad District by the Government. Through their efforts, members were able to make a difference to the lives of 30 Nursery children by providing a conducive learning environment by considerably improving the hygiene and sanitation of the school.

- The Jalgaon team organised a Blood Check-up camp for women in the nearby Khedi village. They also conducted environment awareness programs through sponsorships and competitions.

- At the Dehradun & Paonta Sahib factory locations, "Sakshar Beti Sudradh Samaj", a career counselling program for girls in the nearby villages was conducted. Marico members shared perspective on various career options for women to empower young girls and women to make prudent career choices.

- Community development initiative at Pondicherry included installation of a water purifier at the Local Commune office & convex mirrors at the critical road junctions, and providing breakfast to underprivileged students preparing for public exams attending special classes in the morning, for the fourth year in a row which has benefited 80 students so far.

- Health initiatives taken by the Pondicherry team include providing training on first aid and snake bite prevention to nearly 50 local students and installing sanitary napkin destroyer at a local school where 250 girls are studying.

- The Pondicherry team has also taken up the environment conservation cause for the local community and towards this they have planted 90 Flower shrub saplings and posted 90 Slogans related to water, energy and safety at the prominent places at the PIPDIC estate.

PLANTS AND ASSOCIATES FOCUSED INITIATIVES

Marico has done a lot of sustainability projects like improving the cleaning & sanitisation process for water-based product manufacturing, boiler fuel conversion from Bagasse to Briquette, providing Steam Actuator in Sump Valve, coconut farm productivity improvement, water management, power and fuel consumption reduction. Few of these are elaborated below:

1) Improvement in income realisation of Safflower farmers:

Marico is the largest buyer of safflower in India. Safflower is a sturdy crop grown mainly in the rain-fed regions of western and central India. Safflower is a low input crop and hence preferred mainly by large number of small and marginal farmers across these regions. Marico has continuously engaged with various stakeholders across the value chain with the vision to achieve socially responsible growth by keeping farmers in the centre of all interventions. The Company's programs have been targeted to improve income realisation of Safflower farmers through breakthrough in seed technology and effective extension of these technologies through its extensive farmer network.

Marico entered into a Public Private Partnership arrangement with Govt. of Maharashtra wherein the Company has covered 1,250 acres of Safflower area and 600 small and marginal farmers. In this arrangement, Marico provided high yielding seeds free of cost to small and marginal farmers. In addition, Marico also provided a buying guarantee at MSP for their produce. On their part, Govt. of Maharashtra provided other inputs like fertilisers and pesticides free of cost to the farmers.

Marico also worked with Convergence of Agricultural Interventions in Maharashtra (CAIM) and Maharashtra Agricultural Competitiveness Project (MACP) for reaching out to over 500 small and marginal farmers in agriculturally distressed districts of Maharashtra. Marico provided a buying guarantee for the produce while the government agencies provided inputs to the distressed farmers, thereby providing an end-to-end solution to the farmer.

We also partnered with Parbhani University to conduct farm trials on Safflower for rain-fed and irrigated varieties targeted at small and marginal farmers in drought-prone regions of Maharashtra.

Marico also regularly works with prominent seed companies to ensure the availability of high-yielding seed varieties to farmers – at competitive costs. The Company's constant efforts in improving sowing seed quality led to the availability of 1000 quintals of certified seed which were sown over 24,000 acres of land. It resulted in yield improvement by up to 15% thereby adding directly to the incomes of thousands of farmers.

Marico has also intensely worked towards developing newer safflower seed varieties with various research agencies and have propagated the same through its farmer network. In FY15, around 13% of total seeds sold were high oil yielding seeds. In continuation with its philosophy of providing end-to-end solutions to farmers, Marico also provided buying guarantees to all these farmers at premium prices to help improve their realisation from Safflower crop.

Marico has engaged with 3800 farmers for contract farming of safflower seeds over 19640 acres. Marico provided knowhow of correct package of practices and troubleshooting support throughout crop cycle to assist farmers get better yield apart from providing risk-free assurance on prices and quantity.

2) Coconut Farm Productivity Improvement

Coconut production fell sharply in FY 2014 and 2015 pushing up the copra prices to record high and even endangering the copra availability at some points of time. This sharp decline was driven by poor North East Monsoon in the preceding years - 2012 and 2013. Farmer interactions revealed that it was driven by lack of awareness of good farm management practices and poor understanding of the impact of scientific practices on yield. A 4 pronged strategy was adopted to address the issue:

a) **Awareness on Hybrid Seedlings**: The coconut hybrids start yielding in 3.5 years as against 7 years taken by traditional varieties and produces 250 nuts per tree per annum which is more than double the number produced by a traditional variety. The coconut produced by the hybrid variety is heavier and yields more copra which fetches the farmer a higher price in the market. To make sure that farmers adopt these hybrids and to create awareness for better revenues, Marico has distributed 1800 hybrid coconut seedlings free of cost to 1300 farmers across 4 South Indian states – Kerala, Tamil Nadu, Karnataka and Andhra Pradesh.

b) **Farmer Training**: Coconut yield at the farms is quite low due to poor farm management practices driven by lack of knowledge. Marico endeavours to address the gap by training farmers on best farming practices. Last year, Marico conducted 13 farmer meetings across Kerala, Tamil Nadu and Karnataka which was attended by 675 farmers. Marico has also tied up with the Kerala government and is coordinating the Keragramam project wherein training will be conducted for farmers in Kavannur panchayat in Malapuram and subsidised fertilizer will be provided by Kerala government to promote good farm management practices. A productivity improvement project is being implemented in Thanjore where a dedicated team will conduct farmer meetings across villages in Thanjore to educate farmers on farm management practices.

c) **Model Farm Development:** Model farms will act as demonstration farms for displaying hybrid varieties and best farm management practices. Marico is developing a Model Farm at Perundurai in its factory premises. It houses 6 different coconut varieties - 3 traditional and 3 hybrid varieties. The samples are further subjected to different farm management practices. Once it enters the production phase, the model farm will act as convincing evidence to the farmers about the benefit of hybrid trees and impact of good farm management practices. Model farms have also been initiated at Thanjore, Thrissur, and Malapuram.

d) **Farm Management Practice Booklet:** A ready reference booklet capturing the coconut farm management practices and prevalent pests and diseases have been prepared in local languages. 1500 copies of the booklet were distributed in Kerala and Tamil Nadu.

Hybrid Seedling planting in progress

Hybrids Yielding in 4 years

The adoption of hybrids by the farmers would result in a 3 fold increase in his income which would promote coconut farming. Awareness of productivity improvement can give incremental returns of 20%.

3) Water Management

Marico's water consumption in Pondicherry plant is around 66 KL per day for production processes, general administration and gardening activities. The Company undertook a project to bring down water consumption. The first phase of the project aimed at reducing the water consumption to 40 KL per day. The methodology that was adopted was:

Reduce:

Garden has the biggest consumption of water. Automatic irrigation system with micro sprinklers, mistifiers and drip irrigation system, were installed to manage the duration of irrigation judiciously and effectively. Sprinkler system and drip irrigation system helped bring down the quantity of water used for irrigation.

Reuse:

The Company made arrangements to collect the water from the regeneration plant and installed rainwater harvesting system for gardening purpose. Also, last year, the Company extended the SFB (Solid Fuel Boiler) Shed which has helped in collection of rain water.

Recycle:

The Company installed two STPs (Sewage Treatment Plant) with latest German technology namely, a closed underground integrated system.

The underground STP doesn't use any chemicals, is automated and easy to maintain. This helps gather biologically purified water into a separate sump and is used for the functional garden. This water management has helped save 26 KLD of water per day.

This initiative was implemented with a cost of INR 10.3 Lacs.

Underground STP

STP Compressor Panel & Water Treatment Plant

4) Power and Fuel Consumption reduction

Given the nature of operations, Baddi is the most resource intensive plant within Marico.

Overall consumption of resources annually is:

- ✓ more than 11000 MT of Husk
- ✓ 380 KL of Furnace Oil
- ✓ 110 KL of High Speed Diesel
- ✓ Approx. 65 lacs Units of Power

This translates to Total Power and Fuel Bill of approximately INR 12 crore per annum. Hence Baddi team took reduction of Power and Fuel as one of its strategic themes. The team adopted structured approach for reducing power and fuel consumption by leveraging Energy Experts, Trainings on Energy Management to key team members, Internal Brainstorming and Interplant as well as Industry benchmarking.

The approach was based on Energy Management philosophy which involved following steps:

1. **Energy Management Plan:**
   a. This laid clear statement of intent/vision for Energy Management
   b. Guideline to the structure and governance of Energy Management in the plant
2. **Right Energy Sourcing:**
   Right sourcing of fuels is critical while managing the cost. Also from Environmental perspective it is critical to have as low fossil fuel usage as possible. The Company implemented usage of:
   a. High Calorific value Fuel like Briquettes
   b. Using Agri-waste: Paddy straw
   c. Turbine: The plant is in the process of installing a turbine which will convert unutilized steam into electricity
3. **Continuous Energy Usage Reduction:** Various ideas for energy reduction were generated using:
   a. Data Monitoring Process - involves tracking and monitoring of energy usage section wise and area wise, identification of positive and negative deviations w.r.t. baseline and reasons for the same
   b. Benchmarking – Utility wise energy usage, e.g. Steam Fuel Ratio for Boiler, Diesel Generator Yield etc.
   c. Expert Opinions – Partnered with experts for outside-in perspective and key members of team were trained for best practices in energy management
4. **Key innovations/best practice adoption**
   a. ISO 50001 E&MS methodology
   b. Energy audit benchmarking
   c. Improved Preventive and planned maintenance
   d. Modification of fuel conveying system
   e. TF heater breakdown SOPs improvement

Other Projects:

Plant	Project	Benefits
Dehradun	Cleaning & Sanitisation process for water-based product manufacturing	- Reduction in water usage by 2.7 KL per CIP - Water savings of 259 KL/year for one tank - Total tanks currently used are 7 - Water saving potential of 1.83 ML/year - Annual savings of INR 77 lacs per year
Jalgaon	Boiler Fuel Conversion from Bagasse to Briquette	Total saving of INR 120 lacs

The above initiative led to the following impact:

1. Environmental/Social impact
    - Reduction of 8% in Furnace oil usage
    - 16% Lesser Fuel Consumption
    - 5% increase in DG yield
    - 11.6% reduction DG usage
    - Carbon Foot-print reduction by 2997 MT
2. Economic impact
    - 1400 MT of Fuel savings
    - 311 KL furnace oil saved

SOCIETY FOCUSED INITIATIVES

Marico Innovation Foundation (MIF), the CSR arm of Marico, is a not-for-profit institution, established in 2003, to foster innovation within the Business and Social ecosystem.

The focus of the Foundation is to work with organisations that have innovative social ideas which have the potential to create 'direct impact' and thus better the lives of the underserved communities in India.

The Foundation strived to create this impact through its 2 key platforms:

a) Impact platform – Social Innovation Acceleration Program (SIAP)

b) Recognition platform – the biennial Innovation for India Awards (IIA)

Social Innovation Acceleration Project (SIAP), launched in 2011 with the objective of providing customised capacity building, is a catalytic, direct impact platform that helps solve scale up challenges of identified social organisations via business interventions and by leveraging the social ecosystem connects of the Foundation.

The program is sector agnostic and focuses on the innovative idea and the impact the organisation wishes to achieve. The Program also focuses on the shift in the mindset of the organisation from a view point of pure 'impact' to 'scalable and sustainable impact'. This allows the organisation to scale up rapidly. The SIAP program follows a 3-5 years hands-on engagement assisting organisations focus on the growth phase of the idea that they have.

The SIAP process is also aided through multiple interventions:

A. The Foundation leverages Marico members as Mentors to utilise their knowledge and skills. This is done through measured and structured interventions which have been designed by the Foundation to leverage their knowledge capital.

B. Student teams from leading B-Schools in India are brought in annually to help social organisation with research (primary and secondary) and with critical inputs on their businesses. These engagements are project based with a clear structure of engagement and reporting along with an actionable end goal. This helps the Foundation to bring to the table, fresh minds and perspectives for the social organisations.

C. The Foundations' ecosystem also enables SIAP to draw synergies with like-minded partners who assist the foundation on specific interventions under SIAP to streamline their operations through infusion of information technology.

The Foundation is presently working closely with 8 organisations to scale up their impact.
These organisations are:

A. Tara Livelihood Academy
B. Eram Scientific Solutions
C. Akshaya Patra Foundation
D. Fractal Microspin
E. Sankara Eye Care Institution
F. Agastya International Foundation
G. Under The Mango Tree
H. RangDe

CONSOLIDATED AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Members of Marico Limited

1. We have audited the accompanying consolidated financial statements (the "Consolidated Financial Statements") of Marico Limited ("the Company") and its subsidiaries, hereinafter referred to as the "Group" (refer Note 3 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these consolidated financial statements to give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

4. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements, specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

8. Based on our audit and on consideration of reports of other auditor(s) on separate financial statements and on the other financial information of the component(s) of the Group as referred to in paragraph 9 below, and to the best of our information and according to the explanations given to us, in our opinion, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Group as at March 31, 2015, and its consolidated profit and its consolidated cash flows for the year ended on that date.

Other Matter

9. We did not audit the financial statements of (i) 7 subsidiaries and one firm included in the consolidated financial statements, which constitute total assets of Rs. 518.88 crore and net assets of Rs. 118.49 crore as at March 31, 2015, total revenue of Rs. 1,196.33 crore, net profit of Rs. 137.89 crore and net cash out flows amounting to Rs. 170.69 crore for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Uday Shah
Partner
Membership Number 46061

Place : Mumbai
Date : April 30, 2015

CONSOLIDATED BALANCE SHEET

	Note	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	4	64.50	64.49
Reserves and surplus	5	1,760.28	1,296.14
		1,824.78	1,360.63
Minority Interest			
Non-current liabilities		13.65	35.79
Long-term borrowings	6	168.74	251.54
Deferred tax liabilities (Net)	7	7.88	9.62
Other long term liabilities	8	–	0.01
Long-term provisions	9	8.65	3.31
		185.27	264.48
Current liabilities			
Short-term borrowings	10	165.43	274.35
Trade payables	11	564.32	502.52
Other current liabilities	12	276.53	444.81
Short-term provisions	13	95.30	82.37
		1,101.58	1,304.05
TOTAL		3,125.28	2,964.95
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	14 (A)	556.67	594.90
Intangible assets	14 (B)	30.10	38.46
Capital work-in-progress		3.04	4.39
		589.81	637.75
Goodwill on consolidation	15	489.15	254.25
Non-current investments	16	45.75	49.86
Long-term loans and advances	17	50.63	60.93
Other non-current assets	18	120.77	155.03
		1,296.11	1,157.82
Current assests			
Current investments	19	238.05	260.67
Inventories	20	994.71	796.24
Trade receivables	21	176.75	223.19
Cash and bank balances	22	204.94	406.40
Short-term loans and advances	23	179.13	86.47
Other current assets	24	35.59	34.16
		1,829.17	1,807.13
TOTAL		3,125.28	2,964.95
The Company and nature of its operations	1		
Summary of significant accounting policies	2		

The notes are an integral part of these financial statements.

As per our attached report of even date.

For Price Waterhouse	**For and on behalf of the Board of Directors**
Chartered Accountants	**HARSH MARIWALA** Chairman
Firm Registration No. 301112E	**SAUGATA GUPTA** Managing Director and CEO
	VIVEK KARVE Chief Financial Officer
UDAY SHAH	**HEMANGI GHAG** Company Secretary & Compliance Officer
Partner	
Membership No. 46061	
Place : Mumbai	Place : Mumbai
Date : April 30, 2015	Date : April 30, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

	Note	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Revenue from operations (Gross)	25	5,741.23	4,693.21
Less : Excise duty		8.25	6.69
Revenue from operations (Net)		5,732.98	4,686.52
Other income	26	58.89	58.20
Total Revenue		5,791.87	4,744.72
Expenses:			
Cost of materials consumed	27 (A)	3,118.88	2,242.48
Purchases of stock-in-trade	27 (B)	109.69	111.47
Changes in inventories of finished goods, work-in-progress and stock-in-trade - (increase) / decrease	27 (C)	(109.53)	45.21
Employee benefits expenses	28	325.14	285.01
Finance costs	29	22.95	34.45
Depreciation, amortisation and impairment	30	84.34	76.86
Other expenses	31	1,418.75	1,254.66
Total expenses		4,970.22	4,050.14
Profit before tax		821.65	694.58
Tax expense:			
Current tax		203.47	201.94
Less: MAT credit (entitlement)/utilisation		34.78	(22.65)
Net current tax		238.25	179.29
Deferred tax		(1.48)	11.19
		236.77	190.48
Profit after tax and before Minority interest		584.88	504.10
Less: Minority interest		(11.43)	(18.72)
Profit for the year		573.45	485.38
Earnings per equity share (Nominal value per share Re. 1 (Re.1))	42		
Basic		Rs. 8.89	Rs. 7.53
Diluted		Rs. 8.89	Rs. 7.53
The Company and nature of its operations	1		
Summary of significant accounting policies	2		

The notes are an integral part of these financial statements.
As per our attached report of even date.

For Price Waterhouse
Chartered Accountants
Firm Registration No. 301112E

UDAY SHAH
Partner
Membership No. 46061
Place : Mumbai
Date : April 30, 2015

For and on behalf of the Board of Directors
HARSH MARIWALA Chairman
SAUGATA GUPTA Managing Director and CEO
VIVEK KARVE Chief Financial Officer
HEMANGI GHAG Company Secretary & Compliance Officer

Place : Mumbai
Date : April 30, 2015

CONSOLIDATED CASH FLOW STATEMENT

		For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
A	CASH FLOW FROM OPERATING ACTIVITIES		
	PROFIT BEFORE TAX	821.65	694.58
	Adjustments for:		
	Depreciation, amortisation and impairment	84.34	76.86
	Finance costs	22.95	34.45
	Interest income	(19.06)	(37.42)
	(Profit) / loss on sale of assets (net)	1.73	(1.58)
	Profit on sale of investments (net)	(14.49)	(9.90)
	Dividend income	(11.95)	(5.86)
	Employees stock option reversal	3.27	–
	Stock appreciation rights expenses (Refer note 28)	6.96	2.81
	Excess Provision no longer required written back	(4.31)	–
	Provision for doubtful debts, advances, deposits and others (written back) / written off	0.26	(0.17)
		69.70	59.19
	Operating profit before working capital changes	**891.35**	**753.77**
	Adjustments for:		
	(Increase)/ decrease in inventories	(198.47)	41.29
	(Increase)/ decrease in trade receivables	46.18	(27.87)
	(Increase)/ decrease in loans and advances, other current and non-current assets and other bank balances	21.11	3.65
	Increase/(decrease) in trade payables and other current and non-current liabilities and provisions	114.32	70.72
	Changes in working capital	**(16.86)**	**87.79**
	Cash generated from Operations	**874.49**	**841.56**
	Taxes paid (net of refunds)	(209.65)	(181.09)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	664.84	660.47
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets	(59.06)	(77.41)
	Sale of fixed assets	0.99	5.16
	Effect of translation differences on fixed assets	0.22	(10.64)
	(Purchase) / Sale of investments (net)	40.99	(197.17)
	Consideration towards acquisition of minority interest in International Consumer Product	(161.32)	–
	nter-corporate deposits placed	(45.00)	(5.00)
	(Advance to) / Refund received from WEOMA Trust	8.15	40.13
	Fund received from Related party	1.70	–
	Dividend income received	11.95	5.86
	Interest received	22.19	34.86
	NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(171.19)	(204.21)

CONSOLIDATED CASH FLOW STATEMENT

		For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from issuance of Share capital (ESOP) after adjusting share issue expenses	0.60	0.56
	Issue / (redemption) of commercial papers (net)	–	(42.50)
	Issue / (redemption) of debentures	(43.65)	(50.00)
	Other borrowings (repaid) / taken (net)	(225.50)	(52.67)
	Increase / (decrease) in Minority interest	(33.57)	(18.06)
	Finance charges paid	(23.30)	(34.63)
	Equity dividend paid (inclusive of dividend distribution tax)	(300.05)	(142.02)
	NET CASH (OUTFLOW) / INFLOW FROM FINANCING ACTIVITIES	(625.47)	(339.32)
D	Effect of exchange difference on translation of foreign currency cash and cash equivalents	(6.96)	27.45
E	NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C+D)	(146.78)	144.39
F	Cash and cash equivalents - opening balance (as at April 1) (Refer note 22)	224.17	104.97
	Less: Cash and bank balances adjusted upon demerger of Kaya business	–	(25.19)
G	Cash and cash equivalents - closing balance (as at March 31) (Refer note 22)	77.39	224.17

Notes

(a) The above Cash Flow statement has been prepared under the indirect method as set out in Accounting Standard 3 (AS 3) 'Cash Flow Statements'.

(b) The figures for the previous year have been regrouped where necessary to conform to current year's classification.

As per our attached report of even date.

For Price Waterhouse
Chartered Accountants
Firm Registration No. 301112E

UDAY SHAH
Partner
Membership No. 46061
Place : Mumbai
Date : April 30, 2015

For and on behalf of the Board of Directors
HARSH MARIWALA Chairman
SAUGATA GUPTA Managing Director and CEO
VIVEK KARVE Chief Financial Officer
HEMANGI GHAG Company Secretary & Compliance Officer

Place : Mumbai
Date : April 30, 2015

1. The Group and nature of its operations:

   Marico Limited (herein after referred to as 'the Company'), headquartered in Mumbai, Maharashtra, India, together with its subsidiaries is referred as 'Marico' or 'Group'. Marico carries on business in branded consumer products. In India, Marico manufactures and markets products under the brands such as Parachute, Nihar, Saffola, Hair & Care, Revive, Mediker, Livon, Code 10, Set-wet etc. Marico's international portfolio includes brands such as Fiancée, Hair Code, Caivil, Hercules, Black Chic, Ingwe, X-men, L'Ovite, Thuan Phat etc.

2. Summary of significant accounting policies:

   (a) Basis of preparation of Financial Statements

   These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on accrual basis. Pursuant to section 133 of Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 till the standards of accounting or any addendum thereto are prescribed by the central government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

   All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule III to the Companies Act, 2013. Based on the nature of the product and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

   (b) Basis of preparation of Consolidated Financial Statements

   The Consolidated Financial Statements relate to the Company and its subsidiaries and have been prepared on the following basis:

   i) In respect of Subsidiary companies, the financial statements have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra group transaction and resulting unrealised profits / losses as per Accounting Standard (AS 21) "Consolidated Financial Statements". The results of subsidiaries are included from the date of acquisition of a controlling interest.

   ii) In case of foreign subsidiaries, being Non-Integral Foreign Operations, revenue items are consolidated at the average rate prevailing during the year. All asset and liabilities are converted at the rate prevailing at the end of the year. The resultant translation gains and losses are shown separately as 'Foreign Currency Translation Reserve' under 'Reserves and Surplus'.

   iii) The excess of cost to the Group of its investments in subsidiary companies over its share of equity and reserves of its subsidiary companies at the dates, on which investments are made, is recognised in the financial statements as Goodwill. The excess of Group's share of equity and reserves of its subsidiary companies over the cost of acquisition is treated as Capital Reserve. As at each Balance Sheet date an assessment is done as to whether there is any indication that goodwill on consolidation may be impaired. If any such indication exists, an estimate of the recoverable amount is made. The goodwill on consolidation is impaired when the carrying value exceeds the recoverable amount.

   iv) Minority interest in the net assets of consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments.

   v) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements, except in case of Marico Middle East FZE and Marico Malaysia Sdn. Bhd., where costs of inventories are ascertained on FIFO instead of weighted average basis. These inventories represent 0.06% (0.17%) of the total consolidated inventories of the Group as at the year end.

(c) Use of estimates

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, the useful lives and impairment of fixed assets and intangible assets.

Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

(d) Tangible assets, intangible assets and capital work-in-progress

Tangible assets and intangible assets are stated at cost of acquisition, less accumulated depreciation/amortisation and impairments, if any. Cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation. Borrowing costs attributable to acquisition, construction of qualifying asset are capitalised until such time as the assets are substantially ready for their intended use. Other pre-operative expenses for major projects are also capitalised, where appropriate.

Items of fixed assets that have been retired from active use and are held for disposal are stated at lower of their net book value and net realisable value are shown separately in the financial statements. Any expected loss is recognized immediately in the statement of profit and loss.

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the year end.

(e) Depreciation and amortisation

I. Tangible assets

(i) Depreciation is provided on a straight line basis, based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013 (Refer Note 37) wherever applicable or based on the management estimation.

Based on the technical evaluation, the useful life considered for the following items are lower than the life stipulated in Schedule II to the Companies Act, 2013:

Asset	Useful Life (Years)
Motor Vehicle – Motor Car, Bus and Lorries, Motor Cycle, Scooter	5
Office equipment - Mobile and Communication tools	2
Computer – Server and Network	3
Plant & Machinery – Moulds	6

(ii) Depreciation in respect of assets of foreign subsidiaries is provided on a straight line basis based on useful life of the assets as estimated by the management which are as under:

Asset	Useful Life (Years)
Factory and office buildings	5 to 25
Plant and machinery	2 to 15
Furniture and fixtures (including leasehold improvements)	2 to 15
Vehicles	3 to 10

(iii) Assets individually costing Rs. 25,000 or less are depreciated fully in the year of acquisition.

(iv) Leasehold land, including land use right included under the head Investment Property, is amortised over the primary period of the lease.

(v) Depreciation on additions / deletions during the year is provided from the month in which the asset is capitalised / up to the month in which the asset is disposed off.

II. Intangible assets

Intangible assets are amortised on a straight line basis over the estimated useful lives of respective assets, but not exceeding the useful lives given here under:

Assets	Useful life (Years)
Trademarks, copyrights and business and commercial rights and other intangibles	7 to 10
Computer software	2 to 3

A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management.

(f) Assets taken on lease

Operating lease payments are recognised as expenditure in the Statement of Profit and Loss as per the terms of the respective lease agreement.

(g) Assets given on lease

In respect of Plant and equipment and Investment property given on operating lease basis, lease rentals are accounted on accrual basis in accordance with the respective lease agreements.

(h) Investments

(i) Long term investments are valued at cost. Provision for diminution, if any, in the value of investments is made to recognise a decline in value, other than temporary.

(ii) Current investments are valued at lower of cost and fair value, computed individually for each investment. In case of investments in mutual funds, net asset value is taken as fair value.

(iii) Investment property: Investment in land use right and buildings that are not intended to be occupied substantially for use by, or in the operations of the Company, have been classified as Investment property. Investment properties are carried at cost less amortization or impairment loss, if any.

(i) Inventories

(i) Raw materials, packing materials, stores and spares and consumables are valued at lower of cost and net realizable value. However, these items are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost.

(ii) Work-in-process, finished goods, and stock-in-trade (traded goods) are valued at lower of cost and net realizable value.

(iii) By-products and unserviceable / damaged finished goods are valued at net realizable value.

(iv) Cost is ascertained on weighted average method and in case of work-in-process includes appropriate production overheads and in case of finished goods includes appropriate production overheads and excise duty, wherever applicable. In case of Marico Middle East FZE and Marico Malaysia Sdn. Bhd. costs of inventories are ascertained on FIFO instead of weighted average basis.

(v) Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

(j) Research and development

Capital expenditure on research and development is capitalised and depreciated as per the accounting policy mentioned in note 2(d) and 2(e) above. Revenue expenditure is charged off in the year in which it is incurred.

(k) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific criteria must also be met before revenue is recognised:

(i) Domestic sales are recognised at the point of dispatch of goods to the customers, which is when substantial risks and rewards of ownership are passed to the customers, and are stated net of trade discounts, rebates, sales tax, value added tax and excise duty.

(ii) Export sales are recognised based on the date of bill of lading, except sales to Nepal, which are recognised when the goods cross the Indian Territory, which is when substantial risks and rewards of ownership are passed to the customers.

(iii) Revenue from services is recognised on rendering of the services and is recorded net of discount and service tax.

(iv) Interest and other income are recognised on accrual basis.

(v) Income from export incentives such as premium on sale of import licences, duty drawback etc. are recognised on accrual basis to the extent the ultimate realisation is reasonably certain.

(vi) Dividend income is recognised if right to receive dividend is established by the reporting date.

(l) Retirement and other benefits to employees

(i) Gratuity

Liabilities with regard to the gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method. Actuarial gains and losses arising from changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise. Gratuity liability in respect of Marico Limited is funded and in respect of other subsidiaries gratuity liability is unfunded.

(ii) Superannuation

The Company makes contribution to the Superannuation Scheme, a defined contribution scheme, administered by insurance companies. The Company has no obligation to the scheme beyond its monthly contributions.

(iii) Leave encashment / Compensated absences

The Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. The liability is provided based on the number of days of unutilised leave at each Balance Sheet date on the basis of an independent actuarial valuation.

(iv) Provident fund

Provident fund contributions are made to a trust administered by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year and any shortfall in the fund size maintained by the Trust set up by the Company is additionally provided for. Actuarial losses and gains are recognised in the Statement of Profit and Loss in the year in which they arise.

(m) Foreign currency transactions

(i) Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

(ii) Foreign currency monetary assets and liabilities at the year end are translated at the year end exchange rates and the resultant exchange differences except those qualifying for hedge accounting are recognised in the Statement of Profit and Loss.

(iii) In case of forward contracts with underlying assets or liabilities, the difference between the forward rate and the exchange rate on the date of inception of a forward contract is recognised as income or expense and is amortized over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which they arise. Any profit or loss arising on cancellation or renewal of forward exchange contracts are recognised as income or expense for the period.

(iv) The Company uses forward and options contracts to hedge its risks associated with foreign currency transactions relating to certain firm commitments and forecasted transactions. The Company also uses Interest rates swap contracts to hedge its interest rate risk exposure. The Company designates these as cash flow hedges. These contracts are marked to market as at the year end and resultant exchange differences, to the extent they represent effective portion of the hedge, are recognised directly in 'Hedge Reserve'. The ineffective portion of the same is recognised immediately in the Statement of Profit and Loss.

(v) Exchange differences taken to Hedge Reserve account are recognised in the Statement of Profit and Loss upon crystallization of firm commitments or occurrence of forecasted transactions or upon discontinuation of hedge accounting resulting from expiry / sale / termination of hedge instrument or upon hedge becoming ineffective.

(n) Accounting for taxes on income

i) Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. For Marico Ltd and its Indian subsidiaries, Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income tax is recognised as an asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of ten succeeding assessment years.

ii) Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realize such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

(o) Impairment

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds the recoverable amounts are written down to the Recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

(p) Employee Stock Option Plan

In respect of stock options granted pursuant to the Company's Employee Stock Option Scheme, the intrinsic value of the options (excess of market value of shares over the exercise price of the option at the date of grant) is recognised as Employee compensation cost over the vesting period.

(q) Employee Stock Appreciation Rights Scheme

In respect of Employee Stock Appreciation Rights granted pursuant to the Company's Employee Stock Appreciation Rights Plan, 2011, the intrinsic value of the rights (excess of market value as at the year end and the Grant price) is recognised as Employee compensation cost over the vesting period after amounts adjusting for the difference between the amounts due from the Trust and the loan advanced to the Trust. (Refer Note 41)

(r) Utilization of Securities Premium Reserve

The Securities Premium Reserve is utilised for paying up unissued shares of the Company to be issued as fully paid bonus shares, writing off preliminary expenses, writing off expenses on issue of shares or debentures and writing of premium on redemption of any redeemable preference shares or debentures of the Company.

(s) Provisions and Contingent Liabilities

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A Provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation and in respect of which a reliable estimate can be made. Provision is not discounted and is determined based on best estimate required to settle the obligation at the year end date. Contingent Assets are not recognised or disclosed in the financial statements.

(t) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposit with original maturity period of 3 months or less and short term highly liquid investment with an original maturity of three months or less.

(u) Earnings Per Share

Basic earnings per share, is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3 **Subsidiaries considered in these Consolidated Financial Statements**:

i) List of subsidiary companies:

Name of the Company	Effective date for Acquisition / Incorporation	Holding Company	Country of incorporation	Percentage of ownership interest as at 31st March 2015
Marico Bangladesh Limited (MBL)	September 6, 1999	Marico Ltd	Bangladesh	90 (90)
Marico Middle East FZE (MME)	November 8, 2005	Marico Ltd	UAE	100 (100)
-MBL Industries Limited (MBLIL)	August 2, 2003	MME	Bangladesh	100 (100)
-Egyptian American Investment & Industrial Development Company (EAIIDC)	December 19, 2006	MME	Egypt	100 (100)
-Marico Malaysia Sdn. Bhd. (MMSB)	December 4, 2009	MME	Malaysia	100 (100)
-MEL Consumer Care SAE (MELCC)	October 1, 2006	MME	Egypt	100 (100)
-Marico Egypt Industries Company (MEIC)	January 1, 2008	MELCC	Egypt	100 (100)
Marico South Africa Consumer Care (Pty) Limited (MSACC)	October 17, 2007	Marico Ltd	South Africa	100 (100)
-Marico South Africa (Pty) Limited (MSA)	November 1, 2007	MSACC	South Africa	100 (100)
International Consumer Products Corporation (ICP) (Refer Note (iii) below)	February 18, 2011	Marico Ltd	Vietnam	100 (85)
-Beaute Cosmetique Societe Par Actions (BCS)	February 18, 2011	ICP 99% equity held by ICP (PreviousYear : 99%)	Vietnam	99 (84.15)
-Thuan Phat Foodstuff Joint Stock company (TPF)	February 18, 2011	ICP 99.99% equity held by ICP (Previous Year: 99.73%)	Vietnam	99.99 (84.77)
Marico Consumer Care Limited (MCCL)	April, 20 2012	Marico Ltd	India	100 (100)
Halite Personal Care India Private Limited (A Company under Voluntary Liquidation) (Refer Note (v)) (Halite)	May 29, 2012	MCCL	India	Nil (Nil)
Marico Innovation Foundation (Refer Note (iv) below)) (MIF)	March 15, 2013	Marico Ltd.	India	N.A. (N.A.)

ii) List of Subsidiary firm:

Name of the Firm	Effective date for acquisition	Holding Company	Country of incorporation	Percentage of ownership interest
Wind Company	May 16, 2005	MELCC	Egypt	99 (99)

iii) During the year, International Consumer Product Corporation, a subsidiary of the Company in Vietnam has bought back its shares resulting into increase in the percentage of the Company's shareholding to 100% (shareholding as at March 31, 2014 - 85%).

iv) Marico Innovation Foundation ("MIF"), a company incorporated under Section 25 of the Companies Act, 1956 (being a private company limited by guarantee not having share capital) primarily with an objective of fuelling and promoting innovation in India, is a wholly owned subsidiary of the Company with effect from March 15, 2013. Since MIF cannot transfer funds to Marico Limited, it has not been considered for consolidation in accordance with Accounting Standard 21 (AS 21) 'Consolidated Financial Statements'.

v) Halite Personal Care Private Limited ("Halite") is a company under voluntary liquidation. In view of the liquidation, during the previous year ended March 31, 2014, a final meeting of the shareholders of Halite was held on January 15, 2014 to approve the Statement of Accounts (stating the manner in which liquidation was conducted) prepared by the Liquidator. Assets distributed on the said date are listed below. The liquidation proceedings are now pending with the Official Liquidator.

(Rs. Crore)

Particulars	As at March 31, 2014
Cash and bank balance	0.45
Distribution of other assets and liabilities (net)	0.03
Total assets distributed (classified as miscellaneous income)	**0.48**

4 Share capital

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Authorised		
1,150,000,000 (1,150,000,000) equity shares of Re. 1/– each	115.00	115.00
100,000,000 (100,000,000) preference shares of Rs. 10/– each	100.00	100.00
Total	**215.00**	**215.00**
Issued, subscribed and paid–up		
644,981,999 (644,872,999) equity shares of Re. 1/- each fully paid-up	64.50	64.49
Total	**64.50**	**64.49**

a Reconciliation of number of shares

Equity Shares :

Particulars	As at March 31, 2015		2014	
	Number of shares	Rs. Crore	Number of shares	Rs. Crore
Balance as at the beginning of the year	644,872,999	64.49	644,771,799	64.48
Shares Issued during the year – ESOP (Refer note (d) below)	109,000	0.01	101,200	0.01
Shares issued on Preferential allotment basis				
Balance as at the end of the year	**644,981,999**	**64.50**	**644,872,999**	64.49

b Rights, preferences and restrictions attached to shares :

Equity Shares: The Company has one class of equity shares having a par value of Re. 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at March 31,			
	2015		2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of Re. 1/– each fully paid–up				
Harsh C Mariwala with Kishor V Mariwala (For Valentine Family Trust)	73,376,000	11.38	73,376,000	11.38
Harsh C Mariwala with Kishor V Mariwala (For Aquarius Family Trust)	73,376,000	11.38	73,376,000	11.38
Harsh C Mariwala with Kishor V Mariwala (For Taurus Family Trust)	73,376,000	11.38	73,376,000	11.38
Harsh C Mariwala with Kishor V Mariwala (For Gemini Family Trust)	73,376,000	11.38	73,376,000	11.38
Arisaig Partners (Asia) Pte Ltd	33,278,269	5.16	35,353,269	5.48
First State Investments (along with Persons acting in concert)	31,128,195	4.83	51,789,164	8.03

d Shares reserved for issue under options :

The Corporate Governance Committee of the Board of Directors of Marico Limited had granted Stock Options to certain eligible employees pursuant to the Marico 'Employees Stock Options Scheme 2007' ("Scheme"). Each option represents 1 equity share in the Company. The Vesting Period and the Exercise Period, both range from 1 year to 5 years. The Scheme is administered by the Corporate Governance Committee comprising Independent Directors. The Scheme closed on February 1, 2013.

Marico ESOS 2007

Particulars	As at March 31,	
	2015	2014
Weighted average share price of options exercised	55.40	55.74
Number of options granted, exercised, and forfeited		
Balance as at beginning of the year	212,600	352,665
Granted during the year	–	–
Less : Exercised during the year	109,000	101,200
Forfeited / lapsed during the year	–	38,865
Balance as at end of the year	**103,600**	**212,600**

Further during the year, the Company implemented the Marico Employee Stock Option Scheme 2014 ("Marico ESOS 2014") and Marico MD CEO Employee Stock Option Plan 2014 ("MD CEO ESOP Plan 2014").

Marico ESOS 2014 was approved by the shareholders during the previous year ended March 31, 2014, enabling the grant of 3,00,000 stock options to the Chief Executive Officer of the Company (Currently designated as MD & CEO). Pursuant to the said approval, on April 1, 2014 the Company granted 300,000 stock options to the MD & CEO of the Company, at an exercise price of Re.1 per option. Each option represents 1 equity share in the Company. The Vesting Period is 2 years from the date of grant and the Exercise Period is 1 year from the date of vesting.

Marico ESOS 2014

Particulars	As at March 31, 2015	2014
Weighted average share price of options exercised	–	–
Number of options granted, exercised, and forfeited		
Balance as at beginning of the year	–	–
Granted during the year	300,000	–
Less : Exercised during the year	–	–
Forfeited / lapsed during the year	–	–
Balance as at end of the year	**300,000**	–

MD CEO ESOP Plan 2014 was approved by the shareholders during the year ended March 31, 2015, enabling grant of stock options not exceeding in the aggregate 0.5% of the of the paid up equity shares capital of the Company, from time to time. The Plan envisages grant stock options to the Managing Directors & CEO on an annual basis through one or more Schemes notified under the Plan. Each option represents 1 equity share in the Company. The Vesting Period and the Exercise Period, both range from 1 year to 5 years. Pursuant to the said approval, on January 5, 2015 the Company notified Scheme I under the Plan and granted 46,600 stock options to the Managing Director & CEO, at an exercise price of Re.1 per option. The Vesting Date for Stock Options granted under the Scheme I is March 31, 2017. Further, the Exercise Period is 1 year from the date of vesting.

