MAKING A DIFFERENCE FOR 25 YEARS

ANNUAL REPORT 2015-16

Robust Performance

7% ↑
Revenue
(Y-o-Y growth)

7% ↑
Volume Growth
(Y-o-Y growth)

22%
of revenue from
International Business

Strong Portfolio

7% ↑
Volume Y-o-Y growth
in Parachute Coconut
Oil (Coconut Oil
Market Share - 59%)

9% ↑
Volume Y-o-Y growth
in Saffola Edible Oil
Category (Market
Share – 63%)

14% ↑
Volume Y-o-Y growth
in the Value Added
Hair Oils Segment
(Market Share – 32%)

1 Billion
Mark crossed by
Oats category within
4 years of launch
and is now the most
distributed Oats
brand in the country

Higher Profitability

50.1% ↑
Gross margins
448 bps expansion
for the year

17.7% ↑
International
business operating
margins in FY16
Circa 10% expansion
in 3 years

17.3% ↑
Operating margins
215 bps expansion for
the year

26% ↑
PAT (Y-o-Y growth)
with a 5 year CAGR
of 19%

Robust Balance Sheet

₹466 Crores
Net cash surplus
on books

45%
ROCE in FY16

21% ↑
EVA (Y-o-Y growth)

0.2
Debt/Equity Ratio

Higher Shareholder Value

69%
Dividend Payout Ratio
in FY16, increased
from 19% in FY13

25% ↑
Increase in shareholder value
over the year

marico

Marico Limited is one of India's leading consumer products companies operating in the beauty and wellness space. Empowered with freedom and opportunity, we work to *make a difference* to the lives of all our stakeholders - members, associates, consumers, investors, and society at large.

In this report

Strategic Report

Statutory Reports

Financial Statements

The World of Marico

25+
YEARS OF RICH EXPERIENCE

25+
countries present in across emerging markets

25%+
total shareholder return since listing

Largest
coconut oil brand in the world - Parachute

1 out of every 10
coconuts grown in India is used by Marico

1 out of every 3
Indians' lives are touched by Marico

18%
topline CAGR growth since inception

26%
bottomline CAGR growth since inception

10
acquisitions in 10 years

95%
of our portfolio enjoys market leadership (No.1 or No.2)

80%
portfolio with consistent market share gains Y-o-Y

>20,000
population town mostly covered by Marico's distribution network

7.5 Crores
packs sold every month

7.5 Crores
households touched every month

4.6 Million
retail outlets serviced by nationwide distribution network

We have presence in 25 countries across emerging markets of Asia and Africa. Marico has nurtured multiple brands in the categories of hair care, skin care, edible oils, health foods, male grooming, and fabric care. Marico's India business markets household brands that add value to the life of 1 in every 3 Indians.

The International business offers unique brands that are localised to fulfil the lifestyle needs of our international consumers. Marico's sustainable growth story rests on an empowering work culture that encourages our members to take complete ownership and make a difference to the entire business ecosystem.

Core Values

Our values guide our actions and how we behave in our everyday business. They have enabled us to create a unique culture at Marico. Our values are the DNA of our organisation, immersed in every member across hierarchies and geographies.

BOUNDARYLESSNESS	Seeking support and influencing others beyond the function and organisation to achieve a better outcome/decision without diluting one's accountability.
OPPORTUNITY SEEKING	Identifying early opportunity signals in the environment to generate growth options.
INNOVATION	Experimentation and calculated risk taking to increase success probability of radical/pioneering ideas to get quantum results.
TRANSPARENCY & OPENNESS	Allowing diversity of opinion by listening without bias, giving, and receiving critique, with mutual respect and trust for the other.
CONSUMER CENTRIC	Keeping consumer as the focus and a partner in creating and delivering solutions.
BIAS FOR ACTION	Preference for quick thoughtful action as opposed to delayed action through analysis.
EXCELLENCE	Continuous improvement of performance standards and capability building for sustained long-term success.
GLOBAL OUTLOOK	Sensitivity and adaptability to cultural diversity and learning from different cultures.

Quality Certifications

Marico adopts stringent Quality Systems, good Manufacturing Practices and robust Food Safety systems for its products across the value chain.

All our Foods & Edible Oils units are FSSC 22000 certified plant for Food Safety systems including ISO 22000:2005, ISO/TS 22002-1 and additional FSSC 22000 requirements. Our manufacturing plants are also ISO 9001, 14000, 18000, 22716 GMP Certified. Each of the units has a sophisticated state-of-art analytical and testing laboratory, which is certified by NABL (National Accreditation Board for Testing & Calibration Laboratories). Our Marico Consumer Cell is ISO 10002 certified which emphasises on Quality Management system for Consumer Response Management process.

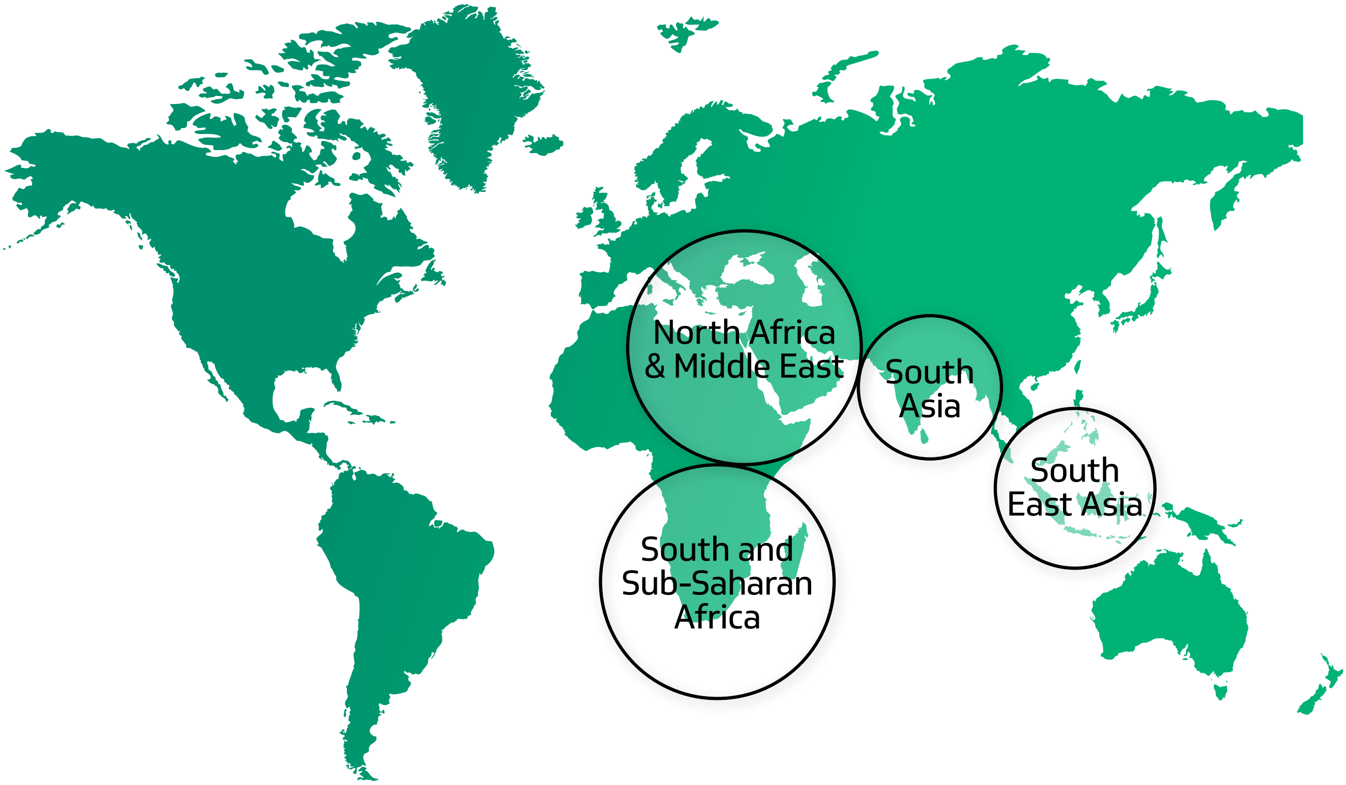
All Raw and Packaging Material goes through stringent food safety and quality control checks during the incoming stage. All the material vendors are periodically audited for compliance to specifications and Quality and Food Safety Systems. Our Manufacturing Plant is designed in-line with international standards of GMP and Food Safety system. Each batch of final product undergoes stringent testing and complies with all applicable laws and our own high standards of quality and safety. Our manufacturing units are assessed by team of trained assessors on Q-Cert and Marico Manufacturing Excellence models.