MD CEO ESOP Plan 2014	As at March 31, 2015	2014
Weighted average share price of options exercised	–	–
Number of options granted, exercised, and forfeited		
Balance as at beginning of the year	–	–
Granted during the year	46,600	–
Less : Exercised during the year	–	–
Forfeited / lapsed during the year	–	–
Balance as at end of the year	**46,600**	–
Aggregate of all stock options to current paid-up equity share capital (percentage)	**0.07%**	**0.03%**

The Company has applied the 'intrinsic value' method of accounting for determining compensation cost for its stock based compensation plan. Had the Company considered 'fair value' method for accounting of compensation cost, the Company's net income and Basic and Diluted earnings per share as reported would have increased to the pro-forma amounts as indicated:

Particulars	For the year ended March 31, 2015	2014
Net Profit after tax as reported (Rs. Crore)	573.45	485.38
Add : Stock-based employee compensation expense charged as per 'intrinsic value' method (Rs. Crore) (Refer Note 28)	3.27	–
Less : Stock-based employee compensation expense as per 'fair value' method (Rs. Crore)	(2.97)	–
Adjusted pro-forma (Rs. Crore)	573.75	485.38
Basic earnings per share as reported	Rs. 8.89	Rs. 7.53
Pro-forma basic earnings per share	Rs. 8.90	Rs. 7.53
Diluted earnings per share as reported	Rs. 8.89	Rs. 7.53
Pro-forma diluted earnings per share	Rs. 8.89	Rs. 7.53

The following assumptions were used for calculation of fair value of grants:

Particulars	Marico ESOS 2007 - Vest I	Marico ESOS 2007 - Vest II	Marico ESOS 2014	MD CEO ESOP Plan 2014
Risk-free interest rate (%)	6.61%	7.27%	8.00%	8.00%
	(6.61%)	(7.27%)	(–)	(–)
Expected life of options (years)	5 years	5 years	3 years	3 years and 3 months
	(5 years)	(5 years)	(–)	(–)
Expected volatility (%)	35.32%	36.92%	26.62%	23.66%
	(35.32%)	(36.92%)	(–)	(–)
Dividend yield (%)	1.20%	1.20%	3.50%	3.50%
	(1.20%)	(1.20%)	(–)	(–)

5 Reserves and surplus

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Securities Premium Account		
Balance as at the beginning of the year	413.15	556.84
Add : Receipt on exercise of Employees Stock Options	0.59	0.55
Less : Premium on redemption of Debentures [net of tax effect of Rs. 2.97 Crore (Previous year Rs. 3.04 Crore)]	(5.77)	(5.89)
Less: Adjusted towards demerger of Kaya business (Refer Note 36)	–	(138.35)
Balance as at the end of the year	407.97	413.15
Debenture Redemption Reserve		
Balance as at the beginning of the year	13.83	42.97
Add : Amount transferred from Surplus in the Statement of Profit and Loss	11.17	20.86
Less: Amount transferred to General Reserve on redemption (Refer note 6 (b))	(25.00)	(50.00)
Balance as at the end of the year	–	13.83
Employee Stock Options Outstanding Account (Refer note 4 (d))		
Balance as at the beginning of the year	–	–
Add : Compensation for options granted during the year	3.27	–
Balance as at the end of the year	3.27	–
General Reserve		
Balance as at the beginning of the year	338.21	230.49
Add : Amount transferred from Surplus in the Statement of Profit and Loss	–	57.72
Add: Amount transferred from Debenture redemption reserve on redemption	25.00	50.00
Balance as at the end of the year	363.21	338.21
Hedge Reserve (Refer note 40 (c))		
Balance as at the beginning of the year	(76.30)	(52.49)
Add / (Less) : Transferred to the Statement of Profit and Loss	15.65	4.88
Adjustments during the year	(14.32)	(28.69)
Balance as at the end of the year	(74.97)	(76.30)
Foreign Currency Translation Reserve		
Balance as at the beginning of the year	41.07	(11.18)
Adjusted upon demerger of Kaya business (Refer Note 36)	–	25.39
Exchange gain/(loss) on translation during the year (Refer Note 2(b)(ii))	66.32	26.86

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Balance as at the end of the year	107.39	41.07
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	1,289.90	1,150.41
Less : Adjustment pursuant to enactment of Schedule II of Companies Act 2013 (net of tax effect of Rs. 0.29 Crore) (Refer Note 37)	0.54	–
Add : Profit for the year	573.45	485.38
Less : Appropriations		
Equity dividend	161.24	257.94
Tax on Equity dividend [net of tax on dividend received from a foreign subsidiary of Rs. 18.96 Crore (Previous year Rs. 34.47 Crore)]	13.27	9.37
Transfer to Debenture Redemption Reserve	11.17	20.86
Transfer to General reserve	–	57.72
Balance as at the end of the year	1,677.13	1,289.90
Adjustment pursuant to the Scheme of Capital Reduction of MCCL (Refer Note 35)	(723.72)	(723.72)
Total	1,760.28	1,296.14

6 Long–term borrowings

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Secured		
Term loans		
From banks		
External commercial borrowing from The Hongkong and Shanghai Banking Corporation Limited	168.74	251.54
(Loan carries interest @ LIBOR plus 2.1% (Previous year LIBOR plus 2.1%) and is secured by (i) Pledge of shares of International Consumer Products Corporation (a Subsidiary company) (ii) First ranking pari passu charge over all current and future plant and machinery and (iii) Mortgage on land and building situated at Andheri, Mumbai).		
The loan is repayable over a period of 6 years commencing from February 11, 2011 as under:–		
1st installment – USD 3 million – payable at the end of 36 months		
2nd installment – USD 3 million – payable at the end of 42 months		
3rd installment – USD 6 million – payable at the end of 48 months		
4th installment – USD 6 million – payable at the end of 54 months		
5th installment – USD 9 million – payable at the end of 60 months		
6th installment – USD 12 million – payable at the end of 66 months		
7th installment – USD 15 million – payable at the end of 72 months		
Total amount – USD 54 million		
Total	168.74	251.54

	As at March 31, 2015	As at March 31, 2014
	Rs. Crore	Rs. Crore
Note:		
(a) The scheduled maturity of long term borrowings is summarized as under:		
Within one year (Refer note below and Note 12 – Current maturities of long term debt)	93.75	153.90
After 1 year but within 2 years	168.74	89.84
After 2 year but within 5 years	–	161.70
Total	**262.49**	**405.44**

(b) During the current year, 1,000, Rated, Listed, Unsecured, Zero Coupon redeemable non-convertible debentures of Rs. 100 crores, outstanding as on March 31, 2014, were redeemed at a premium calculated, at the yield of 8.95% p.a. on XIRR basis. (Refer notes 5 and 12)

7 **Deferred tax liabilities (net)**

Particulars	As at March 31, 2015	As at March 31, 2014
	Rs. Crore	Rs. Crore
Deferred Tax assets:		
Provision for doubtful debts / advances that are deducted for tax purposes when written off	1.00	1.28
On intangible assets adjusted against Capital Redemption Reserve and Securities Premium Reserve under the Capital Restructuring scheme implemented in an earlier year (Refer note 14(e))	12.46	16.26
Liabilities / provisions that are deducted for tax purposes when paid	21.65	6.77
Other timing Differences	1.72	8.36
(A)	36.83	32.67
Deferred tax liability:		
Additional depreciation/amortisation on fixed assets for tax purposes due to higher tax depreciation rates.	44.71	42.29
(B)	44.71	42.29
Total (A–B)	**7.88**	**9.62**

8 **Other Long Term Liabilities**

Particulars	As at March 31, 2015	As at March 31, 2014
	Rs. Crore	Rs. Crore
Advance from customers	–	0.01
Total	**–**	**0.01**

9. **Long term provisions**

Particulars	As at March 31, 2015	As at March 31, 2014
	Rs. Crore	Rs. Crore
Provision for employee benefits:		
Leave entitlement (Refer note 38 (B))	1.20	0.50
Gratuity (Refer note 38 (A))	3.91	2.17
Long Service award	0.60	0.64
Total Provision for Employee Stock Appreciation Rights Scheme (Refer notes 41 (b) and 41 (d))	7.19	–
Less : Accretion in amounts recoverable from the Trust	(4.25)	–
Net Provision	2.94	–
Total	**8.65**	**3.31**

10. Short–term borrowings

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Secured		
From banks :		
- Cash credit	8.64	17.71
- Export Packing credit in INR	–	39.00
(These borrowings were for a term of one month to eight months and carried interest rate of Bank Base rate plus applicable spread less interest subvention, ranging from 7.00% to 7.45% per annum).		
(Secured by hypothecation of inventory and debtors)	13.97	13.91
- Working Capital demand loan		
(These were loans taken for a terms of upto twelve months and carried interest rate of LIBOR plus applicable spread ranging from 0.80% to 0.90% per annum (Previous year 0.05% to 1.5%)).		
(Partially secured by hypothecation of inventory and debtors of Marico Limited)		
	22.61	70.62
Unsecured		
From banks:		
- Buyers' credit in foreign currency	–	17.97
(These borrowings were for a term of twelve months from the date of shipment of goods and carried interest rate of LIBOR plus applicable spread, ranging from 0.50% to 1.50% per annum (Previous year 0.05% to 1.50% per annum)).		
- Export Packing credit in INR	–	5.00
(These borrowings were for a term of one month to eight months and carried interest rate of Bank Base rate plus applicable spread less interest subvention, ranging from 7.00% to 7.45% per annum).		
- Working capital demand loan	112.61	75.94
(These were loans taken for a terms of upto twelve months and carried interest rate of LIBOR plus applicable spread ranging from 0.05% to 2%.)		
- Cash credit	30.21	104.82
	142.82	203.73
Total	165.43	274.35

11. **Trade payables**

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Trade Payables	564.32	502.52
Total	564.32	502.52

12 Other current liabilities

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Current maturities of long-term debt (Refer note 6 (a) and 6 (b))	93.75	153.90
Payable to related parties	0.11	–
Interest accrued but not due on borrowings	0.08	0.12
Interest accrued and due on borrowings	1.02	1.33
Unclaimed dividend	0.27	0.20
Unpaid dividend	–	112.88
Book overdraft	4.37	3.14
Premium on redemption of debentures	–	9.90
Other payables:		
Provision for contractual liabilities	61.68	47.52
Advances from customers	30.12	17.49
Statutory dues including provident fund and tax deducted at source	29.05	49.56
Forward / derivative contracts payables	1.53	2.54
Creditors for capital goods	4.43	3.57
Security deposits from customers and others	0.25	0.26
Employee benefits payable	48.28	41.20
Others	1.59	1.20
Total	276.53	444.81

Note : Amount payable to Investor Education and Protection Fund Rs. Nil (Nil)

13 Short term provisions

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Provision for employee benefits:		
Gratuity (Refer note 38 (A))	2.82	1.63
Leave entitlement (Refer note 38(B))	7.53	6.28
Provision for Employee Stock Appreciation Rights Scheme (Refer notes 41 (b) and 41 (d))	14.26	0.40
Less : Accretion in amounts recoverable from the Trust	(11.26)	–
Net Provision	3.00	0.40
Others	0.57	0.56
	13.92	8.87
Others:		
Income tax - (net of advance tax)	39.13	48.35
Disputed indirect taxes (Refer note (a) below)	42.25	25.15
Total	**95.30**	**82.37**

a Provision for disputed indirect taxes represents claims against the Company not acknowledged as debts, where management has assessed that unfavourable outcome of the matter is more than probable.

b **Movement in provision for disputed indirect taxes:**

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Balance as at the beginning of the year	25.15	17.97
Add: Additions during the year	17.60	7.54
Less: Unused amounts reversed during the year	(0.50)	(0.36)
Balance as at the end of the year	**42.25**	**25.15**

14 Fixed Assets

(A) Tangible assets

Rs. Crore

PARTICULARS	GROSS BLOCK					DEPRECIATION/AMORTISATION						IMPAIRMENT					NET BLOCK	
	As at April 1, 2014	Acquisition/ Demerger	Additions	Deductions / Adjustments (Refer Note h Below)	As at March 31, 2015	As at April 1, 2014	Acquisition/ Demerger	For the Year	Adjustment	Deductions	As at March 31, 2015	As at April 1, 2014	Charge / (Reversal) for the year	Adjustment for Demerger	Deductions	Impairment as at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Tangible assets																		
Freehold land (Refer note (a) below)	16.08	–	–	0.52	16.60	–	–	–	–	–	–	–	–	–	–	–	16.60	16.08
Leasehold land	35.60	–	0.17	(0.08)	35.69	2.89	–	0.58	–	(0.04)	3.43	–	–	–	–	–	32.26	32.71
Buildings (Refer note (a), (b), (c) and (d) below)	315.11	–	3.18	(13.29)	305.00	31.19	–	14.14	–	(0.92)	44.41	0.03	(0.03)	–	–	–	260.59	283.89
Plant and equipment	448.63	–	40.51	(12.07)	477.07	185.19	–	53.53	–	(10.83)	227.89	20.68	(2.27)	–	0.17	18.58	230.60	242.76
Furniture and fixtures	23.26	–	1.62	(0.47)	24.41	12.01	–	3.37	–	(0.49)	14.89	–	–	–	–	–	9.52	11.25
Vehicles	6.98	–	0.71	(0.90)	6.79	5.43	–	1.00	–	(0.76)	5.67	–	–	–	–	–	1.12	1.55
Office equipment	14.37	–	2.46	(3.07)	13.76	8.90	–	3.14	–	(3.04)	9.00	0.03	(0.03)	–	–	–	4.76	5.44
Leasehold improvements	1.38	–	–	–	1.38	0.16	–	–	–	–	0.16	–	–	–	–	–	1.22	1.22
TOTAL (A)	**861.41**	**–**	**48.65**	**(29.36)**	**880.70**	**245.77**	**–**	**75.76**	**–**	**(16.08)**	**305.45**	**20.74**	**(2.33)**	**–**	**0.17**	**18.58**	**556.67**	**594.90**

(B) Intangible asset

PARTICULARS	GROSS BLOCK					DEPRECIATION/AMORTISATION						IMPAIRMENT					NET BLOCK	
	As at April 1, 2014	Acquisition/ Demerger	Additions	Deductions / Adjustments (Refer Note h Below)	As at March 31, 2015	As at April 1, 2014	Acquisition/ Demerger	For the Year	Adjustment	Deductions	As at March 31, 2015	As at April 1, 2014	Charge / (Reversal) for the year	Adjustment for Demerger	Deductions	Impairment as at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Intangible asset																		
Trademarks and copyrights (Refer note (f) and (g) below)	73.63	–	–	(2.79)	70.84	39.00	–	7.25	–	(0.65)	45.60	1.66	–	–	(0.11)	1.55	23.69	32.97
Other intangibles	0.05	–	–	(0.01)	0.04	0.05	–	–	–	(0.01)	0.04	–	–		–	–	–	–
Computer software	28.34		4.20	(0.07)	32.47	22.85	–	3.32	–	(0.11)	26.06	–	–	–	–	–	6.41	5.49
TOTAL (B)	**102.02**	**–**	**4.20**	**(2.87)**	**103.35**	**61.90**	**–**	**10.57**	**–**	**(0.77)**	**71.70**	**1.66**	**–**	**–**	**(0.11)**	**1.55**	**30.10**	**38.46**
Total (A)+(B)	**963.43**	**–**	**52.85**	**(32.23)**	**984.05**	**307.67**	**–**	**86.33**	**–**	**(16.85)**	**377.15**	**22.40**	**(2.33)**	**–**	**0.06**	**20.13**	**586.77**	**633.36**

(a) During the year ended March 31, 2014, Freehold land and Buildiing of net book value of Rs. 0.77 Crore and Rs. 15.50 Crore has been reclassified as assets held for disposal.

(b) Gross block of Buildings include Rs. 13.42 Crore (Rs. 13.42 Crore) where conveyance has been executed, pending registration.

(c) During the year ended March 31, 2014, one of the office building appearing in Investment property of net book value of Rs. 6.37 Crore has been reclassified as Building.

(d) During the year ended March 31, 2015, Buildiing of net book value of Rs.12.96 Crore (Gross block of Rs. 13.42 Crore and accumulated depreciation of Rs. 0.46 Crore) has been reclassified as assets held for disposal.

(e) During the year ended March 31, 2007, the Company carried out financial restructuring scheme ('Scheme') under the relevant provisions of the Companies Act, 1956 which was approved by the shareholders on February 8, 2007 and subsequently by the Hon'ble High Court vide its order dated March 23, 2007. In terms of the Scheme, the Company adjusted the carrying value of Rs. 448.15 Crore of intangible assets such as trademarks, copyrights, business and commercial rights as on January 31, 2007 and related deferred tax adjustment of Rs. 139.06 Crore (net adjustment of Rs. 309.09 Crore) against the balance in Securities Premium Reserve of Rs. 129.09 Crore and Capital Redemption Reserve of Rs. 180 Crore.

(f) During the year ended March 31, 2014, Capital Reduction scheme pertaining to Marico Consumer Care Limited ("MCCL") for adjustment of intangible assets aggregating Rs. 723.72 Crore, was duly approved and given effect to (Refer Note 35).

(g) Trademarks of Rs. 27.65 Crore (Rs. 30.05 Crore) are pending registration / recording in name of the Company, in certain countries .

(h) Deductions / adjustment of Gross block, depreciation and provision for impairment includes translation difference of Rs. 0.22 Crore (Rs. 10.64 Crore).

(i) For additional information on assets given on operating lease refer note 39(b).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

14 Fixed Assets (Continued)

(A) Tangible assets

Rs. Crore

PARTICULARS	GROSSBLOCK					DEPRECIATION/AMORTISATION						IMPAIRMENT					NETBLOCK	
	As at April 1, 2013	Acquisition / Demerger	Additions	Deductions / Adjustments (Refer Note J Below)	As at March 31, 2014	As at April 1, 2013	Acquisition / Demerger	For the Year	Adjustment	Deductions	As at March 31, 2014	As at April 1, 2013	Charge / (Reversal) for the year	Adjustment for Demerger	Deductions	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
Tangible assets																		
Freehold land (Refer note (a) below)	15.30	–	0.16	0.62	16.08	–	–	–	–	–	–	–	–		–	–	16.08	15.30
Leasehold land	35.39	–	0.08	0.13	35.60	2.26	–	0.58	–	0.05	2.89	–	–		–	–	32.71	33.13
Buildings (Refer note (b), (c) and (h) below)	180.76	(3.79)	151.86	(13.72)	315.11	31.14	(3.78)	10.51	–	(6.68)	31.19	0.02	0.01		–	0.03	283.89	149.60
Plant and equipment	488.79	(109.62)	69.53	(0.07)	448.63	223.72	(71.90)	36.86	–	(3.49)	185.19	24.17	9.23	(13.22)	0.50	20.68	242.76	240.90
Furniture and fixtures	61.31	(44.30)	9.06	(2.81)	23.26	37.16	(25.42)	3.24	–	(2.97)	12.01	12.26	–	(12.26)	–	–	11.25	11.89
Vehicles	7.21	(0.42)	–	0.19	6.98	4.28	(0.25)	1.37	–	0.03	5.43	–	–		–	–	1.55	2.93
Office equipment	15.69	(5.65)	5.31	(0.98)	14.37	11.25	(4.54)	3.14	–	(0.95)	8.90	1.11	0.02	(1.10)	–	0.03	5.44	3.33
Leasehold improvements	4.60	(3.95)	0.73	–	1.38	0.38	(0.35)	0.13	–	–	0.16	0.12	–	(0.12)	–	–	1.22	4.10
TOTAL (A)	**809.05**	**(167.73)**	**236.73**	**(16.64)**	**861.41**	**310.19**	**(106.24)**	**55.83**	**–**	**(14.01)**	**245.77**	**37.68**	**9.26**	**(26.70)**	**0.50**	**20.74**	**594.90**	**461.18**

(B) Intangible asset

PARTICULARS	GROSSBLOCK					DEPRECIATION/AMORTISATION						IMPAIRMENT					NETBLOCK	
	As at April 1, 2013	Acquisition / Demerger	Additions	Deductions / Adjustments (Refer Note h Below)	As at March 31, 2014	As at April 1, 2013	Acquisition / Demerger	For the Year	Adjustment	Deductions	As at March 31, 2014	As at April 1, 2013	Charge / (Reversal) for the year	Adjustment for Demerger	Deductions	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
Intangible asset																		
Trademarks and copyrights (Refer note (e) and (i) below	864.68	(61.71)	–	(729.34)	73.63	54.56	(17.54)	8.06	–	(6.08)	39.00	1.21	0.50	–	(0.05)	1.66	32.97	808.91
Other intangibles	0.10	–	–	(0.05)	0.05	2.06	(1.96)	–	–	(0.05)	0.05	–	–		–	–	–	(1.96)
Computer software	27.03	(2.40)	4.41	(0.70)	28.34	20.33	–	2.71	–	(0.19)	22.85	0.07	–	(0.07)	–	–	5.49	6.63
Total (B)	**891.81**	**(64.11)**	**4.41**	**(730.09)**	**102.02**	**76.95**	**(19.50)**	**10.77**	**–**	**(6.32)**	**61.90**	**1.28**	**0.50**	**(0.07)**	**(0.05)**	**1.66**	**38.46**	**813.58**
Total (A)+(B)	**1,700.86**	**(231.84)**	**241.14**	**(746.73)**	**963.43**	**387.14**	**(125.74)**	**66.60**	**–**	**(20.33)**	**307.67**	**38.96**	**9.76**	**(26.77)**	**0.45**	**22.40**	**633.36**	**1,274.76**

15. Goodwill on consolidation

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Balance as at the beginning of the year	254.25	395.52
Add : Arising on acquisition (Refer Note 3 (iii)) / foreign currency fluctuation	234.90	-
Less : Adjustments pursuant to the Demerger of Kaya business (Refer note 36)	-	(141.27)
Balance as at the end of the year	**489.15**	**254.25**

16 Non current investments

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
A. Non-trade investments (valued at cost unless stated otherwise)		
Investment Property (at cost less accumalated depreciation / amortization)		
Cost of land use right and building	19.13	19.13
Less : Accumulated depreciation / amortisation	(1.14)	(0.90)
Net block	17.99	18.23
B. Other Investments :		
Investments in Government Securities		
Unquoted		
National Savings Certificates (Deposited with the Government authorities)	0.01	0.01
Others		
Quoted		
Power Finance Corporation Limited	2.85	2.85
(28,479 (28,479) Secured, Redeemable, Tax free Non-convertible Bonds, 8.20% , face value of Rs. 1,000/- each, redeemable on 1st February, 2022)		
Indian Railway Finance Corporation	2.18	2.18
(21,751 (21,751) Secured, Redeemable, Tax free Non-convertible Bonds, 8.00% , face value of Rs. 1,000/- each, redeemable on 23rd February, 2022)		
National Highways Authority of India	2.47	2.47
(24,724 (24,724) Secured, Redeemable, Tax free Non-convertible Bonds, 8.20% , face value of Rs. 1,000/- each, redeemable on 25th January, 2022)		
Rural Electrification Corporation Limited	6.12	6.12
(61,238 (61,238) Secured, Redeemable, Tax free Non-convertible Bonds, 8.12% , face value of Rs. 1,000/- each, redeemable on 29th March, 2027)		
Rural Electrification Corporation Limited	5.00	5.00
(50 (50) Secured, Redeemable, Tax free Non-convertible Bonds , 8.46% , face value of Rs. 1,000,000/- each, redeemable on August 29, 2028)		
Housing & Urban Development Corporation Ltd	5.00	5.00
(50 (50) Secured, Redeemable, Tax free Non-convertible Bonds , 8.56% , face value of Rs. 1,000,000/- each, redeemable on September 02, 2028)		
Investments in Mutual Funds		
Unquoted		
LIC Nomura MF Fixed Matuirity Plan Series 77-396 Days-Growth	–	8.00
NIL (8,000,000) units of Rs. 10 each fully paid		
DWS Fixed Maturity Plan Series 62-Reg Plan-Growth	4.13	–
4,125,148 (Nil) units of Rs. 10 each fully paid		
	27.76	31.63
Total	45.75	49.86
Aggregate amount of quoted investments	27.75	31.62
Market Value/Net asset value of quoted investments	29.50	32.14
Aggregate amount of unquoted investments	17.99	18.24

17 **Long-term loans and advances**

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Unsecured, considered good unless stated otherwise		
Capital Advances	12.37	5.74
Other loans and advances:		
Deposits with public bodies and others		
Considered good	15.22	8.73
Loans to employees	2.16	3.63
Prepaid expenses	0.20	0.26
Balance with statutory/government authorities	10.74	13.99
Advances to vendors	1.42	2.41
Loans and advances to Welfare of Mariconions Trust (Refer note 41(c))	8.40	26.48
Less: Provision towards doubtful loan (Refer Note 41 (e))	–	(0.70)
	8.40	25.78
Advance income tax (net of provision)	0.12	0.39
Total	**50.63**	**60.93**

18 **Other non current assets**

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Security deposits	–	0.02
Fringe benefit tax payments (net of provisions of Rs. 5.85 Crore (previous year Rs. 5.85 Crore))	0.48	0.48
MAT credit entitlement	119.02	153.80
Long term deposits with banks with maturity period of more than twelve months (Refer note below)	1.27	0.73
Total	**120.77**	**155.03**

Note:

Long term deposits with banks includes Rs. 0.21 Crore (Rs. 0.25 Crore) deposited with sales tax authorities, Rs. 0.49 Crore (Rs. 0.45 Crore) held as lien by banks against guarantees issued on behalf of the Company and Rs. 0.57 Crore (Nil) for other earmarked balances.

19 Current Investments

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Current investments (At lower of cost and fair value)		
Quoted		
Investments in Mutual Funds		
LIC Nomura MF Fixed Matuirity Plan Series 77-396 Days-Growth 8,000,000 (Nil) units of Rs. 10 each fully paid	8.00	–
Birla Sun Life Fixed Term Plan-Series JN (368 Days) Nil (6,000,000) units of Rs. 10 each fully paid	–	6.00
DWS Fixed Maturity Plan Series 62-Reg Plan-Growth Nil (20,000,000) units of Rs. 10 each fully paid	–	20.00
HDFC FMP 396 Days March 2014(3) Series 29-Regular-Growth Nil (20,000,000) units of Rs. 10 each fully paid	–	20.00
ICICI Prudential FMP Series 73-368 D-Plan M-Cumulative Nil (10,000,000) units of Rs. 10 each fully paid	–	10.00
Kotak FMP Series 111 - Growth Nil (9,000,000) units of Rs. 10 each fully paid	–	9.00
Religare Invesco FMP-Series XIX-Plan F(370 Days)-Growth Plan Nil (9,000,000) units of Rs. 10 each fully paid	–	9.00
Religare Invesco FMP-Sr.23 -Plan F(367 Days)- Reg Growth Plan Nil (20,000,000) units of Rs. 10 each fully paid	–	20.00
SBI Debt Fund Series-366 Days-Reg-Growth Nil (10,000,000) units of Rs. 10 each fully paid	–	10.00
UTI Fixed Term Income Fund Series XVIII-IV(366 Days)-Growth Nil (30,000,000) units of Rs. 10 each fully paid	–	30.00
Birla Sun Life Fixed Term Plan-Series HS (366 Days) -Gr.Regular Nil (5,000,000) units of Rs. 10 each fully paid	–	5.00
HDFC FMP 371D July 2013 Series 26-Regular-Growth Nil (10,000,000) units of Rs. 10 each fully paid	–	10.00
LIC Nomura MF Fixed Matuirity Plan Series 73 - 366 Days - Growth Plan Nil (2,500,000) units of Rs. 10 each fully paid	–	2.50
Reliance Interval Fund I-Half Yearly Interval Fund-Series 2-Growth Plan Nil (5,000,000) units of Rs. 10 each fully paid	–	5.00
Reliance Fixed Horizon Fund-XXVI-Series 2-Growth Plan 1,000,000 (1,000,000) units of Rs. 10 each fully paid	1.00	1.00

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Unquoted		
Investments in Mutual Funds		
Axis Treasury Advantage Fund - Growth 50,053 (Nil) Units of Rs. 1,000 each fully paid	7.75	–
Birla Sunlife Cash Plus -Growth-Regular 190,148 (Nil) Units of Rs. 100 each fully paid	4.26	–
Birla Sunlife Floating Rate Long Term -Growth-Regular 304,582 (Nil) Units of Rs. 100 each fully paid	5.10	–
DWS Treasury Fund -Cash-Growth 1,001,013 (Nil) Units of Rs. 100 each fully paid	15.01	–
HDFC Liquid Fund - Growth 7,674,464 (Nil) Units of Rs. 10 each fully paid	21.15	–
HDFC Cash Management Fund-Savings Plan-Growth 1,897,404 (Nil) Units of Rs. 10 each fully paid	5.53	–
HDFC Banking and PSU Debt Fund-Reg-Growth 1,813,187 (Nil) Units of Rs. 10 each fully paid	2.00	–
ICICI Prudential Money Market Fund -Regular Plan -Growth 1,036,048 (Nil) Units of Rs. 100 each fully paid	20.01	–
IDFC Ultra Short Term Fund -Growth-Regular Plan 1,301,391 (Nil) Units of Rs. 10 each fully paid	2.54	–
Kotak Liquid Scheme Plan A-Growth 70,607 (Nil) Units of Rs. 1,000 each fully paid	20.01	–
L&T Ultra Short Term Fund-Growth 1,011,382 (Nil) units of Rs. 10 each fully paid	2.29	–
Principal Debt Opportunities Fund Corporate Bond Plan-Regular Plan Growth 47,877 (Nil) Units of Rs. 1,000 each fully paid	10.00	–
Reliance Liquid Fund-Treasury Plan-Growth 76,423 (Nil) Units of Rs. 1,000 each fully paid	26.01	–
Religare Invesco Ultra Short Term Fund-Growth 56,982 (Nil) Units of Rs. 1,000 each fully paid	10.96	–
Religare Invesco Credit Opportunities Fund-Growth 60,034 (Nil) Units of Rs. 1,000 each fully paid	9.56	–
SBI Magnum Insta Cash -Reg Plan-Growth 64,792 (Nil) Units of Rs. 1,000 each fully paid	20.01	–
Templeton India TMA-SIP-Growth 16,797 (Nil) Units of Rs. 1,000 each fully paid	3.50	–
Baroda Pioneer Treasury Advantage Fund- Plan A-Growth Nil (12,041) units of Rs. 1,000 each fully paid	–	1.76

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
DWS Ultra Short Term Fund-SIP-Growth Nil (9,569,990) units of Rs. 10 each fully paid	–	14.64
HDFC Floating Rate Income Fund-STP-WO-Growth Nil (4,911,345) units of Rs. 10 each fully paid	–	10.75
JM Money Manager Fund-Super Plus Plan-Bonus Option-Bonus Units 3,748,072 (3,748,072) units of Rs. 10 each fully paid	3.78	3.78
JM Money Manager Fund-Super Plan-Bonus Option-Bonus Units 4,524,192 (4,524,192) units of Rs. 10 each fully paid	4.43	4.43
JM Money Manager Fund-Super Plus Plan-Growth Nil (976,112) units of Rs. 10 each fully paid	–	1.77
JP Morgan India Treasury Fund-SIP-Growth 11,140,952 (9,930,359) units of Rs. 10 each fully paid	20.42	16.68
Kotak Flexi Debt Scheme Plan A-Growth Nil (971,164) units of Rs. 10 each fully paid	–	1.53
Kotak Banking & PSU Debt Fund -Growth Nil (176,035) units of Rs. 10 each fully paid	–	0.50
Peerless Ultra Short Term Fund-Super Instl-Growth Nil (10,809,928) units of Rs. 10 each fully paid	–	15.25
Reliance Money Manager Fund-Growth Plan Nil (58,597) units of Rs. 1,000 each fully paid	–	10.29
Sundraram Ultra Short Term Fund-Regular-Growth Nil (8,201,076) units of Rs. 10 each fully paid	–	14.41
Tata Floater Fund - Plan A-Growth Nil (6,581) units of Rs. 1,000 each fully paid	–	1.28
Templeton India Ultra Short Term Bond Fund-SIP-Growth Nil (300,671) units of Rs. 10 each fully paid	–	0.51
JP Morgan India Liquid Fund-SIP-Growth 1,269,009 (20,80,609) units of Rs. 10 each fully paid	2.05	3.35
Birla Sun Life Floating Rate Fund-Short Term Plan-Growth 551,505 (Nil) units of Rs. 100 each fully paid	10.26	–
LIC Nomura MF Liquid Fund - Growth 9,550 (Nil) units of Rs. 1,000 each fully paid	2.42	–
SBI Magnum Insta Cash Fund Liquid Floater-Reg-Growth Nil (10,281) Units of Rs. 1,000 each fully paid	–	2.24
Total	**238.05**	**260.67**
Aggregate amount of quoted investments	9.00	157.51
Net asset value of quoted investments	9.89	160.70
Aggregate amount of unquoted investments	229.05	103.18
Net asset value of unquoted investments	235.56	103.85

20 Inventories

(Refer note 2 (i), for basis of valuation)

Particulars	As at March 31,	
	2015 Rs. Crore	2014 Rs. Crore
Raw materials (includes in-transit: Rs. 10.85 Crore (Rs. 12.64 Crore))	367.41	279.68
Work–in–progress	128.78	139.62
Finished goods (includes in-transit: Rs. Nil (Rs. 0.08 Crore))	387.05	272.46
Stock – in – trade (Traded goods)	19.80	17.32
Stores and spares	8.47	7.19
Others :		
Packing materials	77.17	77.24
By–products	6.03	2.73
Total	**994.71**	**796.24**

21 Trade receivables

Particulars	As at March 31,	
	2015 Rs. Crore	2014 Rs. Crore
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	4.19	1.03
Considered doubtful	3.08	2.64
	7.27	3.67
Less: Provision for doubtful debts	(3.08)	(2.64)
	4.19	1.03
Outstanding for a period less than six months from the date they are due for payment		
Considered good	172.56	222.16
Considered doubtful	0.08	0.26
	172.64	222.42
Less: Provision for doubtful debts	(0.08)	(0.26)
	172.56	222.16
Total	**176.75**	**223.19**

22 Cash and bank balances

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Cash and cash equivalents :		
Cash on hand	0.77	0.83
Remittance in–transit	–	0.18
Bank balances		
- In current accounts	28.13	21.56
- Cheques on hand	0.76	3.52
- Demand deposits (less than 3 months maturity)	47.73	198.08
	77.39	224.17
Other bank balances :		
Fixed deposits with maturity more than three months but less than twelve months	127.28	69.15
Unclaimed dividend account	0.27	0.20
Unpaid Dividend	–	112.88
Total	204.94	406.40

23 Short term loans and advances

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Unsecured, considered good (unless otherwise stated)		
Loans and advances to related parties (Refer note 44(c))	0.61	2.32
	0.61	2.32
Others :		
Advances to vendors and others	73.54	29.55
Loans and advances to employees	4.23	6.15
Prepaid expenses	10.35	8.63
Balances with statutory/government authorities	10.16	14.49
Deposits with public bodies and others	0.48	0.50
Loans and advances to Welfare of Mariconions Trust (Refer note 41(c))	19.76	9.83
Inter corporate deposits (fixed deposits with Companies / Public Financial Institutions)	60.00	15.00
	178.52	84.15
Total	179.13	86.47

24 Other current assets

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Unsecured, considered good (unless otherwise stated)		
Interest accrued and due on loans / deposits	5.95	9.08
Insurance receivables	0.05	0.05
Accrued export incentives	0.18	2.04
Assets held for disposal (Refer note 14 (a) and (d))	28.71	16.27
Others	0.70	6.72
Total	35.59	34.16

25 Revenue from operations

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Sale of products:		
Finished goods*	5,609.04	4,590.60
By-product sales	119.49	92.28
	5,728.53	4,682.88
Less:		
Excise duty	8.25	6.69
	5,720.28	4,676.19
Other operating revenues:		
Export incentives	6.66	5.76
Sale of scraps	6.04	4.57
	12.70	10.33
Total	**5,732.98**	**4,686.52**

*Including traded goods

26 Other income

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Interest Income		
On Non current investments	2.17	2.26
On current investments	2.40	0.66
On loans, deposits, etc.	14.49	34.50
	19.06	37.42
Dividend Income		
On current investments	11.95	5.86
	11.95	5.86
Net gain on sale of current investments	14.49	9.90
Other non–operating income :		
Lease rental income	0.64	1.26
Profit on sale of assets (net)	–	1.58
Excess Provision no longer required written back	4.31	–
Miscellaneous income	8.44	2.18
	13.39	5.02
Total	**58.89**	**58.20**

27 Cost of materials consumed, Purchases of stock in trade, Changes in inventories of finished goods, work–in–progress and stock-in-trade – (increase) / decrease

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
A Cost of materials consumed		
Raw materials consumed		
Opening Inventories	279.68	308.07
Add : Purchases (net)	2,699.87	1,739.80
Less : Inventories at the end of the year	367.41	279.68
Cost of raw materials consumed during the year	2,612.14	1,768.19
Packing materials consumed		
Opening Inventories	77.24	69.73
Add : Purchases (net)	506.67	481.80
Less : Inventories at the end of the year	77.17	77.24
Cost of packing materials consumed during the year	506.74	474.29
Total	**3,118.88**	**2,242.48**
B Purchases of Stock–in–trade	**109.69**	**111.47**
C Changes in inventories of finished goods, work-inprogress and stock-in-trade - (increase) / decrease		
Opening inventories		
Work-in-progress	139.62	184.96
Finished goods	272.46	249.44
By-products	2.73	1.77
Stock-in-trade	17.32	41.17
Total I	432.13	477.34
Less: Closing inventories		
Work-in-progress	128.78	139.62
Finished goods	387.05	272.46
By-products	6.03	2.73
Stock-in-trade	19.80	17.32
Total II	541.66	432.13
(Increase) / decrease in inventories (I–II)	**(109.53)**	**45.21**

28 Employee benefit expenses

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Salaries, wages and bonus	283.47	254.23
Contribution to provident and other funds (Refer note 38)	11.65	10.40
Employees stock option charge (Refer note 4 (d))	3.27	–
Stock appreciation rights expenses (Refer note 41 (d)):		
Star Grant Expenses - Gross	29.50	5.34
Less: Accretion in amounts recoverable from the Trust	(22.54)	(2.53)
	6.96	2.81
Staff welfare expenses	19.79	17.57
Total	**325.14**	**285.01**

29 Finance costs

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Interest on:		
Long term borrowings	8.68	11.69
Short term borrowings	7.93	13.89
Other borrowing costs	0.88	1.20
Bank and other financial charges	2.80	2.89
Applicable net loss on foreign currency transaction	2.66	4.78
Total	**22.95**	**34.45**

30 Depreciation, amortisation and impairment

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Depreciation on tangible assets (Refer note 2(e) (I))	74.93	55.83
Amortisation on intangible assets (Refer note 2(e) (II))	10.57	10.77
Amortisation of Investment Property (Refer note 16)	0.24	0.50
Impairment loss / (reversal of loss) of capitalised assets	1.40	9.76
Total	**84.34**	**76.86**

31 Other Expenses

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Consumption of stores and spare parts	16.52	9.61
Power, fuel and water	31.70	33.01
Contract manufacturing charges	197.05	174.27
Rent and storage charges	38.41	39.42
Repairs to:		
Building	8.18	6.81
Machinery	16.85	13.86
Others	2.50	3.18
Freight, forwarding and distribution expenses	219.26	196.88
Advertisement and sales promotion	649.82	561.17
Rates and taxes	57.56	44.28
Commission to selling agents	5.29	4.59
Communication expenses	8.56	7.57
Printing and stationery	2.41	2.60
Travelling, conveyance and vehicle expenses	42.13	38.73
Royalty	0.28	0.42
Insurance	6.71	5.18
Net loss on foreign currency transactions and translation (other than considered as finance cost)	13.03	3.00
Commission to Non-executive directors	1.29	0.94
Provision for doubtful debts and advances (net)	0.26	0.12
Add: Bad debts written off	–	–
	0.26	0.12
Miscellaneous expenses (Refer note below)	100.94	109.02
Total	**1,418.75**	**1,254.66**

Miscellaneous expenses includes

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Labour charges	17.56	19.75
Training and seminar expenses	5.53	6.71
Outside services	12.52	4.76
Legal and professional charges	36.98	46.32
Donation	7.45	8.09
Total	80.04	85.63

32 **Contingent liabilities:**

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Disputed tax demands / claims :		
Sales Tax	47.55	34.23
Income Tax	47.14	41.50
Service Tax	0.17	0.17
Customs Duty	0.31	0.40
Agricultural Produce Marketing Cess	9.69	9.69
Employees State Insurance Corporation	0.18	0.18
Excise Duty on subcontractors	0.54	0.54
Excise duty on CNO dispatches (Refer note below)	565.62	443.23
Excise duty on By-product	4.67	–
Claims against the Company not acknowledged as debts	18.74	0.19
Corporate guarantees given to banks on behalf of group companies for credit and other facilities granted by banks.	–	8.00
Corporate guarantees given to banks on behalf of Broadcast Audience Research Council (BARC)	0.60	–
Amount outstanding towards Letters of Credit	41.60	51.73
Total	736.81	589.86

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings

Note:

This contingent liability pertains to a possible obligation in respect of pure coconut oil packs up to 200 ml. This claim has been contested by the excise department. Based on the various judicial pronouncements, management believes that the probability of success in the matter is more likely than not and accordingly, the possible excise obligation has been treated as a contingent liability in accordance with requirements of Accounting Standard (AS) 29 "Provisions, Contingent Liability and Contingent Asset". The possible obligation of Rs. 443.85 Crore (Rs. 321.46 Crore) for the clearances made after June 3, 2009 (i.e. the date of issue of Board circular) till March 31, 2015 and Rs. 121.77 Crore (Rs. 121.77 Crore) for clearances made prior to June 3, 2009 has been disclosed as contingent liability to the extent of the time horizon covered by show cause notices issued by the excise department within the normal period of one year (from the date of clearance) as per the excise laws.

The Company will continue to review this matter during the coming accounting periods based on the developments on the outcome in the pending cases and the legal advice, that it may receive from time to time.

33 **Capital and other commitments**

Capital commitments

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	14.60	194.77
Total	**14.60**	**194.77**

34 The consolidated financial statements for the year ended March 31, 2015 comprise the Audited financial statements of Marico Limited, Marico Bangladesh Limited, Marico Middle East FZE, Marico South Africa (Pty) Limited, Marico Egypt Industries Company, Wind Company, International Consumer Products Corporation, Beauté Cosmétique Societé Par Actions and Thuan Phat Foodstuff Joint Stock Company and Marico Consumers Care Limited and unaudited financial statements of MBL Industries Limited, Marico South Africa Consumer Care (Pty) Limited, Marico Malaysia Sdn. Bhd., MEL Consumer Care SAE and Egyptian American Investment & Industrial Development Company which have been approved by the respective Board of Directors of these companies.

35 During the previous year ended March 31, 2014, Hon'ble High Court of Bombay had approved the Scheme of Capital Reduction vide its order dated June 21, 2013 in accordance with the provisions of Section 78 (read with Sections 100 to 103) of the Companies Act, 1956, pertaining in the Company's wholly owned subsidiary, Marico Consumer Care Limited (MCCL). Pursuant to the Capital Reduction Scheme, intangible assets aggregating to Rs. 723.72 Crore, were adjusted against the Share capital to the extent of Rs. 53.96 Crore and securities premium to the extent of Rs. 669.76 Crore. Consequently, in the consolidated financial statements of Marico, intangible assets to the extent of Rs. 723.72 Crore were adjusted against Reserves and Surplus.

36 During the previous year ended March 31, 2014, the Kaya Business, earlier a part of Marico Limited, was demerged effective October 17, 2013, with April 1, 2013 as the Appointed Date. Pursuant to the demerger Scheme, the transfer of Kaya business to Marico Kaya Enterprises Limited ("MaKE") was accounted by the Company by recording the transfer of the relevant assets and liabilities of the Kaya Business at their book values as of the appointed date. In accordance with the scheme approved by the Hon'ble High Court of Bombay, the excess of book value of assets over liabilities was adjusted against Securities Premium Account (Refer Note 5) and all the shares held by Marico in MaKE were cancelled without any payment.

37 Pursuant to Schedule II of Companies Act 2013 ("Schedule") becoming effective April 1, 2014, the Company has applied the useful life of assets as prescribed in the Schedule or the estimated useful life, whichever is lower, for ascertaining the depreciation expense. Had the Company not changed the useful life of assets, the depreciation expense for the year ended March 31, 2015 would have been lower by Rs. 9.79 Crore.

Further, in case of assets which have completed their useful life as at 1st April 2014, [the carrying value (net of residual value) of which amounted to Rs. 0.83 Crore] Rs. 0.54 Crore (net of tax effect of Rs. 0.29 Crore) has been adjusted in the opening balance of retained earnings. (Refer note 5)

38 Table (A) & (B) below set forth the funded status of the plan and the amounts relating to provident fund, gratuity and leave encashment recognized in the Consolidated financial statements:

A. Defined Benefit plan:

Particulars	Provident Fund		Gratuity	
I. Actuarial assumptions :	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Discount rate	7.89%	9.03%	4.75% - 12.50%	9.03% - 12.50%
Rate of return on Plan assets*	8.75%	8.75%	0 - 7.89%	0 - 8.70%
Future salary rise**	10.00%	10.00%	5.00 - 12.00%	5.00 - 12.00%
Attrition rate	17.00%	17.00%	5.25 - 17.50%	5.25% - 17.50%

*The expected rate of return on plan assets is based on expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.

**The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market. The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario.

Particulars	Provident Fund		Gratuity	
II. Changes in defined benefit obligations:	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore
Liability at the beginning of the year	81.83	72.02	18.36	20.42
Interest cost	6.75	6.28	1.45	1.49
Current service cost	6.02	6.37	2.40	2.22
Employee contribution	8.21	7.94	–	–
Liability Transferred in	2.99	2.11	–	–
Liability Transferred out	(4.15)	(6.00)	–	(3.42)
Past service cost (non vested benefit)	–	–	–	(0.50)
Benefits paid	(19.34)	(6.89)	(1.53)	(2.89)
Actuarial (gain)/loss on obligations (Due to change in financial obligation)	–	–	1.62	–
Actuarial (gain)/loss on obligations (Due to Experience)	–	–	0.92	1.04
Liability at the end of the year	**82.31**	**81.83**	**23.22**	**18.36**

Particulars	Provident Fund		Gratuity	
III. Change in fair value of plan assets :	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore
Fair value of plan assets at the beginning of the year	82.59	72.02	13.14	12.49
Expected return on plan assets	6.75	6.28	1.14	1.09
Contributions	14.24	14.31	1.26	3.32
Transfer from other Company	2.99	2.11	–	–
Transfer to other Company	(4.15)	(6.00)	–	(0.78)
Benefits paid	(19.34)	(6.89)	(1.21)	(2.08)
Actuarial gain/(loss) on plan assets	2.72	0.76	0.73	(0.90)
Fair value of plan assets at the end of the year	**85.80**	**82.59**	**15.06**	**13.14**

	Provident Fund		Gratuity	
IV. Actual return on plan assets:	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore
Expected return on plan assets	6.75	6.28	1.14	1.09
Actuarial gain/(loss) on plan assets	2.72	0.76	0.73	(0.90)
Actual return on plan assets	**9.47**	**7.04**	**1.87**	**0.19**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Particulars	Provident Fund		Gratuity	
V. Amount recognised in the Balance Sheet	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore
Liability at the end of the year	–	–	23.22	18.36
Fair value of plan assets at the end of the year	85.80	82.59	15.06	13.14
Present value of benefit obligation as at the end of the period	(82.31)	(81.83)	–	–
Difference	3.48	0.77	8.16	5.22
Unrecognized past service Cost	(3.48)	(0.77)	1.43	1.42
(Assets) / Liability recognized in the Balance Sheet	**–**	**–**	**6.73**	**3.80**

Particulars	Provident Fund		Gratuity	
VI. Percentage of each category of plan assets to total fair value of plan assets.	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore
Administered by HDFC Standard Life Insurance / Kotak Gratuity Group plan	–	–	96.60%	95.95%
Special deposit scheme, Fixed deposit scheme and others	–	–	3.40%	4.05%
Central Government securities	23.34%	24.76%	–	–
State loan/State government Guaranteed Securities	17.86%	18.79%	–	–
Public Sector Units	46.68%	46.93%	–	–
Private Sector Units	7.57%	7.22%	–	–
Others	4.55%	2.30%	–	–
Total	**100%**	**100%**	**100%**	**100%**

Particulars	Provident Fund		Gratuity	
VII. Expenses recognised in the Statement Profit and Loss :	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore
Current service cost	6.02	6.37	2.40	2.22
Interest cost	6.75	6.28	1.45	1.49
Expected return on plan assets	(6.75)	(6.28)	(1.14)	(1.09)
Net actuarial (gain)/loss to be recognized	–	–	0.19	1.04
Past service cost (non vested benefit) recognized	–	–	–	0.15
Past service cost (vested benefit) recognized	–	–	–	–
(Income) / Expense recognised in the Statement of Profit and Loss	**6.02**	**6.37**	**2.90**	**3.81**

Particulars	Provident Fund		Gratuity	
VIII. Balance Sheet reconciliation	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore
Opening net liability	–	–	3.80	7.93
(Income) / Expense as above	6.02	6.37	2.90	3.81
Employers contribution	(6.02)	(6.37)	(1.26)	(3.32)
Transfer to other Company	–	–	–	0.72
Unrecognized past service Cost	–	–	1.29	(1.42)
Liability Transferred out	–	–	–	(3.92)
Closing net liability	–	–	**6.73**	**3.80**

Particulars	Gratuity	
IX. Experience Adjustments	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore
On Plan liability (gain) / loss	1.46	1.94
On plan asset (loss) / gain	0.13	0.76

As per actuarial valuation report, expected employer's contribution in next year is Rs. 3.65 Crore (Rs. 2.15 Crore) for gratuity and Rs. 8.31 Crore (Rs. 8.00 Crore) for provident fund.

B. Privileged leave (Compensated absence for employees):

Amount recognised in the Balance Sheet and movements in net liability:

Particulars	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore
Opening balance of compensated absences (a)	6.78	11.72
Present value of compensated absences (As per actuarial valuation) as at the year end (b)	8.73	6.78
Short term compensated absences payable included in other current liabilities calculated on arithmatical basis (c)	–	3.78
(Excess)/ Unfunded liability of Compensated Absences recognized in the Statement of Profit and Loss for the year (b-a+c)	1.95	(1.16)

The privileged leave liability is not funded.

C. Defined contribution plan :

The Company has recognised Rs. 7.42 Crore (Rs. 7.27 Crore) towards contribution to provident fund, Rs. 0.22 Crore (Rs. 0.34 Crore) towards contribution to superannuation fund and Rs. 0.08 Crore (Rs. 0.15 Crore) towards employee state insurance plan in the Statement of Profit and Loss.

The information in respect of provident fund is provided to the extent available with the Company.

39 a) Additional information on assets taken on lease:

The Group's significant leasing arrangements are in respect of residential flats, office premises, warehouses, vehicles etc taken on lease. The arrangements range between 11 months to 9 years and are generally renewable by mutual consent or mutually agreeable terms. Under these arrangements refundable interest-free deposits have been given.