As a part of its journey towards Business Excellence, Marico has now adopted the 'Business Excellence' and has received prestigious awards like 'IMC Ramakrishna Bajaj National Quality Award', 'The International Asia Pacific Quality Award' and 'Rajiv Gandhi National Quality Award' for some of its manufacturing units and business associates.

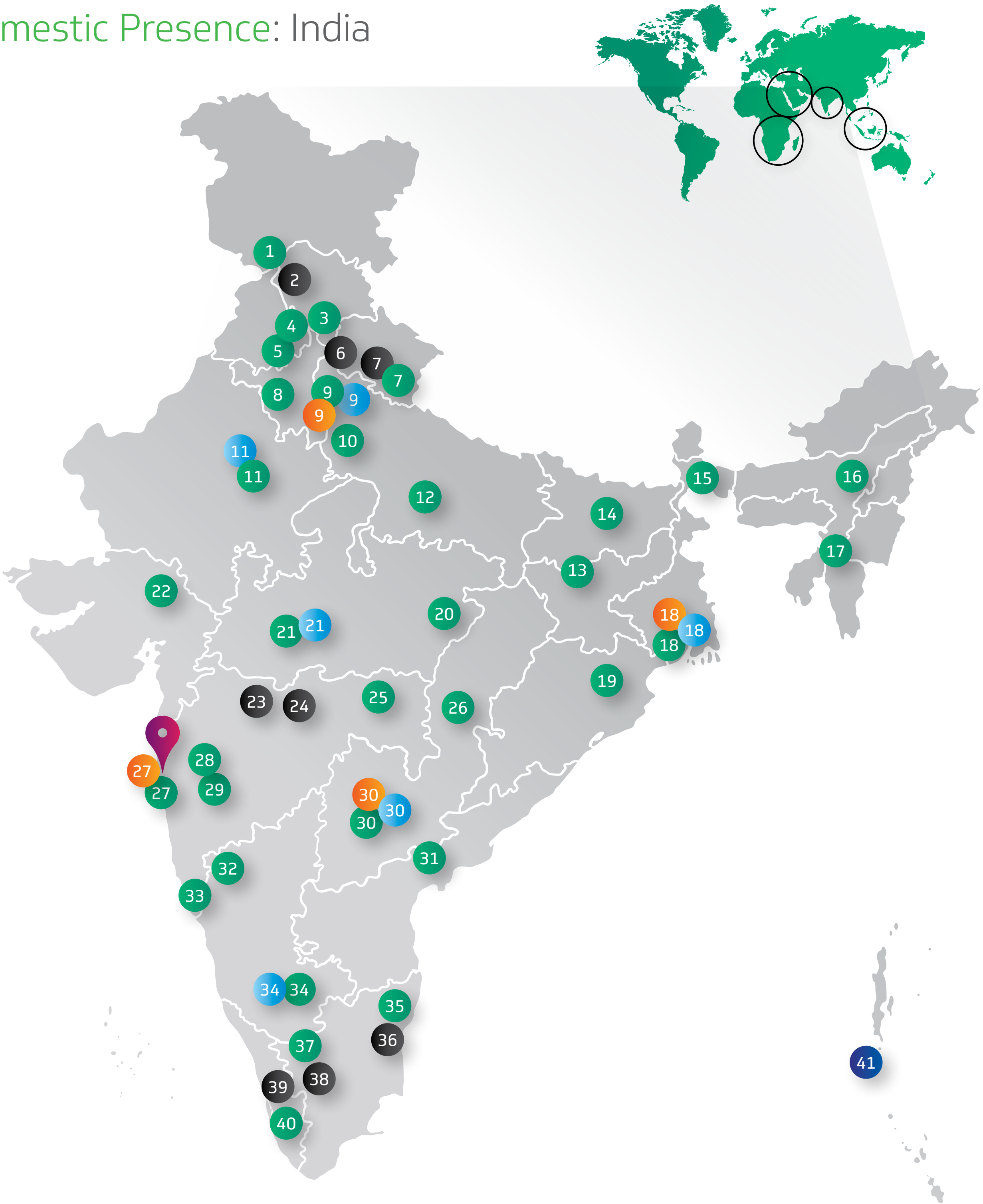
Taking the quality journey a step forward to its business associates, the Company has designed and implemented the Warehouse Quality & Safety certification model. It encompasses FSSAI schedule IV requirements & ISO22000 compliance.

Global Presence

We strive to make a difference with our presence in over 25+ countries across emerging markets.



Domestic Presence: India



1	Jammu	10	Ghaziabad	19	Cuttack	28	Bhiwandi	37	Coimbatore
2	Baddi	11	Jaipur	20	Jabalpur	29	Pune	38	Perundurai
3	Parwanoo	12	Lucknow	21	Indore	30	Hyderabad	39	Kanjikode
4	Zirakpur	13	Ranchi	22	Ahmedabad	31	Vijaywada	40	Cochin
5	Chandigarh	14	Patna	23	Paldhi	32	Hubli	41	Port Blair
6	Paonta Sahib	15	Siliguri	24	Jalgaon	33	Goa		
7	Dehradun	16	Guwahati	25	Nagpur	34	Bangalore		
8	Rohtak	17	Agartala	26	Raipur	35	Chennai		
9	NCR	18	Kolkata	27	Mumbai	36	Pondicherry		

- Factories
- Depots
- Regional Offices
- Redistribution Centres
- Consignment Sales Agent
- Head Office

1971

HARSH MARIWALA, A YOUNG GRADUATE, JOINS BOMBAY OIL INDUSTRIES, THE FAMILY BUSINESS.

1974

HARSH ENVISIONS A BRANDED FMCG MARKET FOR COCONUT AND REFINED EDIBLE OILS IN SMALL CONSUMER PACKS AND SETS UP A NATIONAL DISTRIBUTION NETWORK FOR PARACHUTE.

1980s

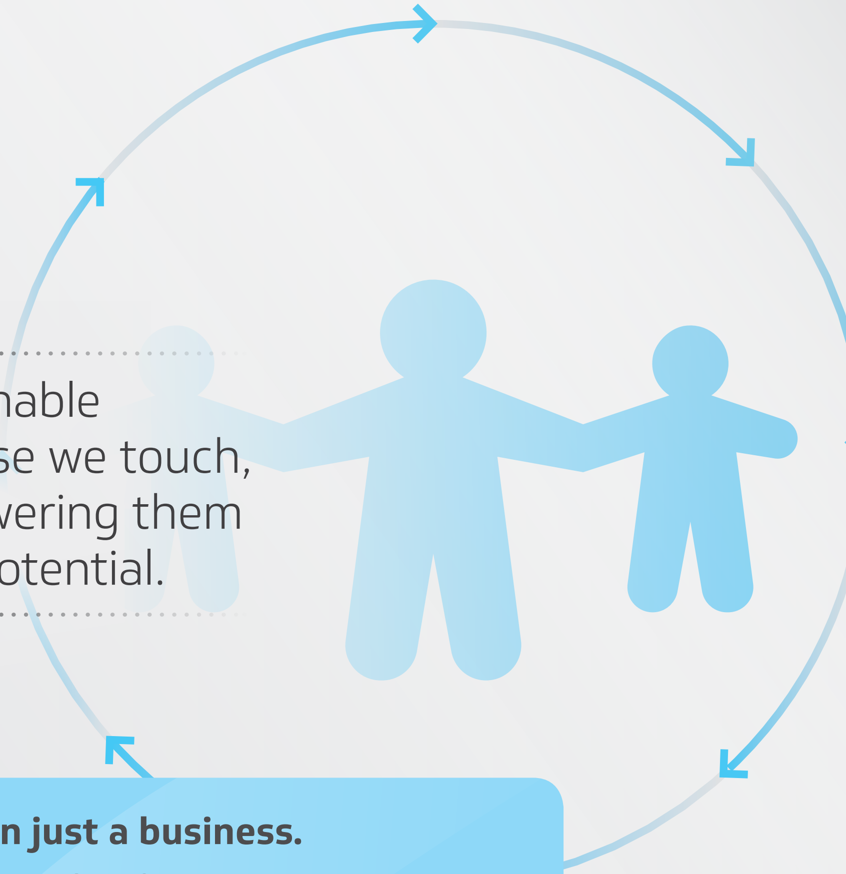
THE UBIQUITOUS PARACHUTE BLUE BOTTLE MAKES ITS FIRST APPEARANCE IN THE 1980s – HARSH'S FIRST INNOVATION.

TRADITIONAL TIN PACKS ARE REPLACED BY PLASTIC PACKS, PIONEERING AN INDUSTRY WIDE SHIFT.

2ND APRIL 1990

THE JOURNEY CALLED MARICO BEGINS!

Purpose is the reason we exist



PURPOSE STATEMENT

To transform in a sustainable manner, the lives of those we touch, by nurturing and empowering them to maximise their true potential.

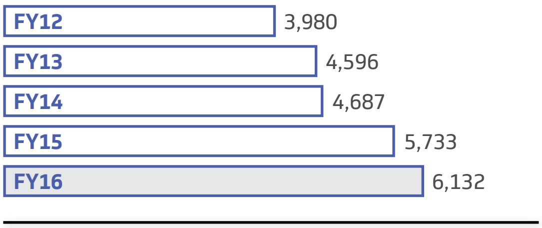
- **Marico is today more than just a business.**
- **We have the responsibility of defining, creating and distributing value.**
- **Being a principal agent of social change.**

Business has a much broader positive impact on the world when it is based on a higher purpose that goes beyond only generating profits and creating shareholder value. Purpose is a reason a company exists. A compelling sense of higher purpose creates an extraordinary degree of engagement among all stakeholders and catalysts creativity, innovation and organisation, commitment.

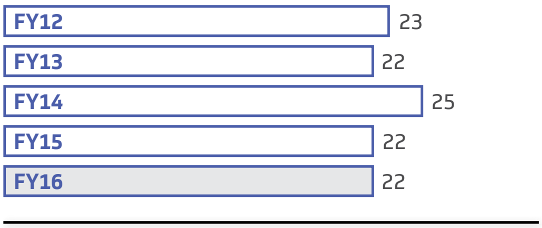
A firm's purpose is the glue that holds the organisation together, the amniotic fluid that nourishes the life force of the organisation.

Consolidated Financial Performance FY16

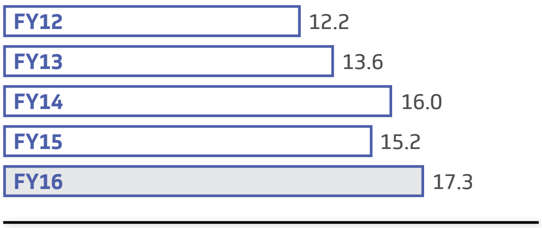
Sales & Services
(₹ in Crores)



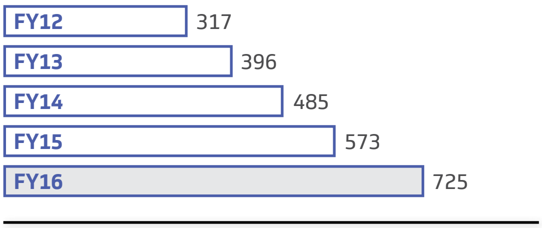
Share of International FMCG Business
(%)



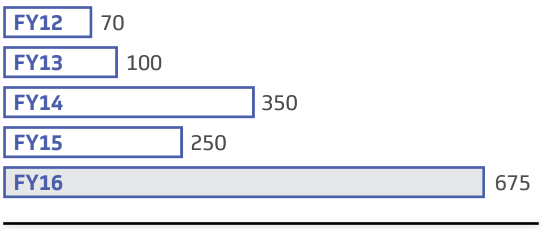
EBITDA Margin
(%)