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Lease rental payments recognised in the Statement of Profit and Loss.	33.45	34.08
In respect of assets taken on non cancellable operating lease:		
Lease obligations		
Future minimum lease rental payments payable		
not later than one year	18.86	16.64
later than one year but not later than five years	25.00	19.04
later than five years	0.16	0.04
Total	**44.02**	**35.72**

b) Additional information on assets given on lease:

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Lease rental Income recognised in the Statement of Profit and Loss.	0.64	1.26

Rs. Crore

Asset	Cost as at March 31		Depreciation for the year ended March 31		Accumulated Depreciation as at March 31		Net Book Value as at March 31	
	2015	2014	2015	2014	2015	2014	2015	2014
Plant and equipment (Refer note 14)	1.90	2.03	0.01	0.06	1.74	1.85	0.16	0.18
Investment Property (Refer note 16)	12.36	12.36	0.20	0.20	0.60	0.40	11.76	11.96

40 Derivative transactions

a) The total derivative instruments outstanding as on year end March 31, 2015 are Plain Forwards, Plain Vanilla Put Option, Cross currency swap and Interest rate swap:

Particulars	Currency	March 31, 2015		March 31, 2014	
		Notional Amount in Foreign Currency	Equivalent Amount in Rs. at the year end * (Rs. Crore)	Notional Amount in Foreign currency	Equivalent Amount in Rs. at the year end * (Rs. Crore)
Forward contracts outstanding					
Exports:	USD	1,195,570	7.47	5,425,824	32.50
Foreign currency loans (including Interest)	USD	–	–	3,000,000	17.97
Imports	USD	3,789,550	23.68	5,071,095	30.37
Imports	AUD	243,100	1.16	611,578	3.39
Imports	EUR	480,000	3.22	–	–
Loan to subsidiary:	ZAR	10,559,500	5.44	16,544,500	9.41
Options Contracts outstanding					
Exports	USD	4,373,000	27.33	4,817,444	28.85
Imports	USD	3,321,040	20.76	3,430,000	20.54
Imports	AUD	574,600	2.73	664,998	3.69

* Converted into the exchange rate at the year end.

Out of the above, the following have been designated as cash flow hedges

Particulars		March 31, 2015		March 31, 2014	
	Currency	Amount in Foreign Currency	Fair Value (Rs. Crore)	Amount in Foreign Currency	Fair Value (Rs. Crore)
Forward contracts	USD	4,985,120	31.15	10,496,919	64.02
Forward contracts	AUD	243,100	1.16	611,578	3.41
Forward contracts	EUR	480,000	3.22	–	–
Options contract	AUD	574,600	2.73	664,998	0.20
Options contract	USD	7,694,040	48.09	8,247,444	1.40

Details of Interest rate swaps which the Company has entered into for hedging its interest rate exposure on borrowings in foreign currency

Particulars		March 31, 2015		March 31, 2014	
	Currency	Amount in Foreign Currency	Fair Value (Rs. Crore)	Amount in Foreign Currency	Fair Value (Rs. Crore)
Borrowings in Foreign currency	USD	21,000,000	1.17	25,500,000	1.77

– The Cash flows are expected to occur and impact the Statement of Profit and Loss within the period of 1 year except interest rate swap, in respect of which Cash flows are expected to occur and impact the Statement of Profit and Loss within the period of 2 years (3 years).

– All the derivative contracts entered by the Company were for hedging purpose and not for any speculative purpose.

b) The Net foreign currency exposures not hedged as at the year end are as under:

Particulars	Currency	March 31, 2015		March 31, 2014	
		Amount in Foreign Currency	Equivalent Amount in Rs. at the year end * (Rs. Crore)	Amount in Foreign currency	Equivalent Amount in Rs. at the year end * (Rs. Crore)
a. Amount receivable in foreign currency on account of following :					
- Export of goods	AED	4,988	0.01	4,988	0.01
- Other	USD	7,551,212	47.19	5,890,404	35.28
	USD	85,243	0.53	–	–
b. Amount (payable) / receivable in foreign currency on account of following :					
(i) Import of goods and services	AUD	–	–	627,191	3.48
	MYR	–	–	(128,000)	(0.23)
	EUR	(95,857)	(0.65)	84,990	0.70
	GBP	(158,871)	(1.49)	(32,227)	(0.32)
	THB	(10,117)	(0.01)		
	USD	(10,010,824)	(62.57)	(13,419,226)	(80.37)
	SGD	(642.78)	(0.01)	121	0.01

Particulars		Currency	March 31, 2015		March 31, 2014	
			Amount in Foreign Currency	Equivalent Amount in Rs. at the year end * (Rs. Crore)	Amount in Foreign currency	Equivalent Amount in Rs. at the year end * (Rs. Crore)
	(ii) Capital imports	CHF	680	0.01	680	0.01
		USD	(139,418)	(0.87)	12,102	0.07
		EUR	320,000	2.16	9,977	0.08
		GBP	800	0.01	800	0.01
	(iii) Loan payables *	USD	(18,803,136)	(117.51)	(18,658,161)	(111.74)
c.	**Bank balances**	USD	414,031	2.59	1,467,667	8.79
		IDR	6,823,414	0.01	10,741,257	0.01
		GBP	5,290	0.05	7,080	0.07
		EUR	(5,447)	(0.04)	409	0.01
		VND	254,298	0.01	254,291	0.01
d.	**Other receivable/ (payable)**	USD	134,133	0.84	(94,139)	(0.56)
		AED	2,382	0.01	2,580	0.01
		BDT	(370)	(0.01)	27,000	0.01
		SGD	3,940	0.02	(60)	(0.01)
		MYR	–	–	2,130	0.01
		IDR	(280,018,679)	(0.13)	(377,230,626)	(0.20)
		ARS	16,500	0.01	–	–
		AUD	2,000	0.01	–	–
		EUR	2,276	0.02	12,453	0.10
		THB	752,128	0.14	118,503	0.02
e.	**Cash on hand**	USD	6,274	0.04	–	–
		EUR	4,933	0.03	–	–
		GBP	1,190	0.01	–	–

* Excludes Loans payable of Rs. 262.49 Crore [USD 42,000,000] (Rs. 305.44 Crore [USD 51,000,000]) assigned to hedging relationship against highly probable forecast sales. The Cash flows are expected to occur and impact the Statement of Profit and Loss within the period of 2 years (3 years).

Outstanding hedging contracts assigned against future sales and purchases have been adjusted while calculating un-hedged foreign currency exposure on overall basis.

c) The Company had, opted for adoption of Accounting Standard 30 "Financial Instruments: Recognition and Measurement" to the extent it does not conflict with existing mandatory accounting standards and other authoritative pronouncements. Accordingly, the net unrealised loss of Rs. 74.97 Crore as at March 31, 2015 (Rs. 76.30 Crores as at March 31, 2014) in respect of outstanding derivative instruments and foreign currency loans at the period end which qualify for hedge accounting, stands in the 'Hedge Reserve', which is being recognised in the Statement of Profit and Loss on occurrence of the underlying transactions or forecast revenue.

41 a) The Corporate Governance Committee has granted Stock Appreciation Rights ("STAR") to certain eligible employees pursuant to the Company's Employee Stock Appreciation Rights Plan, 2011 ("Plan"). The grant price is determined based on a formula as defined in the Plan. There are two live schemes under the Plan with different vesting periods. Scheme I & II got matured on their respective vesting dates. Under the Plan, the specific employees are entitled to receive a Star Value which is the excess of the maturity price over the grant price subject to fulfillment of certain conditions. The Plan is administered by Corporate Governance Committee comprising independent directors.

b) Details of Star Scheme:

Particulars	STAR I	STAR II		STAR III		STAR IV
Grant Date	March 28, 2011	December 1, 2011	December 1, 2012	December 1, 2012	December 2, 2013	December 2, 2013
Grant Price (Rs.)	129.15	148.53	213.91	213.91	208.96	208.96
Vesting Date	September 30, 2013	November 30, 2014	November 30, 2014	November 30, 2015	November 30, 2015	November 30, 2016

	As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Number of grants outstanding at the beginning of the year	–	2,665,700	620,600	977,100	151,200	191,400	1,074,200	1,739,900	202,300	–	1,057,600	–
Add : Granted during the year	–	–	–	–	–	–	–	–	–	202,300	–	1,079,000
Less : Forfeited during the year	–	53,200	71,100	272,100	62,700	40,200	176,600	665,700	18,200	–	146,000	21,400
Less : Exercised during the year	–	2,612,500	549,500	*84,400	88,500	–	–	–	–	–	–	–
Number of grants at the end of the year	–	–	–	620,600	–	151,200	897,600	1,074,200	184,100	202,300	911,600	1,057,600

*Pursuant to a resolution passed by the Corporate Governance Committee approving vesting in respect of certain employees.

Rs. in Crore

Particulars	STAR I		STAR II				STAR III				STAR IV	
	As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Total Provision	–	–	–	2.93	–	–	12.08	–	2.18	–	7.19	–
Less: Accretion in amounts recoverable from the Trust (Also refer note (c) and (d) below)	–	–	–	2.53	–	–	9.93	–	1.33	–	4.25	–
Net Provision	**–**	**–**	**–**	**0.40**	**–**	**–**	**2.15**	**–**	**0.85**	**–**	**2.94**	**–**
Classified as long-term	–	–	–	–	–	–	–	–	–	–	2.94	–
Classified as short-term	–	–	–	0.40	–	–	2.15	–	0.85	–	–	–

c) The Company has formed "Welfare of Mariconians Trust" (The Trust) for the implementation of the schemes that are notified or may be notified from time to time by the Company under the Plan. The Company has advanced Rs. 28.16 Crore (Rs. 36.31 Crore) to the Trust for purchase of the Company's shares under the Plan, of which Rs. 8.40 Crore (Rs. 26.48 Crore) is included under "Long term loans and advances" (Refer Note 17) and Rs. 19.76 Crore (Rs. 9.83 Crore) under "Short term loans and advances" (Refer Note 23). As per the Trust Deed and Trust Rules, upon maturity, the Trust shall sell the Company's shares and hand over the proceeds to the Company. The Company, after adjusting the loan advanced, shall utilize the proceeds towards meeting its STAR Value obligation.

d) The difference between the market price of the Company's shares as at the year end and the grant price after adjusting for the difference between the amounts due from the Trust and the loan advanced to the Trust is recognized as an expense over the vesting period and accordingly an amount of Rs. 6.96 Crore (Rs. 2.81 Crore) is charged in the Statement of Profit and Loss (Refer Note 28). The Company has made total provision of Rs. 5.94 Crore (Rs. 0.03 Crore), of which Rs. 2.94 Crore (Nil) is classified as "Long term provisions" (Refer Note 9) and Rs. 3 Crore (Rs. 0.40 Crore) under "Short term provisions" (Refer Note 13).

e) As at March 31, 2014, the market price of the Company's shares on the stock exchanges was lower than the average price at which the Trust had bought the shares under one of the STAR schemes. This had resulted in diminution in the recoverable value of loan advanced to the Trust. Accordingly, the Company had charged Nil amount (Rs. 0.70 Crore) to the Statement of Profit and Loss during the previous year. Due to increase in market price of share, the Company has reversed this provision in the current year. (Refer Note 17).

f) The Securities and Exchange Board of India (SEBI) has on October 28, 2014 notified the SEBI (Share Based Employee Benefits) Regulations, 2014 ("Regulations"), which govern Stock Appreciation Rights Schemes (SARS) involving dealing in the shares of a company through a Trust route or otherwise. The Regulations stipulate that an approval of the shareholders of the Company shall be required for implementing such SARS. However, the Regulations state that the minimum disclosure requirements for seeking shareholders' approval would be notified later.

42 Earnings per share:

Particulars	March 31, 2015	March 31, 2014
Profit for the year as per the Statement of Profit and Loss/ Profit available to equity shareholders (Rs. Crore)	**573.45**	**485.38**
Equity shares outstanding as at the year end	644,981,999	644,872,999
Weighted average number of equity shares used as denominator for calculating basic earnings per share	644,902,903	644,843,409
Weighted average number of equity shares used as denominator for calculating diluted earnings per share	645,334,576	645,002,031
Nominal value per equity share	Re. 1	Re. 1
Basic earnings per equity share	**Rs. 8.89**	**Rs. 7.53**
***Diluted earnings per equity share**	**Rs. 8.89**	**Rs. 7.53**

*Diluted EPS has been calculated after taking into account options granted to certain eligible employees as referred in note 4(d).

Reconciliation of Basic and Diluted Shares used in computing earnings per share

Particulars	March 31, 2015	March 31, 2014
Number of shares considered as basic weighted average shares outstanding	644,902,903	644,843,409
Add: Effect of dilutive stock options	431,673	158,622
Number of shares considered as weighted average shares and potential shares outstanding	645,334,576	645,002,031

43 Segment Information

The Consolidated financial statements of Marico have only one reportable segment- "Consumer Products" - in terms of Accounting Standard 17 "Segment Reporting". The Group has identified following geographical markets as the Secondary segment.

Geographical Segments	Composition
India	All over India
International	Primarily Middle East, SAARC countries, Egypt, Myanmar, Malaysia, South Africa, Singapore and Vietnam.

(Rs. Crore)

Particulars	India		International		Total	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Revenue	4,534.75	3,563.55	1,198.23	1,122.97	5,732.98	4,686.52
Carrying amount of assets	2,116.22	2,015.39	1,009.06	949.56	3,125.28	2,964.95
Capital expenditure	40.13	74.67	11.37	23.31	51.50	97.98

44 Related Party disclosures

a) Name of related parties and nature of relationship:

i) Subsidiary companies (Refer note 3 (iv))
Marico Innovation Foundation

ii) Individual holding directly / indirectly an interest in voting power & their relatives (where transactions have taken place) - Significant Influence
Harsh Mariwala, Chairman & Non Executive Director (w.e.f 01/04/2014)
Rishabh Mariwala, son of Harsh Mariwala (w.e.f 01/04/2014)

iii) Key management personnel (KMP) and their relatives:
Saugata Gupta, Managing Director & CEO (w.e.f 01/04/2014)
Harsh Mariwala, Chairman & Non Executive Director (upto 31/03/2014)
Rishabh Mariwala, son of Harsh Mariwala (upto 31/03/2014)

iv) Others - Entities in which above (ii) & (iii) has significant influence and transactions have taken place:
Marico Kaya Enterprises Limited
Kaya Limited
Kaya Middle East FZE

b) Transactions during the year

(Rs. Crore)

Particulars	KMP and their relatives (Referred in a (iii) above)		Subsidiary (Referred in a (i) above)		Others (Referred in a (ii) and (iv) above)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Remuneration	6.34	4.99	–	–	7.36	–
Saugata Gupta (Including Incentive considered on payment basis)	6.34	–	–	–	–	–
Saugata Gupta (346,600 ESOPs Granted during the year. Refer Note 4 (d))						
Harsh Mariwala (Including Incentive considered on payment basis)	–	4.98	–	–	7.35	–
Others	–	0.01	–	–	0.01	–
Expenses paid on behalf of related parties	–	–	–	–	1.64	12.66
Kaya Limited	–	–	–	–	1.27	12.25
Marico Kaya Enterprises Limited	–	–	–	–	0.17	0.19
Others	–	–	–	–	0.20	0.22
Purchase of Fixed Assets	–	–	–	–	0.01	0.48
Kaya Limited	–	–	–	–	0.01	0.48
Sale of goods	–	–	–		0.19	–
Kaya Limited	–	–	–		0.19	–
Sale of Fixed Assets	–	–	–	–	–	0.02
Kaya Limited	–	–	–	–	–	0.02
Lease Rental Income	–	–	–	–	0.64	0.83
Kaya Limited	–	–	–	–	0.61	0.82
Others	–	–	–	–	0.03	0.01
Loans and Advances Recovered	–	–	–	–	3.88	17.07

Particulars	KMP and their relatives (Referred in a (iii) above)		Subsidiary (Referred in a (i) above)		Others (Referred in a (ii) and (iv) above)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Kaya Limited	–	–	–	–	3.31	15.39
Marico Kaya Enterprises Limited	–	–	–		0.51	–
Others	–	–	–	–	0.06	1.68
Donation Given / CSR Activities	–	–	**0.44**	**2.92**	–	–
Marico Innovation Foundation	–	–	0.44	2.92	–	–
Expenses paid by related parties on behalf of Marico Limited	–	–	–	–	**0.22**	**0.06**
Kaya Middle East FZE	–	–	–	–	0.22	0.06
Claim Settled	–	–	–	–	–	**0.06**
Kaya Middle East FZE	–	–	–	–	–	0.06
Stand by Letter of Credit Discharged	–	–	–	–	–	**23.88**
Kaya Middle East FZE	–	–	–	–	–	23.88
Coporate Guarantee Commission	–	–	–	–	–	**0.74**
Derma Rx International Aesthetics PTE Ltd	–	–	–	–	–	0.74
Coporate Guarantee Discharged	–	–	–	–	**8.00**	**105.03**
Kaya Limited	–	–	–	–	8.00	–
Derma Rx International Aesthetics PTE Ltd	–	–	–	–	–	105.03
Transfer of Assets and Liabilities on de-merger of Kaya business	–	–	–	–	–	**297.27**
Marico Kaya Enterprises Limited	–	–	–	–	–	297.27

c) **Balances as at the year end**

(Rs. Crore)

Particulars	KMP and their relatives (Referred in a (iii) above)		Subsidiary (Referred in a (i) above)		Others (Referred in a (ii) and (iv) above)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Dues payable	–	–	–	–	**0.11**	–
Kaya Middle East FZE	–	–	–	–	0.11	–
Loans and advances	–	–	–	–	**0.61**	**2.32**
Kaya Limited	–	–	–	–	0.60	1.97
Marico Kaya Enterprises Limited	–	–	–	–	–	**0.32**
Others	–	–	–	–	0.01	0.03
Corporate guarantees given to banks	–	–	–	–	–	8.00
Kaya Limited	–	–	–	–	–	8.00

45 Additional Disclosure

Name of the Entities	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As a % of consolidated net assets	Amount Rs. Crore	As a % of consolidated profit or loss	Amount Rs. Crore
Parent:				
Marico Limited	128.39%	2,342.88	93.21%	545.14
Subsidiary:				
- Indian				
MCCL	1.81%	33.01	0.95%	5.53
- Foreign				
MBL	7.53%	137.49	18.12%	105.97
MBLIL	0.12%	2.13	0.03%	0.19
MME	(7.83%)	(142.87)	(1.31%	(7.64)
MELCC	(0.54%)	(9.86)	(0.21%	(1.24)
MEIC	5.36%	97.77	1.34%	7.84
EAIIDC	(0.52%	(9.54)	(0.16%	(0.92)
MSACC	2.82%	51.52	0.00%	–
MSA	1.99%	36.40	0.61%	3.55
Wind	(1.60%)	(29.20)	(2.53%)	(14.78
MMS	0.02%	0.30	(0.34%	(2.00)
ICP	1.22%	22.21	7.71%	45.12
BCS	0.46%	8.36	(0.12%	(0.72)
TPF	0.75%	13.60	0.38%	2.23
Subtotal		**2,554.20**		**688.27**
Intercompany Elimination & Consolidation Adjustments	(39.97%)	(729.42)	(17.68%)	(103.39)
Grand total:		**1,824.78**		**584.88**
Minority Interest in all subsidiaries	0.75%	13.65	1.95%	11.43

46 Previous year figures

a) Previous year figures have been re-grouped and reclassified wherever necessary to conform to this year's classification.

b) The figures in brackets represent those of the previous year.

As per our attached report of even date.

For Price Waterhouse
Chartered Accountants
Firm Registration No. 301112E

UDAY SHAH
Partner
Membership No. 46061
Place : Mumbai
Date : April 30, 2015

For and on behalf of the Board of Directors
HARSH MARIWALA Chairman
SAUGATA GUPTA Managing Director and CEO
VIVEK KARVE Chief Financial Officer
HEMANGI GHAG Company Secretary & Compliance Officer

Place : Mumbai
Date : April 30, 2015

FORM AOC - 1

Statement containing salient features of the financials statements of subsidiaries

Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014

Rs. Crore

Sr. No.	Name of the subsidiary company	Reporting Currency	Exchange Rate	Reporting Period	Share Capital	Reserves	Total Assets	Total Liabilities	Details of Investment (Excluding Investment in Subsidiaries)	Turnover	Profit /(Loss) Before Tax	Provision for Tax	Profit / (Loss) After Tax	Proposed Dividend including Dividend declared during the year	% of Shareholding
1	Marico Bangladesh Limited	BDT		March 31, 2015	31.50	139.72	335.39	164.18	65.52	711.78	182.85	48.37	134.48	133.88	90.00%
		Rs.	0.803		25.29	112.19	269.32	131.83	52.61	571.56	146.83	38.84	107.98	107.50	
2	MBL Industries Limited	BDT		September 30, 2014	0.10	2.40	3.20	0.70	3.12	–	0.28	0.20	0.08	–	100.00%
		Rs.	0.803		0.08	1.93	2.57	0.57	2.51	–	0.23	0.16	0.07	–	
3	Marico Consumer Care Limited	Rs.		March 31, 2015	20.66	12.35	33.33	0.32	31.86	8.51	7.93	2.40	5.53	–	100.00%
		Rs.	1.000		20.66	12.35	33.33	0.32	31.86	8.51	7.93	2.40	5.53	–	
4	Marico Middle East FZE	AED		March 31, 2015	2.20	(10.60)	3.59	11.99	–	14.48	(0.46)	–	(0.46)	–	100.00%
		Rs.	17.016		37.44	(180.31)	61.09	203.96	–	246.36	(7.81)	–	(7.81)	–	
5	MEL Consumer Care SAE	EGP		March 31, 2015	0.03	(1.22)	6.77	7.97	–	–	(0.15)	–	(0.15)	–	100.00%
		Rs.	8.244		0.21	(10.07)	55.83	65.69	–	–	(1.20)	–	(1.20)	–	
6	Egyptian Americal Investment and Industrial Development Company	EGP		December 31, 2014	0.69	(1.76)	0.11	1.18	–	0.92	0.08	–	0.08	–	100.00%
		Rs.	8.244		5.68	(14.47)	0.90	9.69	–	7.61	0.65	–	0.65	–	
7	Marico South Africa Consumer Care (Pty) Limited	ZAR		March 31, 2015	6.01	4.00	11.08	1.08	–	–	–	–	–	–	100.00%
		Rs.	5.151		30.94	20.58	57.09	5.58	–	–	–	–	–	–	
8	Marico South Africa (Pty) Limited	ZAR		March 31, 2015	5.48	1.58	10.40	3.33	–	18.64	0.90	0.26	0.64	–	100.00%
		Rs.	5.151		28.25	8.15	53.56	17.16	–	96.01	4.63	1.33	3.31	–	
9	Marico Egypt Industries Company	EGP		December 31, 2014	1.23	10.56	15.14	3.35	–	11.85	1.27	–	1.27	–	100.00%
		Rs.	8.244		10.13	87.09	124.82	27.61	–	97.65	10.48	–	10.48	–	
10	Marico Malaysia Sdn. Bhd	MYR		March 31, 2015	1.77	(1.75)	0.03	0.02	–	0.10	(0.11)	–	(0.11)	–	100.00%
		Rs.	16.875		29.80	(29.50)	0.56	0.25	–	1.75	(1.85)	–	(1.85)	–	

Sr. No.	Name of the subsidiary company	Reporting Currency	Exchange Rate	Reporting Period	Share Capital	Reserves	Total Assets	Total Liabilities	Details of Investment (Excluding Investment in Subsidiaries)	Turnover	Profit /(Loss) Before Tax	Provision for Tax	Profit / (Loss) After Tax	Proposed Dividend including Dividend declared during the year	% of Shareholding
11	International Consumer Products Corporation	VND		March 31, 2015	1,217.76	(3,558.87)	30,451.02	22,792.13	–	97,668.26	18,856.05	3,230.61	15,688.71	–	100.00%
		Rs.	0.00290		32.53	(10.32)	88.31	66.10	–	283.24	54.68	9.37	45.50	–	
12	Beauté Cosmétique Societé Par Actions	VND		March 31,2015	2,000.00	883.87	3,603.45	719.58	–	6,389.01	(241.09)	10.58	(251.67)	–	84.15%
		Rs.	0.00290		5.80	2.56	10.45	2.09	–	18.53	(0.70)	0.03	(0.73)	–	
13	Thuan Phat Foodstuff Joint stock Company	VND		March 31, 2015	3,140.00	1,548.37	6,981.15	2,292.78	–	14,780.30	971.25	195.00	776.25	–	84.77%
		Rs.	0.00290		9.11	4.49	20.25	6.65	–	42.86	2.82	0.57	2.25	–	
14	Marico Innovation Foundation	Rs.		March 31, 2015	–	(0.09)	0.06	0.15	–	0.51	(0.49)	–	(0.49)	–	100.00%
		Rs.	1.000		–	(0.09)	0.06	0.15	–	0.51	(0.49)	–	(0.49)	–	

Notes:

Part B i.e. Statement pursuant to section 129(3) of the Companies Act, 2013 related to Asscoiate Companies and Joint Ventures is "Not Applicable" to the Company as there are no associate / joint venture companies.

% of Shareholding includes direct and indirect holding through subsidiary.

The amounts given in the table above are from the annual accounts made for the respective financial year end for each of the companies.

The Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, have been given based on the exchange rates as on March 31, 2015.

There are no subsidiaries which are yet to commence operations. Further, Halite Personal Care Private Limited (Halite), a step down subsidiary of the Company which has not been included in the above statement is under voluntary liquidation and has concluded final distribution of its assets.

The Marico Innovation Foundation ("MIF"), a company incorporated under Section 25 of the Companies Act, 1956, is a wholly owned subsidiary of the Company. Since MIF cannot transfer funds to Marico Limited, it has not been considered for consolidation in accordance with Accounting Standard 21 (AS 21) 'Consolidated Financial Statements'.

For and On behalf of Board of Directors

HARSH MARIWALA Chairman and Managing Director

NIKHIL KHATTAU Director and Chairman of Audit Committee

HEMANGI GHAG Company Secretary & Compliance Officer

Place : Mumbai
Date : April 30, 2015

DIRECTORS' REPORT

To the Members

Your Board of Directors ('Board') is pleased to present the Twenty Seventh Annual Report of your Company, Marico Limited, for the year ended March 31, 2015 ('the year under review', 'the year' or 'FY15').

In line with the requirements of the Companies Act, 2013 and the Listing Agreement entered with the BSE Limited and the National Stock Exchange of India Limited this report covers the financial results and other developments during April 2014 to March 2015 in respect of Marico Limited ('Marico') and Marico Consolidated comprising Marico and its subsidiaries in India and overseas. The consolidated entity has been referred to as 'Marico' or 'Group' or 'Your Group' in this report.

FINANCIAL RESULTS - AN OVERVIEW

	Rs. Crore Year ended March 31, 2015	2014
Consolidated Summary Financials for the Group		
Revenue from Operations	**5,732.98**	**4,686.52**
Profit before Tax	821.65	694.58
Profit after Tax	573.45	485.38
Marico Limited – financials		
Revenue from Operations	**4,681.20**	**3,682.49**
Profit before Tax	731.04	717.28
Less: Provision for Tax for the current year	185.87	140.06
Profit after Tax for the current year	545.17	577.22
Add : Surplus brought forward	1,393.63	1162.84
Profit available for Appropriation	**1,938.80**	**1,740.06**
Appropriations:		
Distribution to shareholders	161.24	**257.94**
Tax on dividend	13.72	9.37
	174.51	267.31
Transfer to General Reserve	–	**57.72**
Debenture Redemption Reserve	**11.17**	**20.86**
Surplus carried forward	**1,753.12**	**1,394.17**
Total	**1,938.80**	**1,740.06**

The Company proposes to transfer an amount of Rs. 25 Crore from the Debenture Redemption Reserve to the General Reserves.

DIVIDEND

Your Company's distribution policy has aimed at sharing its prosperity with its shareholders, through a formal earmarking/disbursement of profits to shareholders.

Your Company's distribution to equity shareholders during FY15 comprised the following:

First Interim dividend of 100% on the equity base of Rs. 64.49 Crore.

Second Interim dividend of 150% on the equity base of Rs. 64.50 Crore.

The total equity dividend for FY15 (including dividend tax) aggregated to Rs. 174.51 Crore. The overall dividend payout ratio hence is 30% as compared to 47% during FY14. The shareholders may note that the dividend pay-out in FY14 included a one-time silver jubilee dividend of 175% of the paid up equity capital of Rs. 64.49 Crore.

DIRECTORS' REPORT

REVIEW OF OPERATIONS

During FY15 Marico posted revenue from operations of INR 5,733 Crore, a growth of 22% over the previous year. The business delivered a volume growth of 4% with an operating margin of 15.2%. The business reported bottom line of INR 573 Crore, growth of 18% over last year.

Marico India achieved a turnover of INR 4,449 Crore in FY15, a growth of 26% over last year. Volume growth for the year was at 6%. The overall sales growth was bolstered by the price increases taken across the portfolio to cover a major part of the significant input cost push. The operating margin for the India business was healthy at 17.7% before corporate allocations despite the hyper-inflation in commodity costs.

During the year, Marico International posted a turnover of INR 1,284 Crore, a growth of 10% over FY14 in constant currency terms. The operating margin for the year was at 17.1% (before corporate allocations) reflecting a structural shift based on the cost management projects undertaken by your Company and Synergies of "One Marico".

Your Company has demonstrated steady growth on both the top line and the bottom line. Over the last 5 years, the top line has grown by 18% and bottom line by 15% at a Compounded Annual Growth Rate.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed Management Discussion and Analysis, which inter alia, covers the following forms part of the Annual Report.

- Industry structure and development
- Opportunities and Threats
- Risks and Concerns
- Internal control systems and their adequacy
- Discussion on financial and operational performance
- Segment-wise performance
- Outlook

In addition, a Review of Operations of your Company has been given in this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

Your Board of Directors during the year under review approved the Corporate Social Responsibility (CSR) Policy for your Company pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, based on the recommendations of the CSR Committee. The CSR Policy is available on the website of the Company at http://marico.com/india/investors/documentation/corporate-governance. The composition of the CSR Committee is disclosed in the Corporate Governance Report.

A brief outline of the CSR Policy of the Company, the CSR initiatives undertaken during the financial year 2014-15 together with the progress thereon and the Annual Report on CSR activities as required by the Companies (Corporate Social Responsibility Policy) Rules, 2014, are set out in '**Annexure A**' to this Report.

SUBSIDIARIES

The list of companies which are subsidiaries of your Company is provided in the notes to Consolidated Financial Statements. During the period under review, there were no companies which have become subsidiaries or ceased to be subsidiaries of your Company.

A separate statement containing salient features of the financial statements of all subsidiaries of your Company forms part of the Consolidated Financial Statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013. The statement reflects the performance and financial position of each of the subsidiaries.

The financial statements of the subsidiary companies and related information shall be uploaded on the website of your Company which can be accessed using the link http://marico.com/india/investors/documentation and the same are available for inspection by the Members at the Registered Office of your Company during business hours on all working days except Saturdays up to the date of the Annual General Meeting, as required under Section 136 of the Companies Act, 2013. Any Member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office address of your Company.

Your Company has approved a policy for determining material subsidiaries and the same is uploaded on the Company's website which can be accessed using the link http://marico.com/investorspdf/Policy_for_determining_Material_Subsidiaries.pdf.

RELATED PARTY TRANSACTIONS

All transactions with related parties entered into during the financial year 2014-15 were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder ("the Act"). There were no transactions which were material (considering the materiality thresholds prescribed under the Act). Accordingly, no disclosure is made in respect of the Related Party Transactions in the prescribed Form AOC-2 in terms of Section 134 of the Act.

All transactions with related parties are placed before the Audit Committee for approval. An omnibus approval of the Audit Committee is obtained for the related party transactions which are repetitive in nature. In case of transactions which are unforeseen and in respect of which complete details are not available, the Audit Committee grants an omnibus approval to enter into such unforeseen transactions provided the transaction value does not exceed Rs. 1 Crore (per transaction in a financial year). The Audit Committee reviews all transactions entered into pursuant to the omnibus approval(s) so granted on a quarterly basis.

During the year under review, your Board approved a policy on Related Party Transactions as required under Clause 49 of the Listing Agreement. The policy is uploaded on the Company's website and can be accessed using the link http://marico.com/investorspdf/Policy_on_Related_Party_Transactions.pdf.

DEPOSITS

There were no outstanding deposits within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, at the end of the financial year 2014-15 or the previous financial year. Your Company did not accept any such deposit during the financial year 2014-15.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Standalone Financial Statements of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and information and based on the information and explanations provided to them by the Company, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013 (the Act):

- that in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed and there are no material departures from the same;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2015 and of the profit and loss of your Company for the said period;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on a 'going concern' basis;
- that proper internal financial controls to be followed by the Company were laid down and such internal financial controls are adequate and were operating effectively;

- that proper systems to ensure compliance with the provisions of all applicable laws were devised and that such systems were adequate and operating effectively.

DIRECTORS

Your Board of Directors had re-designated Mr. Harsh Mariwala as Non-Executive Chairman and appointed Mr. Saugata Gupta, the Chief Executive Officer of the Company as an Additional Director and Managing Director, of your Company, both with effect from April 1, 2014. Thereafter, the Members at the 26th Annual General Meeting held on July 30, 2014 approved the appointment and terms of remuneration of Mr. Saugata Gupta as the Managing Director & CEO for a period of 5 years with effect from April 1, 2014.

At the said Annual General Meeting, the Members also appointed Mr. Rajeev Bakshi, Mr. Atul Choksey, Mr. Nikhil Khattau, Mr. Anand Kripalu, Ms. Hema Ravichandar and Mr. B. S. Nagesh, as Independent Directors of the Company, each for a term of five years beginning April 1, 2014. There is no other change in the composition of the Board.

During the financial year under review, declarations were received from all Independent Directors of the Company that they satisfy the "criteria of Independence" as defined under Clause 49 of the Listing Agreement and Section 149(6) of the Companies Act, 2013 read with the Schedules and Rules made thereunder.

DIRECTORS RETIRING BY ROTATION

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Harsh Mariwala is liable to retire by rotation at the 27th Annual General Meeting (AGM) and being eligible has offered himself for re-appointment. His re-appointment is being placed for your approval at the AGM. The brief profile of Mr. Mariwala and other related information has been detailed in the Corporate Governance Report. Your Directors recommend his re-appointment as the Non-Executive Director of your Company.

KEY MANAGERIAL PERSONNEL

As stated above, Mr. Saugata Gupta was appointed as the Managing Director & CEO of your Company with effect from April 1, 2014. Further, Mr. Vivek Karve was appointed as the Chief Financial Officer of the Company with effect from April 1, 2014. Ms. Hemangi Ghag continues to be the Company Secretary of the Company.

MEETINGS

The details of the meetings of the Board of Directors of the Company held during the year under review are given in the Corporate Governance Report.

AUDIT COMMITTEE

The composition of the Audit Committee of the Board of Directors is stated in the Corporate Governance Report.

COMPANY'S POLICY ON NOMINATION, REMUNERATION, BOARD DIVERSITY, EVALUATION AND SUCCESSION

In terms of the applicable provisions of the Companies Act, 2013 read with the Rules made thereunder and Clause 49 of the Listing Agreement entered into by the Company with Stock Exchanges, your Board has formulated a Policy on appointment, removal and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel and also on Board Diversity, Succession Planning and Evaluation of Directors. Salient features of the Policy are stated in the Corporate Governance Report.

BOARD EVALUATION

Your Board is committed to assessing its own performance in order to identify its strengths and areas in which it may improve its functioning. Towards this end the Corporate Governance Committee of the Board (which functions as the Nomination and Remuneration Committee of the Company for the purpose of the Companies Act, 2013) established the criteria and processes for evaluation of performance of individual Directors, Chairman of the Board, the Board as a whole and its individual statutory Committees. The appointment/re-appointment/ continuation of Directors are subject to the outcome of the annual evaluation process. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

DISCLOSURE RELATING TO REMUNERATION

The information required pursuant to Section 197(12) read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is disclosed in **'Annexure B'** to this report.

The Managing Director and CEO of your Company does not receive remuneration from any of the subsidiaries of your Company.

The statement containing particulars of remuneration of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in an annexure to the Annual Report. In terms of Section 136(1) of the Companies Act, 2013, the Annual Report is being sent to the Members excluding the aforesaid annexure. However, this annexure shall be made available on the website of the Company 21 days prior to the date of the Annual General Meeting ("AGM"). The information is also available for inspection by the Members at the Registered Office of the Company during business hours on all working days except Saturdays up to the date of the AGM. Any Member desirous of obtaining a copy of the said annexure may write to the Company Secretary at the Registered Office address of your Company.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company's approach on Corporate Governance has been detailed out in the Corporate Governance Report. Your Company has deployed the principles enunciated therein to ensure adequacy of Internal Financial Controls with reference to the financial statements. Your Board has also reviewed the internal processes, systems and the internal financial controls and the Directors' Responsibility Statement contains a confirmation as regards adequacy of the internal financial controls.

VIGIL MECHANISM

Your Company has a robust vigil mechanism in the form of Unified Code of Conduct which enables employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Code. The Company's Unified Code of Conduct can be accessed on its website using the link http://marico.com/investorspdf/CoC_book_09-04-14.pdf.

This mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The guidelines are meant for all Members of the Organization from the day they join and are designed to ensure that they may raise any specific concern on integrity, value adherence without fear of being punished for raising that concern. The guidelines also cover our associates who partner us in our organizational objectives and customers for whom we exist.

To encourage employees to report any concerns and to maintain anonymity, the Company has provided a toll free helpline number and a website, wherein the grievances / concerns can reach the Company. For administration and governance of the Code, a Committee called "the Code of Conduct Committee" ("CCC") is constituted. The CCC has the following sub-Committees namely:

- HR Committee – with an objective to appoint investigation team for investigation of HR related concerns / complaints.
- IT Committee – with an objective of implementing the IT policy and resolution of IT related concerns / complaints under the Code.
- Whistle Blower Committee – with an objective to appoint an investigation team for investigation of whistle blower complaints.
- Prevention of Sexual Harassment Committee (PoSH Committee) — with an objective to ensure a harassment free work environment including but not limited to appointment of investigation team for investigation of sexual harassment concerns/complaints.

The Board and its Audit Committee are informed periodically on the matters reported to CCC and the status of resolution of such cases.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As stated earlier your Company has a policy for the prevention of sexual harassment which is embedded in the CCC. As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, your Company has constituted an Internal Complaints Committees (ICC). During the financial year 2014-15, the ICC received 2 complaints on sexual harassment and the same were disposed of in accordance with applicable laws and the policy of your Company.

RISK MANAGEMENT

For your Company, Risk Management is an integral and important component of Corporate Governance. Your Company believes that a robust Risk Management ensures adequate controls and monitoring mechanisms for a smooth and efficient running of the business. A risk-aware organization is better equipped to maximize the shareholder value.

The key cornerstones of your Company's Risk Management Framework are:

1. Periodic assessment and prioritization of risks that affect the business of your Company;
2. Development and deployment of risk mitigation plans to reduce the vulnerability to the prioritized risks;
3. Focus on both the results and efforts required to mitigate the risks;
4. Defined review and monitoring mechanism wherein the functional teams, the top management and the Board review the progress of the mitigation plans;
5. Embedding of the Risk Management processes in significant decisions such as large capital expenditures, mergers, acquisitions and corporate restructuring;
6. Wherever, applicable and feasible, defining the risk appetite and install adequate internal controls to ensure that the limits are adhered to.

In terms of Clause 49 of the Listing Agreement with Stock Exchanges, your Board of Directors during the year under review constituted a Risk Management Committee ("RMC"). The RMC assists the Board in monitoring and reviewing the risk management plan, implementation of the risk management framework of the Company and such other functions as the Board may deem fit. The detailed terms of reference and the composition of RMC are set out in the Corporate Governance Report.

Details of significant and material orders passed by the regulators

There were no significant/material orders passed by the regulators or courts or tribunals impacting the going concern status of your Company and its operations in future.

ESOP /Stock Appreciation Rights Schemes

Marico Employee Stock Option Scheme 2007

Your Company had formulated and implemented an Employee Stock Options Scheme (the Scheme) in 2007 for grant of Employee Stock Options (ESOS) to certain employees of the Company and its subsidiaries. The Corporate Governance Committee ('CGC') of the Board of Directors of your Company is entrusted with the responsibility of administering the Scheme and in pursuance thereof, the CGC has granted 11,376,300 stock options (as at March 31, 2015) comprising about 1.76% of the current paid up equity capital of the Company as at March 31, 2015. An aggregate of 1,03,600 options were outstanding as on March 31, 2015.

None of the Non-Executive Directors (including Independent Directors) have received stock options in pursuance of the above Scheme. Likewise, no employee has been granted stock options, during the year equal to or exceeding 0.5% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.

Marico Employee Stock Option Scheme 2014

The Members of the Company at its Extra Ordinary General Meeting held on March 25, 2014 approved the Marico Employee Stock Option Scheme 2014 ("the Scheme") for the benefit of the Chief Executive Officer of the Company (now Managinig Director & Chief Executive Officer). The objective of this Scheme is to give a wealth building dimension to the remuneration structure of the Managinig Director & Chief Executive Officer. Further, it also aimed at promoting desired behaviour for meeting organization's long term objectives and to enable retention through a customized approach.

The CGC is responsible for administrating the Scheme in pursuance of which on April 1, 2014 it granted 3,00,000 stock options comprising about 0.05% of the current paid up equity capital of the Company as at March 31, 2015 to the Managing Director & CEO.

Marico MD CEO Employee Stock Option Plan 2014

At the 26th Annual General Meeting ("AGM") of the Company held on July 30, 2014, the Members had approved the Marico MD CEO Employee Stock Option Plan 2014 ("MD CEO ESOP Plan 2014" or "the Plan") for the benefit of Managing Director & Chief Executive Officer (''MD & CEO'') of the Company. The objective of this Plan is to enable grant of stock options on an annual basis to the MD & CEO as a part of his remuneration through one or more Scheme(s) notified under the Plan. The number of equity shares that may arise on a cumulative basis upon exercise of stock options under this Plan shall not exceed in aggregate 0.5% of the total paid up equity share capital of the Company.

The CGC is entrusted with the responsibility of administering the Plan and the Schemes notified thereunder. Accordingly, the CGC on January 5, 2015 notified Scheme I under the Marico MD CEO ESOP Plan 2014 for grant of 46,600 stock options to the Managing Director & CEO under the said Scheme. These stock options constitute 0.007% of the paid up equity share capital of the Company as on the date of this Report.

Statutory information on ESOS

Additional information on ESOS in terms of section 62(1)(b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is enclosed as '**Annexure C**' and forms part of this report. Further, the Company has complied with the applicable accounting standards in this regard.

The Statutory Auditors of the Company i.e. M/s. Price Waterhouse, have certified that implementation of all the above ESOP Schemes/ Plan is in accordance with the erstwhile SEBI ESOP Guidelines, 1999, the SEBI (Share Based Employees Benefits) Regulations, 2014, as applicable and the resolutions passed by the Members at the respective General Meetings approving the ESOP Schemes/Plan.

Marico Employees Stock Appreciation Rights Plan, 2011

Your Company had implemented a long term incentive plan namely, Marico Stock Appreciation Rights Plan in 2011 ('STAR Plan') for the welfare of its employees and those of its subsidiaries. Under the STAR Plan the Corporate Governance Committee notifies various Schemes for granting Stock Appreciation Rights (STARs) to the eligible employees. Each STAR is represented by one equity share of the Company. The eligible employees are entitled to receive in cash the excess of the maturity price over the grant price in respect of such STARs subject to fulfillment of certain conditions and applicability of tax. The STAR Plan involves secondary market acquisition of the shares of your Company by an independent Trust set up by your Company for the implementation of the STAR Plan. Your Company lends monies to the Trust for making secondary acquisition of shares.

During the year under review, no fresh grants were made by the Company as the SEBI (Share Based Employee Benefit) Regulations, 2014, notified in October, 2014, require the Company to seek approval of its Members for implementation of any stock appreciation rights scheme. Accordingly, appropriate resolutions for seeking approval of the Members for implementation of the STAR Plan are set out in the Notice convening the 27th Annual General Meeting.

As at March 31, 2015 an aggregate of 19,93,300 STARs were outstanding which comprises about 0.31% of the current paid up equity share capital of the Company.

AUDITORS

Statutory Auditors

The Members at the 26th Annual General Meeting ("AGM") had approved the appointment of M/s. Price Waterhouse as Statutory Auditors of your Company for a period of 3 years to hold office from the conclusion of the 26th AGM until the conclusion of the 29th AGM. In terms of section 139 of the Companies Act, 2013 such appointment is subject to the ratification by the Members at each AGM. M/s. Price Waterhouse have confirmed their eligibility to act as the Auditors of your Company. Further, as required under Clause 49 of the Listing Agreement with Stock Exchanges, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Accordingly, your Directors seek ratification of the appointment of the Statutory Auditors for the financial year 2015-16.

Cost Auditors

M/s. Ashwin Solanki & Associates, Cost Accountants, were appointed as the Cost Auditor for the financial year 2014-15 to conduct the audit of the cost records of your Company. Your Directors have re-appointed M/s. Ashwin Solanki & Associates, Cost Accountants as the Cost Auditors of the Compnay for the financial year 2015-16 at a remuneration of Rs.8,00,000 (plus applicable taxes) in addition to out of pocket expenses incurred, if any, in connection with the audit. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, the Board seeks ratification of the remuneration payable to the Cost Auditors for the financial years 2015-16 at the 27th Annual General Meeting.

SECRETARIAL AUDIT

Pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company appointed Dr. K.R. Chandratre, Practicing Company Secretary, to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is enclosed as **'Annexure D'** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

STATUTORY AUDITORS' REPORT

The Auditors' Report for the year ended March 31, 2015 does not contain any qualification, reservation or adverse remark.

CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with Stock Exchanges, a separate section on corporate governance practices followed by the Company together with a certificate from the Company's Statutory Auditors confirming compliance thereto is annexed to this report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is enclosed as **'Annexure E'** to this report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT - 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are enclosed as **'Annexure F'** to this report.

ACKNOWLEDGEMENT

Your Board takes this opportunity to thank all its employees for their dedicated service and firm commitment to the goals of the Company. Your Board also wishes to place on record its sincere appreciation for the wholehearted support received from shareholders, distributors, bankers and all other business associates, and from the neighborhood communities of the various Marico locations. We look forward to continued support of all these partners in progress.

On behalf of the Board of Directors

Place : Mumbai
Date : April 30, 2015

Harsh Mariwala
Chairman

ANNEXURE 'A' TO THE DIRECTORS' REPORT
DISCLOSURE ON CORPORATE SOCIAL RESPONSIBILITY ("CSR")

I. A Brief Outline of the Company's CSR Philosophy, including overview of projects or programe proposed to be undertaken:

Marico's CSR Philosophy

Marico's stated purpose is to "Make a Difference". This purpose has defined our reason to exist; we have always believed that we exist to benefit the entire ecosystem of which we are an integral part. We firmly believe that we belong to an interdependent ecosystem comprising Shareholders, Consumers, Associates, Employees, Government, Environment & Society and that we have a commitment to all these stakeholders.

We believe that economic value and social value are interlinked. A firm creates economic value by creating social value – by playing a role in Making a Difference to the lives of its key stakeholders. Furthermore, a firm cannot do this in isolation; it needs the support and participation of other constituents of the ecosystem. Sustainability comes from win-win partnerships in the ecosystem.

Marico's CSR Policy is therefore anchored on the core purpose of "Make a Difference" to the lives of all its stakeholders to help them achieve their full potential. The policy can be accessed on http://marico.com/india/investors/documentation/corporate-governance

The CSR Pivots

While the Ministry of Corporate Affairs has spelt out the CSR activities under Schedule VII to the Companies Act, 2013, in order to build focus and have a more impactful execution – with a view to make a difference - Marico's CSR efforts will be primarily dedicated in areas which include the following:

Scalability of social organisations

Marico believes in unlocking the potential of social enterprises in India through its intervention to aid them scale faster and thus create a sustainable and equitable impact on the social ecosystem. Marico will strive to foster this value through innovation and other means to deliver scale and direct impact thereby benefiting the underserved communities.

Community Development

Community Development is integral for building a harmonious relationship with the community dwelling in the periphery where Marico operates which will go long in supporting one another for a sustainable growth. Marico will therefore work towards upliftment of communities and villages that border Marico's workplaces/units.

Education

Marico also believes that one of the most significant indicators of social progress is education, which also plays a decisive role for a society to achieve self – sustainable and equitable development. Further, infusing innovation in Education will enable further impact. With an increasing global realization of how business community can and should contribute to social objectives, education deserves a higher level of corporate involvement.

Health Care

Marico is a keen proponent of Healthcare and hopes to innovatively create impact in this sector. We aim towards preventive as well as facilitative health care of India's populace.

Livelihood enhancement

Providing livelihood opportunities is critical for economic empowerment of the nation. Creating sustainable livelihood and enhanced earning potential to the farmer community through knowledge, innovation and transformative actions is therefore another thrust of our CSR.

Implementation Strategy for CSR initiatives:

Your Company aims to achieve its CSR objectives through

1. Its wholly owned subsidiary, Marico Innovation Foundation (details given below);
2. Its brands – your Company believes that brands too have a purpose and they can contribute meaningfully in the Company's CSR efforts;
3. Functional initiatives by its manufacturing locations and procurement operations.

Marico Innovation Foundation (MIF)

The CSR arm of Marico Limited, set up in 2003 to foster innovation in the business and social ecosystem in India. The impact programs of the Foundation include:

Social Innovation Acceleration Program (SIAP)

Launched in 2011 with the objective of providing customized capacity building, SIAP is a catalytic, direct impact platform that helps solve scale up challenges of identified social organizations via business interventions and by leveraging the social ecosystem connects of the Foundation. SIAP leverages in-house or external experts who can assist the social enterprise building and expanding its business and operating model in phases, prototyping new insights and implementing successes along the SIAP journey.

Intervention Model:

SIAP works with 'For Profit' and 'Not For Profit' organisations and is sector agnostic. It focuses on the innovative idea and the impact the organization wishes to achieve. The Program also focuses on the shift in the mindset of the organization from a view point of pure 'impact' on the BoP to 'scalable and sustainable impact'. The program follows a 3-5 years hands-on engagement process.

The SIAP process is also aided through multiple interventions:

a) The Foundation leverages Marico members as Mentors to utilize their knowledge and skills. This is done through measured and structured interventions which have been designed by the Foundation to leverage their knowledge capital.

b) Student teams from leading B-Schools in India are brought in annually to help social organization with research (primary and secondary) and with critical inputs on their businesses.

c) The Foundations' ecosystem connects also enables SIAP to draw synergies with like-minded partners who assist the foundation on specific interventions

The Foundation is presently working closely with 8 organizations to scale up their impact. These organizations are:

1. Tara Livelihood Academy (TLA)– Set up in 2007 by the Development Alternatives Group (DA) its mandate is to disseminate sustainable development through livelihood fulfillment. TLA aims at supplying trained workers who are dynamically adjustable to the changing demands of employment and technologies to the market and create a demand aligned workforce.

   The current Intervention of MIF for TLA includes deployment of Marico Members who are presently working with TLA to rationalize their portfolio of courses, creating a roadmap for building brand awareness and creating the brand 'TARA'. MASTEK Foundation is helping TLA create a robust IT backbone to streamline their training and operations as it scales its reach across regions. TRRAIN Foundation of Retail delivers standard and custom-designed training courses exclusively to people working in the retail and hospitality sectors. Via the TRRAIN engagement, TLA aims at prototyping the untapped retail training sector in North India.

   Impact Timeframe: 2 years

2. Eram Scientific Solutions (ESS) - ESS is a Thiruvananthapuram based R&D Social enterprise operating primarily in the water and sanitation sector. It was set up in 2008 and has introduced the revolutionary concept of technology integrated toilets, e-Toilets; to address the challenges associated with public sanitation in the society.

   MIF's current intervention is through developing an advertising strategy for monetizing the e-Toilets & directing ESS to create an adoption strategy for their e-Toilets focusing on schools and Foundation focusing on education and health.

   Impact Timeframe: 2 years

3. **Fractal Microspin** - Fractal Microspin is at the forefront to pioneer a solution that enables cotton farmers and small producers to move up the cotton value-chain without the need for very large investments with the end goal of reducing the endemic problem of farmer suicides in Vidharbha. MIF's intervention for Fractal is by connecting Fractal with industry leaders to showcase the Crafted Yarn created by the Microspin machines, seek their feedback on the best way to penetrate the fabric market in India to build order pipelines. MIF is also helping Microspin chart its movement from the retail sales to the wholesale market.

   Impact Timeframe: 2 years

4. **Sankara Eye Care Institution (SECI)** - SECI was established under the aegis of the 'Sri Kanchi Kamakoti Medical Trust' and is a charitable institution which aims to eradicate curable blindness in India by extending its services to the economically-weaker and underprivileged sections of society.

   A Marico Mentor is presently assisting SECI in solving their foot fall challenge at their super specialty eye care center at Malad, Mumbai. This is being addressed by strengthening their branding collaterals, their brand communication, retail branding, lead generation and activations.

   Impact Timeframe: 18 months

5. **Under The Mango Tree (UTMT)** – UTMT is a social enterprise that promotes beekeeping to increase agricultural productivity and enhance incomes as well as improve livelihood of marginal farmers in India. UTMT trains the farmers to use bees for increasing their productivity and also establishes market access for honey produced.

   The multiple points of engagement are:

   A. The Foundation is presently engaged in reengineering UTMT's focus from honey sales and distribution to their Pollination Services Model as it has the potential to create tremendous impact on agriculture in India

   B. Assisting in refocusing UTMT from marginal to large format farmers to create maximum impact and prototyping their Pollination Services model with Marico Copra farmers to develop Proof of Concept of the pollination services model.

   C. Assisting UTMT in creating a packaged 'agri-extension service' for large corporates to deploy once proof of concept is established.

   Impact Timeframe – 2 years

6. **Agastya International Foundation** - Agastya International Foundation is a Bangalore based non-profit educational trust that seeks to transform and stimulate the thinking of economically disadvantaged children. Agastya does this by bringing innovative science education to the doorstep of Government schools in various states in India.

   MIF is presently assisting Agastya in creating a fund raising strategy to ensure Agastya's sustainability and thus scale its reach to maximum states in India, reducing the dependence on Government based funds and grants.

   Impact Timeframe – 2 years

7. **The Akshaya Patra Foundation (TAPF)** - Founded to serve square meals to underprivileged children to reduce the incidence of school dropouts. The Akshaya Patra Foundation runs India's largest school lunch programs distributing freshly cooked, healthy meals to 1.4 million underprivileged children daily.

   Marico Members are presently assisting TAPF to develop a comprehensive model for vegetable procurement and achieve cost optimization in vegetables procurement prices. At the same time, this intervention is also developing the internal competencies of TAPF in supply chain and procurement

   Impact Timeframe – 1 year

8. **RangDe** – RangDe's vision is to make poverty history in India by reaching out to underserved communities through microcredit. Through a network of committed field partners and social investors and by offering microcredit, RangDe strives to make a positive impact on business, education, health and environment of the underserved communities.

   MIF's current intervention with RangDe is:

A. To help RangDe create a robust process for tapping into payroll giving programs of corporates to increase their base of social investors.

B. Creating a roadmap to identify new channels of penetration for social impact investors

C. Creating a framework to tap into HNI's, Finance Companies, CSR arms of corporates and family offices to broaden the base of social impact investors

Impact Timeframe – 1.5 years

Student Engagement Program (SEP)

Student teams from leading B-Schools in India are brought in annually to help social organization with research (primary and secondary) and with critical inputs on their businesses. These engagements are project based with a clear structure of engagement and reporting along with an actionable end goal. This helps the Foundation to bring to the table fresh minds and perspectives for the social organizations.

Livelihood Enhancement Project, eradicating hunger & promoting education are the projects under SIAP on which the student teams have worked on.

Innowin Magazine

The Innowin magazine, launched in 2013 with the prime objective to disseminate innovation knowledge was shelved after MIF released its last issue in April 2014, due to low impact and high running costs.

Brand CSR

Nihar Shanti Amla: promoting child education

Nihar Shanti Amla (NSA) – CRY "Chotte Kadam Pragati ke Aur" campaign

In 2012, Nihar Shanti Amla launched a programme called "Chotte Kadam Pragati Ke Aur" to support the education of underprivileged children under the age group of 6 – 18 years in the North and West part of India. Under this programme Nihar partnered with CRY to support its projects with a prime focus of mobilization and retention of children in the schools. Last year, the brand funded a total of 16 education projects impacting 74,672 children across its focussed geographies.

Reformulating the Nihar Shanti Amla strategy focused on Education (Dalberg)

Recently Nihar Shanti Amla partnered with Dalberg Global Development Advisors, a strategic advisory firm dedicated to global development, to design a cohesive education strategy which can demonstrate direct impact through contribution towards quality educational interventions. Dalberg will also recommend Monitoring and Evaluation (M & E) parameters to track the impact.

Saffola: Preventive Health Care, especially for women

Saffola's vision is to create a Heart Healthy India by educating & inspiring people on the importance of taking care of their heart. Saffola's thought leadership and genuine efforts in the sphere of public welfare has led it to become differentiated from the competition and is highly trusted by the consumers as well.

This vision has been built through a number of Saffolalife initiatives over the years on the occasion of World Heart Day which is held every year on September 29. In 2014 on World Heart Day, Saffola championed the cause of 'Women Heart Health'. **SRL Diagnostics** was partnered with to carry out 1.35 lakh tests with women forming 50% of the tests done. The Saffolalife 'Protect Her Heart Campaign' in 2014, educated people on the fact that 3 out of 5 women in India have cholesterol management problems over the age of 35 and also enabled the assessment of their cholesterol levels through a free cholesterol test.

Other Initiatives

Expenses incurred towards improving agricultural productivity

Marico has understood the need to improve agricultural productivity and stepped in by funding the research in association with Tamil Nadu Agricultural University (TNAU) & Indian Agricultural Research Institute (IARI). These efforts have shown positive results.

Contribution to Prime Minister Relief Fund

A sum of INR 11,00,000 was donated as contribution to the Prime Minister Relief Fund to help the distressed citizens of Jammu and Kashmir during the flood crisis of September 2014.

Contribution to Voluntary Organization in Interest of Consumer Education ("VOICE")

VOICE is a consumer protection group set up by academicians, professionals and volunteers who work towards creating informed consumers. VOICE works towards building consumer awareness and also towards protecting consumer rights. Marico Limited contributed INR 40,00,000 towards the corpus of VOICE.

II. Average net profit of the Company for last three financial years : **Rs. 472.84 Crores**

III. Prescribed CSR Expenditure (two per cent of the amount as in item II above): **Rs. 9.5 Crores**

IV. Details of CSR spent during the financial year:

a Total amount to be spent for the financial year: **Rs. 11.19 Crores**

b Amount unspent , if any.- Nil

c Manner in which the amount spent during the financial year 2014-15 is detailed below:

Sr. No.	CSR project or activity identified.	Sector in which the project is covered	Projects or programs: (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or Program wise (Amount in Rs.)	Amount spent on the projects or programs Subheads: (1)Direct expenditure on projects or programs. (2)Overheads: (Amount in Rs.)	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency*
(A) Marico Innovation Foundation							
1	Social Innovation Acceleration Project (SIAP) - Batch 3				1,862,173	NA	Through Implimention agency: Marico Inovations Foundation (MIF). MIF is a not for Profit Institution established in 2003, registered as a section 8 company. It helps business and social organizations enhance economic and social value using breakthrough innovation.
a	Tara Livelihood Academy	Livelihood Enhancement Project	Madhya Pradesh & Uttar Pradesh				
b	Eram Scientific Solutions	Sanitation	Thiruvananthapuram, Kerala				
c	Akshaya Patra Foundation	Providing Mid day meals : Eradicating hunger and promoting education	Bangalore, Karnataka				
d	Fractal Microspin	Livelihood Enhancement Project	Vidarbha, Maharashtra				
2	Social Innovation Acceleration Project (SIAP) - Batch 4				1,415,508	NA	
a	Rang De	Eradicating poverty	Bangalore, Karnataka				
b	Under the Mango Tree	Livelihood enhancement	Maharashtra, Gujarat and Madhya Pradesh				
c	Sankara Eye Care Institution	Promoting healthcare including preventive healthcare	Mumbai, Maharashtra				
d	Agastya International Foundation	Promoting education	Bangalore, Karnataka				
3	Innowin	Promoting education through innovation knowledge dissemination	PAN India circulation		789,903	NA	
4	Social Education Progrom (SEP)	Livelihood Enhancement Project and Eradicating hunger & promoting education			403,279	NA	
TOTAL (A)				**9,200,000**	**4,470,863**	NA	

Sr. No.	CSR project or activity identified.	Sector in which the project is covered	Projects or programs: (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or Program wise (Amount in Rs.)	Amount spent on the projects or programs Subheads: (1)Direct expenditure on projects or programs. (2)Overheads: (Amount in Rs.)	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency*
(B) Brand Led CSR Initiatives							
1	Nihar Shanti Amla : Education initiative(s)						
a	Nihar Shanti Amla - CRY Chotte Kadam - Pragati ke Aur campaign	Promoting Education among children	1.Gram Vikas Samiti, MP 2.Education Resource Society, UP 3. Samagra Vikas Sansthan (SVS), UP 4. Doaba Vikas Evam uthanm samiti, UP 5.Mahila Jan Adhikar Samiti, Rajasthan 6.Pahal, Delhi 7.Parvatiya Lok Shikshan Samiti (PLSS), UTK 8.CHARDS, Bihar 9.Mithila Gram Vikas Parishad, Bihar 10.Development Education and Environmental Programme, Bihar 11.Kajla Jana Kalyan Samiti (KJKS) West Bengal 12.Chale Chalo, Odisha 13.Adivasi Sarvangi Vikas Sangh, Gujarat 14.Samata, Gujarat 15.Bahujan Samajik Trust (BST), Gujarat 16.Mitwa Mahila Kalyan Evam Samiti, Chattisgarh	60,000,000	50,151,426	NA	Through implimenting agency: Child Rights and You - (CRY) CRY is a public Charitable Trust which supports Child Rights for underprivileged children with special focus on Children's Education.
b	Reformulating the Nihar Shanti Amla strategy focused on Education(Dalberg)	Promoting Education among children	NA		7,829,920	NA	Through implimenting agency: Dalberg Dalberg is a strategic advisory firm dedicated to global development.
2	Saffola World Heart Day CSR - Saffolalife Free Cholesterol tests	Preventive Healthcare	All India	42,000,000	38,400,000	NA	Direct
TOTAL (B)				**102,000,000**	**96,381,346**	NA	
(C) Other Initiatives							
1	Expenses incurred towards improving agricultural productivity	Livelihood enhancement	Money paid to TNAU for doing the development.	1,350,000	610,000	NA	Direct
2	Contribution to Prime Minister Relief Fund	Contribution to Prime Minister Relief Fund	Kashmir	-	1,100,000	NA	Direct
3	Contribution to Voluntary Organization in Interest of Consumer Education (VOICE)	Promoting Consumer Education	All India	-	4,000,000		Direct
TOTAL (C)				**1,350,000**	**5,710,000**	NA	
TOTAL CSR SPEND (A)+(B)+(C)				**112,550,000**	**106,562,209**	**NA**	
(D) Capacity Building and Administrative Expenditure (Restricted to 5% of the total spent)					5,328,110	NA	
TOTAL CSR SPEND (A)+(B)+(C)+(D)					**111,890,320**	NA	

*Give details of implementing agency: The details are captured above.

V. The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with CSR objectives and Policy of the Company.

Place : Mumbai
Date : April 30, 2015

HARSH MARIWALA
Chairman of Board & CSR Committee

SAUGATA GUPTA
Managing Director and CEO

ANNERURE 'B' TO THE DIRECTORS' REPORT

Information required under section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A] Ratio of Remuneration of each Director to the median remuneration of all the employees of your Company for the financial year 2014-15 is as follows:

Name of Director	Total Remuneration (Rs.)	Ratio of remuneration of Director to the median remuneration
Mr. Harsh Mariwala*	7,86,83,016	123:1
Mr. Saugata Gupta	6,06,79,292	95:1
Mr. Anand Kripalu	18,00,000	3:1
Mr. Atul Choksey	17,00,000	3:1
Mr. B. S. Nagesh	19,60,000	3:1
Ms. Hema Ravichandar	20,20,000	3:1
Mr. Nikhil Khattau	19,40,000	3:1
Mr. Rajeev Bakshi	18,00,000	3:1
Mr. Rajen Mariwala	18,00,000	3:1

Notes:

1. The information provided above is on a standalone basis.
2. Mr. Harsh Mariwala ceased to be the Managing Director of the Company with effect from April 1, 2014. The remuneration of Mr. Harsh Mariwala for the financial year 2014-15 is inclusive of the amount paid towards performance incentive for the financial year 2013-14 and settlement of dues consequent to the cessation of his office as Managing Director.
3. The remuneration to Non-Executive Directors includes sitting fees paid during the financial year 2014-15.
4. Median remuneration of the Company for all its employees is Rs.6,38,463 for the financial year 2014-15. For calculation of median remuneration, the employee count taken is 1,037 which comprises employees who have served for the whole of the financial year 2014-15.

B] **Details of percentage increase in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year 2014-15 are as follows:**

Name	Designation	Remuneration (Rs.)		Increase/ (Decrease) %
		2014-15	2013-14	
Mr. Harsh Mariwala	Chairman	7,86,83,016	4,71,66,286	67
Mr. Saugata Gupta	Managing Director & CEO	6,06,79,292	6,53,52,988	(7)
Mr. Anand Kripalu	Independant Director	18,00,000	13,40,000	34
Mr. Atul Choksey	Independant Director	17,00,000	12,80,000	33
Mr. B. S. Nagesh	Independant Director	19,60,000	15,80,000	24
Ms. Hema Ravichandar	Independant Director	20,20,000	15,70,000	29
Mr. Nikhil Khattau	Independant Director	19,40,000	15,10,000	28
Mr. Rajeev Bakshi	Independant Director	18,00,000	12,80,000	41
Mr. Rajen Mariwala	Non-Executive Promoter Director	18,00,000	14,80,000	22
Mr. Vivek Karve	Chief Financial Officer	3,57,31,143	1,60,23,045	123
Ms. Hemangi Ghag	Company Secretary & Compliance Officer	25,32,046	19,74,138	28

Notes:

1. The remuneration paid to Mr. Harsh Mariwala in the financial years 2014-15 and 2013-14 are not comparable. Please refer to the explanation given in note 2 to the disclosure at point A above.
2. Mr. Saugata Gupta and Mr. Vivek Karve were appointed as the Managing Director & CEO and Chief Financial Officer, respectively, with effect from April 1, 2014.

3. The remuneration paid to Mr. Saugata Gupta for the financial year 2013-14 included House Rent Allowance while in the financial year 2014-15 he was provided a Company Leased Accomodation.
4. The remuneration of Mr. Vivek Karve includes the perquisite value of the stock options excercised by him during the financial year 2014-15 amounting to Rs. 1,86,28,275.
5. The remuneration to Non-Executive Directors (excluding Chairman) was revised during the financial year 2014-15 as under:

Remuneration	2014-15 (Rs.)	2013-14 (Rs.)
Annual Remuneration per Director	16,00,000	12,00,000
Remuneration to Chairperson of each of the Statutory Committees of the Board.	1,00,000	50,000

C] Percentage increase in the median remuneration of all employees in the financial year 2014-15:

	2014-2015 (Rs.)	2013-2014 (Rs.)	Increase %
Median remuneration of all employees per annum*	6,38,463	5,89,589	8

* For calculation of median remuneration, the employee count taken is 1,037 and 1,015 for the financial year 2014-15 and 2013-14, respectively, which comprise employees who have served for the whole of the respective financial years.

D] Number of permanent employees on the rolls of the Company as of March 31, 2015:

1,570 (inclusive of workmen)

E] Relationship between average increase in the remuneration of all employees and the performance of your Company:

The increase in the remuneration of all employees is based on the following remuneration philosophy of the Company:

(i) the intrinsic worth and future potential of the Member which ensures value of meritocracy;

(ii) the extrinsic worth of the role and desired market competitiveness determined through market benchmarking studies; and

(iii) value added by the role which should be in line with the Company's employee cost.

In the financial year 2014-15, a similar approach was followed to determine the increase in the remuneration of all the employees. The said increase in the remuneration was in line with Company's performance and its market competitiveness.

The average increase in the remuneration of all employees* in the financial year 2014-15 as compared to the financial year 2013-14 was 2%. In the remuneration details of both the financial years there is a component of cash incentive received under the Marico Employee Stock Appreciation Rights Plan, 2011. The average increase in the remuneration excluding such cash incentive of all employees* in the financial year 2014-15 as compared to the financial year 2013-14 was 10%.

** Employees who have served for whole of the respective financial years have been considered.

The key indicators of the Company's performance (on a standalone basis) are:

(Rs. in Crores)

	2014-15	2013-14	Increase/(Decrease) %
Net Income from Operations	4,681.20	3,682.49	27
Operating Profit Before Tax (i.e. PBT excluding dividend income from overseas subsidiary)	636.17	514.27	24
Profit Before Tax**	731.04	717.26	2
Profit After Tax**	545.16	577.20	(6)

** The growth is lower due to lower income towards dividend receipt from an overseas subsidiary in the financial year 2014-15 as compared to 2013-14.

F] Comparison of the remuneration of the Key Managerial Personnel against the performance of your Company:

The remuneration of Key Managerial Personnel during the financial year 2014-15 increased by around 19% compared to the financial year 2013-14. Whereas the Profit Before Tax (PBT) increased by 2% in the financial year 2014-15 compared to the

the financial year 2013-14. The PBT for both the financial years includes dividend receipt from an overseas subsidiary. The PBT growth excluding such dividend income for the financial year 2014-15 compared to the the financial year 2013-14 was 24%.

G] **Details of variation in the market capitalization and price earnings ratio as at the closing date of the current and previous financial years and the share price details:**

	As on March 31, 2015	As on March 31, 2014	Increase/(Decrease) %
Price Earnings Ratio*	46.4	23.3	99
Market Capitalization (Rs. in Crore)	25,293	13,424	88

* Taken on a standalone basis

Comparison of share price at the time of last public offer and market price of the share as of March 31, 2015:

Market Price* as on March 31, 2015 (Rs.)	385.75
Price at the time of Initial Public Offer cum Offer for Sale in 1996 (adjusted for various bonus issues and stock split but excluding dividend payouts subsequent to the Public Offer) (Rs.)	4.38
% increase of market price over the price at the time of Initial Public Offer cum Offer for Sale	8,817

*Closing market price on National Stock Exchange of India Limited.

H) **Comparision of average percentage increase in remuneration of all employees other than the Key Managerial Personnel and the percentage increase in the remuneration of Key Managrial Personnel:**

	Increase/(Decrease) %
Average percentage increse in the remuneration of all Employees* (Other than Key Managerial Personnel)	3
Average Percentage increse in the Remuneration of Key Managerial Personnel*:	
Mr. Saugata Gupta, Managing Director & CEO	(7)
Mr. Vivek Karve, Chief Financial Officer	123
Ms. Hemangi Ghag, Company Secretary & Compliance Officer	28

*Kindly refer the explanations given under point B of this disclosure for better comprehension of the details given above.

I] **Key parameters for any variable component of remuneration availed by the Directors:**

The key parameters for the variable component of remuneration availed by the Directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees. This is based on certain financial parameters like performance of the Company, its market capitalization, industry benchmarks, role of the Directors and such other relevant factors.

Independent Directors are not eligible for any variable component as per the Remuneration Policy of the Company.

In case of the Non-Executive Chairman of the Board and the Managing Director & CEO, the variable component of remuneration is approved by the Board based on the Remuneration Policy of the Company.

J] **There are no employees of the Company who received remuneration in excess of the highest paid Director of the Company.**

K] **Affirmation:**

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration Policy of your Company.

ANNEXURE 'C' TO THE DIRECTORS' REPORT

Disclosure pursuant to the provisions of the Securities and Exchange Board of India
(Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

	Particulars	Marico Employee Stock Option Scheme 2007	Marico Employee Stock Option Scheme 2014	Marico MD CEO ESOP Plan 2014
a)	Options granted (as at March 31, 2015)	11,376,300 options aggregating to about 1.76% of the paid-up equity capital of the Company (options, net of lapsed/forfeited/ exercised as at March 31, 2015: 212,600 options aggregating to about 0.03% of the paid-up capital of the Company)	3,00,000 options aggregating to about 0.05% of the paid up equity share capital of the Company	46,600 options aggregating to 0.007% of the paid up equity share capital of the Company
b)	The pricing formula	The Exercise Price of the options shall be lower of the following:	The exercise price is Re. 1 per option.	The exercise price is Re. 1 per option.
		i)Average of the closing price for last 21 (twenty one) trading session(s) on National Stock Exchange (NSE) prior to the date on which the Corporate Governance Committee, grants the specific number of options to the employees, Or ii) The closing price for the last session on National Stock Exchange (NSE) prior to the date on which the Corporate Governance Committee, grants the specific number of options to the employees.	–	–
c)	Options vested (as at March 31, 2015)	68,66,635	–	–
d)	Options exercised (as at March 31, 2015)	65,70,235	–	–
e)	The total number of shares arising as a result of exercising of option (as at March 31, 2015)	65,70,235	–	–
f)	Options lapsed/forfeited (as at March 31, 2015)	47,02,465	–	–
g)	Variation of terms of options	-N.A.-	–	–
h)	Money realized during the year by exercise of options (as at March 31, 2015)	60,38,600	–	–
i)	Total number of options in force (as at March 31, 2015)	1,03,600	–	–
j)	Employee wise details of options granted to : (as at March 31, 2015)			
	i) Senior Managerial Personnel	A summary* of options granted to senior managerial personnel is as under :		
		No. of employee covered – 1 (One)* No. of options granted to such personnel (options, net of lapsed/forfeited/exercised) – 50,000 (Fifty Thousand)		

	Particulars	Marico Employee Stock Option Scheme 2007	Marico Employee Stock Option Scheme 2014	Marico MD CEO ESOP Plan 2014
		*Only summary is given due to sensitive nature of the information.	3,00,000 options were granted to the Managing Director and Chief Executive Officer of the Company	46,600 options were granted to the Managing Director and Chief Executive Officer of the Company
	ii) any other employee who receives a grant in any one year of options amounting to 5% or more of option granted during the year	None		
	iii) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	None		
k)	Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with the Accounting Standard (AS) 20' Earnings per Share	Rs. 8.45		
l)	i) Method of calculating employee compensation cost	The Company has calculated the employee compensation cost using the intrinsic value method of accounting for the options granted under the Scheme		
	ii) Difference between the employee compensation cost so computed at (I) above and the employee compensation cost that shall have been recognised if it had used the fair value of the Options	Rs. 0.30 Crores		
	iii) The impact of this difference on the profits and on EPS of the Company	Had the Company considered 'fair value' method then the employee compensation cost would be lower by Rs. 0.31 Crore. The Profit Before Tax would be higher by the same amount and Earning Per Share by Re.0.01.		
m)	Weighted average exercise price and weighted average fair values of options (to be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock)	Weighted average Exercise Price : Rs. 55.74 Weighted average Fair Value of Option : Rs.22.46	–	–
n)	Description of method and significant assumptions used during the year to estimate the fair values of options	Intrinsic Value Method		
	i) risk – free interest rate	6.61% / 7.27%	8.00%	8.00%
	ii) expected life of options	5 Years	3 years	3 years and 3 months
	iii) expected volatility	35.32% / 36.92%	26.62%	23.66%
	iv) expected dividends	1.20%	3.50%	3.50%
	v) closing market price of share on date of option grant	65.10 (Average of the closing prices as on the grant dates)	209.15	324.95

ANNEXURE 'D' TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

Marico Limited

7th Floor, Grande Palladium,

175, CST Road, Kalina,

Santacruz (East),

Mumbai – 400 098

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Marico Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit Period**); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**.

(vi) During the period under review, no law was specifically applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not notified hence not applicable to the Company during the audit period)**.

(ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company had no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Dr. K R Chandratre

FCS No. 1370, C P No: 5144

Place: Pune

Date: 30 April, 2015

ANNEXURE 'E' TO THE DIRECTORS' REPORT

Disclosure of Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 & Rule 8 of The Companies (Accounts) Rules, 2014

A. Conservation of Energy

1. Steps taken/impact on conservation of energy and the steps taken for utilising alternate sources of energy;

Baddi

Your Company undertook several initiatives in power and fuel consumption reduction at its Baddi plant. These initiatives resulted in reduction in carbon footprint by **3044 MT of CO_2** last year.

Initiatives details are as below:

- 100% Usage of SFB resulted into carbon footprint reduction of 997MT.
- DG Usage Reduction from 19% to 6% for power generation resulting into carbon footprint reduction of 467 MT.
- DG Efficiency improvement from 3.42 Units/MT to 3.52 Units/MT generation resulting into carbon footprint reduction of 16.5 MT.
- Steam Fuel Ratio Improvement from 4.52 to 5.22 resulting into reduction equivalent FO consumption reduction of 473 MT and carbon footprint reduction of 1516 MT.
- Usage of Smaller feed water Pump resulted into savings of 25000 Units of Electricity.
- Steam Heating instead of electrical heating of washing machine pit oil resulted into savings of 24000 Units of Electricity.

Jalgaon

Your Company undertook following initiatives at its Jalgaon plant to reduce carbon footprint. These initiatives enabled a saving of **1,73,846 units** in last year equivalent to **168 MT of CO_2** emissions.

For Power Consumption reduction:

- Filling AHU motor was changed from single phase to three phases.
- Chain conveyor, FD fan, return belt conveyor & bale crusher in Boiler house were removed.
- Steam trap audit was carried out in Nov-14 to reduce steam loss.
- Energy audit was done and actions were implemented for compressors in month of Feb -15 to reduce air consumption.

For Fuel Consumption reduction:

- Steam trap audit was done in Nov-14 to reduce steam loss.
- Temperature profiling was made for RBO dew axing to improve chilling efficiency monitoring and rectification for cooling curve by DCS automation.
- 100% Usage of Briquettes as a fuel which has higher Calorific value and very less amount of moisture started from Aug-14.

Pondicherry

Pondicherry Power Task Force Energy Conservation Initiatives have resulted in a reduction of **73,247 Units/Year** equivalent to **71MT of CO_2** emissions through following initiatives:

- Variable Frequency drive installed in Cooker A Main Motor, Dehumidification Blower and Cooling Tower.
- Replacement of Lower Efficiency Motor with Higher Efficiency Motors in Compressor.

- Reduction of Operating hours of SOT Pump and Expeller Conveyor.
- Installation of Solar Water Heater for Boiler Feed Water Heating.

Water Conservation

- Sewage Treatment Plant Installed for Recycling the Admin waste water.
- Reuse of Water Treatment Plant Regeneration water to Gardening.
- Drip and Sprinkler irrigation implemented for the entire garden in the factory.

Perundurai

Perundurai plant has achieved consistent improvement in power consumption by 4.2U/MT of copra crushed in FY14-15. This amounted to overall saving of **90,659 Electricity units** equivalent to **88 MT of CO_2** emissions.

Following are the Power saving initiatives carried out last year:

- Elimination of 2nd stage Expeller kettle yielded 1.47 KW/MT.
- Optimization of Copra Grinder yielded 1.72 KW/MT.
- Optimization of Cake Grinder 1.01 KW/MT.
- Sequence Interlocking system for RMHS conveying unit yielded 0.26 KW/MT.
- Optimization of Exp 1/1 motor frequency yielded 1.30 KW/MT.
- Elimination of VF for Exp 2/1 yielded 0.39 KW/MT.
- Installation of VFD & flow optimization for FOT pump yielded 0.39 KW/MT.
- Installation of temp controller for cooling tower fan yielded 0.65 KW/MT.

Kanjikode

Initiatives taken in KKD have led to reduction in overall **CO_2 emissions by130MT**:

- Provided steam actuator with temperature controller which reduces the steam consumption for oil heating in the sump, thereby reduces the 5,000 Liters of FO consumption per annum, resulting in reduction in carbon emission of 18 t CO_2/Annum.
- Implementing online cap heater in the rigid line reduces the power consumption by 7,500 Units per annum resulting in reduction of 6.7 t CO_2/Annum.
- Replacement of AC unit of admin block with reciprocating type compressor to VRF type AC with R410 refrigerant reduces the power consumption by 48,000 Units per annum, resulting 43 t CO_2/annum.
- Providing VFD for cutter thereby optimized the power consumption by 21,000 Units per annum, resulting in reduction of 19 t CO_2/annum.
- Boiler nozzle replaced with 0.9mm to 0.65mm which optimized the fuel consumption, thereby able to reduce by 12,000 LPA which reduces the CO_2 emission by 44 Tons/annum.
- Water re- usage system developed Soxhlet operation in the product lab, which reduces the water consumption by 200 KL per annum.
- Provide water monitoring meters at all the major consumption points which help in better tracking utilization of ground water

2. Capital investment on energy conservation equipments during the year was Rs.42 Lacs.

B. Technology Absorption

1. Research and Development (R&D)

Specific areas in which R & D was carried out by your Company:

In the past year R&D efforts were directed towards areas of hair nourishment, male grooming, skin care, edible oils, breakfast cereals & packaging innovations across the global markets. Specific efforts were undertaken to understand consumers in international geographies and align systems and processes across the business.

In hair nourishment, research efforts were directed to understand benefits of various actives on aspects of hair health & conditioning. New technology platforms of aromatherapy were explored. In male grooming the efforts were focused on improving consumer experience in deodorants and styling benefits in hair gels. For all categories, CTI efforts were targeted towards generating insights of product usage and attitudes across geographies and tailoring the product sensories accordingly. In packaging, the core areas were technology innovations for premium packaging. In foods, the thrust areas were new formats in breakfast cereals and technology platform development for edible oils.

2. Benefits derived as the result of the above efforts:

o Launch of new products – Parachute Advanced aromatherapy hair oil, value added mustard oil under Nihar Shanti brand umbrella, Parachute Advanced aloe vera enriched coconut hair oil & Livon Moroccon silk serum;

o Development of globally acceptable sensorial products;

o Strong claim support for new products;

o Value enhancement through product engineering;

o 8 patents filed across the departments.

3. Future Plan of Action:

R&D will continue to focus on generating in-depth consumer insights, develop strong technology platforms in the area of hair & skin nourishment and grooming. Efforts will also be made to harmonize products across geographies, design new products for specific lead geographies and re-apply the same to similar target segments in different regions. Special efforts will be targeted in improving measurement science, process engineering & innovation capability development.

4. Technology absorption, adaptation and innovation

Efforts, in brief, made towards technology absorption, adaptation and innovation and benefits derived as a result of the same:

New technologies sourced from vendors, partners, universities were worked upon to adapt them to Marico business needs. Specifically, in the areas of hair nourishment, new product formats and new technologies, several C&D projects were undertaken. These helped in developing in depth basic knowledge and stronger claims.

5. The Company has not imported any technology during last three years recknoed from the beginning of the financial year.

6. **The expenditure incurred on Research and Development**

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
(a) Capital	0.55	1.66
(b) Recurring	19.19	16.57
Total	**19.74**	**18.23**

The expenditure above includes a capital expenditure of Rs. 0.11 Crore (LY: NIL) and a revenue expenditure of Rs. 4.05 Crore (LY: Rs. 4.09 Crore) towards the edible oils and foods business of your Company.

C. Foreign Exchange Earnings and Outgo

The details of Foreign exchange earnings and outgo during the period under review is as under.

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Foreign Exchange earned	309.82	374.76
Foreign Exchange used	28.32	20.30

On behalf of the Board of Directors

Place : Mumbai
Date : April 30, 2015

Harsh Mariwala
Chairman

ANNEXURE 'F' TO THE DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015.

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014.

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L15140MH1988PLC049208
ii	Registration Date	October 13, 1988
iii	Name of the Company	Marico Limited
iv	Category/Sub-category of the Company	Public Company/Limited by Shares
v	Address of the Registered office & contact details	7th Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai – 400 098, Maharashtra. Tel: (91-22) 6648 0480 Fax: (91-22) 2650 0159 Website: www.marico.com E-mail Address: investor@maricoindia.net
vi	Whether listed company: Yes/No	Yes
vii	Details of the Stock Exchanges where shares are listed	BSE Limited (BSE) : 531642 The National Stock Exchange of India Limited (NSE): MARICO
viii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, Lal Bahadur Shastri Road, Bhandup (West), Mumbai- 400 078 Maharashtra. Tel: (91-22) 25963838 Fax: (91-22) 25946969 Website: www.linkintime.co.in E-mail Address: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company

Sl.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Edible Oils	10402	63%
2	Value Added Hair Oils	20236	24%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate Company	% of Shares Held	Applicable Section
1	**Marico Bangladesh Limited ("MBL")** House-1, Road-1, Sector-1, Uttara, Dhaka-1230, Bangladesh	NA	Subsidiary	90	2(87)(ii)
2	**Marico Middle East FZE ("MME")** Office No. LOB 15326, Jebel Ali, Dubai, UAE	NA	Subsidiary	100	2(87)(ii)
3	**Marico South Africa Consumer Care (Pty) Limited ("MSACC")** 1474 South Coast Road, Mobeni 4051	NA	Subsidiary	100	2(87)(ii)
4	**Marico South Africa (Pty) Limited ("MSA")** 1474 South Coast Road, Mobeni 4051	NA	Subsidiary	100 (through MSACC)	2(87)(ii)
5	**International Consumer Products Corporation ("ICP")** No. 3, 5th Street, Song Than 1 Industrial Zone, Di An Town, Binh Duong Province, SR Vietnam	NA	Subsidiary	100	2(87)(ii)
6	**Marico Consumer Care Limited ("MCCL")** 7th Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai - 400 098	U24233MH2012PLC229972	Subsidiary	100	2(87)(ii)
7	**Halite Personal Care India Private Limited** (A Company under Voluntary Liquidation) 7th Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai - 400 098	U24240MH2011PTC239427	Subsidiary	-	-
8	**Marico Innovation Foundation ("MIF")** 7th Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai - 400 098	U93090MH2009NPL193455	Subsidiary	Secction 8 Guarantee Company without Share Capital	2(87)(i)
9	**MBL Industries Limited ("MBLIL")** House-1, Road-1, Sector-1, Uttara, Dhaka-1230, Bangladesh	NA	Subsidiary	100 (through MME)	2(87)(ii)
10	**MEL Consumer Care ("MELCC")** 5th Floor, 53, Lebanon Street, Mohandseen, Gisa, Egpyt	NA	Subsidiary	100 (through MME)	2(87)(ii)
11	**Marico Egypt Industries Company ("MEI")** 11B Hegaz Sq. , Mohandesen, Gisa, Egypt	NA	Subsidiary	100 (through MELCC)	2(87)(ii)
12	**Egyptian American Investment and Industrial Development Company ("EAIIDC")** 11B Hegaz Sq., Mohandseen, Gisa, Egypt	NA	Subsidiary	100 (through MME)	2(87)(ii)
13	**Marico Malaysia Sdn. Bhd. ("MMSB")** Ground Floor, Lot 7, Block F, Saguking Commercial Building, Jalan Patau 87000, Labuan F.T. Malaysia	NA	Subsidiary	100 (through MME)	2(87)(ii)
14	**Beauté Cosmétique Societé Par Actions ("BCS")** 376 Vo Van Tan, Ward 5, District 3, Ho Chi Minh City, Vietnam.	NA	Subsidiary	99 (through ICP)	2(87)(ii)
15	**Thuan Phat Foodstuff Joint Stock Company ("TPF")** 39B Truong Son Street, Ward 4, Tan Binh District, Ho Chi Minh City, Vietnam	NA	Subsidiary	99.99 (through ICP)	2(87)(ii)

IV. SHAREHOLDING PATTERN (Equity Share Capital break up as % to total Equity)

(i) Categorywise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2014)				No. of Shares held at the end of the year (As on 31.03.2015)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/HUF	375,205,520	–	375,205,520	58.18	375,205,520	–	375,205,520	58.17	–
b) Central Govt.or State Govt.	–	–	–	–	–	–	–	–	–
c) Bodies Corporates	8,822,000	–	8,822,000	1.37	8,822,000	–	8,822,000	1.37	–
d) Bank/Financial Institutions	–	–	–	–	–	–	–	–	–
e) Any other	–	–	–	–	–	–	–	–	–
SUB TOTAL:(A) (1)	**384,027,520**	**0**	**384,027,520**	**59.55**	**384,027,520**	0	**384,027,520**	**59.54**	–
(2) Foreign									
a) NRI- Individuals	900,000	0	900,000	0.14	900,000	0	900,000	0.14	–
b) Other Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corp.	–	–	–	–	–	–	–	–	–
d) Banks/Financial Institutions	–	–	–	–	–	–	–	–	–
e) Any other	–	–	–	–	–	–	–	–	–
SUB TOTAL: (A) (2)	**900,000**	**0**	**900,000**	0.14	**900,000**	**0**	**900,000**	0.14	–
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**384,927,520**	**0**	**384,927,520**	**59.69**	**384,927,520**	**0**	**384,927,520**	**59.68**	–
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	9,478,479	–	9,478,479	1.47	20,551,709	–	20,551,709	3.19	53.88
b) Banks/Financial Institutions	105,500	–	105,500	0.00	283,800	–	283,800	0.04	62.83
c) Cenntral Govt/State Govt.	–	–	–	–	672,864	–	672,864	0.10	100.00
d) Venture Capital Fund	–	–	–	–	–	–	–	–	–
e) Insurance Companies	7,127,814	–	7,127,814	1.11	8,932,647	–	8,932,647	1.38	20.20
f) FIIs	177,677,981	5,000	177,682,981	27.55	156,947,263	5,000	156,952,263	24.33	-13.21
g) Foreign Venture Capital Funds	22,058,823	–	22,058,823	3.42	9,541,299	–	9,541,299	1.48	-131.19
h) Foreign Portfolio Investor (Corporate)	–	–	–	–	12,394,907	–	12,394,907	1.92	100.00
i) Others (specify)	–	–	–	–	–	–	–	–	–
SUB TOTAL (B)(1):	**216,448,597**	**5,000**	**216,453,597**	**33.55**	**209,324,489**	**5,000**	**209,329,489**	**32.44**	**-3.40**
(2) Non Institutions									
a) Bodies corporates	18,246,561	42,000	18,288,561	2.84	25,372,022	42,000	25,414,022	3.94	28.04
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	19,243,174	737,840	19,981,014	3.10	19,134,639	689,840	19,824,479	3.07	-0.79
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	3,453,952	–	3,453,952	0.54	3,560,452	–	3,560,452	0.55	2.99
c) Others (specify)									
1. NRI	1,566,522	–	1,566,522	0.24	1,476,780	–	1,476,780	0.23	-6.08
2. Clearing member	121,833	–	121,833	0.02	367,450	–	367,450	0.06	66.84
3. Trusts	80,000	–	80,000	0.01	81,807	–	81,807	0.01	2.21
SUB TOTAL (B)(2):	**42,712,042**	**779,840**	**43,491,882**	**6.75**	**49,993,150**	**731,840**	**50,724,990**	**7.86**	**14.26**
"Total Public Shareholding (B)= (B)(1)+(B)(2)"	259,160,639	784,840	259,945,479	40.30	259,317,639	736,840	260,054,479	40.32	0.04
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	**644,088,159**	**784,840**	**644,872,999**	**100**	**644,245,159**	**736,840**	**644,981,999**	**100**	**0.02**