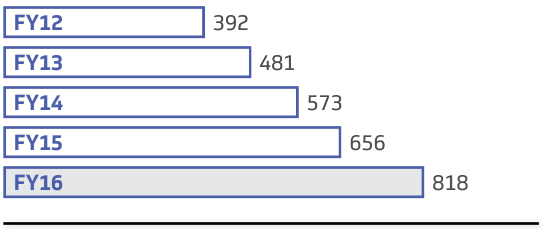
Net Profit
(₹ in Crores)



Dividend Declared
(%)

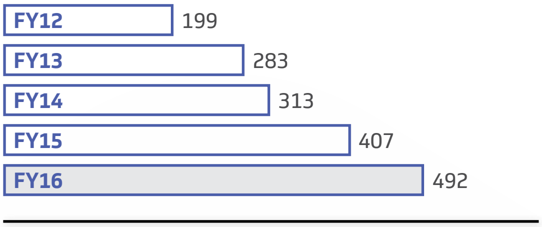


Cash Profit
(₹ in Crores)

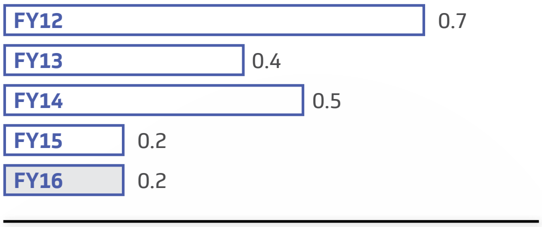


EVA

(₹ in Crores)



Debt/Equity



Sustainable wealth creation

A rupee invested in Marico at its IPO in May 1996 is worth ₹117 presently (on March 31, 2016) implying a compounded annual return of 27%. That same rupee would be worth just ₹7 if invested in the Sensex implying a CAGR of 10%. Thus, Marico has outperformed the Sensex by over 17.8x over the past 20 years.

Investment	Through	Shares	Value (in ₹)	Indexed Value
April 1996 - Original Purchase	IPO	100	17,500	100
August 2002	Bonus (Equity 1:1)	200	-	-
September 2002	Bonus (Preference 1:1)	200	-	-
May 2004	Bonus (Equity 1:1)	400	-	-
February 2007	Share Split (10:1)	4000	-	-
December 2015	Bonus (Equity 1:1)	8000	-	-
Holdings and Cost as on March 31, 2016		**8,000**	**17,500**	**100**

Return	Through	Shares	Value (in ₹)	Indexed Value
March 31, 2016	Market value	8000	19,60,000	11,200
March 2004	Redemption proceeds of Bonus Preference shares	200	2,000	11
April 1996 - March 2016	Dividend Received*#		83,899	479
Gross Returns			**20,45,899**	**11,691**
Compound Annual Return since IPO			**27%**	**27%**

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

1991 3Ps

MARICO LEADERSHIP CO-CREATES ITS FIRST CORPORATE MISSION AND VALUES DOCUMENT - THE 3PS OF MARICO – PEOPLE, PRODUCTS, PROFITS.

THE COMPANY ARTICULATES A COMMON CULTURE RIGHT FROM THE START TO ARTICULATE WHO THEY WERE AND WHAT VALUES DID THEY STAND FOR.

MARICO DIVERSIFIES

199294

SETS UP ITS FIRST OVERSEAS OFFICE IN DUBAI.

1996

MARICO LISTS ON THE INDIAN STOCK EXCHANGE.

A global outlook

Today, we operate in 25 countries and have operations in Middle East, South Africa, North Africa, Sub-Sahara Region, Bangladesh and South East Asia. All these countries have very different ethnic population. Our core value of Global Outlook encourages Mariconians to be sensitive and adaptable to cultural diversity and learn from different cultures. Today, 39% of our workforce comprises non-Indians and represents 9 nationalities.

25+ countries

Operations in Middle East, South Africa, North Africa, Sub-Sahara Region, Bangladesh and South East Asia

Consolidated Quarterly Financials

2015-16

(₹ Crores)

Particulars	Three Month Ended				Annual
	Q1	Q2	Q3	Q4	
	Apr-Jun 15	Jul-Sep 15	Oct-Dec 15	Jan-Mar 16	FY16
Total Revenue	1,814.9	1,499.6	1,573.4	1,334.6	**6,225.4**
Total Expenditure	1,457.9	1,255.7	1,262.6	1,090.4	**5,069.6**
Finance Charges	4.4	3.6	5.6	6.7	**20.3**
Gross profit after Finance Charges but before Depreciation and Taxation	352.6	240.3	305.2	237.5	**1,135.6**
Depreciation and Amortisation	20.6	23.9	24.7	32.6	**101.8**
Profit before Taxation and Exceptional Item	**332.0**	**216.4**	**280.5**	**204.9**	**1,033.8**
Exceptional Item	-	-	-	-	**-**
Profit before Tax	**332.0**	**216.4**	**280.5**	**204.9**	**1,033.8**
Minority Interest and Goodwill on consolidation	3.7	3.3	2.7	2.1	**11.8**
Profit before Tax after minority interest & goodwill	328.3	213.1	277.8	202.8	**1,021.9**
Tax Expense (net of MAT credit entitlement)	90.4	62.4	80.0	64.4	**297.1**
Profit after Tax	**237.8**	**150.7**	**197.8**	**138.4**	**724.8**
Equity Share Capital	**64.5**	**64.5**	**129.0**	**129.0**	**129.0**
Earning per Share - (₹)	1.8	1.2	1.5	1.1	**5.6**

2014-15

(₹ Crores)

Particulars	Three Month Ended				Annual
	Q1	Q2	Q3	Q4	
	Apr-Jun 14	Jul-Sep 14	Oct-Dec 14	Jan-Mar 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	**23.0**
Gross profit after Finance Charges but before Depreciation and Taxation	277.9	201.8	241.9	184.4	**906.0**
Depreciation and Amortisation	20.4	20.5	23.5	20.0	**84.3**
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 and 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**
Earning per Share - (₹)	1.4	0.9	1.2	0.9	**4.5**

Driving Consistent Growth

By 2020, Marico aspires to be an admired emerging market MNC with leadership in two core categories of nourishment and male styling in two continents – Asia and Africa. Marico plans to achieve this aspiration by seeking to win amongst consumers, trade and talent.

Towards this goal of 2020, the Company has identified 5 areas of Transformation where it will develop top quartile capability, processes and execution excellence. They are Innovation, Go To Market Transformation, Talent Value Proposition, IT & Analytics and Cost Management.

The Company's philosophy of developing capability ahead of growth to drive a sustainable business model across both Indian and International markets will be executed synergistically under the 'One Marico' umbrella. As the Company scales up, it has to maintain a delicate balance between an entrepreneurial way of working while continuing to strengthen governance and processes. The Company's focus will be on creating winning brands, winning culture and a winning talent pool to create a virtuous cycle of great talent and an enabling culture of driving innovation driven growth.