(ii) Shareholding of Promoters

Sl. No	Name	Shareholding at the beginning (01.04.2014)/ end of the year(31.03.2015)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No.of Shares	% of total shares of the company				No.of Shares	% of total shares of the Company
1	Harsh Mariwala with Kishore Mariwala (For Valentine Family Trust)	73,376,000	11.38	1-Apr-14	0	No change during the year		
		73,376,000	11.38	31-Mar-15	0		73,376,000	11.38
2	Harsh Mariwala with Kishore Mariwala (For Aquarius Family Trust)	73,376,000	11.38	1-Apr-14	0	No change during the year		
		73,376,000	11.38	31-Mar-15	0		73,376,000	11.38
3	Harsh Mariwala with Kishore Mariwala (For Tarus Family Trust)	73,376,000	11.38	1-Apr-14	0	No change during the year		
		73,376,000	11.38	31-Mar-15	0		73,376,000	11.38
4	Harsh Mariwala with Kishore Mariwala (For Gemini Family Trust)	73,376,000	11.38	1-Apr-14	0	No change during the year		
		73,376,000	11.38	31-Mar-15	0		73,376,000	11.38
5	Arctic Investment & Trading Company Private Limited	8,785,000	1.36	1-Apr-14	0	No change during the year		
		8,785,000	1.36	31-Mar-15	0		8,785,000	1.36
6	The Bombay Oil Private Limited	37,000	0.01	1-Apr-14	0	No change during the year		
		37,000	0.01	31-Mar-15	0		37,000	0.01
7	Mr. Harsh Mariwala	11,454,600	1.78	1-Apr-14	0	No change during the year		
		11,454,600	1.78	31-Mar-15	0		11,454,600	1.78
8	Harshraj C Mariwala (HUF)	6,120,000	0.95	1-Apr-14	0	No change during the year		
		6,120,000	0.95	31-Mar-15	0		6,120,000	0.95
9	Mrs. Archana Mariwala	12,300,000	1.91	1-Apr-14	0	No change during the year		
		12,300,000	1.91	31-Mar-15	0		12,300,000	1.91
10	Ms. Rajvi Mariwala	13,100,000	2.03	1-Apr-14	0	No change during the year		
		13,100,000	2.03	31-Mar-15	0		13,100,000	2.03
11	Mr. Rishabh Mariwala	13,100,000	2.03	1-Apr-14	0	No change during the year		
		13,100,000	2.03	31-Mar-15	0		13,100,000	2.03
12	Mrs. Preeti Gautam Shah	900,000	0.14	1-Apr-14	0	No change during the year		
		900,000	0.14	31-Mar-15	0		900,000	0.14
13	Mrs. Pallavi Jaikishen	916,000	0.14	1-Apr-14	0	No change during the year		
		916,000	0.14	31-Mar-15	0		916,000	0.14
14	Mrs. Malika Chirayu Amin	900,000	0.14	1-Apr-14	0	No change during the year		
		900,000	0.14	31-Mar-15	0		900,000	0.14
15	Mr. Kishore Mariwala	1,491,060	0.23	1-Apr-14	0	No change during the year		
		1,491,060	0.23	31-Mar-15	0		1,491,060	0.23
16	Mrs. Hema Mariwala	3,916,140	0.61	1-Apr-14	0	No change during the year		
		3,916,140	0.61	31-Mar-15	0		3,916,140	0.61
17	Mr. Rajen Mariwala	3,443,200	0.53	1-Apr-14	0	No change during the year		
		3,443,200	0.53	31-Mar-15	0		3,443,200	0.53
18	Mrs. Anjali Mariwala	3,709,100	0.58	1-Apr-14	0	No change during the year		
		3,709,100	0.58	31-Mar-15	0		3,709,100	0.58
19	Dr. Ravindra Mariwala	7,542,320	1.17	1-Apr-14	0	No change during the year		
		7,542,320	1.17	31-Mar-15	0		7,542,320	1.17
20	Mrs. Paula Mariwala	3,709,100	0.58	1-Apr-14	0	No change during the year		
		3,709,100	0.58	31-Mar-15	0		3,709,100	0.58

(iii) Change in Promoter's Shareholding

There was no change in the Promoter's shareholding during the Financial Year 2014-15.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs & ADRs)

Sl. No	Name	Shareholding at the beginning (01.04.2014)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No.of Shares	% of total shares of the company				No.of Shares	% of total shares of the Company
1	Arisaig Partners (Asia) Pte Ltd. A/C Arisaig India Fund Limited	35,353,269	5.48	During the financial year	–	Purchase	35,353,269	5.48
					2,075,000	Sale	33,278,269	5.16
2	Oppenheimer Developing Markets Fund (*)	26,690,028	4.14	During the financial year	1,594,494	Purchase	28,284,522	4.39
					28,284,522	Sale	–	-
3	Indivest Pte Ltd	22,058,823	3.42	During the financial year	–	Purchase	22,058,823	3.42
					12,517,524	Sale	9,541,299	1.48
4	National Westminster Ba nk PLC as Depositary of M & G Global Basics Fund a Sub Fund of M & G Investment Funds-1	15,000,000	2.33	During the financial year	–	Purchase	15,000,000	2.33
					5,000,000	Sale	10,000,000	1.55
5	Franklin Templeton Investment Funds	8,500,000	1.32	During the Financial Year	5,213,000	Purchase	13,713,000	2.13
					3,798,594	Sale	9,914,406	1.54
6	National Westminster Bank Plc. as Depositary of First State Indian Subcontinent Fund a Sub Fund of First State Investments ICVC	7,402,142	1.15	During the Financial Year	–	Purchase	7,402,142	1.15
					3,304,917	Sale	4,097,225	0.64
7	National Westminster Bank PLC as Depositary of First State Global Emerging Markets Sustainability Fund a Sub Fund of First State Investments ICVC	7,066,389	1.10	During the Financial year	–	Purchase	7,066,389	1.10
					3,811,952	Sale	3,254,437	0.50
8	National Westminster Bank PLC as Depositary of First State Asia Pacific Sustainability Fund a Sub Fund of First State Investments ICVC	6,832,804	1.06	During the Financial year	–	Purchase	6,832,804	1.06
					2,910,933	Sale	3,921,871	0.61
9	M/s Napean Trading and Investment Co Pvt Ltd (*)	6,919,819	1.07	During the Financial Year	–	Purchase	6,919,819	1.07
					6,919,819	Sale	–	-
10	Baring India Private Equity Fund III Listed Investments Limited	7,352,941	1.14	During the Financial Year	–	No change during the year	7,352,941	1.14
11	Franklin Templeton Mutual Fund A/C Franklin India Blue Chip Fund (#)	6,349,061	0.98	During the Financial Year	1,490,280	Purchase	7,839,341	1.22
					1,067,600	Sale	6,771,741	1.05
12	Life Insurance Corporation of India Plus Growth Fund (#)	5,212,098	0.81	During the Financial Year	1,726,354	Purchase	6,938,452	1.08
					49,400	Sale	6,889,052	1.07
13	Kuwait Investment Authority Fund No. 208 (#)	1,223,000	0.19	During the Financial Year	5,916,581	Purchase	7,139,581	1.11
					456,689	Sale	6,682,892	1.04

*Ceased to be a top ten shareholder as on March 31, 2015. # Top ten shareholder as on March 31, 2015

Note: The above information is based on the weekly beneficiary positions received from Depositories. The date wise increase/ decrease in shareholding of the top ten shareholders is available on the website of the Company.

(v) Shareholding of Directors and Key Managerial Personnel-

Sl. No	Name	Shareholding at the beginning (01.04.2014)/ end of the year(31.03.2015)		Date	Increase/ Decrease in share-holding	Reason	Cumulative Share-holding during the year (01.04.2014 to 31.03.2015)	
		No.of Shares	% of total shares of the com-pany				No.of Shares	% of total shares of the Company
Directors								
1	Mr. Harsh Mariwala (Non Executive Director & Chairman)	11,454,600	1.78	1-Apr-14	0	No change during the year		
		11,454,600	1.78	31-Mar-15	0		11,454,600	1.78
2	Mr. Rajen Mariwala (Non-Executive Director)	3,443,200	0.53	1-Apr-14	0	No change during the year		
		3,443,200	0.53	31-Mar-15	0		3,443,200	0.53
3	Mr. Anand Kripalu (Independent Director)	–	–	–	–	Nil Holding	–	–
4	Mr. Atul Choksey (Independent Director)	18,168	0.00	1-Apr-14	0	No change during the year		
		18,168	0.00	31-Mar-15	0		18,168	0.00
5	Mr. B. S. Nagesh (Independent Director)	–	–	–	–	Nil Holding	–	–
6	Ms. Hema Ravichandar (Independent Director)	–	–	–	–	Nil Holding	–	–
7	Mr. Nikhil Khattau (Independent Director)	–	–	–	–	Nil Holding	–	–
8	Mr. Rajeev Bakshi (Independent Director)	–	–	–	–	Nil Holding	–	–
Key Managerial Personnel								
1	Mr. Saugata Gupta (Managing Director & Chief Executive Officer)	8,700	0.00	1-Apr-14	0	No change during the year		
		8,700	0.00	31-Mar-15	0		8,700	0.00
2	Mr. Vivek Karve (Chief Financial Officer)	8,950	0.00	1-Apr-14				
				24-Nov-14	-8000	Sale		
				15-Jan-15	69,000	ESOP Allotment		
		69,950	0.01	31-Mar-15			69,950	0.01
3	Ms. Hemangi Ghag (Company Secretary & Compliance Officer)	–	0.00	1-Apr-14				
		10	0.00	25-Jun-14	–	Purchase		
				9-Feb-15	-10	Sale		
		–	–	31-Mar-15			–	–

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year (As on 01.04.2014)				
i) Principal Amount	35,660.95	20,541.59	–	56,202.54
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	106.11	2.24	–	108.35
Total (i+ii+iii)	35,767.06	20,543.83	–	56,310.89
Change in Indebtedness during the financial year				
Additions (Principal)	864.30	16,000.00	–	16,864.30
Reduction (Principal)	-10,750.40	-36,709.44	–	-47,459.84
Adjustment (Exchange Rate difference)	1,338.61	167.85	–	1,506.46
Net Change	-8,547.49	-20,541.59	–	-29,089.08
Indebtedness at the end of the financial year (As on 31.03.2015)				
i) Principal Amount	27,113.46	–	–	27,113.46
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	84.26	–	–	84.26
Total (i+ii+iii)	27,197.72	–	–	27,197.72

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl. No	Particulars of Remuneration	Name of the Managing Director - Mr. Saugata Gupta
		(Rs. in Lacs)
1	**Gross salary**	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	600.98
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	5.81
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	–
2	Stock option	–
3	Sweat Equity	–
4	Commission	–
	- as % of profit	–
5	Others, Please specify**	–
	Total (A)	**606.79**
	Ceiling as per the Act*	

* Remuneration paid to the Managing Director & CEO is within the ceiling provided under Section 197 of the Companies Act, 2013.

**Company's contribution to Provident Fund amounting to Rs. 14,16,672 has not been included in the remuneration stated above.

B. Remuneration to other directors:

(Amount Rs. in Lacs)

Sl.No	Particulars of Remuneration	Name of other Directors					
1	Independent Directors	Mr. Atul Choksey	Mr. Anand Kripalu	Ms. Hema Ravichandar	Mr. Rajeev Bakshi	Mr. Nikhil Khattau	Mr. B. S. Nagesh
	(a) Fee for attending Board / Committee Meetings	1.00	2.00	3.20	2.00	2.40	3.60
	(b) Commission	16.00	16.00	17.00	16.00	17.00	16.00
	(c) Others, please specify	–	–	–	–	–	–
	Total (1)	**112.20**					
2	Other Non Executive Directors	Mr. Harsh Mariwala	Mr. Rajen Mariwala				
	(a) Fee for attending Board / Committee Meetings	1.20	2.00				
	(b) Commission	501.00	16.00				
	(c) Others, please specify*	284.63	–				
	Total (2)	804.83					
	Total B = (1+2)	**917.03**					
	Managerial Remuneration (Total A+B)	**1,523.82**					
	Overall Ceiling as per the Act	Rs. 8,191.67 lacs (being 11% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)					

* Pertains to performance incentive for the financial year 2013-14 received during the financial year 2014-15 and also towards settlement of dues consequent to the cessation of the office of Mr. Harsh Mariwala as Managing Director.

C. **REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Vivek Karve - Chief Financial Officer	Ms. Hemangi Ghag - Company Secretary & Compliance Officer
		(Rs. in Lacs)	(Rs. in Lacs)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	170.76	25.18
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.27	0.14
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2	Stock Option*	186.28	–
3	Sweat Equity	–	–
4	Commission	–	–
	- as % of profit	–	–
5	Others, Please specify		
	Total	357.31	25.32

* Perquisite value of the equity stock options excercise during the year.

VII. PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeall made if any (give details)
A. COMPANY					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
B. DIRECTORS					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
C. OTHER OFFICERS IN DEFAULT					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–

There were no penalties/punishment/compounding of offences for violation of the provisions of the Companies Act, 2013 against the Company or its Directors or other officers in default during the year.

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Marico Limited

We have examined the compliance of conditions of Corporate Governance by Marico Limited ('the Company'), for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us,

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants

Uday Shah
Partner
Membership Number: 46061

Place : Mumbai
Date : April 30, 2015

CORPORATE GOVERNANCE REPORT

This report on Corporate Governance is divided into the following parts:

I. Philosophy on Code of Corporate Governance

II. Board of Directors

III. Audit Committee

IV. Corporate Governance Committee (Nomination & Remuneration Committee)

V. Stakeholders' Relationship Committee

VI. Corporate Social Responsibility Committee

VII. Risk Management Committee

VIII. Other Committees

IX. General Body Meetings

X. Disclosures

XI. Vigil Mechanism

XII. Means of Communication

XIII. General Shareholder Information

I. PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Basic Philosophy

Corporate Governance encompasses laws, procedures, practices and implicit rules that determine a Management's ability to make sound decisions vis-à-vis all its stakeholders – in particular, its shareholders, creditors, the State and employees. There is a global consensus on the objective of Good Corporate Governance: Maximising long-term shareholder value.

Since shareholders are residual claimants, this objective follows from a premise that in well-performing capital and financial markets, whatever maximises shareholder value must necessarily maximise corporate value and best satisfy the claims of creditors, employees and the State.

A company which is proactively compliant with the law and which adds value to itself through Corporate Governance initiatives would also command a higher value in the eyes of present and prospective shareholders.

Marico therefore believes that Corporate Governance is not an end in itself but is a catalyst in the process towards maximization of shareholder value. Therefore, shareholder value as an objective is woven into all aspects of Corporate Governance - the underlying philosophy, development of roles, creation of structures and continuous compliance with standard practices.

Corporate Governance as a concept has gained considerable importance of late, primarily because of the proposal to enshrine many of the accepted good governance principles into corporate law. The Companies Act, 2013 and the SEBI Corporate Governance norms (as amended) aim to strengthen the framework of Corporate Governance for India Inc. For Marico, however, Corporate Governance has always been a cornerstone of the entire management process, the emphasis being on professional management, with a decision making model based on decentralization, empowerment and meritocracy. Together, the Management and the Board ensure that Marico remains a company of uncompromised integrity and excellence.

Risk Assessment and Risk Mitigation Framework

Marico believes that:

- Risks are an integral part of any business environment and it is essential that we create structures that are capable of identifying and mitigating the risks in a continuous and vibrant manner.

- Risks are multi-dimensional and therefore have to be looked at in a holistic manner, straddling both, the external environment and the internal processes.

Marico's Risk Management processes therefore envisage that all significant activities are analysed across the value chain keeping in mind the following types of risks:

- ❖ Business Risks
- ❖ Controls Risks
- ❖ Governance Risks

This analysis is followed by the relevant function(s) in Marico prioritizing the risks basis their potential impact and then tracking and reporting status on the mitigation plans for periodic management reviews. This is aimed at ensuring that adequate checks and balances are in place with reference to each significant risk.

During the year under review, your Company has constituted a Risk Management Committee pursuant to revised clause 49 of the Listing Agreement which shall assist the Board in monitoring and reviewing the risk management plan, implementation of the risk management framework of the Company. The terms of reference of the Committee are captured in the later part of this report.

Your Company has an internal audit system commensurate with the size of the Company and the nature of its business. The Audit Committee of the Board has the ultimate authority and responsibility to select, evaluate and where appropriate, replace the Independent Internal Auditor in accordance with the law. All possible measures are taken by the Committee to ensure the objectivity and independence of the Independent Internal Auditor. The Committee, independent of the Executive Director and Promoter Directors of the Company, holds periodic one to one discussions with the Internal Auditors to review the scope and findings of audit and to ensure adequacy of internal audit system in the Company. The Audit Committee reviews the internal audit plan for every year and approves the same in consultation with top management and the Internal Auditor.

We believe that this framework ensures a unified and comprehensive perspective.

Cornerstones

Marico thus follows Corporate Governance Practices around the following philosophical cornerstones:

Generative Transparency and Openness in Information Sharing

Marico believes that sharing and explaining all relevant information on the Company's policies and actions to all those to whom it has responsibilities, with transparency and openness, generates an ambience which helps all stakeholders to take informed decisions about the Company. This reflects externally in making maximum appropriate disclosures without jeopardising the Company's strategic interests as also internally in the Company's relationship with its employees and in the conduct of its business.

The Company announces its financial results each quarter, usually within a month of the end of the quarter. Apart from disclosing these in a timely manner to the stock exchanges, the Company also hosts the results on its website together with a detailed information update and media release discussing the results. The financial results are published in leading newspapers. The Company also sends an email update to the members who have registered their email addresses with the Company. Generally, once the quarterly results are announced, the Company conducts a call with analyst community explaining to them the results and responding to their queries. The transcripts of such calls are posted on the Company's website. Marico participates in analyst and investor conference calls, one-on-one meetings and investor conferences where analysts and fund managers get frequent access to the Company's Senior Management. A detailed investor presentation is uploaded on the website and is reviewed periodically which gives details about the history, current and future potential of the business. Through these meetings, presentations and information updates the Company shares its broad strategy and business outlook. The Company also follows a practice of making public information on significant developments through immediate disclosure to the stock exchanges on which it is listed.

CORPORATE GOVERNANCE REPORT

Constructive Separation of Ownership and Management

Marico believes that constructive separation of the Management of the Company from its owners results in maximising the effectiveness of both, by sharpening their respective accountability. The Board comprises nine Directors out of which eight are non-executive and six of them are independent. The Board does not consist of representatives of creditors or banks.

As and when required, senior management personnel are present at Board and/or Committee meetings so that the Board/ Committees can seek and get explanations as required from them.

All Directors, Promoters and employees are required to comply with the Insider Share Trading Rules of the Company, which form part of Marico's Unified Code of Conduct, for trading in the securities of the Company.

The Company's Internal, Statutory, Cost or Secretarial Auditors are not related to the Company.

Accountability

The Board plays a supervisory role rather than an executive role. Members of the Board of Directors of the Company provide constructive critique on the strategic business plans and operations of the Company. Effective April 1, 2014, your Company's business is headed by the Managing Director and Chief Executive Officer, who is responsible for its day to day management and operations and reports to the Board.

The Audit Committee and the Board of Directors meet at least once in every quarter to consider inter alia, the business performance and other matters of importance.

Discipline

Marico's senior management understands and advocates the need for good corporate governance practices. Your Company places significant emphasis on good corporate governance practices and endeavours to ensure that the same is followed at all levels across the organisation.

Your Company continues to focus on its core businesses of beauty and wellness. In its international business too, it is focussed on growing in the Asian and African continents in the near term. This would result in the Company building depth in its selected segments and geographies rather than spreading itself thin.

Your Company has always adopted a conservative policy with respect to debt and foreign exchange exposure management. All actions having financial implications are well thought through. Funds are raised for financing activities which add to the business performance and not for the purpose of arbitrage. The Company has also stayed away from entering into exotic derivative products.

The Company has also followed a prudent dividend policy formulated considering organic & inorganic growth of the Company's business and has been declaring cash dividend on a regular basis thereby providing a regular return on investment to shareholders.

Responsibility

The Company has put in place various mechanisms and policies to ensure orderly and smooth functioning of operations and also defined measures in case of transgressions by members.

The Company has integrated its internal regulations relating to these mechanisms, into a Unified Code of Conduct. In order to ensure that such Code of Conduct reflects the changing environment, both social and regulatory, given the increasing size and complexity of the businesses and the human resources deployed in them, the Corporate Governance Committee reviews the Unified Code of Conduct annually.

Fairness

All actions taken are arrived at after considering the impact on the interests of all stakeholders including minority shareholders. All shareholders have equal rights and can convene general meetings if they feel the need to do so. Investor Relations is given due priority. There exists a separate department for handling this function. Full disclosures are made in the general meeting of all matters. Notice of the meetings are comprehensive and the presentations made at the meetings are informative. Also the Board is remunerated commensurately with the growth in the Company's profits.

Social Awareness

The Company has an explicit policy emphasising ethical behaviour. It follows a strict policy of not employing the under-aged. The Company believes in equality of genders and does not practise any type of discrimination. All policies are free of bias and discrimination. Environmental responsibility is given high importance and measures have been taken at all locations to ensure that members are educated and equipped to discharge their responsibilities in ensuring the proper maintenance of the environment.

Value-adding Checks & Balances

Marico relies on a robust structure with value adding checks and balances designed to:

- prevent misuse of authority;
- facilitate timely response to change and;
- ensure effective management of risks, especially those relating to statutory compliance.

  At the same time, the structure provides scope for adequate executive freedom, so that bureaucracies do not take value away from the Governance Objective.

Board / Committee Proceedings

The process of the conduct of the Board and Committee proceedings is explained in detail later in this Report.

Other Significant Practices

Other significant Corporate Governance Practices followed by Marico are listed below:

Checks & Balances

- All Directors are provided with complete information relating to operations and Company finances to enable them to participate effectively in the Board discussions.
- Proceedings of Board are logically segregated and matters are delegated to Committees as under:
  - Administrative Committee covers routine transactional matters.
  - Investment and Borrowing Committee covers management of funds.
  - Audit Committee covers related party transactions, internal controls and audit systems, oversight on risk management systems, financial reporting, compliance issues and vigil mechanism.
  - Corporate Governance Committee (which acts as the Nomination and Remuneration Committee) covers remuneration of Directors, Key Managerial Personnel and their relatives and senior employees. Corporate Governance Committee also acts as the Compensation Committee for the purpose of administration and superintendence of the Marico Employees Stock Option Scheme 2007, the Marico Employees Stock Option Scheme 2014, the Marico MD CEO ESOP Plan 2014 and the Marico Stock Appreciation Rights Plan 2011.

- Vigil Mechanism and cases are discussed and reviewed in detail by the Audit Committee jointly with the Corporate Governance Committee. The Audit Committee reviews the effectiveness of this process to ensure that there is an environment that is conducive to escalate issues, if any, in the system.
- Share Transfer Committee covers transfer formalities and other share-related procedures.
- Stakeholders' Relationship Committee covers redressal of stakeholders' grievances.
- Securities Issue Committee covers the issue and allotment of securities and allied matters.
- Corporate Social Responsibility Committee reviews and monitors the CSR initiatives taken by the Company.
- Risk Management Committee assists the Board in monitoring and reviewing the risk management plan and implementation of the risk management framework of the Company.

❖ Each Non-Executive Director brings value through his or her specialisation.

❖ Directorships held are within the ceiling limits specified.

❖ Committee memberships and Chairmanship of Directors are also within the permissible limits.

❖ Statutory compliance report along with the Compliance Certificate is placed before the Audit Committee and Board at every meeting.

❖ Audit Committee is chaired by an Independent Director to check control systems and review them.

❖ All Directors endeavour to attend all the Board/Committee meetings as also the Annual General Meeting. The Chairman of the Audit Committee attends the Annual General Meeting to answer queries, if any.

❖ The Chief Financial Officer and the Company Secretary in consultation with the Chairman of the Board/Committee, formalises the agenda for each of the Board /Committee Meetings.

❖ The Board/Committees, at their discretion, invite Senior Management of the Company and/or outside Advisors to any meeting(s) of the Board/Committee.

Compliance with Clause 49 of the Listing Agreement

The Company has complied with the provisions of Clause 49 of the Listing agreement with stock exchanges as amended.

The Company's Unified Code of Conduct is applicable to all members viz. the employees (whether permanent or not), members of the Board and Associates. The Unified Code of Conduct prescribes the guiding principles of conduct of the members to promote ethical conduct in accordance with the stated values of Marico and also to meet statutory requirements. The Whistle Blower Policy is embedded in the Unified Code of Conduct.

The CEO declaration has been included in the CEO Certificate given later in the Annual Report.

CORPORATE GOVERNANCE REPORT

II. BOARD OF DIRECTORS

(A) Composition and categories of Directors :-

Name	Category
Mr. Harsh Mariwala	Non-Executive Director & Chairman
Mr. Saugata Gupta	Managing Director & CEO
Mr. Anand Kripalu	Non-Executive and Independent
Mr. Atul Choksey	Non-Executive and Independent
Mr. B. S. Nagesh	Non-Executive and Independent
Ms. Hema Ravichandar	Non-Executive and Independent
Mr. Nikhil Khattau	Non-Executive and Independent
Mr. Rajeev Bakshi	Non-Executive and Independent
Mr. Rajen Mariwala	Non-Executive (Promoter)

No Director is related to any other Director on the Board in terms of the definition of 'Relative' given under the Companies Act, 2013 read with the Rules made thereunder. Mr. Harsh Mariwala and Mr. Rajen Mariwala are related to each other as first cousins.

(B) Attendance of each Director at the Board meetings and the last Annual General Meeting:

5 (five) meetings of the Board of Directors were held during the period from April 1, 2014 to March 31, 2015 viz: on April 30, 2014, August 4, 2014, November 7, 2014, February 3, 2015 and February 21, 2015. The attendance record of all Directors is as under: -

Names of Directors	No. of Board Meetings		Attendance at Last AGM held on July 30, 2014
	Held	Attended	
Mr. Harsh Mariwala	5	5	Yes
Mr. Saugata Gupta	5	5	Yes
Mr. Anand Kripalu	5	5	No
Mr. Atul Choksey	5	4	No
Mr. B. S. Nagesh	5	5	Yes
Ms. Hema Ravichandar	5	5	Yes
Mr. Nikhil Khattau	5	4	No
Mr. Rajeev Bakshi	5	5	No
Mr. Rajen Mariwala	5	3	Yes

(C) Number of Board or Board Committees of which a Director is a member or chairperson (#)

Director	Number of Outside Directorships ($) held	Number of Committee Memberships in other Companies (*)	Number of Committees (*) in which Chairperson
Mr. Harsh Mariwala	7	2	Nil
Mr. Saugata Gupta	2	1	Nil
Mr. Anand Kripalu	1	Nil	Nil
Mr. Atul Choksey	9	Nil	1
Mr. B. S. Nagesh	6	5	Nil
Ms. Hema Ravichandar	2	1	Nil
Mr. Nikhil Khattau	3	Nil	4
Mr. Rajeev Bakshi	1	1	Nil
Mr. Rajen Mariwala	4	2	Nil

(#) As on March 31, 2015

($) Excludes directorship in private limited companies, foreign companies and Section 8 companies.

(*) Only two committees, namely, Audit Committee and Stakeholders Relationship Committee have been considered as per Clause 49 of the Listing Agreement.

III. AUDIT COMMITTEE

Constitution:

The Audit Committee was constituted by the Board of Directors at its meeting held on January 23, 2001, in accordance with Section 292A of the Companies Act, 1956. The Audit Committee was last re-constituted by the Board of Directors on April 30, 2014.

The Audit Committee now comprises the following Members:

Mr. Nikhil Khattau	-	Chairman
Mr. B. S. Nagesh	-	Member
Ms. Hema Ravichandar	-	Member
Mr. Rajen Mariwala	-	Member
Ms. Hemangi Ghag	-	Secretary to the Committee
Mr. Harsh Mariwala	-	Permanent Invitee
Mr. Saugata Gupta	-	Permanent Invitee

In accordance with Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013, the terms of reference of the Audit Committee inter-alia include:

1. Oversight of the Company's financial reporting processes and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134(3)(c) of the Companies Act, 2013;
   b. Changes, if any, in accounting policies and practices and reasons for the same;
   c. Major accounting entries involving estimates based on the exercise of judgment by Management;
   d. Significant adjustments made in the financial statements arising out of audit findings;
   e. Compliance with listing and other legal requirements relating to financial statements;
   f. Disclosure of any related party transactions, if any.
   g. Qualifications in the draft audit report.
5. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Evaluation of internal financial controls and risk management systems.
9. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

10. Reviewing the adequacy of internal audit function, if any including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
11. Discussion with internal auditors on any significant findings and follow up thereon.
12. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
13. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
14. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any.
15. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.
16. Approval of all transactions with related parties and any subsequent modification of such transactions.
17. Scrutiny of inter-corporate loans and investments.
18. Valuation of undertakings or assets of the Company, wherever it is necessary.
19. Reviewing mandatorily the following information:
    a. Management discussion and analysis of financial condition and results of operations.
    b. Statement of significant related party transactions, submitted by Management.
    c. Management letters / letters of internal control weaknesses issued by the statutory auditors.
    d. Internal audit reports relating to internal control weaknesses; and
    e. The appointment, removal and terms of remuneration of the Internal Auditor.
20. Vigil Mechanism:
    a. To ensure establishment of vigil mechanism for its Directors and Employees to report genuine concerns.
    b. The vigil mechanism to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.
    c. To ensure that existence of vigil mechanism is appropriately communicated within the Company and also made available on Company's website.
    d. To oversee the functioning of Vigil Mechanism and decide on the matters reported thereunder.
    e. To ensure that the interests of a person who uses such a mechanism are not prejudicially affected on account of such use.

The Committee met 8 (eight) times during the period from April 1, 2014 to March 31, 2015 viz. on April 11, 2014, April 30, 2014, July 4, 2014, August 4, 2014, October 10, 2014, November 7, 2014, January 9, 2015 and February 3, 2015. The attendance record of Directors at the meetings of the Committee is as under:

Names of Directors	No. of Audit Committee Meetings	
	Held	Attended
Mr. Nikhil Khattau	8	7
Mr. B. S. Nagesh	8	8
Ms. Hema Ravichandar	8	6
Mr. Rajen Mariwala	8	5

IV. CORPORATE GOVERNANCE COMMITTEE (NOMINATION & REMUNERATION COMMITTEE)

Constitution:

The Board of Directors at its meeting held on October 25, 2005, renamed the Remuneration Committee as the Corporate Governance Committee. In terms of the applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement ("applicable laws"), the Board of Directors revised the terms of reference of the Corporate Governance Committee on November 7, 2014. The Committee acts as a Nomination and Remuneration Committee for the purpose of the applicable laws.

The terms of reference of the Committee inter-alia includes the following:

- To formulate criteria for qualifications, positive attributes and independence of Directors, Key Managerial Personnel & Senior Management (i.e. top management team one level below Executive Director including Functional Heads i.e. presently the Executive Committee Members);
- To identify the candidates who are qualified to be appointed as Director, Key Managerial Personnel and Senior Management and recommend to the Board their appointment and removal;
- To recommend to the Board a policy relating to the remuneration of the Director, Key Managerial Personnel and Senior Management;
- To approve the remuneration (including revisions thereto) of the Director, Key Managerial Personnel and Senior Management;
- To formulate criteria for evaluation of Directors, Board and its Committees and Chairpersons;
- To devise a policy on Board diversity;
- To devise a succession plan for the Board, Key Managerial Personnel & Senior Management;
- To carry out the evaluation of every Director's performance;
- To participate in the review of Vigilance Mechanism conducted by Audit Committee of the Board;
- To design for Board Retreat and Board Effectiveness;
- To administer Long Term Incentive Schemes such as Employee Stock Option Plan(s) (including Schemes notified thereunder) and Stock Appreciation Rights Plan(s) (including Schemes notified there under) and such other employee benefit schemes / plans as the Board may approve from time to time.

The Corporate Governance Committee was last reconstituted by the Board of Directors on April 30, 2014 and now comprises the following Directors:

Ms. Hema Ravichandar	-	Chairperson
Mr. Anand Kripalu	-	Member
Mr. B. S. Nagesh	-	Member
Mr. Rajeev Bakshi	-	Member
Mr. Ashutosh Telang	-	Secretary to the Committee
Mr. Harsh Mariwala	-	Permanent Invitee
Mr. Saugata Gupta	-	Special Invitee

The Corporate Governance Committee met 5 (five) times during the period from April 1, 2014 to March 31, 2015 viz: on April 30, 2014, August 4, 2014, November 7, 2014, February 3, 2015 and February 21, 2015. The attendance record of Directors at the meetings of the Committee is as under:

Names of Directors	No. of Corporate Governance Committee Meetings	
	Held	Attended
Ms. Hema Ravichandar	5	5
Mr. Anand Kripalu	5	5
Mr. B. S. Nagesh	5	5
Mr. Rajeev Bakshi	5	5

Details of Remuneration of Non-Executive Directors for the Financial Year ended March 31, 2015

The Remuneration of Non-Executive Directors (excluding Non-Executive Chairman) for the Financial Year 2014-15 is as under:

Name	Remuneration* (Rs. per annum)	Sitting Fees (Rs.)
Mr. Anand Kripalu	16,00,000	2,00,000
Mr. Atul Choksey	16,00,000	1,00,000
Mr. B. S. Nagesh	16,00,000	3,60,000
Ms. Hema Ravichandar	17,00,000	3,20,000
Mr. Nikhil Khattau	17,00,000	2,40,000
Mr. Rajeev Bakshi	16,00,000	2,00,000
Mr. Rajen Mariwala	16,00,000	2,00,000

* The amount taken is on payable basis.

The Remuneration** of Mr. Harsh Mariwala, Non-Executive Director & Chairman, for the Financial Year 2014 -15 is as under:

Name	Remuneration for FY 2014-15		As Chairman of CSR Committee* (Rs.per annum)	Total Remuneration (Rs.per annum)	Sitting Fees (Rs.)
	Fixed$ (Rs.per annum)	Variable* (Rs.per annum)			
Mr. Harsh Mariwala	3,00,00,000	2,00,00,000	1,00,000	5,01,00,000	1,20,000

$ Paid on a monthly basis

* The amount taken is on payable basis.

** The above remuneration excludes an amount of Rs. 2,84,63,016 which pertains to performance incentive for the financial year 2013-14 received during the financial year 2014-15 and settlement of dues consequent to cessation of his office as Managing Director.

The Remuneration paid to Mr. Saugata Gupta, Managing Director and CEO, for the Financial Year 2014-15 is as under:

Name	Salary and Perquisites (Rs.)	Annual Performance Incentive (Rs.)	Contribution to Provident and Pension Funds (Rs.)
Mr. Saugata Gupta	5,22,14,091	84,65,201	14,16,672

Shareholding of Non Executive Directors

Name of Non Executive Director	No. of Shares held (As on March 31, 2015)
Mr. Harsh Mariwala	1,14,54,600
Mr. Anand Kripalu	0
Mr. Atul Choksey	18,168
Mr. B.S. Nagesh	0
Ms. Hema Ravichandar	0
Mr. Nikhil Khattau	0
Mr. Rajeev Bakshi	0
Mr. Rajen Mariwala	34,43,200
Total	**1,49,15,968**

NOMINATION, REMUNERATION AND EVALUATION POLICY

Pursuant to the requirements of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Corporate Governance Committee at its meeting held on February 21, 2015, approved the Nomination, Remuneration and Evaluation Policy ("NR Policy"). The NR Policy covers the following aspects:

- Appointment and removal of Directors, Key Managerial Personnel and employees in Senior Management;
- Remuneration payable to the Directors, Key Managerial Personnel and employees in Senior Management;
- Board Diversity;
- Succession plan for Directors, Key Managerial Personnel and employees in Senior Management and;
- Evaluation of individual Directors, Chairperson of the Board, the Board as a whole and the Committees of the Board.

The Corporate Governance Committee shall review the NR Policy once in every two years (unless required earlier) for making suitable amendments for better implementation of the Policy.

Remuneration Philosophy:

Remuneration to Executive Directors

The Company's Board presently consists of only one executive director viz. Mr. Saugata Gupta, Managing Director & CEO (MD & CEO). The Corporate Governance Committee comprising Non-Executive Directors recommends to the Board the remuneration payable to the MD & CEO within the overall limits approved by the members of the Company.

The remuneration to MD & CEO comprises two broad terms – Fixed Remuneration and Variable remuneration in the form of performance incentive. The performance incentive is based on the prevailing policy of the Company. Additionally, the MD & CEO is entitled to Employee Stock Options granted under any Employee Stock Option Scheme(s) and Stock Appreciation Rights granted under any Stock Appreciation Rights Plan of the Company ("STAR Plan") & Schemes notified thereunder.

Annual revisions in the remuneration within the limits approved by the members are approved by the Corporate Governance Committee. The Board notes such annual increases.

Remuneration to Non-Executive Directors

The Non-Executive Directors add substantial value to the Company through their contribution to the Management of the Company. In addition, they can safeguard the interests of the investors at large by playing an appropriate control role. Non-Executive Directors bring in their vast experience and expertise to bear on the deliberations of the Marico Board and its Committees. Although the Non-Executive Directors would contribute to Marico in several ways, including off-line deliberations with the Managing Director, the bulk of their measurable inputs comes in the form of their contribution to Board/Committee meetings.

Marico therefore has a structure for remuneration to Non-Executive Directors, based on certain financial parameters like the performance of the Company, its market capitalization, etc., industry benchmarks, role of the Director and such other relevant factors. Non-Executive Directors shall not be entitled to any stock option or stock appreciation rights of the Company.

The members of the Company on July 28, 2010 had approved the payment of remuneration to Non-Executive Directors for a period of five years up to a limit of 3% of the net profits of the Company calculated in accordance with the provisions of the Companies Act, 1956 with a liberty to the Board of Directors to decide the mode, the quantum, the recipients and the frequency of payment of such remuneration within the said limit.

The Board of Directors, accordingly, fixed the remuneration of Non-Executive Directors based on the recommendation made by the Corporate Governance Committee. The last revision in the remuneration of Non – Executive Directors was approved by the Board of Directors at its meeting held on November 7, 2014, as set out below:

Particulars	Remuneration*
1. Fixed Remuneration	Rs.16,00,000 per annum per Director for the whole year's directorship
2. Additional Remuneration to Chairpersons of Audit Committee, Corporate Governance Committee and Corporate Social Responsibilty Committee	Rs.1,00,000 per annum to Chairperson of each Committee
3. Sitting Fees:	
a) For Board Meetings	Rs.20,000 per meeting attended (either physically or through video conferencing)
b) For meetings of following Committees of the Board: - Audit Committee - Corporate Governance Committee - Shareholders Committee - Corporate Social Responsibility Committee - Separate Meeting of Independent Directors$	Rs.20,000 per meeting attended (either physically or through video conferencing)

* Applicable for financial years 2014-15 and 2015-16

$ Approved on April 30, 2015

The Chairman of the Board will continue to play an important role in guiding the MD & CEO for ensuring sustainable profitable growth of the Company. The Chairman of the Board is entitled to a remuneration which commensurates with his engagement beyond the Board meetings and based on industry benchmarks.

The remuneration payable to all Non-Executive Directors including the Chairman does not exceed the overall limit of 3% of the net profits of the Company calculated in accordance with the provisions of the Companies Act, 2013 as approved by the members.

Approval of the members is being sought at this Annual General Meeting for payment of remuneration to the Non-Executive Directors for another period of five years from the date of this meeting up to a limit of 3% of the net profits of the Company calculated in accordance with the provisions of the Companies Act, 2013 in any financial year. Appropriate resolution for seeking the approval of the members is stated in the Notice convening the Annual General Meeting.

PERFORMANCE EVALUATION

Marico's Board is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning. Towards this end, the Corporate Governance Committee in the NR policy had laid down criteria and processes for performance evaluation of Individual Directors, Chairperson of the Board, the Board as a whole and the Committees of the Board.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Members strengths and contribution, execution and performance of specific duties, obligations and governance.

The annual performance evaluation was organised by the Chairperson of the Corporate Governance Committee in the following manner based on the feedback received from all the Directors:

- A meeting of the Corporate Governance Committee was first held to conduct evaluation of all Directors.
- Such meeting was followed by the meeting of the Independent Director wherein performance of Non-Independent Directors, Chairman of the Board and of the entire Board was evaluated.

o The entire Board met to discuss the findings of the evaluation with the Independent Directors. The Board then evaluated the performance of the Chairman of the Board, the Board as a whole and its individual Committees.

The Directors have expressed their satisfaction with the evaluation process.

FAMILIARISATION PROGRAM

The Company had designed a Familiarisation Program which is imparted at the time of appointment of the Director on Board as well as annually. The Program aims to provide insights into the Company to enable the Directors to understand its business in depth, to acclimatise them with the processes, businesses and functionaries of the Company and to assist them in performing their role as Directors of the Company.

The Company's Policy of conducting the Familiarisation Program has been disclosed on the website of the Company at http://marico.com/india/investors/documentation/corporate-governance.

V. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Constitution:

The Shareholders' Committee was constituted by the Board of Directors at its meeting held on October 23, 2001. The Shareholders' Committee was reconstituted as Stakeholders' Relationship Committee on April 30, 2014 to meet the requirements of the Companies Act, 2013.

The terms of reference of the Stakeholders' Relationship Committee are to specifically look into the redressal of stakeholders' complaints relating to transfer of shares, non-receipt of Annual Report, non-receipt of dividends declared, etc.

The Stakeholders' Relationship Committee comprises following Non - Executive Directors :

Mr. Nikhil Khattau	-	Chairman
Mr. Rajen Mariwala	-	Member
Ms. Hemangi Ghag	-	Secretary to the Committee

The Stakeholders' Relationship Committee met once during the period from April 1, 2014 to March 31, 2015 i.e. on January 9, 2015.

Name and Designation of Compliance Officer:

Ms. Hemangi Ghag, Company Secretary & Compliance Officer

Status Report of Investor Complaints for the year ended March 31, 2015

No. of Complaints Received	-	87
No. of Complaints Resolved	-	87
No. of Complaints Pending	-	0

All valid requests for share transfer received during the year have been acted upon and no such transfer is pending.

VI. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013, the Board of Directors of the Company constituted a Corporate Social Responsibility Committee on January 31, 2014, comprising following members:

Mr. Harsh Mariwala	-	Chairman
Mr. Atul Choksey	-	Member
Mr. Rajen Mariwala	-	Member
Ms. Priya Kapadia	-	Secretary to the Committee

The Corporate Social Responsibility Committee met once during the period from April 1, 2014 to March 31, 2015 viz: on October 17, 2014. All the members of the Committee attended the said meeting.

The terms of reference of the Committee inter-alia include:

- o To formulate and approve revisions to the CSR Policy and recommend the same to the Board for its approval.
- o To recommend the annual CSR expenditure budget to the Board for approval.
- o To approve unbudgeted CSR expenditure involving an annual outlay of Rs. 1 Crore and get such spent ratified by the Board of Directors.
- o To nominate members of the CSR Team and advise the team for effective implementation of the CSR programs.
- o To establish monitoring mechanisms to track each CSR project and review the same on a half yearly basis or at such intervals as the Committee may deem fit.
- o To undertake wherever appropriate benchmarking exercises with other corporates to reassure itself of the efficacy and effectiveness of Company's CSR spends.
- o To review on a half yearly basis:
  - a. CSR Spent - Budget V. Actual;
  - b. Progress Report highlighting impact of CSR programs undertaken;
  - c. Report on feedback obtained, if any, from the beneficiaries on the CSR programmes and;
  - d. Outcome of social audit, if any, conducted with regards to the CSR programmes;
- o To review the adequacy of this charter at such intervals as the Committee may deem fit and recommendation, if any, shall be made to the Board to update the same from time to time.
- o To carry out any other function as delegated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for the performance of its duties.
- o To approve the disclosures which would form part of the Annual Report, and published on website of the Company.

VII. RISK MANAGEMENT COMMITTEE

In line with the requirements of Clause 49 of the Listing Agreement, the Board of Directors at its meeting held on November 7, 2014, constituted the Risk Management Committee comprising the following:

Mr. Saugata Gupta	-	Chairman
Mr. Harsh Mariwala	-	Member
Mr. Vivek Karve	-	Member & Secretary to the Committee
Other Members of the Top Leadership Team	-	Permanent Invitees

The primary responsibility of the Committee is to assist the Board in monitoring and reviewing the risk management plan and implementation of the risk management framework of the Company. The terms of reference of the Committee inter-alia include:

- o Framing and monitoring the risk management plan for the Company:
  - Reviewing the Company's risk management policies from time to time and approve and recommend the same to the Board for its approval.
  - Be aware and concur with the Company's Risk Appetite including risk levels, if any, set for financial and operational risks.

- Ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both on going and new business activities.
- Being apprised of significant risk exposures of the Company and whether Management is responding appropriately to them in a timely manner.

o Implementation of Risk Management Systems and Framework.

o Risk Assessment and Mitigation Procedures:

- Calendar for reviews of existing risks of every function with the objective to refresh the prioritized risks.
- Review the top prioritized risks of every function at defined periodicity.
- Refresh at defined intervals the top risks at the group level so that the Board can refresh the risk review calendar.
- Ensure review of top risks at group level by the Board as per the agreed calendar.

VIII. OTHER COMMITTEES

ADMINISTRATIVE COMMITTEE

Constitution:

The Administrative Committee was constituted by the Board of Directors at its meeting held on April 27, 1998 and was last re-constituted on April 30, 2014.

The terms of reference of the Administrative Committee are to consider and dispose of any day-to-day matters, with a view to ensure smooth operation and timely action/compliances. The Committee meets at frequent intervals and transacts matters which are of routine but urgent in nature without having to wait for the next board meeting or resorting to passing of circular resolutions.

The Administrative Committee comprises the following members:

Mr. Saugata Gupta	-	Member
Mr. Rajen Mariwala	-	Member
Mr. Vivek Karve	-	Member
Mr. Pawan Agrawal	-	Member
Mr. Ravin Mody	-	Member
Ms. Hemangi Ghag	-	Secretary to the Committee

The Administrative Committee met 18 (Eighteen) times during the period from April 1, 2014 to March 31, 2015.

INVESTMENT AND BORROWING COMMITTEE

Constitution:

The Investment and Borrowing Committee was constituted by the Board of Directors at its meeting held on June 30, 1998 and was last re-constituted on November 7, 2014.

The terms of reference of the Investment and Borrowing Committee includes investment in trade instruments, borrowing / lending monies, extending guarantee/ security with a view to ensure smooth operation and timely action. Such investment, loan, borrowing, guarantees/ security transactions are undertaken by the Committee within the monetary ceiling limits approved by the Board of Directors from time to time. The Committee is also entrusted with powers relating to certain preliminary matters in connection with any acquisition/takeover opportunity that the Company may explore. The Committee meets at frequent intervals and disposes matters which are of routine but urgent in nature without having to wait for the next board meeting or resorting to passing of circular resolutions.

The Investment and Borrowing Committee now comprises the following members:

Mr. Harsh Mariwala	-	Member
Mr. Saugata Gupta	-	Member
Mr. Rajen Mariwala	-	Member
Mr. Vivek Karve	-	Permanent Invitee
Ms. Hemangi Ghag	-	Secretary to the Committee

The Investment and Borrowing Committee met 12 (twelve) times during the period from April 1, 2014 to March 31, 2015.

SECURITIES ISSUE COMMITTEE

Constitution:

The Securities Issue Committee was constituted by the Board of Directors on April 20, 2006 and was re-constituted on November 7, 2014.

The terms of reference of the Securities Issue Committee relates to overseeing all matters pertaining to issue of securities, other matters incidental to the issue and all such acts/ powers as may be entrusted to it by the Board from time to time.

The Securities Issue Committee comprises the following members:

Mr. Harsh Mariwala	-	Member
Mr. Nikhil Khattau	-	Member
Mr. Saugata Gupta	-	Member
Mr. Rajen Mariwala	-	Member
Mr. Vivek Karve	-	Permanent Invitee
Ms. Hemangi Ghag	-	Secretary to the Committee

There were no meetings of the Securities Issue Committee during the period from April 1, 2014 to March 31, 2015.

SHARE TRANSFER COMMITTEE

Constitution:

The Share Transfer Committee was constituted by the Board of Directors at its meeting held on April 16, 1990 and was re-constituted on November 7, 2014.

The terms of reference of the Share Transfer Committee includes approval of transfer and transmission of shares and approval of sub-division, consolidation and issuance of new/duplicate share certificates, whenever requested for by the shareholders of the Company.

The Share Transfer Committee comprises the following:

Mr. Harsh Mariwala	-	Member
Mr. Nikhil Khattau	-	Member
Mr. Saugata Gupta	-	Member
Mr. Rajen Mariwala	-	Member
Mr. Vivek Karve	-	Permanent Invitee
Ms. Hemangi Ghag	-	Secretary to the Committee

The Share Transfer Committee met 2 (two) times during the period from April 1, 2014 to March 31, 2015.

IX GENERAL BODY MEETINGS

Annual General Meetings

YEAR	VENUE	DATE	TIME
2012	NSE Auditorium, Ground Floor, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051	August 3, 2012	4.00 p.m.
2013	Indian Education Society ("IES"), Manik Sabhagriha, Vishwakarma, M. D. Lotlikar Vidya Sankul, Opp. Lilavati Hospital, Bandra Reclamation, Bandra (West), Mumbai - 400 050	August 12, 2013	9.00 a.m.
2014	Indian Education Society ("IES"), Manik Sabhagriha, Vishwakarma, M. D. Lotlikar Vidya Sankul, Opp. Lilavati Hospital, Bandra Reclamation, Bandra (West), Mumbai - 400 050	July 30, 2014	10.00 a.m.

X. DISCLOSURES

There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the last three years.

The Company has a well-defined Vigil Mechanism embedded in the Unified Code of Conduct and it is fully implemented by the Management.

No personnel have been denied access to the Audit Committee.

Compliance with mandatory and non-mandatory requirements of Clause 49 of the Listing Agreement

The Company has complied with mandatory requirements of Clause 49 of the Listing Agreement requiring it to obtain a certificate from either the Auditors or Practising Company Secretaries regarding compliance of conditions of Corporate Governance as stipulated in this clause and annex the certificate to the Directors' Report, which is sent annually to all the shareholders of the Company. We have obtained a certificate to this effect from the Statutary Auditors and the same is given as an annexure to the Directors' Report.

The clause futher states that the non-mandatory requirements adopted by the Company be specifically highlighted in the Annual Report. Accordingly, Company has complied with the following non-mandatory requirements:

- The office of Chairman and Mananging Director & CEO if held by distinct individuals.
- The Internal Auditors of the Company directly report to the Audit Committee of the Board of Directors.

XI VIGIL MECHANISM

The vigil mechanism has been explained in detail in the Directors' Report.

XII. MEANS OF COMMUNICATION

Quarterly and annual Financial results for Marico Limited as also consolidated financial results for the Marico Group are published in an English financial daily (Free Press Journal) and a vernacular newspaper (Navashakti). The Company also sends the same through email updates to the shareholders who have registered their email address with the Company.

All official news releases and financial results are communicated by the Company through its corporate website - www.marico.com. Presentations made to Institutional Investors/ analysts at Investor Meets organized by the Company are also hosted on the website for wider dissemination.

The Management Discussion and Analysis Report forms part of the Annual Report.

XIII. GENERAL SHAREHOLDER INFORMATION

Details of Directors seeking reappointment at the forthcoming Annual General Meeting

Mr. Harsh Mariwala

Profile :

Mr. Harsh Mariwala leads Marico Limited (Marico) as its Chairman. Over the last 3 decades, Mr. Mariwala has transformed a traditional commodity driven business into a leading Consumer Products Company, in the Beauty and Wellness space. Marico markets leading brands such as Parachute, Saffola, Nihar, Hair & Care, Mediker, Revive, Setwet, Zatak, Livon, X Men, Haircode, Fiancee, Caivil, Black Chic in India and overseas territories. From a turnover of Rs.50 Lakhs in 1971, Marico's Products and Services in Edible Oils, Hair Care, Skin Care and Healthy Foods generated a turnover of about Rs. 5733 Crores during 2014-15. Today one out of three Indians is a Marico Consumer. Marico has established strong consumer franchises in its overseas markets in Asia and Africa.

Under his leadership, Marico has achieved several awards and external recognition – over 100 in number of the last few years, in all functions across the value chain. Some of them are: The NDTV Profit 'Best Business Leadership' Award in the FMCG (Personal Hygiene) category, in 2007 and 2009, and was rated as one of India's Most Innovative companies by the Business Today - Monitor Group Innovation Study (2008). Mr. Harsh Mariwala was conferred with the Ernst & Young 'Entrepreneur of the Year' Award (2009) in the Manufacturing category, 'Talent Management Award' at the CNBC India Business Leader Award (2009), the 'Teacher's Achievement Award in Business' (2006) and the 'CEO with HR Orientation' - Global Excellence HR Award (2007) by the Asia Pacific HRM Congress.

Mr. Mariwala's entrepreneurial drive and passion for Innovation, enthused him to establish the Marico Innovation Foundation in 2003. Under the stewardship of an eminent Board, the Foundation acts as a catalyst to fuel innovation in India. Some of the key initiatives of MIF are, 1) Bi-Annual Innovation Awards, 2) Social Innovation Acceleration program, 3) Innowin Magazine, 4) Book on Innovation – "Breakthrough Innovations" (55000 copies have been sold). As an expression of his Personal Social Responsibility, Mr. Mariwala recently launched ASCENT – Accelerating the Scaling up of Enterprises to identify growth-stage entrepreneurs with potential and enable them in their scaling-up journey. In the first year of operations in Mumbai & Pune, ASCENT has garnered a membership of 250+ entrepreneurs and plans to expand to Delhi in the current year reaching a membership of 500 entrepreneurs. Mr. Mariwala was the President of Federation of Indian Chambers of Commerce and Industry (FICCI) in 2011. He has also held several positions as FMCG Committee Chairman of FICCI and CII. Mr. Mariwala is a part of Young President Organization (YPO) and World Presidents Organization (WPO) and has held the position of YPO Education, Membership and Chapter Chair.

Directorships in other companies :	Membership / Chairmanship of Board Committees in other Companies :
• Marico Consumer Care Limited • Marico Innovation Foundation (Section 8 Company) • Halite Personal Care India Private Limited (A Company under voluntary winding-up) • Marico Kaya Enterprises Limited • Kaya Limited • Eternis Fine Chemicals Limited (Formerly known as Hindustan Polyamides and Fibres Limited) • L & T Finance Holdings Limited • Aster DM Healthcare Limited • Federation of Indian Chamber of Commerce & Industry • Scientific Precision Private Limited • Indian School of Communications Private Limited	• L & T Finance Holdings Limited - Stakeholders Relationship Committee

CORPORATE GOVERNANCE REPORT

Annual General Meeting		
Date	:	Wednesday, August 5, 2015
Time	:	9.00 a.m.
Venue	:	National Stock Exchange of India Ltd Gr. Floor Dr. R H Patil Auditorium, Exchange Plaza, G Block, Plot No.C1,Bandra Kurla Complex, Bandra East, Mumbai 400051
Book Closure Date for	:	Friday, July 31, 2015 to Wednesday, August 5, 2015 (both days inclusive)
Interim Dividend Payment Date	:	December 4, 2014 (1st Interim Equity Dividend 2014-15) March 2, 2015 (2nd Interim Equity Dividend 2014-15)
Financial calendar		
Financial Year	:	April 1 - March 31
For the year ended March 31, 2015, results were announced on:		
First quarter	:	August 4, 2014
Half year	:	November 7, 2014
Third quarter	:	February 3, 2015
Annual	:	April 30, 2015
Tentative Schedule for declaration of financial results during the financial year 2015-16		
First quarter	:	August 5, 2015
Half year	:	November 4, 2015
Third quarter	:	February 5, 2016
Annual	:	April 29, 2016
Listing Details		
Name of Stock Exchange		**Stock/ Scrip Code**
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	:	531642
The National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Mumbai 400 051	:	MARICO
ISIN	:	INE196A01026
Company Identification Number (CIN)	:	L15140MH1988PLC049208

Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF)

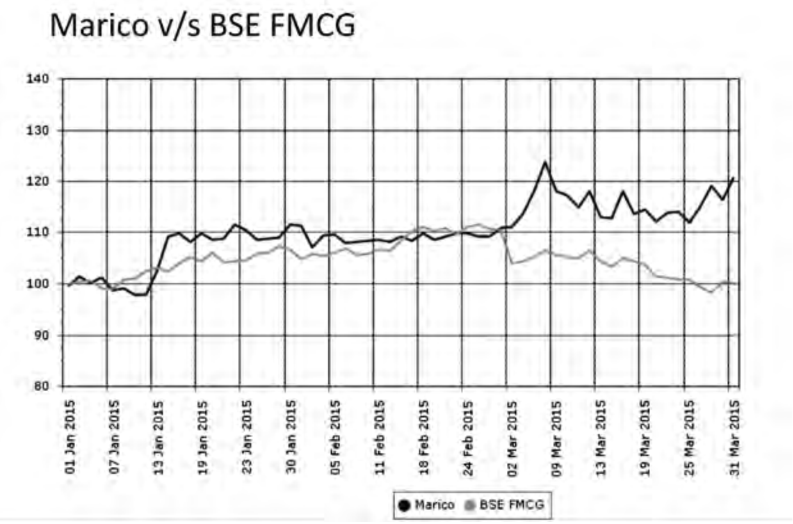
Pursuant to section 205A of the Companies Act, 1956, unclaimed balance of the dividends lying in the dividend accounts in respect of the dividend declared till April 2006 have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The dividends for the following years, which remain unclaimed for seven years, will be transferred to the IEPF in accordance with the schedule given below. Shareholders who have not encashed their dividend warrants relating to the dividend specified in table below are requested to immediately send their request for issue of duplicate warrants. Once unclaimed dividend is transferred to the IEPF, no claim shall lie in respect thereof either with the Company or with IEPF:

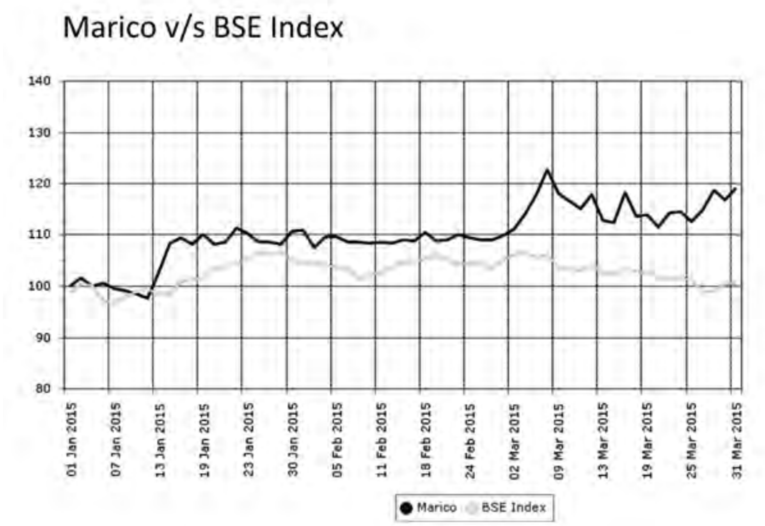
Financial Year	Type of Dividend	Rate (%)	Date of Declaration	Due Date for transfer to IEPF
2007-08	3rd Interim Dividend	37.00	24/04/2008	30/05/2015
2008-09	1st Interim Dividend	30.00	21/10/2008	26/11/2015
	2nd Interim Dividend	35.50	22/04/2009	28/05/2016
2009-10	1st Interim Dividend	30.00	28/10/2009	03/12/2016
	2nd Interim Dividend	36.00	28/04/2010	03/06/2017
2010-11	1st Interim Dividend	30.00	26/10/2010	01/12/2017
	2nd Interim Dividend	36.00	02/05/2011	07/06/2018
2011-12	1st Interim Dividend	30.00	04/11/2011	10/12/2018
	2nd Interim Dividend	40.00	03/05/2012	08/06/2019
2012-13	1st Interim Dividend	50.00	02/11/2012	08/12/2019
	2nd Interim Dividend	50.00	30/04/2013	05/06/2020
2013-14	1st Interim Dividend	75.00	29/10/2013	04/12/2020
	2nd Interim Dividend	100.00	31/01/2014	08/03/2021
	3rd Interim Dividend	175.00	25/03/2014	30/04/2021
2014-15	1st Interim Dividend	100.00	07/11/2014	13/12/2021
	2nd Interim Dividend	150.00	03/02/2015	11/03/2022

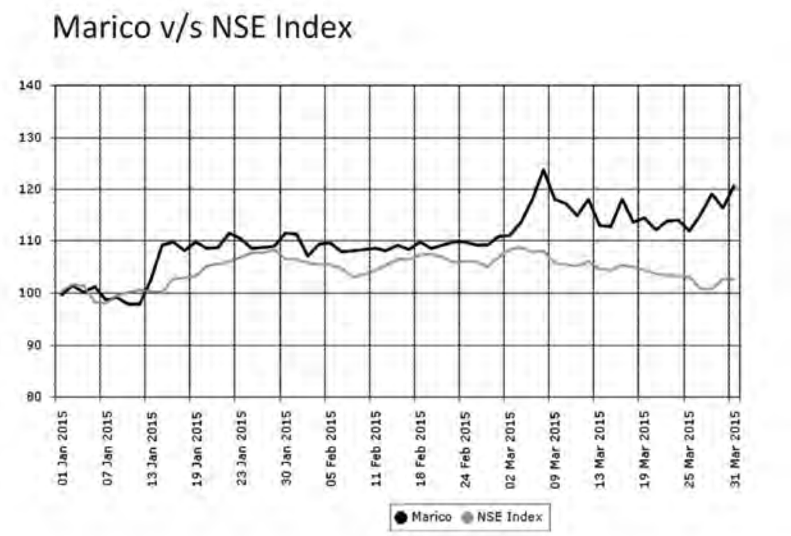
Market Price Data

Month	Bombay Stock Exchange Limited (BSE) (In Rs.)		National Stock Exchange of India Limited (NSE) (in Rs.)	
	High	Low	High	Low
April 2014	220.00	200.10	216.25	200.05
May 2014	248.50	207.75	248.60	206.80
June 2014	263.00	232.25	264.00	231.10
July 2014	256.95	233.35	257.40	233.60
August 2014	294.45	250.00	294.50	249.05
September 2014	317.50	269.20	317.35	268.40
October 2014	321.00	292.95	321.00	292.25
November 2014	349.55	299.40	350.20	298.95
December 2014	339.20	312.70	333.25	313.15
January 2015	369.20	315.75	369.50	315.10
February 2015	375.10	339.00	374.35	338.65
March 2015	408.90	354.15	408.40	354.40

PERFORMANCE IN COMPARISON: BSE SENSEX, S & P CNX NIFTY AND BSE FMCG







Share Transfer System	:	Transfers in physical form are registered by the Registrar and Share Transfer Agents immediately on receipt of completed documents and certificates are issued within 15 days of date of lodgement of transfer. Invalid share transfers are returned within 15 days of receipt. The Share Transfer Committee generally meets as may be warranted by the number of share transaction requests received by the Company. All requests for dematerialisation of shares are processed and the confirmation is given to respective Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited, generally within 21 days.
Registrar & Transfer Agents	:	M/s Link Intime India Pvt Limited (erstwhile Intime Spectrum Registry Limited), (Unit: Marico Ltd.) C -13 Pannalal Silk Mills Compound, LBS Road, Bhandup (West), Mumbai 400 078

Distribution of Shareholding as on March 31, 2015 :

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1- 500	34,030	85.95	34,93,757	0.54
501-1000	2,195	5.54	18,56,753	0.29
1001 -2000	1,169	2.96	19,10,362	0.30
2001-3000	424	1.07	11,14,223	0.17
3001-4000	540	1.36	20,82,835	0.32
4001- 5000	208	0.53	9,89,150	0.15
5001-10000	393	0.99	30,03,588	0.47
10001 & above	632	1.60	63,05,31,331	97.76
Total	**39,591**	**100**	**64,49,81,999**	**100**

Categories of Shareholding- as on March 31, 2015 :

Category	No. of Shareholders	No. of Shares held	Percentage of Shareholding
Promoters	28	38,49,27,520	59.68%
Foreign Institutional Investors	184	15,69,52,263	24.33%
NRIs /FVC / OCBs	1,001	110,18,079	1.17%
Insurance Companies, Banks and other Financial Institutions	14	92,16,447	1.43%
Mutual Funds, including Unit Trust of India	50	2,05,51,709	3.19%
Bodies Corporate	621	2,54,14,022	3.94%
Resident Individuals, Trusts, Clearing Members and in Transit	37,657	2,38,34,188	3.70%
Central Government/ State Government	2	6,72,864	0.10%
Foreign Portfolio Investor (Corporate)	34	1,23,94,907	1.92%
Total	**39,591**	**64,49,81,999**	**100**

Dematerialization of Shares and Liquidity	:	As on March 31, 2015, 99.88% of shareholding was held in Dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. In terms of the notification issued by SEBI, trading in the equity shares of the Company is permitted only in dematerialised form with effect from May 31, 1999.
Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and impact on equity	:	The Company has not issued any GDR / ADR / Warrants or any convertible instruments.
Plant Locations	:	Kanjikode, Perundurai, Pondicherry, Jalgaon MIDC, Baddi, Paldhi Paonta Sahib, Dehradun – B2 and Dehradun – D7

Shareholders' / Investors' Complaint's received and redressed :

The Company gives utmost priority to the interests of the investors. All the requests / complaints of the shareholders have been resolved to the satisfaction of the shareholders within the statutory time limits. During the financial year ended March 31, 2015, 87 complaints were received from the shareholders as per the details given below:

Nature of Complaint	Received	Resolved
Non-Receipt of Dividend	40	40
Non-Receipt of Shares Certificates	6	6
Others (e.g. non-receipt of Annual Report etc.)	41	41
Total	**87**	**87**

Address for correspondence :

Shareholding related queries

Company's Registrar & Transfer Agent:
M/s Link Intime India Pvt Limited
(erstwhile Intime Spectrum Registry Limited)
Unit: Marico Limited
C -13 Pannalal Silk Mills Compound,
LBS Road, Bhandup (West),
Mumbai 400 078.
Tel.: 022 - 25946970, Fax: 022 - 25946969
E-mail: rnt.helpdesk@linkintime.co.in

General Correspondence

Grande Palladium, 7th Floor
175, CST Road, Kalina,
Santacruz (East),
Mumbai 400098.
Tel.: 022 - 66480480, Fax: 022 - 26500159
E-mail: investor@maricoindia.net

CHIEF EXECUTIVE OFFICER (CEO) DECLARATION

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and Senior Management Personnel. This Code of Conduct is available on the Company's website.

I hereby declare that the all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Company.

Saugata Gupta

Managing Director & CEO

Place: Mumbai
Date: April 30, 2015

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

We hereby certify that:

(a) We have reviewed financial statements for the financial year ended March 31, 2015 and to the best of our knowledge and belief:

  (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent or illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee:

  (i) significant changes in internal control during the year;

  (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

  (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

This certificate is being given to the Board pursuant to Clause 49 of the Listing Agreement.

Yours truly,

For Marico Limited

Saugata Gupta
Managing Director & CEO

Place: Mumbai
Date: April 30, 2015

For Marico Limited

Vivek Karve
Chief Financial Officer

Place: Mumbai
Date: April 30, 2015

AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To The Members of Marico Limited

Report on the Financial Statements

1. We have audited the accompanying standalone financial statements of Marico Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standards 30, Financial Instruments: Recognition and Measurement, issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

AUDITORS' REPORT

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'The Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section 143 (3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

    (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

    (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

        i The Company has disclosed the impact if any, of pending litigations as at March 31, 2015 on its financial position in its standalone financial statements; Refer Note -29

        ii. The Company has made provision as at March 31, 2015, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note - 37

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Uday Shah
Partner
Membership Number 46061

Place : Mumbai
Date : April 30, 2015

ANNEXURE TO AUDITORS' REPORT

Referred to in Paragraph 7 of the Auditors' Report of even date to the members of Marico Limited on the financial statements For The Year Ended March 31, 2015.

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 2 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

ii. (a) The inventory has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.

(b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has granted unsecured loan to a company covered in the register maintained under Section 189 of the Act. The Company has not granted any secured/ unsecured loans to firms or other parties covered in the register maintained under Section 189 of the Act.

(a) In respect of the aforesaid loans, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(b) In respect of the aforesaid loans, there is no overdue amount more than Rupees One Lakh.

iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.

vi. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth-tax and value added tax which have not been deposited on account of any dispute. The particulars of dues of sales tax, duty of customs, duty of excise, service tax, income tax and cess as at March 31, 2015 which have not been deposited on account of a dispute, are as follows

Name of the Statute	Nature of dues	Amount (Rs. in Crore)	Period to which the amount relates	Forum where the dispute is pending
The Central Sales Tax Act and Local Sales Tax Acts	Sales tax including interest and penalty as applicable	1.32	Various years	Additional Commissioner - Sales Tax Appeals
		0.63	Various years	Deputy Commissioner - Sales Tax Appeals.
		3.35	Various years	Joint Commissioner - Sales Tax Appeals
		5.45	Various years	Sales Tax Tribunal
		0.11	Various years	High Court - U.P. Assistant Commissioner
		0.01	1999-2000	Supreme Court
The Indian Customs Act, 1962	Redemption fine and penalty	0.3	2002 to 2004	Customs Excise and Service Tax Appellate Tribunal - Mumbai
The Central Excise Act,1944	Excise duty	4.67	June 2010 to March 2014	Customs Excise and Service Tax Appellate Tribunal - Delhi
The Indian Customs Act, 1962	Custom duty	0.01	2008	Assistant Commissioner of Customs - Mumbai
Income Tax Act, 1961	Income Tax	9.61	Assessment Year - 2009-10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	11.87	Assessment Year 2010-11	Commissioner of Income Tax (Appeals)
The Central Excise Act, 1944	Service Tax	0.17	2005-10	Commissioner of Customs, Central Excise and Service Tax
Maharashtra Agricultural Produce Marketing (Regulation) Act 1963	Agricultural Produce Marketing Cess	9.69	Various years	High Court of Mumbai - Goa Bench

c) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.

viii. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

ix. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the Balance Sheet date.

x. In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Company.

xi. The Company has not raised any term loans. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.

xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Uday Shah
Partner
Membership Number : 46061

Place : Mumbai
Date : April 30, 2015

BALANCE SHEET

	Note	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	64.50	64.49
Reserves and surplus	4	2,278.39	1,908.85
		2,342.89	1,973.34
Non–current liabilities			
Long–term borrowings	5	168.74	251.54
Deferred tax liabilities (Net)	6	12.25	12.75
Long-term provisions	7	1.70	–
		182.69	264.29
Current liabilities			
Short–term borrowings	8	8.64	156.59
Trade payables	9	404.38	320.64
Other current liabilities	10	233.38	387.07
Short–term provisions	11	59.08	41.65
		705.48	905.95
TOTAL		3,231.06	3,143.58
ASSETS			
Non–current assets			
Fixed assets			
Tangible assets	12 (A)	458.00	483.24
Intangible assets	12 (B)	23.56	10.90
Capital work-in-progress		2.07	2.06
		483.63	496.20
Non-current investments	13	1,128.86	1,132.93
Long-term loans and advances	14	69.19	67.82
Other non-current assets	15	120.67	154.92
		1,802.35	1,851.87
Current assests			
Current investments	16	206.18	233.83
Inventories	17	791.59	663.96
Trade receivables	18	130.55	148.45
Cash and bank balances	19	96.97	128.95
Short-term loans and advances	20	170.32	89.63
Other current assets	21	33.10	26.89
		1,428.71	1,291.71
TOTAL		3,231.06	3,143.58
The Company and nature of its operations	1		
Summary of significant accounting policies	2		

The notes are an integral part of these financial statements.

As per our attached report of even date.

For Price Waterhouse	For and on behalf of the Board of Directors	
Chartered Accountants	HARSH MARIWALA	Chairman
Firm Registration No. 301112E	SAUGATA GUPTA	Managing Director and CEO
	VIVEK KARVE	Chief Financial Officer
UDAY SHAH	HEMANGI GHAG	Company Secretary & Compliance Officer
Partner		
Membership No. 46061		
Place : Mumbai	Place : Mumbai	
Date : April 30, 2015	Date : April 30, 2015	

STATEMENT OF PROFIT AND LOSS

	Note	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Revenue from operations (Gross)	22	4,689.45	3,689.18
Less : Excise duty		8.25	6.69
Revenue from operations (Net)		4,681.20	3,682.49
Other income	23	140.80	235.33
Total Revenue		4,822.00	3,917.82
Expenses:			
Cost of materials consumed	24 (A)	2,675.89	1,842.16
Purchases of stock-in-trade	24 (B)	134.71	138.42
Changes in inventories of finished goods, work-in-progress and stock-in-trade - (increase) / decrease	24 (C)	(94.87)	24.15
Employee benefits expenses	25	197.17	172.29
Finance costs	26	16.97	30.43
Depreciation, amortisation and impairment (Note 35)	27	54.75	46.20
Other expenses	28	1,106.34	946.89
Total Expenses		4,090.96	3,200.54
Profit before tax		731.04	717.28
Tax expense:			
Current tax		151.30	153.00
MAT credit (entitlement) / utilisation		34.78	(22.65)
Net current tax		186.08	130.35
Deferred tax		(0.21)	9.71
		185.87	140.06
Profit for the year		545.17	577.22
Earnings per equity share (Nominal value per share Re. 1 (Re. 1))	38		
Basic		Rs. 8.45	Rs. 8.95
Diluted		Rs. 8.45	Rs. 8.95
The Company and nature of its operations	1		
Summary of significant accounting policies	2		

The notes are an integral part of these financial statements.

As per our attached report of even date.

For Price Waterhouse
Chartered Accountants
Firm Registration No. 301112E

UDAY SHAH
Partner
Membership No. 46061
Place : Mumbai
Date : April 30, 2015

For and on behalf of the Board of Directors
HARSH MARIWALA Chairman
SAUGATA GUPTA Managing Director and CEO
VIVEK KARVE Chief Financial Officer
HEMANGI GHAG Company Secretary & Compliance Officer

Place : Mumbai
Date : April 30, 2015

CASH FLOW STATEMENT

		For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
A	CASH FLOW FROM OPERATING ACTIVITIES		
	PROFIT BEFORE TAX	731.04	717.28
	Adjustments for:		
	Depreciation, amortisation and impairment	54.75	46.20
	Finance costs	16.97	30.43
	Interest income	(7.54)	(6.89)
	Loss / (Profit) on sale of assets - (net)	1.45	(0.46)
	(Profit) / Loss on sale of investments (net)	(12.28)	(9.82)
	Dividend income	(105.85)	(208.32)
	Employees stock option charge/ (reversal)	3.27	–
	Excess Provision no longer required written back	(4.32)	–
	Stock appreciation rights expenses (Refer note 25)	2.22	2.81
	Provision for doubtful debts, advances, deposits and others (written back) / written off	0.25	(0.29)
		(51.08)	(146.34)
	Operating profit before working capital changes	**679.96**	**570.94**
	Adjustments for:		
	(Increase)/ Decrease in inventories	(127.63)	45.02
	(Increase)/ Decrease in trade receivables	17.65	(24.71)
	(Increase)/ Decrease in loans and advances, other current and non-current assets and other bank balances	(4.05)	(205.45)
	Increase/(Decrease) in current liabilities and provisions	137.59	27.77
	Changes in Working Capital	**23.56**	**(157.37)**
	Cash generated from Operations	**703.52**	**413.57**
	Taxes paid (net of refunds)	(151.47)	(157.22)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	552.05	256.35
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets	(63.78)	(59.67)
	Sale of fixed assets	0.26	3.59
	Purchase of investment property	–	–
	Purchase of investments	(181.69)	(243.32)
	Sale of investments	225.48	48.80
	Investment in Subsidiary	–	(34.44)
	Inter-corporate deposits placed (Net)	(45.00)	(5.00)
	(Advance to) / Refund received from WEOMA Trust	8.15	40.13
	Refund / (deposit) in escrow account for acquisition	–	–
	Loans and advances repaid by related parties	4.48	74.32
	Loans and advances given to related parties	–	68.50
	Dividend income received	105.85	208.32
	Interest received	5.83	7.94
	NET CASH (OUTFLOW) / INFLOW FROM INVESTING ACTIVITIES	59.58	109.17

CASH FLOW STATEMENT

		For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from issuance of Share capital (net of Share issue expenses)	0.60	0.56
	Issue / (Redemption) of commercial papers (net)	–	(42.50)
	Issue of Debentures / (redemption)	(43.65)	(50.00)
	Other borrowings (repaid) / taken (net)	(264.50)	(91.75)
	Finance charges paid	(17.29)	(30.66)
	Equity dividend paid (inclusive of dividend distribution tax)	(287.31)	(154.41)
	NET CASH (OUTFLOW) / INFLOW FROM FINANCING ACTIVITIES	(612.15)	(368.76)
D	NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	(0.52)	(3.24)
E	**Cash and cash equivalents - opening balance (as at April 1) (Note 19)**	15.47	18.71
F	**Cash and cash equivalents - closing balance (as at March 31) (Note 19)**	14.95	15.47

Notes

1 The above Cash Flow statement has been prepared under the indirect method as set out in Accounting Standard 3 (AS 3) 'Cash Flow Statements'.

2 The figures for the previous year have been regrouped where necessary to conform to current year's classification.

The notes are an integral part of these financial statements.

As per our attached report of even date.

For Price Waterhouse
Chartered Accountants
Firm Registration No. 301112E

UDAY SHAH
Partner
Membership No. 46061
Place : Mumbai
Date : April 30, 2015

For and on behalf of the Board of Directors

HARSH MARIWALA	Chairman
SAUGATA GUPTA	Managing Director and CEO
VIVEK KARVE	Chief Financial Officer
HEMANGI GHAG	Company Secretary & Compliance Officer

Place : Mumbai
Date : April 30, 2015

1. **The Company and nature of its operations**:

   Marico Limited ('Marico' or 'the Company'), headquartered in Mumbai, Maharashtra, India, carries on business in branded consumer products. Marico manufactures and markets products under brands such as Parachute, Nihar, Saffola, Hair & Care, Revive, Mediker, Livon, Code 10 and Set-wet etc. Marico's products reach its consumers through retail outlets serviced by Marico's distribution network comprising regional offices, carrying & forwarding agents, redistribution centers and distributors spread all over India.

2. **Summary of significant accounting policies**:

   (a) Basis of preparation of financial statements

   These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on accrual basis. Pursuant to section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 till the standards of accounting or any addendum thereto are prescribed by the central government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

   All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule III to the Companies Act, 2013. Based on the nature of the product and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

   (b) Use of estimates

   The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, the useful lives and provision for impairment of fixed assets and intangible assets.

   Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

   (c) Tangible assets, intangible assets and capital work-in-progress

   Tangible assets and intangible assets are stated at cost of acquisition, less accumulated depreciation/amortisation and impairments, if any. Cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation. Borrowing costs attributable to acquisition, construction of qualifying asset are capitalized until such time as the assets are substantially ready for their intended use. Other pre-operative expenses for major projects are also capitalised, where appropriate.

   Items of fixed assets that have been retired from active use and are held for disposal are stated at lower of their net book value and net relisable value are shown separately in the financial statements. Any expected loss is recognized immediately in the statement of profit and loss.

   Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the year end.

   (d) Depreciation and amortization

   I. Tangible assets

   (i) Depreciation is provided on a straight line basis, based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013 (Refer Note 35).

Based on the technical evaluation, the useful life considered for the following items are lower than the life stipulated in Schedule II to the Companies Act, 2013:

Assets	Useful life (Years)
Motor Vehicle – Motor Car, Bus and Lorries, Motor Cycle, Scooter	5
Office equipment - Mobile and Communication tools	2
Computer – Server and Network	3
Plant & Machinery – Moulds	6

(ii) Extra shift depreciation is provided on "Plant" basis.

(iii) Assets individually costing Rs. 25,000 or less are depreciated fully in the year of acquisition.

(iv) Leasehold land is amortized over the primary period of the lease.

(v) Fixtures in leasehold premises are amortized over the primary period of the lease.

(vi) Depreciation on additions / deletions during the year is provided from the month in which the asset is capitalized / up to the month in which the asset is disposed off.

II. Intangible assets

Intangible assets are amortised on a straight line basis over the estimated useful lives of respective assets, but not exceeding the useful lives given here under:

Assets	Useful life (Years)
Trademarks, copyrights and business and commercial rights	10
Computer software	3

A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management.

(e) Assets taken on lease

Operating lease payments are recognized as expenditure in the Statement of Profit and Loss as per the terms of the respective lease agreement.

(f) Assets given on lease

In respect of Plant and equipment and Investment property given on operating lease basis, lease rentals are accounted on accrual basis in accordance with the respective lease agreements.

(g) Investments

(i) Long term investments are valued at cost. Provision for diminution, if any, in the value of investments is made to recognise a decline in value, other than temporary.

(ii) Current investments are valued at lower of cost and fair value, computed individually for each investment. In case of investments in mutual funds which are unquoted, net asset value is taken as fair value.

(iii) Investment property: Investment in buildings that are not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as investment property. Investment properties are carried at cost less accumulated amortization and impairment loss, if any.

(h) Inventories

(i) Raw materials, packing materials, stores and spares are valued at lower of cost and net realizable value. However, these items are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost.

(ii) Work-in-progress, finished goods and stock-in-trade (traded goods) are valued at lower of cost and net realizable value.

(iii) By-products and unserviceable / damaged finished goods are valued at estimated net realizable value.

(iv) Cost is ascertained on weighted average method and in case of work-in-progress includes appropriate production overheads and in case of finished goods includes appropriate production overheads and excise duty, wherever applicable.

(v) Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

(i) Research and Development

Capital expenditure on research and development is capitalised and depreciated as per the accounting policy mentioned in para 2(c) and 2(d) above. Revenue expenditure is charged off in the year in which it is incurred.

(j) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific criteria must also be met before revenue is recognized:

(i) Domestic sales are recognized at the point of dispatch of goods to the customers, which is when substantial risks and rewards of ownership are passed to the customers, and are stated net of trade discounts, rebates, sales tax, value added tax and excise duty.

(ii) Export sales are recognized based on the date of bill of lading, except sales to Nepal, which are recognised when the goods cross the Indian Territory, which is when substantial risks and rewards of ownership are passed to the customers.

(iii) Revenue from services is recognized on rendering of services.

(iv) Interest and other income are recognized on accrual basis.

(v) Income from export incentives such as premium on sale of import licenses, duty drawback etc. are recognized on accrual basis to the extent the ultimate realization is reasonably certain.

(vi) Dividend income is recognized if right to receive dividend is established by the reporting date.

(vii) Revenue from royalty income is recognized on accrual basis.

(k) Retirement and other benefits to employees

(i) Gratuity

Liabilities with regard to the gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method and contributed to Employees Gratuity Fund. Actuarial gains and losses arising from changes in actuarial assumptions are recognized in the Statement of Profit and Loss in the period in which they arise.

(ii) Superannuation

The Company makes contribution to the Superannuation Scheme, a defined contribution scheme, administered by insurance companies. The Company has no obligation to the scheme beyond its monthly contributions.

(iii) Leave encashment / Compensated absences

The Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each Balance Sheet date on the basis of an independent actuarial valuation.

(iv) Provident fund

Provident fund contributions are made to a trust administered by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year and any shortfall in the fund balance maintained by the Trust set up by the Company is additionally provided for. Actuarial losses and gains are recognized in the Statement of Profit and Loss in the year in which they arise.

(l) Foreign currency transactions

(i) Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

(ii) Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences except those qualifying for hedge accounting are recognized in the Statement of Profit and Loss.

(iii) Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign subsidiaries are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined.

(iv) In case of forward contracts with underlying assets or liabilities, the difference between the forward rate and the exchange rate on the date of inception of a forward contract is recognized as income or expense and is amortized over the life of the contract. Exchange differences on such contracts are recognized in the Statement of Profit and Loss in the year in which they arise. Any profit or loss arising on cancellation or renewal of forward exchange contracts are recognized as income or expense for the period.

(v) The Company uses forward and options contracts to hedge its risks associated with foreign currency transactions relating to certain firm commitments and forecasted transactions. The Company also uses Interest rates swap contracts to hedge its interest rate risk exposure. The Company designates these as cash flow hedges. These contracts are marked to market as at the year end and resultant exchange differences, to the extent they represent effective portion of the hedge, are recognized directly in 'Hedge Reserve'. The ineffective portion of the same is recognized immediately in the Statement of Profit and Loss.

(vi) Exchange differences taken to Hedge Reserve account are recognized in the Statement of Profit and Loss upon crystallization of firm commitments or occurrence of forecasted transactions or upon discontinuation of hedge accounting resulting from expiry / sale / termination of hedge instrument or upon hedge becoming ineffective.

(vii) Exchange differences arising on monetary items that in substance form part of Company's net investment in a non-integral foreign operation are accumulated in a 'Foreign Currency Translation Reserve' until the disposal of the net investment. The same is recognized in the Statement of Profit and Loss upon disposal of the net investment.

(m) Accounting for taxes on income

(i) Provision for current tax is made, based on the tax payable under the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income-tax is recognized as an asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of ten succeeding assessment years.

(ii) Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized only to the extent that there is virtual certainty that suffcient future taxable income will be available to realize such assets. In other situations, deferred tax assets are recognized only to the extent that there is reasonable certainty that suffcient future taxable income will be available to realize these assets.

(n) Impairment

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds the recoverable amounts are written down to the Recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

(o) Employee Stock Option Plan

In respect of stock options granted pursuant to the Company's Employee Stock Option Scheme, the intrinsic value of the options (excess of market value of shares over the exercise price of the option at the date of grant) is recognized as Employee compensation cost over the vesting period.

(p) Employee Stock Appreciation Rights Scheme

In respect of Employee Stock Appreciation Rights (STAR) granted pursuant to the Company's Employee Stock Appreciation Rights Plan, 2011, the intrinsic value of the rights (excess of market value as at the year end and the Grant price) is recognized as Employee compensation cost over the vesting period after adjusting amount recoverable from the Trust (Refer Note 41).

(q) Provisions and Contingent Liabilities

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A Provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation and in respect of which a reliable estimate can be made. Provision is not discounted and is determined based on best estimate required to settle the obligation at the year end date. Contingent Assets are not recognized or disclosed in the financial statements.

(r) Utilization of Securities Premium Reserve

The Securities Premium Reserve is utilized for paying up unissued shares of the Company to be issued as fully paid bonus shares, writing off preliminary expenses, writing off expenses on issue of shares or debentures and writing of premium on redemption of any redeemable preference shares or debentures of the Company.

(s) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including demand deposit with original maturity period of 3 months or less and short term highly liquid investment with an original maturity of three months or less.

(t) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3 Share capital

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Authorised		
1,150,000,000 (1,150,000,000) equity shares of Re. 1/– each	115.00	115.00
100,000,000 (100,000,000) preference shares of Rs. 10/– each	100.00	100.00
Total	**215.00**	**215.00**
Issued, subscribed and paid–up		
644,981,999 (644,872,999) equity shares of Re. 1/- each fully paid-up	64.50	64.49
Total	**64.50**	**64.49**

a Reconciliation of number of shares

Equity Shares :

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number of shares	Rs. Crore	Number of shares	Rs. Crore
Balance as at the beginning of the year	644,872,999	64.49	644,771,799	64.48
Shares Issued during the year – ESOP (Refer note (d) below)	109,000	0.01	101,200	0.01
Shares issued on Preferential allotment basis	–	–	–	–
Balance as at the end of the year	**644,981,999**	**64.50**	**644,872,999**	**64.49**

b Rights, preferences and restrictions attached to shares :

Equity Shares: The Company has one class of equity shares having a par value of Re. 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at March 31, 2015 No. of Shares held	2015 % of Holding	2014 No. of Shares held	2014 % of Holding
Equity Shares of Re. 1/– each fully paid–up				
Harsh C Mariwala with Kishor V Mariwala (For Valentine Family Trust)	73,376,000	11.38	73,376,000	11.38
Harsh C Mariwala with Kishor V Mariwala (For Aquarius Family Trust)	73,376,000	11.38	73,376,000	11.38
Harsh C Mariwala with Kishor V Mariwala (For Taurus Family Trust)	73,376,000	11.38	73,376,000	11.38
Harsh C Mariwala with Kishor V Mariwala (For Gemini Family Trust)	73,376,000	11.38	73,376,000	11.38
Arisaig Partners (Asia) Pte Ltd	33,278,269	5.16	35,353,269	5.48
First State Investments (along with Persons acting in concert)	31,128,195	4.83	51,789,164	8.03

d Shares reserved for issue under options :

The Corporate Governance Committee of the Board of Directors of Marico Limited had granted Stock Options to certain eligible employees pursuant to the Marico 'Employees Stock Options Scheme 2007' ("Scheme"). Each option represents 1 equity share in the Company. The Vesting period and the Exercise Period, both range from 1 year to 5 years. The Scheme is administered by the Corporate Governance Committee comprising Independent Directors. The Scheme closed on February 1, 2013.

Marico ESOS 2007	As at March 31,	
	2015	2014
Weighted average share price of options exercised	55.40	55.74
Number of options granted, exercised, and forfeited		
Balance as at beginning of the year	212,600	352,665
Granted during the year	–	–
Less : Exercised during the year	109,000	101,200
Forfeited / lapsed during the year	–	38,865
Balance as at end of the year	**103,600**	212,600

Further during the year, the Company implemented the Marico Employee Stock Option Scheme 2014 ("Marico ESOS 2014") and Marico MD CEO Employee Stock Option Plan 2014 ("MD CEO ESOP Plan 2014").

Marico ESOS 2014 was approved by the shareholders during the previous year ended March 31, 2014, enabling the grant of 300,000 stock options to the Chief Executive Officer of the Company (Currently designated as MD & CEO). Pursuant to the said approval, on April 1, 2014 the Company granted 300,000 stock options to the MD & CEO of the Company, at an exercise price of Re.1 per option. Each option represents 1 equity share in the Company. The Vesting Period is 2 years from the date of grant and the Exercise Period is 1 year from the date of vesting.