1999

THREAT FROM AN INTERNATIONAL GIANT SPURS THE COMPANY TO DEFEND ITS TURF. MARICO TRIUMPHS AND FORTIFIES ITS PLACE IN CONSUMERS' HEARTS.

2002

MARICO VENTURES INTO SKIN CARE SOLUTIONS WITH KAYA- INDIA'S FIRST- EVER-UNISEX TOP-OF-THE-LINE DERMATOLOGY LED CLINICS.

MARICO TRULY MAKES A DIFFERENCE

2003

SETS UP MARICO INNOVATION FOUNDATION.

TRANSFORMS THE LIVES OF ITS STAKEHOLDERS.

ESTABLISHES COPRA COLLECTION CENTERS TO PROCURE DIRECTLY FROM FARMERS AND STARTS TRAINING THEM ON BEST FARMING PRACTICES.

Marico Innovation Foundation recognises the most breakthrough Indian Innovations

Marico Innovation Foundation is a not-for-profit organisation working towards the cause of innovation since 2003. The Foundation creates impact through its four core programs:

MIF Scale-up program works closely with innovative social organisations which are driven to achieve large scale impact. We diagnose the challenges, implement prototype solutions and integrate successful solutions into the business offering of the organisation.

MIF is presently working with **8 organisations across 6 sectors in India.**

MIF Innovation Awards celebrate the most breakthrough Indian innovations that hold the potential to have a large scale impact. **49 breakthrough innovations have been recognised in the last 10 years.**

We have also **created a platform called hack2incubate designed to inspire innovations and incubate them into successful businesses.**

Marico provides support to thousands of farmers

Collection centres were initiated by Marico in 2003 to procure copra directly from Farmers & Converters in Tamil Nadu and Kerala. These centres not only provide supply assurance to the Company but also a number of benefits to the farmers such as: **Fair Pricing and Buying Assurance irrespective of market conditions.**

There are 27 collection centres in Kerala & Tamil Nadu benefitting over 5,000 farmers. Marico is engaged with the Coconut Development Board in 16 clusters benefitting 4,000+ farmers. In order to develop long-term sustainable farming source, Marico endeavours to train farmers on best farming practices. **Marico has trained approximately 1,200 farmers towards model farm practices.**

Marico has entered into a Public Private Partnership arrangement with Government of Maharashtra wherein the Company has covered 1,250 acres of Safflower area and 575 small and marginal farmers.

Chairman's Message

Dear Shareholders,

It gives me immense pleasure in presenting to you the 28th Annual Report of the Company on this landmark silver jubilee year for Marico Limited. Over the last 25 years, we have run the business ably and efficiently using our three key assets - brand, talent, and culture to deliver sustainable business and earnings growth, thereby creating long-term value for our shareholders."

Harsh Mariwala

"My vision for the future is to continue to strive hard to fulfil Marico's potential and contribute to the growth of the world's largest democratic nation, **economically, socially and sustainably.**"

The year under review was no exception with healthy volume and profit growth. Mr. Saugata Gupta, Managing Director (MD) & CEO of your Company continues to run the day-to-day operations of the Company and steer it towards its medium-term aspiration of becoming a significant emerging markets multinational company. I continue to act as the Non-Executive Chairman of the Board, mentoring and advising the MD for your Company's strategy and future road map ensuring highest levels of corporate governance at all times. I also lead the efforts as a member of the Board to improve the collective functioning of the Board. I am also actively involved in the Company's Corporate Social Responsibility (CSR) initiatives.

My vision for the future is to continue to strive hard to fulfil Marico's potential and contribute to the growth of the world's largest democratic nation, economically, socially and sustainably. We continue to work with our stakeholders to support India's solid growth.

India's economy is in the midst of a recovery with lower fiscal and current account deficit, lower inflation

> “I firmly believe that the ‘Business of Business is beyond Business’ and therefore I would like to re-affirm our commitment to innovation and purpose-inspired growth which maximises the potential of all stakeholders it deals with.”

and benign commodity prices. Our country’s growth seems poised to return to a high-growth path. India has continued to perform amidst global turmoil and delivered 7.6% GDP for 2015-16. There is a near-term concern due to the drought situation in most part of the country. However, with prospects of a better than average monsoon, it is likely to have a positive effect on consumption in the medium term. These are exciting times for your Company as it looks to expand its business in India. While some of the overseas geographies where your Company has operations witnessed difficult times last year, the medium term prospects look better. I am confident that the executive leadership team ably led by your MD is well placed to deliver long-term sustainable profitable growth of your Company and in the process, work towards shareholder value maximisation.

Going beyond the economic returns, your Company believes that social, environmental, and economic values are interlinked and we belong to an Interdependent Ecosystem comprising Shareholders, Consumers, Associates, Employees, Government, Environment and Society. Our stated purpose is to “Make a Difference” by ensuring a positive impact of our existence on all stakeholders. A firm has to work closely with its ecosystem to create a sustainable and inclusive growth for all. During the year, your Company remained committed to this purpose with various initiatives. Marico’s brands play a very crucial role in the Company’s CSR efforts. Nihar Shanti Amla, a hair oil brand contributes towards girl child education initiatives. Saffolalife, an initiative supported by Saffola, works towards creating awareness on women heart health in India. Marico Innovation Foundation (MIF) is a not-for-profit subsidiary of your Company. It was incorporated to accelerate the innovation journey in the country. MIF works with various social enterprises through the Social Innovation Acceleration Program (SIAP) with the objective of providing customised capacity building support to various innovative organisations. MIF also leverages student teams from leading management institutes to help these social organisations with research (primary and secondary) and critical inputs on their businesses. 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. Your Company won the “Best Domestic Company for Corporate Governance” across sectors in a poll conducted by Asiamoney and was also recognised for Excellence in Corporate Governance by the Institute of Company Secretaries of India.

I firmly believe that the “Business of Business is beyond Business” and therefore I would like to re-affirm our commitment to innovation and purpose-inspired growth which maximises the potential of all stakeholders it deals with.

Before I conclude, I would like to thank your Company’s employees, whom we call “members” and all other stakeholders for their consistent commitment, engagement, support, and encouragement in our journey. We will continue to seek our shareholders’ participation and support, as we extend our footprint to create new pathways to progress and tap impending strategic investment opportunities.

With warm regards,

Harsh Mariwala
Chairman

MARICO GIVES ITS BRAND A PURPOSE.

2005

SAFFOLA TAKES ON HEALTH AS ITS CORE PURPOSE AND INTRODUCES SAFFOLALIFE - A NOT FOR PROFIT INITIATIVE. TO DRIVE PREVENTIVE HEALTH CARE THROUGH MASS SCALE AWARENESS CAMPAIGNS & DIAGNOSIS OF HEART HEALTH PROBLEMS.