Marico ESOS 2014	As at March 31,	
	2015	2014
Weighted average share price of options exercised	–	–
Number of options granted, exercised, and forfeited		
Balance as at beginning of the year	–	–
Granted during the year	300,000	–
Less : Exercised during the year	–	–
Forfeited / lapsed during the year	–	–
Balance as at end of the year	**300,000**	–

MD CEO ESOP Plan 2014 was approved by the shareholders during the year ended March 31, 2015, enabling grant of stock options not exceeding in the aggregate 0.5% of the aggregate number of issued equity shares of the Company, from time to time. The Plan envisages to grant stock options to the Managing Directors & CEO on an annual basis through one or more Schemes notified under the Plan. Each option represents 1 equity share in the Company. The Vesting Period and the Exercise Period, both range from 1 year to 5 years. Pursuant to the said approval, on January 5, 2015 the Company notified Scheme I under the Plan and granted 46,600 stock options to the Managing Director & CEO, at an exercise price of Re.1 per option. The Vesting Date for Stock Options granted under the Scheme I is March 31, 2017. Further, the Exercise Period is 1 year from the date of vesting.

MD CEO ESOP Plan 2014	As at March 31, 2015	2014
Weighted average share price of options exercised	–	–
Number of options granted, exercised, and forfeited		
Balance as at beginning of the year	–	–
Granted during the year	46,600	–
Less : Exercised during the year	–	–
Forfeited / lapsed during the year	–	–
Balance as at end of the year	**46,600**	–

Aggregate of all stock options to current paid-up equity share capital (percentage)	**0.07%**	**0.03%**

The Company has applied the 'intrinsic value' method of accounting for determining compensation cost for its stock based compensation plan. Had the Company considered 'fair value' method for accounting of compensation cost, the Company's net income and Basic and Diluted earnings per share as reported would have increased to the pro-forma amounts as indicated:

Particulars	For the year ended March 31, 2015	2014
Net Profit after tax as reported (Rs. Crore)	545.14	577.20
Add : Stock-based employee compensation expense charged as per 'intrinsic value' method (Rs. Crore) (Refer Note 25)	3.27	–
Less : Stock-based employee compensation expense as per 'fair value' method (Rs. Crore)	(2.97)	–
Adjusted pro-forma (Rs. Crore)	545.44	577.20
Basic earnings per share as reported	Rs. 8.45	Rs. 8.95
Pro-forma basic earnings per share	Rs. 8.46	Rs. 8.95
Diluted earnings per share as reported	Rs. 8.45	Rs. 8.95
Pro-forma diluted earnings per share	Rs. 8.45	Rs. 8.95

The following assumptions were used for calculation of fair value of grants (figures in bracket represent previous year):

Particulars	Marico ESOS 2007 - Vest I	Marico ESOS 2007 - Vest II	Marico ESOS 2014	MD CEO ESOP Plan 2014
Risk-free interest rate (%)	6.61%	7.27%	8.00%	8.00%
	(6.61%)	(7.27%)	(–)	(–)
Expected life of options (years)	5 years	5 years	3 years	3 years and 3 months
	(5 years)	(5 years)	(–)	(–)
Expected volatility (%)	35.32%	36.92%	26.62%	23.66%
	(35.32%)	(36.92%)	(–)	(–)
Dividend yield (%)	1.20%	1.20%	3.50%	3.50%
	(1.20%)	(1.20%)	(–)	(–)

4 Reserves and surplus

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Securities Premium Account		
Balance as at the beginning of the year	239.67	542.28
Add : Receipt on exercise of Employees Stock Options	0.59	0.55
Less : Premium on redemption of Debentures [net of tax effect of Rs. 2.97 Crore (Previous year Rs. 3.04 Crore)]	(5.77)	(5.89)
Less: Adjusted upon demerger of Kaya business (Refer Note 43)	–	(297.27)
Balance as at the end of the year	234.49	239.67
Debenture Redemption Reserve		
Balance as at the beginning of the year	13.83	42.97
Add : Amount transferred from Surplus in the Statement of Profit and Loss	11.17	20.86
Less: Amount transferred to General Reserve on redemption (Refer note 5 (b))	(25.00)	(50.00)
Balance as at the end of the year	–	13.83
Employee Stock Options Outstanding Account (Refer note 3 (d))		
Balance as at the beginning of the year	–	–
Add : Compensation for options granted during the year	3.27	–
Balance as at the end of the year	3.27	–
General Reserve		
Balance as at the beginning of the year	337.48	229.76
Add : Amount transferred from Surplus in the Statement of Profit and Loss	–	57.72
Add: Amount transferred from Debenture redemption reserve on redemption	25.00	50.00
Balance as at the end of the year	362.48	337.48
Hedge Reserve (Refer note 37 (c))		
Balance as at the beginning of the year	(76.30)	(52.49)
Add / (Less) : Transferred to the Statement of Profit and Loss	15.65	4.88
Adjustments during the year	(14.32)	(28.69)
Balance as at the end of the year	(74.97)	(76.30)
Foreign Currency Translation Reserve (Refer note (a) below)		
Balance as at the beginning of the year	–	1.59
Exchange gain/(loss) on translation during the year	–	(1.59)
Balance as at the end of the year	–	–
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	1,394.17	1,162.84
Less : Adjustment pursuant to enactment of Schedule II of Companies Act 2013 (net of tax effect of Rs. 0.29 Crore) (Refer Note 35)	0.54	-
Add : Profit during the year	545.17	577.22
Less : Appropriations		
Equity dividend	161.24	257.94
Tax on Equity dividend [net of tax on dividend received from a foreign subsidiary of Rs. 18.96 Crore (Previous year Rs. 34.47 Crore)]	13.27	9.37
Transfer to Debenture Redemption Reserve	11.17	20.86
Transfer to General reserve	-	57.72
Balance as at the end of the year	1,753.12	1,394.17
Total	2,278.39	1,908.85

Note :

(a) The long term loans advanced to its wholly owned subsidiary, Marico South Africa Consumer Care (pty) Limited, was recovered during the previous year. The operations of the said subsidiary are classified as 'Non – integral foreign operations'. Accordingly, as per the requirements of Accounting Standard 11 'The effect of changes in Foreign Exchange Rates', exchange gain of Rs.Nil (Rs. 1.59 Crore) arising on revaluation of the said loan was accumulated in 'Foreign Currency Translation Reserve', and has been recognized as income in the Statement of Profit and Loss during the previous year.

5 Long–term borrowings

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Secured		
Term loans		
From banks		
External commercial borrowing from The Hongkong and Shanghai Banking Corporation Limited	168.74	251.54
(Loan carries interest @ LIBOR plus 2.1% (Previous year LIBOR plus 2.1%) and is secured by (i) Pledge of shares of International Consumer Products Corporation (a Subsidiary company) (ii) First ranking pari passu charge over all current and future plant and machinery (iii) Mortgage on land and building situated at Andheri, Mumbai.		
The loan is repayable over a period of 6 years commencing from February 11, 2011 as under:–		
1st installment – USD 3 million – payable at the end of 36 months		
2nd installment – USD 3 million – payable at the end of 42 months		
3rd installment – USD 6 million – payable at the end of 48 months		
4th installment – USD 6 million – payable at the end of 54 months		
5th installment – USD 9 million – payable at the end of 60 months		
6th installment – USD 12 million – payable at the end of 66 months		
7th installment – USD 15 million – payable at the end of 72 months		
Total amount – USD 54 million		
Total	168.74	251.54

Note:

(a) The scheduled maturity of long term borrowings is summarized as under:

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Within one year (Refer note below and note 10 - Current maturities of long term debt)	93.75	153.90
After 1 year but within 2 years	168.74	89.84
After 2 year but within 5 years	-	161.70
Total	262.49	405.44

(b) During the current year, 1,000, Rated, Listed, Unsecured, Zero Coupon redeemable non-convertible debentures of Rs. 100 crores, outstanding as on March 31, 2014, were redeemed at a premium calculated at the yield of 8.95% p.a. on XIRR basis. (Refer notes 4 and 10)

6 Deferred tax liabilities (net)

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Deferred Tax assets:		
Provision for doubtful debts / advances that are deducted for tax purposes when written off	1.00	1.00
On intangible assets adjusted against Capital Redemption Reserve and Securities Premium Reserve under the Capital Restructuring scheme implemented in an earlier year (Refer note 12(e))	12.46	16.26
Liabilities / provisions that are deducted for tax purposes when paid	15.43	8.36
Other timing Differences		
Deferred Tax assets (A)	1.72	1.73
Deferred tax liability:	30.61	27.35
Additional depreciation/amortisation on fixed assets for tax purposes due to higher tax depreciation rates.	42.86	40.10
Deferred tax liability (B)	42.86	40.10
Total (A–B)	12.25	12.75

7. Long term provisions

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Total Provision for Employee Stock Appreciation Rights Scheme (Refer notes 41 (b) and 41 (d))	5.95	–
Less : Accretion in amounts recoverable from the Trust	4.25	–
Net Provision	1.70	–
Total	1.70	–

8. Short-term borrowings

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Secured		
From banks :		
- Cash credit	8.64	12.17
- Export Packing credit in INR	–	39.00
(These borrowings were for a term of one month to eight months and carried interest rate of Bank Base rate plus applicable spread less interest subvention, ranging from 7.00% to 7.45% per annum).		
(Secured by hypothecation of inventory and debtors)		
(A)	8.64	51.17
Unsecured		
From banks:		
- Buyers' credit in foreign currency	–	17.97
(These borrowings were for a term of twelve months from the date of shipment of goods and carried interest rate of LIBOR plus applicable spread, ranging from 0.50% to 1.50% per annum.		

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
- Export Packing credit in INR	–	5.00
(These borrowings were for a term of one month to eight months and carried interest rate of Bank Base rate plus applicable spread less interest subvention, ranging from 7.00% to 7.45% per annum).		
- Cash credit	–	82.45
(B)	–	105.42
Total (A + B)	8.64	156.59

9. **Trade payables**

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Trade Payables (Refer note below)	404.38	320.64
Total	404.38	320.64

Note:

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	7.31	7.81
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	0.01	0.01
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	–	–
Interest paid other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act, beyond the appointed day during the year.	–	–
Interest paid under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year.	–	–
Interest due and payable towards suppliers registered under MSMED Act for payments already made.	–	–
Further interest remaining due and payable for earlier years.	0.01	0.04
Total	7.33	7.86

10 Other current liabilities

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Current maturities of long- term debt (Refer notes 5 (a) and 5 (b))	93.75	153.90
Payable to related parties	1.17	0.22
Interest accrued but not due on borrowings	1.02	1.30
Interest accrued and due on borrowings	–	0.03
Unclaimed dividend (Refer note below)	0.27	0.20
Unpaid dividend	–	112.88
Premium on redemption of debentures	–	9.90
Other payables:		
Provision for contractual liabilities	57.78	43.09
Advances from customers	26.09	11.26
Statutory dues including provident fund and tax deducted at source	17.29	19.94
Forward / derivative contracts payables	1.53	2.54
Creditors for capital goods	4.28	3.00
Security deposits from customers and others	0.21	0.24
Employee benefits payable	29.75	28.34
Others	0.24	0.23
Total	233.38	387.07

Note : Amount payable to Investor Education and Protection Fund Rs. Nil (Nil)

11 Short term provisions

	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Provision for employee benefits:		
Gratuity (Refer note 42 (A))	2.60	1.26
Leave entitlement (Refer note 42 (B))	6.02	4.41
Total Provision for Employee Stock Appreciation Rights Scheme (Refer notes 41 (b) and 41 (d))	11.81	2.56
Less : Accretion in amounts recoverable from the Trust	(11.26)	(2.53)
Net Provision	0.55	0.03
Income tax - (net of advance tax and other tax payments Rs. 705.42 Crore (Previous year Rs. 553.95 Crore))	7.66	10.80
Disputed indirect taxes (Refer notes (a) and (b) below)	42.25	25.15
Total	59.08	41.65

a Provision for disputed indirect taxes represents claims against the Company not acknowledged as debts, where management has assessed that unfavourable outcome of the matter is more than probable.

b Movement in provision for disputed indirect taxes:

	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Balance as at the beginning of the year	25.15	17.97
Add: Additions during the year	17.60	7.54
Less: Unused amounts reversed during the year	(0.50)	(0.36)
Balance as at the end of the year	42.25	25.15

12 Fixed Assets For The Year Ended March 31, 2015

(A) Tangible assets

Rs. Crore

PARTICULARS	GROSS BLOCK					DEPRECIATION/AMORTISATION					IMPAIRMENT				NET BLOCK	
	As at April 1, 2014	Additions	Deductions	Adjustments	As at March 31, 2015	As at April 1, 2014	For the Year	Deductions	Adjustment	As at March 31, 2015	As at April 1, 2014	Charge / (Reversal) for the year	Adjustment	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Tangible assets																
Freehold land	1.72	–	–	–	1.72	–	–	–	–	–	–	–	–	–	1.72	1.72
Leasehold land	28.48	–	–	–	28.48	2.14	0.41	–	–	2.55	–	–	–	–	25.93	26.34
Buildings (Refer notes (b), (c) and (d) below)	266.10	1.46	(0.01)	(13.42)	254.13	17.09	8.48	(0.00)	(0.90)	24.67	0.03	0.02	(0.05)	–	229.46	248.98
Plant and equipment (Refer note (f) below)	351.34	32.85	(9.86)	–	374.33	144.53	37.44	(8.19)	–	173.78	15.34	(3.35)	(0.01)	11.98	188.57	191.47
Furniture and fixtures	14.39	1.12	(0.10)	–	15.41	5.21	2.05	(0.10)	–	7.16	–	–	–	–	8.25	9.18
Vehicles	1.27	0.26	(0.20)	–	1.33	1.12	0.15	(0.20)	–	1.07	–	–	–	–	0.26	0.15
Office equipment	10.68	0.82	(2.89)	–	8.61	6.47	2.24	(2.86)	–	5.85	0.03	(0.03)	–	–	2.76	4.18
Leasehold improvements	1.38	–	–	–	1.38	0.16	0.17	–	–	0.33	–	–	–	–	1.05	1.22
Total (A)	**675.36**	**36.51**	**(13.06)**	**(13.42)**	**685.39**	**176.72**	**50.94**	**(11.35)**	**(0.90)**	**215.41**	**15.40**	**(3.36)**	**(0.06)**	**11.98**	**458.00**	**483.24**

(B) Intangible asset

Rs. Crore

PARTICULARS	GROSS BLOCK					DEPRECIATION/AMORTISATION					IMPAIRMENT				NET BLOCK	
	As at April 1, 2014	Additions	Deductions	Adjustments	As at March 31, 2015	As at April 1, 2014	For the Year	Deductions	Adjustment	As at March 31, 2015	As at April 1, 2014	Charge / (Reversal) for the year	Adjustment	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Intangible assets																
Trademarks and copyrights (Refer note (e) below)	24.14	16.85	–	–	40.99	17.50	4.93	–	–	22.43	–	–	–	–	18.56	6.64
Computer software	23.02	3.61	(0.06)	–	26.57	18.76	2.87	(0.06)	–	21.57	–	–	–	–	5.00	4.26
Total (B)	47.16	20.46	(0.06)	-	67.56	36.26	7.80	(0.06)	–	44.00	–	–	–	–	23.56	10.90
Total (A)+(B)	**722.52**	**56.97**	**(13.12)**	**(13.42)**	**752.95**	**212.98**	**58.74**	**(11.41)**	**(0.90)**	**259.41**	**15.40**	**(3.36)**	**(0.06)**	**11.98**	**481.56**	**494.14**

(a) During the year ended March 31, 2014, Freehold land of cost of Rs. 0.77 Crore and Buildiing of net book value of Rs.15.50 (Gross block of Rs. 22.96 Crore and accumulated depreciation of Rs. 7.46 Crore) was reclassified as assets held for disposal.

(b) Gross block of Buildings include Rs. 13.42 Crore (Rs. 13.42 Crore) where conveyance has been executed, pending registration.

(c) During the year ended March 31, 2014, building appearing in Investment property of net book value of Rs. 6.37 Crore (Gross block Rs. 6.47 Crore less accumulated depreciation of Rs. 0.10 Crore) was reclassified as office building.

(d) During the year ended March 31, 2015, Buildiing of net book value of Rs.12.96 Crore (Gross block of Rs. 13.42 Crore and accumulated depreciation of Rs. 0.46 Crore) has been reclassified as assets held for disposal.

(e) During the year ended March 31, 2007, the Company carried out financial restructuring scheme ('Scheme') under the relevant provisions of the Companies Act, 1956 which was approved by the shareholders on February 8, 2007 and subsequently by the Hon'ble High Court vide its order dated March 23, 2007. In terms of the Scheme, the Company adjusted the carrying value of Rs. 448.15 crore of intangible assets such as trademarks, copyrights, business and commercial rights as on January 31, 2007 and related deferred tax adjustment of Rs. 139.06 crore (net adjustment of Rs. 309.09 crore) against the balance in Securities Premium Reserve of Rs. 129.09 crore and Capital Redemption Reserve of Rs. 180 Crore.

(f) For assets given on lease refer note 36 (b).

NOTES TO FINANCIAL STATEMENTS

12 Fixed Assets (Previous Year figures) For The Year Ended March 31, 2014

(A) Tangible assets

Rs. Crore

PARTICULARS	GROSSBLOCK					DEPRECIATION/AMORTISATION					IMPAIRMENT			NETBLOCK	
	As at April 1, 2013	Additions	Deductions	Adjustments	As at March 31, 2014	As at April 1, 2013	For the Year	Deductions	Adjustment	As at March 31, 2014	As at April 1, 2013	Charge / (Reversal) for the year	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
Tangible assets															
Freehold land	2.49	–	–	(0.77)	1.72	–	–	–	–	–	–	–	–	1.72	2.49
Leasehold land	28.90	0.08	(0.50)	–	28.48	1.73	0.41	–	–	2.14	–	–	–	26.34	27.17
Buildings (Refer notes (a), (d) and (e) below)	137.71	145.60	(0.72)	(16.49)	266.10	19.08	5.55	(0.19)	(7.35)	17.09	0.02	0.01	0.03	248.98	118.61
Plant and equipment (Refer note (f) below)	300.34	55.79	(4.79)	–	351.34	125.87	21.98	(3.32)	–	144.53	6.43	8.91	15.34	191.47	168.04
Furniture and fixtures	8.77	7.83	(2.21)	–	14.39	5.81	1.57	(2.17)	–	5.21	–	–	–	9.18	2.96
Vehicles	1.27	–	–	–	1.27	0.91	0.21	–	–	1.12	–	–	–	0.15	0.36
Office equipment	7.00	4.18	(0.50)	–	10.68	4.48	2.47	(0.48)	–	6.47	0.01	0.02	0.03	4.18	2.51
Leasehold improvements	0.65	0.73	–	–	1.38	0.03	0.13	–	–	0.16	–	–	–	1.22	0.62
Total (A)	487.13	214.21	(8.72)	(17.26)	675.36	157.91	32.32	(6.16)	(7.35)	176.72	6.46	8.94	15.40	483.24	322.76

(B) Intangible asset

Rs. Crore

PARTICULARS	GROSSBLOCK					DEPRECIATION/AMORTISATION					IMPAIRMENT			NETBLOCK	
	As at April 1, 2013	Additions	Deductions	Adjustments	As at March 31, 2014	As at April 1, 2013	For the Year	Deductions	Adjustment	As at March 31, 2014	As at April 1, 2013	Charge / (Reversal) for the year	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
Intangible assets															
Trademarks and copyrights (Refer note (b) below)	24.14	–	–	–	24.14	15.09	2.41	–	–	17.50	–	–	–	6.64	9.05
Computer software	20.15	3.73	(0.86)	–	23.02	16.73	2.33	(0.30)	–	18.76	–	–	–	4.26	3.42
Total (B)	44.29	3.73	(0.86)	–	47.16	31.82	4.74	(0.30)	–	36.26	–	–	–	10.90	12.47
Total (A)+(B)	531.42	217.94	(9.58)	(17.26)	722.52	189.73	37.06	(6.46)	(7.35)	212.98	6.46	8.94	15.40	494.14	335.23

13 Non current investments

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
A. Non-trade investments (valued at cost unless stated otherwise)		
Investment Property (at cost less accumulated depreciation and amortisation)		
[Refer Note 36 (b)]		
Cost of building	12.36	12.36
Less: Amortised upto previous year	(0.40)	(0.20)
Less: Amortisation during the year	(0.20)	(0.20)
Net block	11.76	11.96
B. Long term trade investments (valued at cost unless stated otherwise)		
Investments in equity instruments :		
Investment in Subsidiaries		
Quoted		
Marico Bangladesh Limited	0.86	0.86
28,350,000 (28,350,000) equity shares of Bangladesh taka 10 each fully paid		
(Quoted on Dhaka Stock exchange and Chittagong Stock exchange).		
Unquoted		
Marico Middle East FZE (wholly owned)	27.99	27.99
22 (22) equity share of UAE dirham 1,000,000 (1,000,000) fully paid		
Marico South Africa Consumer Care (Pty) Limited (wholly owned)	59.81	59.81
1,247 (1,247) equity shares of SA Rand 1.00 fully paid		
International Consumer Products Corporation (Wholly owned with effect from December 10, 2014) (Refer note below)	254.98	254.98
9,535,495 (9,535,495) equity shares of VND 10,000 fully paid		
Marico Consumer Care Limited (wholly owned)	745.70	745.70
20,660,830 (20,660,830) equity shares of Rs. 10 each fully paid		
	1,089.34	1,089.34
C. Other Investments :		
Investments in Government Securities		
Unquoted		
National Savings Certificates (Deposited with the Government authorities)	0.01	0.01
Investment in Bonds		
Quoted		
Power Finance Corporation Limited	2.85	2.85
28,479 (28,479) Secured, Redeemable, Tax free Non-convertible Bonds, 8.20%, face value of Rs. 1,000/- each, redeemable on 1st February, 2022).		
Indian Railway Finance Corporation	2.18	2.18
21,751 (21,751) Secured, Redeemable, Tax free Non-convertible Bonds, 8.00% , face value of Rs. 1,000/- each, redeemable on 23rd February, 2022).		
National Highways Authority of India	2.47	2.47
24,724 (24,724) Secured, Redeemable, Tax free Non-convertible Bonds, 8.20%, face value of Rs. 1,000/- each, redeemable on 25th January, 2022).		
Rural Electrification Corporation Limited	6.12	6.12
61,238 (61,238) Secured, Redeemable, Tax free Non-convertible Bonds, 8.12%, face value of Rs. 1,000/- each, redeemable on 29th March, 2027).		
Rural Electrification Corporation Limited	5.00	5.00
50 (50) Secured, Redeemable, Tax free Non-convertible Bonds, 8.46% , face value of Rs. 10,00,000/- each, redeemable on 29th August, 2028).		

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Housing & Urban Development Corporation Ltd	5.00	5.00
50 (50) Secured, Redeemable, Tax free Non-convertible Bonds, 8.56%, face value of Rs. 10,00,000/- each, redeemable on 2nd September, 2028).		
Investments in Mutual Funds		
Quoted		
LIC Nomura MF Fixed Maturity Plan Series 77-396 Days-Growth	–	8.00
Nil (8,000,000) units of Rs. 10 each fully paid		
DWS Fixed Maturity Plan Series 62-Reg Plan-Growth	4.13	–
4,125,148 (Nil) units of Rs. 10 each fully paid		
	27.76	31.63
Total	1,128.86	1,132.93
Aggregate amount of quoted investments	28.60	32.48
Market value / net asset value of quoted investments	3,308.12	2,499.38
Aggregate amount of unquoted investments	1,100.26	1,100.45

Note : During the year ended March 31, 2015, International Consumer Product Corporation, a subsidiary of the Company in Vietnam has bought back its shares resulting into increase in the percentage of Company's shareholding to 100% (shareholding as at March 31, 2014 - 85%).

14 Long-term loans and advances

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Unsecured, considered good unless stated otherwise		
Capital Advances	12.06	5.27
Loans to Subsidiaries (Refer note 40 III and note a below)	1.55	7.26
Advances to Subsidiaries (Refer note 40 (III)	19.51	2.15
Other loans and advances:		
Deposits with public bodies and others Considered good	13.20	9.53
Loans to employees	3.58	3.64
Prepaid expenses	0.15	0.20
Balance with statutory/government authorities	10.74	13.99
Loans and advances to Welfare of Mariconions Trust (Refer note 41(c))	8.40	26.48
Less: Provision towards doubtful loan (Refer Note 41 (e))	–	(0.70)
	8.40	25.78
Total	69.19	67.82

Note:

The above loan was given to a subsidiary for various operational requirement and acquisition of brands and carries interest rate of 6 months USD LIBOR plus 700 basis points or Prime Lending Rate of South African Reserve Bank whichever is lower. The said loan is repayable within a period of two years from March 31, 2015.

15 Other non current assets

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Fringe benefit tax payments (net of provisions of Rs. 5.85 Crore (previous year Rs. 5.85 Crore))	0.48	0.48
MAT credit entitlement	119.02	153.80
Long term deposits with banks with maturity period of more than twelve months (Refer note below)	1.17	0.64
Total	120.67	154.92

Note:

Long term deposits with banks includes Rs. 0.21 Crore (Rs. 0.25 Crore) deposited with sales tax authorities, Rs. 0.39 Crore (Rs. 0.39 Crore) held as lien by banks against guarantees issued on behalf of the Company and Rs. 0.57 Crore (Nil) for other earmarked balances.

16 Current investments

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Current investments (At lower of cost and fair value)		
Quoted		
Investments in Mutual Funds		
LIC Nomura MF Fixed Matuirity Plan Series 77-396 Days-Growth 8,000, 000 (Nil) units of Rs. 10 each fully paid	8.00	–
Birla Sun Life Fixed Term Plan-Series JN (368 Days) Nil (6,000,000) units of Rs. 10 each fully paid	–	6.00
DWS Fixed Maturity Plan Series 62-Reg Plan-Growth Nil (20,000,000) units of Rs. 10 each fully paid	–	20.00
HDFC FMP 396 Days March 2014(3) Series 29-Regular-Growth Nil (20,000,000) units of Rs. 10 each fully paid	–	20.00
ICICI Prudential FMP Series 73-368 D-Plan M-Cumulative Nil (10,000,000) units of Rs. 10 each fully paid	–	10.00
Kotak FMP Series 111 - Growth Nil (9,000,000) units of Rs. 10 each fully paid	–	9.00
Religare Invesco FMP-Series XIX-Plan F(370 Days)-Growth Plan Nil (9,000,000) units of Rs. 10 each fully paid	–	9.00
Religare Invesco FMP-Sr.23 -Plan F(367 Days)- Reg Growth Plan Nil (20,000,000) units of Rs. 10 each fully paid	–	20.00
SBI Debt Fund Series-366 Days-Reg-Growth Nil (10,000,000) units of Rs. 10 each fully paid	–	10.00
UTI Fixed Term Income Fund Series XVIII-IV(366 Days)-Growth Nil (30,000,000) units of Rs. 10 each fully paid	–	30.00

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Unquoted		
Investments in Mutual Funds		
Axis Treasury Advantage Fund - Growth 50,053 (Nil) Units of Rs. 1,000 each fully paid	7.75	–
Birla Sunlife Cash Plus -Growth-Regular 190,148 (Nil) Units of Rs. 100 each fully paid	4.26	–
Birla Sunlife Floating Rate Long Term -Growth-Regular 304,582 (Nil) Units of Rs. 100 each fully paid	5.10	–
DWS Treasury Fund -Cash-Growth 1,001,013 (Nil) Units of Rs. 100 each fully paid	15.01	–
HDFC Liquid Fund - Growth 3,990,799 (Nil) Units of Rs. 10 each fully paid	11.00	–
HDFC Cash Management Fund-Savings Plan-Growth 1,897,404 (Nil) Units of Rs. 10 each fully paid	5.53	–
HDFC Banking and PSU Debt Fund-Reg-Growth 1,813,187 (Nil) Units of Rs. 10 each fully paid	2.00	–
ICICI Prudential Money Market Fund -Regular Plan -Growth 1,036,048 (Nil) Units of Rs. 100 each fully paid	20.01	–
IDFC Ultra Short Term Fund -Growth-Regular Plan 1,301,391 (Nil) Units of Rs. 10 each fully paid	2.54	–
Kotak Liquid Scheme Plan A-Growth 70,607 (Nil) Units of Rs. 1,000 each fully paid	20.01	–
L&T Ultra Short Term Fund-Growth 1,011,382 (Nil) units of Rs. 10 each fully paid	2.29	–
Principal Debt Opportunities Fund Corporate Bond Plan-Regular Plan Growth 47,877 (Nil) Units of Rs. 1,000 each fully paid	10.00	–
Reliance Liquid Fund-Treasury Plan-Growth 58,818 (Nil) Units of Rs. 1,000 each fully paid	20.02	–
Religare Invesco Ultra Short Term Fund-Growth 56,982 (Nil) Units of Rs. 1,000 each fully paid	10.96	–
Religare Invesco Credit Opportunities Fund-Growth 60,034 (Nil) Units of Rs. 1,000 each fully paid	9.56	–
SBI Magnum Insta Cash -Reg Plan-Growth 64,792 (Nil) Units of Rs. 1,000 each fully paid	20.01	–
Templeton India TMA-SIP-Growth 16,797 (Nil) Units of Rs. 1,000 each fully paid	3.50	–

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
SBI Magnum Insta Cash Fund Liquid Floater-Reg-Growth Nil (10,281) Units of Rs. 1,000 each fully paid	–	2.25
Baroda Pioneer Treasury Advantage Fund- Plan A-Growth Nil (12,041) units of Rs. 1,000 each fully paid	–	1.76
DWS Ultra Short Term Fund-SIP-Growth Nil (9,569,990) units of Rs. 10 each fully paid	–	14.64
HDFC Floating Rate Income Fund-STP-WO-Growth Nil (4,911,345) units of Rs. 10 each fully paid	–	10.75
JM Money Manager Fund-Super Plus Plan-Growth Nil (976,112) units of Rs. 10 each fully paid	–	1.77
JM Money Manager Fund-Super Plus Plan-Bonus Option-Bonus Units 3,748,072 (3,748,072) units of Rs. 10 each fully paid	3.78	3.78
JM Money Manager Fund-Super Plan-Bonus Option-Bonus Units 4,524,192 (4,524,192) units of Rs. 10 each fully paid	4.43	4.43
JP Morgan India Treasury Fund-SIP-Growth 11,140,952 (9,930,359) units of Rs. 10 each fully paid	20.42	16.68
Kotak Flexi Debt Scheme Plan A-Growth Nil (971,164) units of Rs. 10 each fully paid	–	1.53
Kotak Banking & PSU Debt Fund -Growth Nil (176,035) units of Rs. 10 each fully paid	–	0.50
Peerless Ultra Short Term Fund-Super Instl-Growth Nil (10,809,928) units of Rs. 10 each fully paid	–	15.25
Reliance Money Manager Fund-Growth Plan Nil (58,597) units of Rs. 1,000 each fully paid	–	10.29
Sundraram Ultra Short Term Fund-Regular-Growth Nil (8,201,076) units of Rs. 10 each fully paid	–	14.41
Tata Floater Fund - Plan A-Growth Nil (6,581) units of Rs. 1,000 each fully paid	–	1.28
Templeton India Ultra Short Term Bond Fund-SIP-Growth Nil (300,671) units of Rs. 10 each fully paid	–	0.51
Total	**206.18**	**233.83**
Aggregate amount of quoted investments	8.00	134.01
Net asset value of quoted investments	8.79	135.88
Aggregate amount of unquoted investments	198.19	99.83
Net asset value of unquoted investments	204.42	100.39

17 Inventories

(Refer note 2 (h), for basis of valuation)

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Raw materials	247.39	215.96
Work–in–progress	107.20	131.25
Finished goods	346.30	232.98
Stock – in – trade (Traded goods)	16.40	13.91
Stores and spares	7.30	6.43
Others :		
Packing materials	61.44	60.98
By–products	5.56	2.45
Total	791.59	663.96

18 Trade receivables

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	4.18	1.00
Considered doubtful	2.89	2.64
	7.07	3.64
Less: Provision for doubtful debts	(2.89)	(2.64)
	4.18	1.00
Outstanding for a period less than six months from the date they are due for payment		
Considered good	126.37	147.45
Considered doubtful	–	–
	126.37	147.45
	130.55	148.45

Refer note 40 (III) for amounts receivable from subsidiaries

19 Cash and bank balances

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Cash and cash equivalents :		
Cash on hand	0.18	0.23
Remittance in-transit	–	0.18
Cheques on hand	0.76	3.52
Bank balances in current accounts	14.01	11.54
	14.95	15.47
Other bank balances :		
Fixed deposits with maturity more than three months but less than twelve months	75.00	–
Unclaimed dividend account	0.27	0.20
Unpaid Dividend account	–	112.88
Demand deposits with maturity upto three months	6.75	0.40
Total	96.97	128.95

20 Short term loans and advances

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Unsecured, considered good (unless otherwise stated)		
Loans and advances		
Loans to Subsidiaries (Refer note 40 III and note a below)	3.89	2.15
Advances to Subsidiaries (Refer note 40 (III)	10.57	28.44
	14.46	30.59
Others :		
Loans and advances to Welfare of Mariconians Trust (Refer note 41 (c))	19.76	9.83
Advances to vendors and others	59.22	19.79
Loans and advances to employees	2.10	2.40
Prepaid expenses	8.25	6.76
Deposits/Balances with Government authorities/Others	6.53	5.26
Inter corporate deposits (fixed deposits with Companies / Public Financial Institutions)	60.00	15.00
	155.86	59.04
Total	170.32	89.63

Note:

The above loan was given to a subsidiary for various operational requirement and acquisition of brands and carries interest rate as per Prime Lending Rate of South African Reserve Bank. The said loan is repayable within a period of two years from March 31, 2015.

21 Other current assets

Particulars	As at March 31, 2015 Rs. Crore	As at March 31, 2014 Rs. Crore
Unsecured, considered good (unless otherwise stated)		
Interest accrued and due on loans / deposits (receivable from subsidiary Rs. 0.10 Crore (Rs. 0.10 Crore))	3.51	1.81
Insurance claims receivable	0.05	0.05
Accrued export incentives	0.18	2.04
Assets held for disposal (Refer note 12 a and (d))	28.71	16.27
Others	0.65	6.72
Total	33.10	26.89

22 Revenue from operations

Particulars	For the year ended March 31, 2015 Rs. Crore	For the year ended March 31, 2014 Rs. Crore
Sale of products:		
Finished goods	4,393.73	3,418.43
Traded goods	182.82	182.34
By–product sales	101.28	80.70
	4,677.83	3,681.47
Less:		
Excise duty	8.25	6.69
	4,669.58	3,674.78
Other operating revenues:		
Export incentives	6.34	3.99
Sale of scraps	5.28	3.72
	11.62	7.71
Total	**4,681.20**	**3,682.49**

a) Details of Sales (Finished goods)

Particulars	For the year ended March 31, 2015 Rs. Crore	For the year ended March 31, 2014 Rs. Crore
Edible oils	2,897.13	2,195.97
Hair oils	1,100.22	887.68
Personal care	280.98	246.21
Others	115.40	88.57
Total	**4,393.73**	**3,418.43**

a) Details of Sales (Traded goods)

Particulars	For the year ended March 31, 2015 Rs. Crore	For the year ended March 31, 2014 Rs. Crore
Oil seeds (Copra)	65.19	69.18
Personal care	82.03	82.31
Others	35.60	30.85
Total	**182.82**	**182.34**

23 Other income

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Interest Income		
On Non current investments	2.17	2.26
On current investments	2.40	0.63
On loans, deposits, etc.	2.97	4.00
	7.54	6.89
Dividend Income		
On current investments	10.98	5.33
On Non current investments (from a subsidiary)	94.87	202.99
	105.85	208.32
Net gain on sale of current investments	12.28	9.82
Other non–operating income :		
Lease rental income	0.64	1.02
Royalty Income	7.15	6.78
Profit on sale of assets (net)	–	0.46
Excess Provision no longer required written back	4.32	–
Miscellaneous income	3.02	2.04
Total	140.80	235.33

24 **Cost of materials consumed, Purchases of stock in trade, Changes in inventories of finished goods, work-in-progress and stock-in-trade – (increase) / decrease**

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
A **Cost of materials consumed** (Refer note a & c below)		
Raw materials consumed		
Opening Inventories	215.96	248.98
Add : Purchases (net)	2,295.58	1,449.27
Less : Inventories at the end of the year	247.39	215.96
Cost of raw materials consumed during the year	2,264.15	1,482.29
Packing materials consumed		
Opening Inventories	60.98	48.80
Add : Purchases (net)	412.20	372.05
Less : Inventories at the end of the year	61.44	60.98
Cost of packing materials consumed during the year	411.74	359.87
Total	2,675.89	1,842.16

	Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
B	**Purchases of Stock–in–trade** (Refer note b below)	134.71	138.42
C	**Changes in inventories of finished goods, work-inprogress and stock-in-trade - (increase) / decrease**		
	Opening inventories		
	Work-in-progress	131.25	175.57
	Finished goods	232.98	199.03
	By-products	2.45	1.68
	Stock-in-trade	13.91	28.46
	Total I	380.59	404.74
	Less: Closing inventories		
	Work-in-progress	107.20	131.25
	Finished goods	346.30	232.98
	By-products	5.56	2.45
	Stock-in-trade	16.40	13.91
	Total II	475.46	380.59
	(Increase) / decrease in inventories (I–II)	**(94.87)**	**24.15**

a) Details of Raw materials consumed

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Oil seeds (Copra and Kardi seeds)	983.95	558.70
Raw oils (other than Copra and Kardi seeds)	795.97	634.07
Others	484.23	289.52
Total	**2,264.15**	**1,482.29**

b) Details of Purchases of Stock-in-trade

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Oil seeds (Copra)	63.25	64.14
Personal care	52.43	53.59
Others	19.03	20.69
Total	**134.71**	**138.42**

c) **Value of imported and indigenous Raw materials consumed**

Particulars	For the year ended March 31, 2015 Rs. Crore	%	2014 Rs. Crore	%
Imported	258.28	11.41	154.04	10.39
Indigeneous	2,005.87	88.59	1,328.25	89.61
Total	2,264.15	100.00	1,482.29	100.00

25 Employee benefit expenses

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Salaries, wages and bonus	170.03	149.31
Contribution to provident and other funds (Refer note 42)	10.46	9.55
Employees stock option charge (Refer note 3 (d))	3.27	–
Stock appreciation rights expenses (Refer note 41 (d)):		
Star Grant Expenses	24.76	5.34
Less: Accretion in amounts recoverable from the Trust	(22.54)	(2.53)
	2.22	2.81
Staff welfare expenses	11.19	10.62
Total	**197.17**	**172.29**

26 Finance costs

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Interest on:		
Long term borrowings	8.68	11.69
Short term borrowings	3.97	11.88
Other borrowing costs	0.17	0.18
Bank and other financial charges	1.49	1.90
Applicable net loss on foreign currency transactions and translation	2.66	4.78
Total	**16.97**	**30.43**

27 Depreciation, amortisation and impairment

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Depreciation on tangible assets (Refer note 2(d) (I))	50.11	32.32
Amortisation on intangible assets (Refer note 2(d) (II))	7.80	4.74
Impairment loss / (reversal of loss) of capitalised assets	(3.36)	8.94
Amortisation of Investment Property (Refer note 13)	0.20	0.20
Total	**54.75**	**46.20**

28 Other Expenses

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Consumption of stores and spare parts (Refer note (a) below)	13.45	9.69
Power, fuel and water	29.11	28.18
Contract manufacturing charges	151.84	132.57
Rent and storage charges	25.76	27.94
Repairs to:		
Building	7.17	6.11
Machinery	15.37	12.02
Others	1.37	1.64

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Freight, forwarding and distribution expenses	186.83	164.76
Advertisement and sales promotion	480.52	409.71
Rates and taxes	57.61	41.32
Commission to selling agents	1.92	1.15
Communication expenses	6.70	5.26
Printing and stationery	1.62	1.69
Travelling, conveyance and vehicle expenses	26.57	23.79
Royalty	5.55	5.34
Insurance	5.15	3.74
Payments to the auditor as :		
- Statutory audit fees (including Limited Review under the Listing Agreement)	0.96	0.88
- Tax audit fees	–	0.06
- for other services as statutory auditors	0.12	0.15
- for reimbursement of expenses	0.02	0.01
Net loss on foreign currency transactions and translation (other than considered as finance cost)	9.72	2.02
Commission to Non-executive directors	1.29	0.94
Provision for doubtful debts and advances	0.25	0.15
Add: Bad debts written off	–	0.71
Less: Provision for doubtful advances no longer required written back	–	(0.75)
	0.25	0.11
Miscellaneous expenses (Refer note (b) below)	77.44	67.81
Total	1,106.34	946.89

(a) There is no consumption of imported stores and spares during the current year and the previous year.

(b) Miscellaneous expenses includes :

Particulars	For the year ended March 31, 2015 Rs. Crore	2014 Rs. Crore
Labour charges	11.20	11.45
Training & seminar expenses	4.78	3.82
Outside services	10.92	3.50
Legal & professional charges	30.18	29.60
Donation	6.80	8.08
Loss on sale of assets (net)	1.45	–

29 Contingent liabilities:

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Disputed tax demands / claims :		
Sales tax	14.67	28.83
Income tax	47.14	41.50
Customs duty	0.31	0.40
Agricultural produce marketing cess	9.69	9.69
Employees state insurance corporation	0.18	0.18
Excise duty on subcontractors	0.54	0.54
Services Tax	0.17	0.17
Excise duty on CNO dispatches (Refer note below)	565.62	443.23
Excise duty on By-product	4.67	–
Claims against the Company not acknowledged as debts	0.14	0.19
Corporate guarantees given to banks on behalf of group companies for credit and other facilities granted by banks. (Credit and other facilities availed by the subsidiaries as at the year ending March 31, 2015 - Rs. Nil (Rs. 0.67 Crore)).	–	8.00
Corporate guarantees given to banks on behalf of Broadcast Audience Research Council (BARC)	0.60	–
Stand by Letter of Credit (SBLC) issued by the Company's banks on behalf of subsidiaries for credit and other facilities granted by banks. (Credit and other facilities availed by the subsidiaries as at the ending March 31, 2015 - Rs. 117.51 Crore (Rs. 119.95 Crore))	131.87	129.24
These SBLC are given for working capital requirement and are generally renewed every year.		
Letter of credit	31.84	23.39
Total	807.44	685.36

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

Note:

This contingent liability pertains to a possible obligation in respect of pure coconut oil packs up to 200 ml. This claim has been contested by the excise department. Based on the various judicial pronouncements, management believes that the probability of success in the matter is more likely than not and accordingly, the possible excise obligation has been treated as a contingent liability in accordance with requirements of Accounting Standard (AS) 29 "Provisions, Contingent Liability and Contingent Asset". The possible obligation of Rs. 443.85 Crore (Rs. 321.46 Crore) for the clearances made after June 3, 2009 (i.e. the date of issue of Board circular) till March 31, 2015 and Rs. 121.77 Crore (Rs. 121.77 Crore) for clearances made prior to June 3, 2009 has been disclosed as contingent liability to the extent of the time horizon covered by show cause notices issued by the excise department within the normal period of one year (from the date of clearance) as per the excise laws.

The Company will continue to review this matter during the coming accounting periods based on the developments on the outcome in the pending cases and the legal advice, that it may receive from time to time.

30 Capital commitments

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances Rs. 6.42 Crore (Rs. 4.43 Crore))	11.83	194.44
Total	**11.83**	**194.44**

31 CIF value of imports

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Raw materials	155.85	140.00
Packing materials	1.09	5.46
Capital goods	3.56	3.59
Stock - in - trade (Traded goods)	3.99	1.37
Total	**164.49**	**150.42**

32 Expenditure in foreign currency

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Travelling and other expenses	0.85	0.65
Advertisement and sales promotion	14.86	6.10
Interest on other loans	8.77	11.48
Employee benefits expenses	1.99	–
Miscellaneous expenses	1.85	2.07
Total	**28.32**	**20.30**

33 Earnings in foreign currency

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
FOB value of exports	207.09	162.76
Royalty	7.15	6.78
Dividend	94.87	202.99
Interest	0.71	1.49
Reimbursement of corporate guarantee commission	–	0.74
Total	**309.82**	**374.76**

34 Research and Development expenses aggregating to Rs. 4.05 Crore for food and edible items and to Rs. 15.13 Crore for others have been included under the relevant heads in the Statement of Profit and Loss. (Previous year aggregating to Rs. 16.56 Crore). Further Capital expenditure pertaining to this of Rs. 0.11 Crore for food and edible items and to Rs. 0.44 Crore for others have been incurred during the year (Previous year aggregating to Rs. 2.36 Crore).

35 Pursuant to Schedule II of Companies Act, 2013 ("Schedule") becoming effective from April 1, 2014, the Company has applied the useful life of assets as prescribed in the Schedule or the estimated useful life, whichever is lower, for ascertaining the depreciation

expense. Had the Company not changed the useful life of assets, the depreciation expense for the year ended March 31, 2015 would have been lower by Rs. 9.79 Crore. Further, in case of assets which have completed their useful life as at 1st April 2014, [the carrying value (net of residual value) of which amounted to Rs. 0.83 Crore] Rs. 0.54 Crore (net of tax effect of Rs. 0.29 Crore) has been adjusted in the opening balance of retained earnings. (Refer note 4)

36 a) Additional information on assets taken on lease:

The Company's significant leasing arrangements are in respect of residential flats, office premises, warehouses, vehicles etc. taken on lease. The arrangements range between 11 months to 3 years and are generally renewable by mutual consent or mutually agreeable terms. Under these arrangements refundable interest-free deposits have been given.

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Lease rental payments recognized in the Statement of Profit and Loss.	22.33	23.26
In respect of assets taken on non-cancellable operating lease:		
Lease obligations		
Future minimum lease rental payments		
- not later than one year	12.45	10.21
- later than one year but not later than five years	19.93	12.14
- later than five years	0.06	0.04
Total	**32.44**	**22.39**

b) Additional information on assets given on lease: (Refer Note 12 (f))

Particulars	As at March 31, 2015 Rs. Crore	2014 Rs. Crore
Lease rental Income recognised in the Statement of Profit and Loss.	0.64	1.02

Rs. Crore

Asset	Cost as at March 31		Depreciation for the year ended March 31		Accumulated Depreciation as at March 31		Net Book Value as at March 31	
	2015	2014	2015	2014	2015	2014	2015	2014
Plant and equipment (Refer Note 12(A))	1.90	2.03	0.01	0.06	1.74	1.85	0.16	0.18
Investment Property (Refer Note 13)	12.36	12.36	0.20	0.20	0.60	0.40	11.76	11.96

37 Derivative transactions –

a) The total derivative instruments outstanding as on year end March 31, 2015 are Plain Forwards, Plain Vanilla Put Option, Cross currency swap and Interest rate swap:

Particulars		March 31, 2015		March 31, 2014	
	Currency	Notional Amount in Foreign Currency	Equivalent Amount in Rs. at the year end *	Notional Amount in Foreign currency	Equivalent Amount in Rs. at the year end *
			(Rs. Crore)		(Rs. Crore)
Forward contracts outstanding					
Exports:	USD	1,195,570	7.47	5,425,824	32.50
Foreign currency loans (including Interest)	USD	–	–	3,000,000	17.97
Imports	USD	3,789,550	23.68	5,071,095	30.37
Imports	AUD	243,100	1.16	611,578	3.39
Imports	EUR	480,000	3.22	–	–
Loan to subsidiary:	ZAR	10,559,500	5.44	16,544,500	9.41
Options Contracts outstanding					
Exports	USD	4,373,000	27.33	4,817,444	28.85
Imports	USD	3,321,040	20.76	3,430,000	20.54
Imports	AUD	574,600	2.73	664,998	3.69

* Converted into the exchange rate at the year end.

Out of the above, the following have been designated as cash flow hedges :

Particulars		March 31, 2015		March 31, 2014	
	Currency	Amount in Foreign Currency	Fair Value	Amount in Foreign Currency	Fair Value
			(Rs. Crore)		(Rs. Crore)
Forward contracts	USD	4,985,120	31.16	10,496,919	64.02
Forward contracts	AUD	243,100	1.16	611,578	3.41
Forward contracts	EUR	480,000	3.22	–	–
Options contract	AUD	574,600	2.73	664,998	0.20
Options contract	USD	7,694,040	48.09	8,247,444	1.40

Details of Interest rate swaps which the Company has entered into for hedging its interest rate exposure on borrowings in foreign currency :

Particulars		March 31, 2015		March 31, 2014	
	Currency	Amount in Foreign Currency	Fair Value	Amount in Foreign Currency	Fair Value
			(Rs. Crore)		(Rs. Crore)
Borrowings in Foreign currency	USD	21,000,000	1.17	25,500,000	1.77

The Cash flows are expected to occur and impact the Statement of Profit and Loss within the period of 1 year except interest rate swap, in respect of which Cash flows are expected to occur and impact the Statement of Profit and Loss within the period of 2 years (3 years).

All the derivative contracts entered by the Company were for hedging purpose and not for any speculative purpose.

b) The Net foreign currency exposures not hedged as at the year end are as under:

Particulars		March 31, 2015		March 31, 2014	
	Currency	Amount in Foreign Currency	Equivalent Amount in Rs. at the year end	Amount in Foreign Currency	Equivalent Amount in Rs. at the year end
			(Rs. Crore)		(Rs. Crore)
a. Amount (payable) /receivable in foreign currency on account of following :					
(i) Foreign currency Creditors for import of goods and services	MYR	–	–	(128,000)	(0.23)
	AUD	–	–	627,191	3.48
	EUR	(13,850)	(0.09)	112,862	0.93
	USD	1,865,047	11.66	–	–
	GBP	(158,871)	(1.47)	(25,147)	(0.25)
	SGD	(643)	(0.01)	121	0.01
(ii) Foreign currency Creditors for capital imports	CHF	680	0.01	680	0.01
	GBP	800	0.01	800	0.01
	EUR	320,000	2.15	9,977	0.08
	USD	124,664	0.78	12,102	0.07
(iii) Foreign currency Debtors for export of goods	AED	4,988	0.01	4,988	0.01
	USD	184,083	1.15	–	–
b. Bank balances	USD	4,928	0.03	38,144	0.23
	VND	254,298	0.01	254,291	0.01
c. Other receivable / (payable)	BDT	(370)	(0.01)	27,000	0.01
	USD	58,887	0.37	20,158	0.12
	ARS	16,500	0.01	–	–
	EUR	1,000	0.01	–	–
	AED	2,382	0.01	2,580	0.01
	SGD	3,940	0.02	(60)	(0.01)
	MYR	–	–	2,130	0.01
	AUD	2,000	0.01	–	–
d. Loans and Advances to Subsidiaries including interest accrued	AED	653,653	1.11	980,461	1.60
	BDT	188,436,081	15.13	173,062,263	13.36
	USD	2,036,189	12.73	3,297,670	19.75
	ZAR	–	–	172,353	0.10
	EGP	617,735	0.51	787,845	0.68

Excludes Loans payable of Rs. 262.49 Crore [USD 42,000,000] (Rs. 305.44 Crore [USD 51,000,000]) assigned to hedging relationship against highly probable forecast sales. The Cash flows are expected to occur and impact the Statement of Profit and Loss within the period of 2 years (3 years).

Outstanding hedging contracts assigned against future sales and purchases have been adjusted while calculating un-hedged foreign currency exposure on overall basis.

c) The Company had, opted for adoption of Accounting Standard 30 “Financial Instruments: Recognition and Measurement” to the extent it does not conflict with existing mandatory accounting standards and other authoritative pronouncements. Accordingly, the net unrealised loss of Rs. 74.97 Crore as at March 31, 2015 (Rs. 76.30 Crore as at March 31, 2014) in respect of outstanding derivative instruments and foreign currency loans at the period end which qualify for hedge accounting, stands in the 'Hedge Reserve', which is being recognised in the Statement of Profit and Loss on occurrence of the underlying transactions or forecast revenue.

38 Earnings per share:

Particulars	March 31, 2015	March 31, 2014
Profit for the year as per the Statement of Profit and Loss/ Profit available to equity shareholders (Rs. Crore)	545.17	577.22
Equity shares outstanding as at the year end	644,981,999	644,872,999
Weighted average number of equity shares used as denominator for calculating basic earnings per share	644,902,903	644,843,409
Weighted average number of equity shares used as denominator for calculating diluted earnings per share	645,334,576	645,002,031
Nominal value per equity share	Re. 1	Re. 1
Basic earnings per equity share	**Rs. 8.45**	**Rs. 8.95**
***Diluted earnings per equity share**	**Rs. 8.45**	**Rs. 8.95**

*Diluted EPS has been calculated after taking into account options granted to certain eligible employees as referred in note 3(d).

Reconciliation of Basic and Diluted Shares used in computing earnings per share

Particulars	March 31, 2015	March 31, 2014
Number of shares considered as basic weighted average shares outstanding	644,902,903	644,843,409
Add: Effect of dilutive stock options	431,673	158,622
Number of shares considered as weighted average shares and potential shares outstanding	645,334,576	645,002,031

39 Segment Information

The Company has only one reportable segment in terms of Accounting Standard 17 (AS 17) 'Segment Reporting', which is manufacturing and sale of consumer products and geographical segments are insignificant.

40 Related Party disclosures :

I) Name of related parties and nature of relationship:

a) Subsidiary companies

Name of the Company	Effective date for Acquisition / Incorporation	Holding Company	Country of incorporation	Percentage of ownership interest
Marico Bangladesh Limited (MBL)	September 6, 1999	Marico Ltd	Bangladesh	90 (90)
Marico Middle East FZE (MME)	November 8, 2005	Marico Ltd	UAE	100 (100)
-MBL Industries Limited (MBLIL)	August 2, 2003	MME	Bangladesh	100 (100)
-Egyptian American Investment & Industrial Development Company (EAIIDC)	December 19, 2006	MME	Egypt	100 (100)
-Marico Malaysia Sdn. Bhd. (MMSB)	December 4, 2009	MME	Malaysia	100 (100)
-MEL Consumer Care SAE (MELCC)	October 1, 2006	MME	Egypt	100 (100)
-Marico Egypt Industries Company (MEIC)	January 1, 2008	MELCC	Egypt	100 (100)
Marico South Africa Consumer Care (Pty) Limited (MSACC)	October 17, 2007	Marico Ltd	South Africa	100 (100)
-Marico South Africa (Pty) Limited (MSA)	November 1, 2007	MSACC	South Africa	100 (100)

Name of the Company	Effective date for Acquisition / Incorporation	Holding Company	Country of incorporation	Percentage of ownership interest
International Consumer Products Corporation (ICP)	February 18, 2011	Marico Ltd	Vietnam	100 (85)
-Beaute Cosmetique Societe Par Actions (BCS)	February 18, 2011	ICP 99% equity held by ICP (Previous Year : 99%)	Vietnam	99 (84.15)
-Thuan Phat Foodstuff Joint Stock company (TPF)	February 18, 2011	ICP 99.99% equity held by ICP (Previous Year: 99.73%)	Vietnam	99.99 (84.77)
Marico Consumer Care Limited (MCCL)	April 20, 2012	Marico Ltd	India	100 (100)
Halite Personal Care Private Limited (A Company under Voluntary Liquidation)	May 29, 2012	MCCL	India	Nil (Nil)
Marico Innovation Foundation (Refer Note (i) below) (MIF)	March 15, 2013	Marico Ltd	India	N.A. (N.A.)

Percentage in bracket relate to previous year.

Notes

i) The Marico Innovation Foundation ("MIF"), a company incorporated under Section 25 of the Companies Act, 1956 (being a private company limited by guarantee not having share capital) primarily with an objective of fuelling and promoting innovation in India, is a wholly owned subsidiary of the Company with effect from March 15, 2013.

b) Subsidiary firm:

Wind Company. (Through MELCC)

c) Key management personnel (KMP) and their relatives:

Saugata Gupta, Managing Director & CEO (w.e.f. 01/04/2014)

Harsh Mariwala, Chairman and Managing Director (upto 31/03/2014)

Rishabh Mariwala, son of Harsh Mariwala (upto 31/03/2014)

d) Individual holding directly / indirectly an interest in voting power & their relatives (where transactions have taken place) - Significant Influence

Harsh Mariwala, Chairman & Non Executive Director (w.e.f. 01/04/2014)

Rishabh Mariwala, son of Harsh Mariwala (w.e.f. 01/04/2014)

e) Others - Entities in which above (c) & (d) has significant influence and transactions have taken place:

Marico Kaya Enterprises Limited

Kaya Limited

Kaya Middle East FZE

Derma Rx Asethetics Pre Ltd.

II) Transactions during the year

(Rs. Crore)

Particulars	Subsidiaries (Referred in I (a) and (b) above)		KMP & their relatives (Referred in I (c) above)		Others (Referred in I (d) and (e) above)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Sale of goods	**146.43**	**118.94**	–	–	**0.19**	–
Marico Bangladesh Limited	72.85	71.70	–	–	–	–
Marico Middle East FZE	70.97	40.74	–	–	–	–
Others	2.61	6.50	–	–	0.19	–
Purchase of goods	**4.18**	**0.72**	–	–	–	–
International Consumer Products Corporation	3.04	–	–	–	–	–
Wind Company	1.14	0.45	–	–	–	–
Egyptian American Investment & Industrial Development Company	–	0.27	–	–	–	–
Royalty income	**7.15**	**6.78**	–	–	–	–
Marico Bangladesh limited	5.54	4.43	–	–	–	–
Marico Middle East FZE	1.09	1.64	–	–	–	–
Others	0.52	0.71	–	–	–	–
Dividend income	**94.87**	**202.99**	–	–	–	–
Marico Bangladesh limited	94.87	202.99	–	–	–	–
Interest income	**0.71**	**1.49**	–	–	–	–
Marico South Africa Consumer Care (pty) Ltd	0.71	1.49	–	–	–	–
Corporate guarantee commission	–	–	–	–	–	**0.74**
Derma Rx International Aesthetics Pte. Ltd.	–	–	–	–	–	0.74
Expenses paid on behalf of subsidiaries	**8.96**	**14.86**	–	–	**1.58**	**12.66**
Marico Bangladesh limited	3.04	2.83	–	–	–	–
Marico Egypt Industries Company	1.27	3.51	–	–	–	–
Marico Middle East FZE	1.92	3.39	–	–	–	–
Kaya Limited	–	–	–	–	1.27	12.25
International Consumer Products Corporation	1.96	4.41	–	–	–	–
Others	0.77	0.72	–	–	0.31	0.41
Expenses paid by subsidiary on behalf of Marico limited	**0.13**	–	–	–	**0.22**	**0.06**
Marico Egypt Industries Company	0.10	–	–	–	–	–
Kaya Middle East FZE	–	–	–	–	0.22	0.06
Others	0.03	–	–	–	–	–
Lease Rental Income	–	–	–	–	**0.64**	**0.83**

Particulars	Subsidiaries (Referred in I (a) and (b) above)		KMP & their relatives (Referred in I (c) above)		Others (Referred in I (d) and (e) above)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Kaya Limited	–	–	–	–	0.61	0.82
Others	–	–	–	–	0.03	0.01
Royalty Expenses	**5.54**	**5.16**	**–**	**–**	**–**	**–**
Marico Consumer Care limited	5.54	5.16	–	–	–	–
Claims Settled	**0.03**	**–**	**–**	**–**	**–**	**0.06**
Marico Middle East FZE	0.03	–	–	–	–	–
Kaya Middle East FZE	–	–	–	–	–	0.06
Remuneration / Professional Fees	**–**	**–**	**6.34**	**4.99**	**7.36**	**–**
Saugata Gupta (Including Incentive considered on payment basis)	–	–	6.34	–	–	–
Saugata Gupta (346,600 ESOPs Granted during the year Refer Note 3 (d))	–	–	–	–	–	–
Harsh Mariwala (Including Incentive considered on payment basis)	–	–	–	4.98	7.35	–
Others	–	–	–	0.01	0.01	–
Loan & Advances Recovered	**19.85**	**57.25**	**–**	**–**	**3.88**	**17.07**
Kaya Limited	–	–	–	–	3.31	15.39
Marico Bangladesh limited	4.37	8.98	–	–	–	–
Marico South Africa Consumer Care (pty) Ltd	3.98	38.09	–	–	–	–
Marico Egypt Industries Company	4.32	2.32	–	–	–	–
Marico Middle East FZE	4.45	4.02	–	–	–	–
Others	2.73	3.84	–	–	0.57	1.68
Investments made during the year	**–**	**34.44**	**–**	**–**	**–**	**–**
Marico South Africa Consumer Care (pty) Ltd	–	34.44	–	–	–	–
Donation Given / CSR Activities	**0.44**	**2.92**	**–**	**–**	**–**	**–**
Marico Innovation Foundations	0.44	2.92	–	–	–	–
Purchase of Fixed Assets	**16.85**	**–**	**–**	**–**	**0.01**	**0.48**
Marico Malaysia Sdn. Bhd.	16.85	–	–	–	–	–
Kaya Limited	–	–	–	–	0.01	0.48
Sale of Fixed Assets	**–**	**0.55**	**–**	**–**	**–**	**0.02**
Marico Egypt for Industries Company	–	0.55	–	–	–	–
Others	–	–	–	–	–	0.02
Stand by Letter of Credit issued to banks	**9.37**	**69.65**	**–**	**–**	**–**	**–**
Marico Middle East FZE	9.37	61.09	–	–	–	–

Particulars	Subsidiaries (Referred in I (a) and (b) above)		KMP & their relatives (Referred in I (c) above)		Others (Referred in I (d) and (e) above)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Marico Malaysia Sdn. Bhd.	–	8.56	–	–	–	–
Stand by Letter of Credit discharged	**11.86**	**103.41**	–	–	–	**23.88**
Marico Malaysia Sdn. Bhd.	11.86	–	–	–	–	–
Marico Middle East FZE	–	100.42	–	–	–	–
Kaya Middle East FZE	–	–	–	–	–	23.88
Others	–	2.99	–	–	–	–
Corporate guarantee discharged	–	–	–	–	**8.00**	**105.03**
Kaya Limited	–	–	–	–	8.00	–
Derma Rx International Aesthetics Pte. Ltd.	–	–	–	–	–	105.03
Transfer of Assets and Liabilities on de-merger of Skincare business	–	–	–	–	–	**297.27**
Marico Kaya Enterprises Limited	–	–	–	–	–	297.27

III) Balances as at the year end

(Rs. Crore)

Particulars	Subsidiaries (Referred in I (a) and (b) above)		KMP & their relatives (Referred in I (c) above)		Others (Referred in I (d) and (e) above)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Investment	**1,089.34**	**1,089.34**	–	–	–	–
International Consumer Products Corporation	254.98	254.98	–	–	–	–
Marico Consumer Care limited	745.70	745.70	–	–	–	–
Others	88.66	88.66	–	–	–	–
Trade payable	**2.12**	**0.18**	–	–	–	–
Wind Company	0.34	–	–	–	–	–
International Consumer Products Corporation	1.79	–	–	–	–	–
Egyptian American Investment & Industrial Development Company (EAIIDC)	–	0.18	–	–	–	–
Others	(0.01)	–	–	–	–	–
Dues Payable	**1.06**	**0.22**	–	–	**0.11**	–
Marico Consumer Care limited	1.06	0.22	–	–	–	–
Others	–	–	–	–	0.11	–
Trade Receivable	**18.29**	**23.64**	–	–	**0.05**	–
Marico Middle East FZE	17.25	14.31	–	–	–	–
Marico Bangladesh Limited	–	7.25	–	–	–	–
Others	1.04	2.08	–	–	0.05	–

Particulars	Subsidiaries (Referred in I (a) and (b) above)		KMP & their relatives (Referred in I (c) above)		Others (Referred in I (d) and (e) above)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Short term loans and advances	**13.91**	**28.28**	**–**	**–**	**0.55**	**2.31**
Marico South Africa Consumer Care (pty) Ltd	3.89	2.15	–	–	–	–
Marico Bangladesh Limited	3.73	18.22	–	–	–	–
Marico Middle East FZE	–	3.74	–	–	–	–
Kaya Limited	–	–	–	–	–	1.97
Others	6.29	4.17	–	–	0.55	0.34
Long term loans and advances	**21.06**	**9.41**	**–**	**–**	**–**	**–**
Marico South Africa Consumer Care (pty) Ltd	1.55	9.41	–	–	–	–
Marico Bangladesh Limited	19.51	–	–	–	–	–
Interest accrued on loans and advances	**0.14**	**0.10**	**–**	**–**	**–**	**–**
Marico South Africa Consumer Care (pty) Ltd	0.14	0.10	–	–	–	–
Corporate guarantees given to banks	**–**	**–**	**–**	**–**	**–**	**8.00**
Kaya Limited	–	–	–	–	–	8.00
Stand-by Letter of Credit given to banks	**131.87**	**129.24**	**–**	**–**	**–**	**–**
Marico Middle East FZE	131.87	117.38	–	–	–	–
Others	–	11.86	–	–	–	–

IV) Disclosure for loans and advances in terms of Clause 32 of Equity Listing Agreement :

Loans and advances in the nature of loans to subsidiaries /entity in which KMP has significant influence :

	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore
Loans to subsidiary: Marico South Africa Consumer Care (pty) Limited		
Balance as at the year end	5.44	9.51
Maximum amount outstanding at any time during the year	11.94	47.35

The subsidiaries do not hold any shares in the holding company.

41 a) The Corporate Governance Committee has granted Stock Appreciation Rights ("STAR") to certain eligible employees pursuant to the Company's Employee Stock Appreciation Rights Plan, 2011 ("Plan"). The grant price is determined based on a formula as defined in the Plan. There are two live schemes under the Plan with different vesting periods. Scheme I & II got matured on their respective vesting dates. Under the Plan, the specified eligible employees are entitled to receive a Star Value which is the excess of the maturity price over the grant price subject to fulfillment of certain conditions. The Plan is administered by Corporate Governance Committee comprising independent directors.

b) Details of STAR Scheme:

Rs. Crore

	STAR I		STAR II				STAR III				STAR IV	
Grant Date	March 28, 2011		December 1, 2011		December 1, 2012		December 1, 2012		December 2, 2013		December 2, 2013	
Grant Price (Rs.)	129.15		148.53		213.91		213.91		208.96		208.96	
Vesting Date	September 30, 2013		November 30, 2014		November 30, 2014		November 30, 2015		November 30, 2015		November 30, 2016	
	As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Number of grants outstanding at the beginning of the year	–	2,292,700	542,200	821,400	139,600	156,800	938,100	1,491,400	133,600	–	888,200	–
Add : Granted during the year	–	–	–		–	8,900	–	6,700	–	133,600	–	909,600
Less : Forfeited during the year	–	10,400	70,100	236,700	51,100	26,100	166,500	560,000	12,500	–	133,500	21,400
Less : Exercised during the year	–	2,282,300	472,100	*42,500	88,500	–	–	–	–	–	–	–
Number of grants at the end of the year	–	–	–	542,200	–	139,600	771,600	938,100	121,100	133,600	754,700	888,200

*Pursuant to a resolution passed by the Corporate Governance Committee approving vesting in respect of certain employees.

Rs. Crore

	STAR I		STAR II				STAR III				STAR IV	
	As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Total Provision	–	–	–	2.56	–	–	10.37	–	1.43	–	5.95	–
Less: Accretion in amounts recoverable from the Trust (Also refer note (c) and (d) below)	–	–	–	2.53	–	–	9.92	–	1.33	–	4.25	–
Net Provision	**–**	**–**	**–**	**0.03**	**–**	**–**	**0.45**	**–**	**0.10**	**–**	**1.70**	**–**
Classified as long-term	–	–	–	–	–	–	–	–	–	–	1.70	–
Classified as short-term	–	–	–	0.03	–	–	0.45	–	0.10	–	–	–

c) The Company has formed "Welfare of Mariconians Trust" (The Trust) for the implementation of the schemes that are notified or may be notified from time to time by the Company under the Plan. The Company has advanced Rs. 28.16 Crore (Rs. 36.31 Crore) to the Trust for purchase of the Company's shares under the Plan, of which Rs. 8.40 Crore (Rs. 26.48 Crore) is included under "Long term loans and advances" (Refer Note 14) and Rs. 19.76 Crore (Rs. 9.83 Crore) under "Short term loans and advances" (Refer Note 20). As per the Trust Deed and Trust Rules, upon maturity, the Trust shall sell the Company's shares and hand over the proceeds to the Company. The Company, after adjusting the loan advanced, shall utilize the proceeds towards meeting its STAR Value obligation.

d) The difference between the market price of the Company's shares as at the year end and the grant price after adjusting for the difference between the amounts due from the Trust and the loan advanced to the Trust is recognized as an expense over the vesting period and accordingly an amount of Rs. 2.22 Crore (Rs. 2.81 Crore) has been charged to the Statement of Profit and Loss. The Company has made total provision of Rs. 2.25 Crore (Rs. 0.03 Crore), of which Rs. 1.70 Crore (Nil) is classified as "Long term provisions" (Refer Note 7) and Rs. 0.55 Crore (Rs. 0.03 Crore) under "Short term provisions" (Refer Note 11).

e) As at March 31, 2014, the market price of the Company's shares on the stock exchanges was lower than the average price at which the Trust had bought the shares under one of the STAR schemes. This had resulted in diminution in the recoverable value of loan advanced to the Trust. Accordingly, the Company had charged Nil amount (Rs. 0.70 Crore) to the Statement of Profit and Loss during the previous year. Due to increase in market price of share, the Company has reversed this provision in the current year. (Refer Note 14).

f) The Securities and Exchange Board of India (SEBI) has on October 28, 2014 notified the SEBI (Share Based Employee Benefits) Regulations, 2014 ("Regulations"), which govern Stock Appreciation Rights Schemes (SARS) involving dealing in the shares of a company through a Trust route or otherwise. The Regulations stipulate that an approval of the shareholders of the Company shall be required for implementing such SARS. However, the Regulations state that the minimum disclosure requirements for seeking shareholders' approval would be notified later.

42 Disclosures in terms of Accounting Standard 15 : "Employee Benefits" :

A. Defined Benefit plan:

	Provident Fund		Gratuity	
I. Actuarial assumptions :	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Discount rate	7.89%	9.03%	7.89%	9.03%
Rate of return on Plan assets*	8.75%	8.75%	7.89%	8.70%
Future salary rise**	10.00%	10.00%	10.00%	10.00%
Attrition rate	17.00%	17.00%	17.00%	17.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate		Indian Assured Lives Mortality (2006-08) Ultimate	

*The expected rate of return on plan assets is based on expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.

**The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market. The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario.

	Provident Fund		Gratuity	
II. Changes in defined benefit obligations:	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore
Liability at the beginning of the year	81.83	72.02	14.40	14.61
Interest cost	6.75	6.28	1.30	1.16
Current service cost	6.02	6.37	0.88	0.78
Employee contribution	8.21	7.94	–	–
Liability Transferred in	2.99	2.11	–	–
Liability Transferred out	(4.15)	(6.00)	–	–
Benefits paid	(19.34)	(6.89)	(1.21)	(2.08)
Actuarial (gain)/loss on obligations (Due to change in financial obligation)	–	–	0.79	(0.07)
Actuarial (gain)/loss on obligations (Due to Experience)	–	–	1.50	–
Liability at the end of the year	**82.31**	**81.83**	**17.67**	**14.40**

	Provident Fund		Gratuity	
III. Change in fair value of plan assets :	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore
Fair value of plan assets at the beginning of the year	82.59	72.02	13.14	12.49
Expected return on plan assets	6.75	6.28	1.14	1.09
Contributions	14.24	14.31	1.26	3.26
Transfer from other Company	2.99	2.11	–	–
Transfer to other Company	(4.15)	(6.00)	–	(0.78)
Benefits paid	(19.34)	(6.89)	(1.21)	(2.08)
Actuarial gain/(loss) on plan assets	2.72	0.76	0.73	(0.90)
Fair value of plan assets at the end of the year	**85.80**	**82.59**	**15.06**	**13.14**
Total Actuarial (gain)/loss to be recognized	–	–	–	–

	Provident Fund		Gratuity	
IV. Actual return on plan assets:	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore
Expected return on plan assets	6.75	6.28	1.14	1.09
Actuarial gain/(loss) on plan assets	2.72	0.76	0.73	(0.90)
Actual return on plan assets	**9.47**	**7.04**	**1.87**	**0.19**

V. Amount recognised in the Balance Sheet	Provident Fund March 31, 2015 Rs. Crore	Provident Fund March 31, 2014 Rs. Crore	Gratuity March 31, 2015 Rs. Crore	Gratuity March 31, 2014 Rs. Crore	Gratuity March 31, 2013 Rs. Crore	Gratuity March 31, 2012 Rs. Crore	Gratuity March 31, 2011 Rs. Crore
Liability at the end of the year	–	–	17.66	14.40	14.61	11.81	11.64
Fair value of plan assets at the end of the year	85.80	82.59	15.06	13.14	12.49	11.64	11.46
Present value of benefit obligation as at the end of the period	(82.31)	(81.83)	–	–	–	–	–
Difference	3.48	0.77	2.60	1.26	2.12	0.17	0.18
Unrecognized past service Cost	(3.48)	(0.77)	–	–	–	–	–
(Assets) / Liability recognized in the Balance Sheet	**–**	**–**	**2.60**	**1.26**	**2.12**	**0.17**	**0.18**

VI. Percentage of each category of plan assets to total fair value of plan assets.	Provident Fund March 31, 2015 Rs. Crore	Provident Fund March 31, 2014 Rs. Crore	Gratuity March 31, 2015 Rs. Crore	Gratuity March 31, 2014 Rs. Crore
Insurance managed funds	–	–	96.60%	95.95%
Special deposit scheme, Fixed deposit scheme and others	–	–	3.40%	4.05%
Central Government securities	23.34%	24.76%	–	–
State loan/State government Guaranteed Securities	17.86%	18.79%	–	–
Public Sector Units	46.68%	46.93%	–	–
Private Sector Units	7.57%	7.22%	–	–
Others	4.55%	2.30%	–	–
Total	**100%**	**100%**	**100%**	**100%**

VII. Expenses recognised in the Statement Profit and Loss :	Provident Fund March 31, 2015 Rs. Crore	Provident Fund March 31, 2014 Rs. Crore	Gratuity March 31, 2015 Rs. Crore	Gratuity March 31, 2014 Rs. Crore
Current service cost	6.02	6.37	0.88	0.78
Interest cost	6.75	6.28	0.16	1.16
Expected return on plan assets	(6.75)	(6.28)	–	(1.09)
Net actuarial (gain)/loss to be recognized	–	–	1.56	0.83
(Income) / Expense recognised in the Statement of Profit and Loss	**6.02**	**6.37**	**2.60**	**1.68**

VIII. Balance Sheet reconciliation	Provident Fund March 31, 2015 Rs. Crore	Provident Fund March 31, 2014 Rs. Crore	Gratuity March 31, 2015 Rs. Crore	Gratuity March 31, 2014 Rs. Crore
Opening net liability	–	–	1.26	2.12
(Income) / Expense as above	6.02	6.37	2.60	1.68
Transfer to other Company	–	–	–	0.72
Employers contribution	(6.02)	(6.37)	(1.26)	(3.26)
Closing net liability	**–**	**–**	**2.60**	**1.26**

	Gratuity			
IX. Experience Adjustments	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore	March 31, 2013 Rs. Crore	March 31, 2012 Rs. Crore
On Plan liability (gain) / loss	14.99	14.67	1.33	(0.80)
On plan asset (loss) / gain	7.33	(8.98)	0.13	(0.38)

As per actuarial valuation report, expected employer's contribution in next year is Rs. 3.65 Crore (Rs. 2.15 Crore) for gratuity and Rs. 8.31 Crore (Rs. 8.00 Crore) for provident fund.

B. Privileged leave (Compensated absences for employees):

Amount recognized in the Balance Sheet and movements in net liability:

Particulars	March 31, 2015 Rs. Crore	March 31, 2014 Rs. Crore
Opening balance of compensated absences (a)	4.41	8.37
Present value of compensated absences (As per actuary valuation) as at the year end (b)	6.02	4.41
Short term compensated absences payable included in other current liabilities calculated on arithmatical basis (c)	–	3.78
(Excess)/ Unfunded liability of Compensated Absences recognized in the Statement of Profit and Loss for the year (a-b-c)	(1.61)	0.18

The privileged leave liability is not funded.

C. **Defined contribution plan** :

The Company has recognised Rs. 7.42 Crore (Rs. 7.27 Crore) towards contribution to provident fund, Rs. 0.22 Crore (Rs. 0.34 Crore) towards contribution to superannuation fund and Rs. 0.08 Crore (Rs. 0.15 Crore) towards employee state insurance plan in the Statement of Profit and Loss.

43 During the previous year ended March 31, 2014, the Kaya Business, earlier a part of Marico Limited, was demerged effective October 17, 2013, with April 1, 2013 as the Appointed Date. Pursuant to the demerger Scheme, the transfer of Kaya Business to Marico Kaya Enterprises Limited ("MaKE") has been accounted by the Company by recording the transfer of the relevant assets and liabilities of the Kaya Business at their book values as of the appointed date. The carrying value of assets and liabilities relating to Kaya business as at March 31, 2013 was Rs. 298.29 Crore and Rs. 1.02 Crore, respectively. In accordance with the scheme approved by the Hon'ble High Court of Bombay, the excess of book value of assets over liabilities has been adjusted against Securities Premium Account (Refer Note 4) and all the shares held by Marico in MaKE were cancelled without any payment.

44 During the year, the Company has spent a sum of Rs. 11.19 Crore towards Corporate Social Responsibility Activities. These have been included under the relevant heads in the Statement of Profit and Loss.

45 Previous year figures:

a) Previous year figures have been re-grouped and reclassified wherever necessary to conform to this year's classification.

b) The figures in brackets represent those of the previous year.

As per our attached report of even date.

For Price Waterhouse
Chartered Accountants
Firm Registration No. 301112E

UDAY SHAH
Partner
Membership No. 46061
Place : Mumbai
Date : April 30, 2015

For and on behalf of the Board of Directors
HARSH MARIWALA Chairman
SAUGATA GUPTA Managing Director and CEO
VIVEK KARVE Chief Financial Officer
HEMANGI GHAG Company Secretary & Compliance Officer

Place : Mumbai
Date : April 30, 2015

AWARDS

Marketing:

- Saffola won 2 Awards at the Goafest Media ABBY Awards, a Silver for 'Best use of Ambient Media' and a Bronze for 'Best Integrated Campaign'
- Saffola won a Gold and a Bronze at the Festival of Media Global Awards
- Marico Brands won 4 EFFIES – 2 Golds for Saffola Masala Oats, 1 Bronze for Nihar and 1 Bronze for Parachute Advansed Ayurvedic
- Saffola Masala Oats won 2 Silvers at the Primetime Awards
- Marico brands won at the Exchange4Media IPRCCA 2014 for PR, Mediker won a Gold, Saffola won a Silver and Saffola Masala Oats won 2 bronzes
- Marico brands won at the prestigious SABRE PR Awards 2014, Mediker won a Gold and Saffola Masala Oats, Mediker and Bio Oil each received a Certificate of Excellence
- Marico brands won at the APPIES 2014, Nihar and Parachute Advansed Ayurvedic each won a Gold, and Saffola Masala Oats won a Silver
- Marico brands won at the Goafest 2014 for PR ABBY Awards, Saffola, Mediker and Saffola Masala Oats won a Silver ABBY each, and Nihar won a Bronze
- Haircode (Marico Egypt) won a 'Media Gold' at the MENA EFFIES 2014

Human Resources:

- Marico ICP Vietnam voted as the 'Best Places to work' by Anphabe & Nielson

Leadership:

- Marico ranked 4th in the Economic Times and Aon Hewitt 'Top Companies for Leaders India Study'
- Marico was featured in the List of 'India's Best Boards 2014' by Economic Times & Hay Group
- Marico was ranked No.53 in the world in the prestigious Forbes 100 Most Innovative Growth Companies List
- Harsh Mariwala, Chairman, Marico Ltd. was recognised as a 'Wealth Creator-FMCG' at the Zee Business India's Best Market Analyst Awards 2014
- Marico won the 'Best Governed company of the year award' by the Asian Centre for Corporate Governance & Sustainability
- Saffola has been featured in the Millward Brown and WPP's '50 most valuable Indian Brands'

Innovation:

- Parachute Advansed Body Lotion featured in the List of 23 Innovations amongst 16,914 FMCG Innovations by Nielson

Investor Relations:

- Marico features in the list of 'Best Investor Relations Program in South Asia' in the Institutional Investors Awards 2014

Legal & Compliance:

- Marico won the 'Compliance Team 2014' award at the Legasis Compliance Awards 2014

10 YEARS' HIGHLIGHTS

The highlights pertain to the financial performance of Marico Consolidated

Amount in INR/Cr.

Year ended March 31,	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Income from Operations	1,143.9	1,556.9	1,905.0	2,388.4	2,660.8	3,135.0	3,979.7	4,596.2	4,686.5	5,733.0
EBITDA	144.3	198.7	246.4	304.0	375.1	418.1	484.4	625.8	748.0	870.1
Profit Before Interest & Tax (PBIT)	103.1	156.7	225.1	280.4	333.3	368.5	444.4	576.7	729.0	844.6
Profit Before Tax	98.0	136.0	194.5	244.7	307.7	327.5	402.1	518.7	694.6	821.7
Extraordinary / Exceptional items	-	(14.0)	(10.6)	15.0	9.8	(48.9)	1.8	(33.2)	-	-
Profit Before Tax (PBT)	**98.0**	**150.1**	**205.0**	**229.6**	**299.7**	**371.4**	**395.4**	**542.1**	**675.9**	**810.2**
Profit After Tax (PAT)	86.9	112.9	169.1	188.7	235.4	286.4	317.1	395.9	485.4	573.5
Cash Profits (Profit after Current Tax + Depreciation + Amortisation)	137.2	187.1	220.1	258.4	334.5	400.3	391.6	481.1	573.4	656.3
Economic Value Added	**50.7**	**79.3**	**131.5**	**144.4**	**196.0**	**174.7**	**198.6**	**283.3**	**313.3**	**407.4**
Goodwill on Consolidation	1.7	45.0	84.2	85.0	85.0	397.6	395.5	395.5	254.3	489.2
Net Fixed Assets	381.3	165.4	257.3	311.1	399.7	457.8	501.9	1422.4	637.8	89.8
Investments	18.5	0.0	0.0	13.0	82.7	88.9	295.6	151.6	310.5	283.8
Net Current Assets	107.7	117.7	233.0	355.3	483.3	607.5	532.2	674.1	670.7	748.7
Miscellaneous Expenditure	0.3	0.1	-	-	-	-	-	-	-	-
Net Non Current Assets	-	-	-	-	-	129.9	205.2	250.5	212.6	162.8
Deferred Tax Asset	-	115.2	98.2	64.1	61.6	29.9	22.3	-	-	-
Total Capital Employed	**509.4**	**443.3**	**672.7**	**828.5**	**1,112.4**	**1,711.5**	**1,952.7**	**2,894.3**	**2,085.8**	**2,274.2**
Equity Share Capital	58.0	60.9	60.9	60.9	60.9	61.4	61.5	64.5	64.5	64.5
Reserves	203.5	131.5	253.7	392.6	593.0	854.0	1,081.5	1,917.0	1,296.1	1,760.3
Net Worth	**261.5**	**192.4**	**314.6**	**453.5**	**654.0**	**915.5**	**1,143.0**	**1,981.5**	**1,360.6**	**1,824.8**
Minority Interest	-	0.0	0.1	-	12.5	21.9	24.9	35.1	35.8	13.7
Borrowed Funds	239.7	251.0	358.0	375.0	445.9	774.2	784.8	871.9	679.8	427.9
Deferred Tax Liability	8.3	-	-	-	-	-	-	5.8	9.6	7.9
Total Funds Employed	**509.4**	**443.3**	**672.7**	**828.5**	**1,112.4**	**1,711.5**	**1,952.7**	**2,894.3**	**2,085.8**	**2,274.2**
EBITDA Margin (%)	12.6	12.8	12.9	12.7	14.1	13.3	12.2	13.6	16.0	15.2
Profit Before Tax to Turnover (%)	8.6	9.6	10.8	9.6	11.3	11.8	9.9	11.8	14.4	14.1
Profit After Tax to Turnover (%)	7.6	7.3	8.9	7.9	8.8	9.1	8.0	8.6	10.4	10.0
Return on Net Worth (%) (PAT / Average Net Worth $)	36.3	49.7	66.7	49.1	42.5	36.5	30.8	25.3	30.1	36.0
Return on Capital Employed (PBIT / Average Total Capital Employed @)	**25.8**	**35.8**	**40.3**	**37.4**	**34.5**	**26.1**	**24.3**	**23.8**	**30.4**	**38.7**
Net Cash Flow from Operations Per Share (Rs.) (Refer Cash Flow Statement)	2.8	3.1	2.3	3.0	3.4	4.0	6.5	6.7	10.2	10.3
Earning Per Share (EPS) (Rs.) (PAT / No. of Equity Shares)	1.5	1.9	2.8	3.1	3.9	4.7	5.2	6.1	7.5	8.9
Economic Value Added Per Share (Rs.) (Refer Management Discussion)	0.9	1.3	2.2	2.4	3.2	2.8	3.2	4.4	4.9	6.3
Dividend Per Share (Rs.)	0.6	0.7	0.7	0.7	0.7	0.7	0.7	1.0	3.5	2.5
Debt / Equity	**0.9**	**1.3**	**1.1**	**0.8**	**0.7**	**0.8**	**0.7**	**0.4**	**0.5**	**0.2**
Book Value Per Share (Rs.) (Net Worth / No. of Equity Shares)	**4.5**	**3.2**	**5.2**	**7.4**	**10.7**	**14.9**	**18.6**	**30.7**	**21.1**	**28.3**
Sales to Average Capital Employed @	2.9	3.3	3.4	3.2	2.7	2.2	2.2	1.9	2.0	2.6
Sales to Average Net Working Capital	9.7	13.8	10.9	8.1	6.3	5.3	7.0	7.6	6.6	8.1

@ Average Capital Employed = (Opening Capital Employed + Closing Capital Employed)/2
$ Average Net Worth = (Opening Net Worth + Closing Net Worth)/2
# Average Net Working Capital = (Opening Net Current Assets + Closing Net Current Assets)/2
Note 1: FY11 onwards the financial figures are as per revised Schedule VI
Note 2: Profit Before Tax is after minority interest
Note 3: FY14 onwards, financials will not include Kaya as it has been demerged from Marico Group effective April 1, 2013.

CONSOLIDATED QUARTERLY FINANCIALS

2014-15					(Amount in INR/Cr.)
Particulars	**Three Months Ended**				**Annual**
	Jun 30, 14	**Sept 30, 14**	**Dec 31, 14**	**Mar 31, 15**	**FY15**
Total Revenue	1,641.5	1,442.9	1,462.5	1,245.0	5,791.9
Total Expenditure	1,356.5	1,235.9	1,215.5	1,055.0	4,862.9
Finance Charges	7.0	5.1	5.2	5.6	22.9
Gross Profit After Finance Charges but Before Depreciation and Taxation	277.9	201.8	241.9	184.4	906.0
Depreciation & Amortisation	20.4	20.5	23.5	20.0	84.4
Profit Before Taxation and Exceptional Item	**257.6**	**181.3**	**218.4**	**164.4**	**821.7**
Exceptional Item	-	-	-	-	-
Profit Before Tax	**257.6**	**181.3**	**218.4**	**164.4**	**821.7**
Minority Interest & Goodwill on Consolidation	4.4	3.1	2.3	1.6	11.4
Profit Before Tax After Minority Interest & Goodwill	253.1	178.2	216.1	162.8	810.2
Tax Expense (net of MAT credit entitlement)	67.8	59.9	56.2	52.8	236.8
Profit After Tax	**185.3**	**118.3**	**159.9**	**110.0**	**573.5**
Equity Share Capital	64.5	64.5	64.5	64.5	64.5
Earnings Per Share - (Rs.)	2.9	1.8	2.5	1.7	8.9

2013-14					(Amount in INR/Cr.)
Particulars	**Three Months Ended**				**Annual**
	Jun 30, 13	**Sept 30, 13**	**Dec 31, 13**	**Mar 31, 14**	**FY14**
Total Revenue	1,309.6	1,131.2	1,218.7	1,084.9	4,744.4
Total Expenditure	1,073.0	949.6	998.1	917.8	3,938.5
Finance Charges	10.0	10.4	7.3	6.8	34.5
Gross Profit After Finance Charges but Before Depreciation and Taxation	226.5	171.2	213.3	160.4	771.4
Depreciation & Amortisation	16.8	17.1	21.5	21.5	76.9
Profit Before Taxation and Exceptional Item	**209.8**	**154.1**	**191.8**	**138.8**	**694.6**
Exceptional Item	-	-	-	-	-
Profit Before Tax	**209.8**	**154.1**	**191.8**	**138.8**	**694.6**
Minority Interest & Goodwill on Consolidation	4.4	5.2	6.3	2.8	18.7
Profit Before Tax After Minority Interest & Goodwill	205.4	148.9	185.5	136.0	675.9
Tax Expense (net of MAT credit entitlement)	50.0	43.1	50.1	47.3	190.5
Profit After Tax	**155.4**	**105.9**	**135.4**	**88.8**	**485.4**
Equity Share Capital	64.5	64.5	64.5	64.5	64.5
Earnings Per Share - (Rs.)	2.4	1.6	2.1	1.4	7.5

Note: Previous year's figures have been re-grouped and reclassified wherever necessary to conform to this year's classification.

OUR PRESENCE

HEAD OFFICE   FACTORIES   REGIONAL OFFICES   DEPOTS

REDISTRIBUTION CENTRES   CONSIGNMENT SALES AGENTS

OUR GLOBAL PRODUCT PORTFOLIO

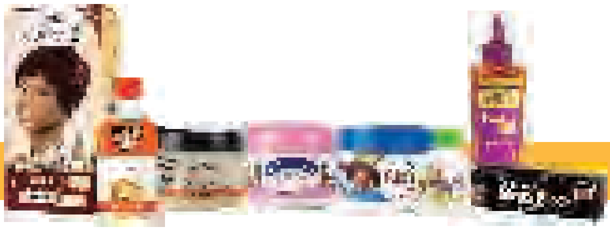
INDIA

BANGLADESH

MIDDLE EAST

EGYPT

SOUTH AFRICA



VIETNAM

MALAYSIA

REGISTERED OFFICE

Marico Limited
7th floor, Grande Palladium
175, CST Road, Kalina
Santa Cruz (East)
Mumbai 400098, India

T (91-22) 6648 0480
F (91-22) 2650 0159

WEBSITES

www.marico.com
www.maricobd.com
www.maricoinnovationfoundation.org
www.parachuteadvansed.com
www.saffolalife.com
www.haircodeworld.com
www.icpvn.com
www.chottekadam.com
www.setwet.com
www.livonhairgain.com
www.livonilovemyhair.com
www.code10.com
www.parachutetherapie.com
www.fitfoodie.in
www.pblskin.com
www.artofoiling.com
www.scalptherapie.com

email: investor@maricoindia.net

CIN: L15140MH1988PLC049208