MARICO TAKES THE ACQUISITION ROUTE.

2006 –07

ACQUIRES NIHAR IN INDIA, FIANCÉE & HAIR CODE IN EGYPT AND CAIVIL, BLACK CHIC & HERCULES IN SOUTH AFRICA.

2009

MARICO MAKES A PUBLIC OFFERING OF EQUITY IN BANGLADESH – A FIRST FOR ITS OVERSEAS SUBSIDIARIES.

Heart healthy India!

Saffolalife

Saffola's vision is to create a Heart Healthy India! Through its not for profit initiative Saffolalife, it is on a mission to make people realise the need and importance of heart health by educating them on early markers of heart health and enabling them to start on this journey in a manner that is simple, effective yet measurable.

Over the years, Saffola has reached out to Millions across the country via large scale mass media awareness programs, and helped over 2,00,000 people over 90 cities with diagnostic check-ups, dietician services, 'Heart Age Finder' tool and 'Heart Fitness Test'. Over 46,000 Heart Fitness Tests have been taken till date.

2,00,000+ people

impacted by large scale mass media awareness programs

In 2014, Saffola undertook the task of driving awareness of Women's heart health.

In 2015, the brand stayed committed to the cause of Women's Heart Health through its campaign 'Protect her Heart'. Saffolalife launched one of its kind – Heart Fitness Test that helps people assess their Heart Health on the basis of their Fitness Parameters.

46,000+ Heart Fitness tests

have been taken till date

Managing Director and CEO's Message

Dear Shareholders,

It gives me great pleasure to share with you an update on the overall performance of your Company during FY16. This year has been a year of consolidation & investments for the future. During the year, I, along with my team, worked relentlessly on building long-term capability for a sustainable journey of profitable growth.

Saugata Gupta

"Your management believes that sustainability has to be at the core of whatever we do. During the year, your Company continued to work on various sustainability initiatives."

26% ↑

growth in consolidated profit after tax compared to last year.

We have always believed in striving for the best and playing a proactive role in defining the industry's next-practices. We strongly believe as long as we focus on building capability ahead of growth, results will follow.

While the macro environment in India and overseas geographies remained subdued during FY16, your Company delivered reasonably good growth in line with its strategy. The consolidated top line grew 7% on the back of an underlying volume growth of 7%. The consolidated profit after tax grew strongly by 26% compared to last year.

During the year, your Company's India business grew by 7% with an underlying volume growth of 7%. We continued to expand our franchise faster than the category growths, reflecting the strong equity of our brands. In fact, more than 80% of our portfolio gained share during the year which is commendable as we already are market leaders in 90% of our portfolio. The India business improved operating margins to 21.6% led by softer input costs.

The international business grew by 4% in constant currency terms while sustaining operating margins at 18% which structurally shifted from 8-9% three years ago. International business growth potential looks encouraging with strategic investments planned in core markets of Bangladesh, Vietnam, Middle East North Africa (MENA) and South Africa coupled with the expansion in adjacent markets of South Asia, Indo China region and East Africa.

Your management believes that sustainability has to be at the core of whatever we do. During the year, your Company continued to work on various sustainability initiatives in the areas of energy management, water management, farm productivity improvement etc.

The international business grew by

4% ↑

in constant currency terms while sustaining operating margins at

18%

which structurally shifted from 8-9% three years ago.

"Diversity is also one of the catalysts that support sustainability. Your Company has been consciously encouraging gender diversity, especially in leadership roles in consumer facing functions."

Brands with a purpose also drive long-term sustainability. Three lead brands - Nihar Naturals, Nihar Shanti Amla and Saffola – were instrumental in these efforts. Saffolalife's heart health campaigns for women, Nihar Shanti Amla's child education efforts (Chote Kadam Pragati ki Aur) and Nihar Natural's woman empowerment campaign (I am capable) took up socially relevant causes during the year.

Your Company has taken definitive steps in creating an enabling environment to promote diversity. I am happy to inform you that 29% of our leadership talent in consumer facing functions of Technology and Marketing are women. We are also actively promoting multi-cultural diversity in our overseas units and driving higher mix of millennial's in our managerial talent. You will be glad to know that your Company was ranked No. 3 in the FMCG industry in the 2015 Great Places to Work Study in India.

Over the last few years we have significantly increased our investment in R&D in order to drive cutting edge research, product development and clinical studies to create innovative and efficacious products for the consumer. We have a dedicated team of 92 members in R&D, 40% of whom hold a master's degree and above. They are working in various streams of Advanced Technology, Product Development, Packaging, Quality, Clinical Studies and Nutrition. A similar increase in focussed investments have also been directed towards our IT and digital initiatives to make the organisation future ready.
The year FY17 has started with a sense of cautious optimism. While macros are stable, severe drought conditions create stress on consumption. However, with prospects of a good monsoon and good economic growth we believe consumption will pick up later during the year. We remain confident of delivering improved volume growth in India and a double digit constant currency growth in International.

Over the medium-term, your Company aspires to be a leading emerging market multinational with leadership position in two core categories of nourishment and male styling in two continents of Asia and Africa. Your Company has already initiated definitive steps to meet this aspiration by seeking to win amongst consumers, trade and talent. Towards this goal, the Company will continue to step up efforts in its five areas of Transformation where it will develop top quartile capability and processes. They are Innovation, Go To Market transformation, Talent Value Proposition, IT & Analytics and Value Management. While driving growth, we will also continue to retain our focus on best-in-class governance and risk management.

I am proud to be leading your Company as we complete 25 years of operations which is truly a momentous landmark for us. It has been a wonderful journey so far and I truly believe that the best is yet to come. Your team is committed to deliver and build further momentum on our consistent track record of sustainable profitable growth.

With warm regards,

Saugata Gupta
Managing Director and CEO

MARICO VENTURES INTO SOUTH EAST ASIA

2010-11

JOURNEY COMMENCES WITH CODE 10 MALE GROOMING PRODUCTS IN MALAYSIA AND DERMA RX SKIN CARE SOLUTIONS IN SINGAPORE. ACQUIRES A MAJORITY STAKE IN INTERNATIONAL CONSUMER PRODUCTS CORPORATION- GRABS A STRONG HOLD OVER VIETNAM'S MALE GROOMING, PERSONAL CARE AND COSMETICS SECTOR.

2011

PARACHUTING INTO SKIN CARE- MARICO ENTERS THE SKINCARE MARKET WITH PARACHUTE ADVANSED BODY LOTION, A FIRST-OF-ITS-KIND COCONUT BASED MOISTURIZER LOTION.

MARICO COOKS UP A BRAND NEW BREAKFAST- THE FIRST TO LAUNCH SAVOURY OATS IN THE WORLD WITH SAFFOLA MASALA OATS.

MARICO BRANDS A CAUSE

2011-12

NIHAR SHANTI AMLA ESTABLISHES EDUCATION AS ITS PURPOSE AND UNDERTAKES VARIOUS INITIATIVES CONTRIBUTING TO CHILDREN'S EDUCATION. STARTS OFF BY CONTRIBUTING 2% OF ITS SALES DEDICATED TO THE CAUSE.

Nihar reaches out to over 2 Lac children in a span of 4 years

Nihar Shanti Amla had established education as a purpose of the brand. Its initiatives have been able to make a difference in the lives of over 1,13,294 children across 15 states including Uttar Pradesh, Madhya Pradesh, Rajasthan and others touching around 25 to 30 villages within these geographies till 2014. It also Introduced a first-of-its-kind mobile phone based tutorial, Angrezi Mobile Paathshaala (English Mobile Schools), to train interested callers on basic words in English and has received over 16.2 Lac unique callers till date.

Nihar Shanti Amla, has 2015 onwards, collaborated with 3 new partners, Sesame Workshop in India (SWI) in Uttar Pradesh, Educate girls in Rajasthan & Going to School (GTS) in Bihar. The brand collaborated with Sesame Workshop in India (SWI) to launch its new initiative 'Learn.Play.Grow'. The intervention has been proposed across 3,800 Anganwadi Centres (AWCs) in Shahjahanpur, Farukkabad and Kannauj districts of Uttar Pradesh, reaching approximately 70,000 children and their caregivers. With Educate girls in Rajasthan, it has impacted the lives of 1,31,835 children and in Bihar, with GTS 20,452 children since 2015.

Launched in September 2012, this initiative is currently in its 4th year. Nihar Shanti started off by contributing 2% of its sales towards children's education. Today, 5% of its profits are dedicated to this cause.

1,31,835 children

in Rajasthan have benefitted from the Educate Girls initiative since 2015

Brand Visibility

Indian Brands

Set Wet - Sada Sexy Raho

Acknowledging the change in the socio-cultural context of young men today, the brand too sought to do a makeover to continue being relevant to the target audience in today's day and age rather than follow codes set in a different time and era when the brand was launched. The brand acknowledged the emergence of a new woman and the need for young men to step up their game by taking an active effort to show what is good and great in them – Hence the coinage Sada Sexy Raho.

The hugely successful campaign catapulted a de-growing category into growth with a turnaround of 29 percentage points. In the process we also grew our share from 33.3% to 46.4% (corresponding 12 Month period).

On the back of this hugely successful repositioning, the brand has re-launched the deodorants portfolio on the same positioning. We roped in Ranveer Singh on the brand. The initial indicators are very positive with the brand share moving up from 2.1 to 3.7% within a span of two months of the launch.

Nihar - Dikho Khoobsurat, Karo Khoobsurat

Nihar Naturals Shanti Amla, one of the fastest growing hair oil brands in the country's latest campaign - 'Dikho Khoobsurat, Karo Khoobsurat' is in tandem with its long-term commitment to furthering children's education in the country. The campaign captures the essence of our brand purpose of giving you fantastic looking healthy black hair, while furthering the cause of children's education. We have stayed on this 'Look good and do good' premise for four years now and it is paying rich dividends.

Nihar #I am Capable

Nihar #I am Capable

This year the Nihar Naturals launched a campaign in the East to address society's judgement of the capability of a woman based on how she looks. The campaign called Nihar #IamCapable had three legs first of which was a television commercial, the next leg was the release of a video, and the third leg was a PR event. Through the campaign the brand engaged with thousands of consumers who called back with their personal stories leading to a significant increase in both business and imagery parameters for the brand. The PR leg which was implemented only in the state of West Bengal earned the brand free coverage of ₹9.3 Crores and 430 Million impressions. Nihar Naturals is currently the largest hair oil brand in the East and has now consolidated this position on the back of the #IamCapable campaign.

Saffolalife - Leading the cause of Women's Heart Health

Saffola's vision is to create a Heart Healthy India and it has been committed to the cause of educating and inspiring people on the importance of taking care of their heart. The Brand has led many initiatives consistently over the last decade, to drive this cause.

In 2015, Saffolalife drove the cause of 'Women's Heart Health', which is a highly unaddressed issue in India. The Brand led a campaign to educate

Saffolalife 'Protect her Heart'

Saffola Masala Oats Chef's Choice Range

consumers on early markers of heart health, by driving connect between one's Fitness levels and its impact on heart health. Saffolalife also devised a unique Heart Fitness Test, a consumer friendly online assessment tool that used simple fitness attributes as inputs to indicate heart risk as output, and thereby enabled easy assessment of heart health to drive the campaign objective.

The campaign saw, improved scores on the core Brand Imagery of 'Good for Heart' with scores moving from 83 to 92 and scores on 'Genuinely cares about people's heart health' also saw an increase from 80 to 87. Brand imagery scores on key parameter of 'Helps keep weight under control' improved from 75 to 82 during the same period. 46,000 Heart Fitness Tests taken so far on the Saffolalife Website.

Saffola Active - Driving Brand Relevance among the Proactively Health Conscious consumers

Saffola has been the foremost name in 'heart healthy' oils in India. The recent Brand Equity survey reported Saffola as No 1 Trusted brand in the Edible Oil category. In 2015, the Brand devised the strategy to leverage 'portfolio play' in Saffola Oils, in order to drive relevance amongst different consumer sets. We positioned 'Saffola Active' on the benefit of 'Fitness' as it is one of the early markers of one's Heart Health and drove it as the choice for 'young proactively health conscious consumers'.

A robust brand, media and distribution strategy was implemented for Saffola Active. It became the face of the Saffola Oil portfolio and successfully drove relevance amongst the health conscious consumers, through its proposition of - 'Not just less oil, but the right oil', which was substantiated through the Claim of 'Helps reduce Absorption of Fat in Food'.
Saffola Active has jump-shifted the household growth for Saffola by bringing in new consumers to the brand who are looking for proactive Heart Care. With the implementation of this strategy, the Saffola oils franchise saw a growth turnaround from 3% in H1 to 13% in H2.

Saffola Masala Oats Chef's Choice Range

Saffola Masala Oats, pioneer of the flavoured oats category in India, was launched as a tasty breakfast option with the goodness of Oats. However, we realised that there was an even bigger opportunity in the evening snacks occasion and started developing flavours that consumers crave for during the evening snack occasion. With that came the launch of the two new International flavours from Saffola Masala Oats i.e. Chinese and Italian developed in collaboration with leading Indian celebrity chef Kunal Kapur. The flavours were launched as part of the new Chefs' Choice range from Saffola Masala Oats.

The launch of the new flavours was supported with a complete 360 degree campaign. The intent of the communication was to improve the taste perception of Oats so as to bring in new trials to the category. TV and Radio was used to bring out the concept of craving and highlight the fact that Chef Kunal Kapur had created the range of savoury Oats. Digital medium was used to build expertise, take up the taste codes and promote new recipes created by our panel of expert chefs and bloggers. Online food influencers were targeted and we conducted a launch event with top food bloggers. The new Chef Choice flavours now contribute around 30% to the single serve volumes of the brand within four months of launch.

Saffola Fit Foodie

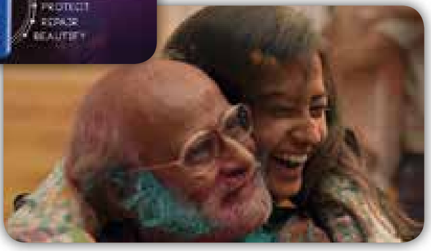
Saffola Fit Foodie aims to resolve the age old dilemma that all of us face between eating healthy and eating tasty. That is why 'Saffola Fit Foodie' was launched as a one-stop destination for healthy yet tasty recipes. Saffola Fit Foodie curates healthy recipes created by our celebrity chefs Kunal Kapur, Shipra

Khanna, Saransh Goila and leading food bloggers of the country like Archana Doshi and Neha Mathur. All the recipes are healthier than the normal recipes on other recipe sites and certified so by the Fit Foodie meter, an unique meter developed by Saffola in association with and endorsed by Indian Dietetic Association. The Fit Foodie meter simplifies nutrition and health in food by converting what otherwise means looking at a complex nutritional chart into a simple yet single composite score. The higher the score of Fit Foodie meter, the healthier the recipe. Fit Foodie has many innovative features. 'Send the Recipe to WhatsApp' is a new concept which we introduced through which the consumers of the content can send the recipe they are browsing on their mobile phone along with a picture, making it even more easier to access the recipe in their kitchens while cooking.

Results

- More than 2 Million visits on the website since April 2015.
- 3 minutes of average time spent on the site versus competition site having 2.4 minutes.
- 200K + Facebook fans with high interaction to the posts.
- More than 50,000 actual shares of recipes through WhatsApp, Email & Print.

Parachute Advansed #KhulKeKheloHoli



Parachute Advansed #KhulKeKheloHoli campaign

Parachute Advansed launched the #KhulKeKheloHoli. The brand leveraged the long standing association of oiling before Holi for damage free great hair and took it a step further by encouraging consumers to relive the original spirit of Holi and enjoy the festival to its fullest fervour.

Making the emotional story come alive in addition to television advertisement was a long format digital film that garnered 6.5 Million views. The campaign supported by outdoor, mobile, on ground and e-commerce activations has been one of our most talked about campaigns.

International Brands

Parachute Advansed Body Lotion Bangladesh

Parachute Advansed Body Lotion (PABL) capitalised on the existing brand equity of the mother brand, to gain entry into the right outlets before the winter season, and ensured visibility throughout season with displays and point-of-sales materials.

Differentiation with goodness of Coconut Milk was established through PR. Pop-up ads were aired in most popular TV shows, such as cooking shows and cartoons. It was also present through Press Ads in leading national dailies to create news of its entry in market and to drive awareness.

The brand ended the year with overachieved business results, both in Volume and Net Revenue.

X Men for Boss '100 Million Idea' campaign - Vietnam

Capturing the big insight of Vietnamese young men who want a fast track to success by starting their business, X-Men for Boss implemented the 'Empower the future Boss' activation in June-July 2015. The contestants had to go through 3 rounds: submit their business ideas, join the training from experts.

This activation really became the hot topic of the town among the youth and also gained good impact on business and total Boss range grew 75%.

X Men for Boss '100 Million Idea'

Hercules Smart School Campaign - South Africa

Marico South Africa launched the HERCULES Hygiene and First Aid Awareness Campaign in 2015. HERCULES reached out to 50 schools in 2 townships within major metropolitan areas. The primary objective was not only to create brand awareness, promoting early engagement with the brand but to also educate and empower school learners in previously disadvantaged communities on health and wellbeing. This was also a huge opportunity for Marico South Africa to give back to the community by supplying these schools with much-needed materials and supplies such as educational posters, leaflets, frisbees and water. A significant contribution to these schools was the donation and installation of a fully stocked, metal branded first aid kit, which was placed in strategic areas within the premises. Another element of the campaign was the competition where the schools could win a laptop, an essential tool today in terms of research for school projects and sourcing information from the global arena.

The campaign was a success resulting in HERCULES interacting with 32,308 learners (plus the teachers and parents) over the set period. In total thus far, Hercules has reached 1,20,000 learners (plus teachers and parents) in 160 schools across 3 provinces.

2012

MARICO'S SUSTAINED GAINS IN HAIR OILS TAKE IT TO NO. 1 POSITION.

INDIA'S GEN NEXT GETS STYLED BY MARICO- LEADING BRANDS LIVON, SET WET AND ZATAK ARE ACQUIRED BY MARICO.

2013

KAYA SKIN CARE BUSINESS DEMERGED FROM MARICO - ESTABLISHES ITSELF AS A SEPARATE ENTITY.

2014

MARICO GROUP TURNOVER CROSSES ₹ 5,000 CRORES.

MARICO BECOMES FUTURE READY.

2014-15

MARICO BECOMES FUTURE READY– PREPARES ITSELF TO MOVE INTO THE NEXT ORBIT OF GROWTH WITH 5 AREAS OF TRANSFORMATION: INNOVATION, GO-TO-MARKET (GTM), TALENT VALUE PROPOSITION, IT & ANALYTICS AND COST MANAGEMENT.

Our mission is to build a winning organisation that will be an Emerging market MNC with leadership position in Natural nourishment and Male grooming in 5 markets with revenues of ₹100 Billion with India continuing to be a strong home market.

Over the next five years, Marico will take definitive steps to become an emerging market MNC by seeking to win amongst consumers, trade and talent. The Company's philosophy of developing capability ahead of growth to drive a sustainable business model across both Indian and International markets will be executed synergistically under the 'One Marico' umbrella. The Company's focus will be on creating winning brands, winning culture and a winning talent pool to create a virtuous cycle of great talent and an enabling culture driving innovation driven growth. Towards this, Marico has identified 5 areas of Transformation where it will develop top quartile capability and processes.

Sustainability Report Summary

Marico believes that it belongs to an interdependent ecosystem comprising Shareholders, Consumers, Associates, Employees, Environment, and Society.

Sustainable Profitable Growth goes hand in hand with the sustainable progress of the entire ecosystem. The pursuit of profits is not at odds with the pursuit of Purpose: It is the pursuit of a purpose that helps realise the true potential of all participants of the ecosystem. Marico endeavours to be a purpose-focussed organisation, which achieves sustainable profitable growth by making a difference to the other members of its environment by enabling them to realise their true potential.

Safflower farms

Our comprehensive stakeholder engagement program facilitates a good understanding of the Company's key thrust areas from stakeholders' perspective. We constantly evaluate the sustainability considerations across our product life cycle and strive to reduce Green House Gas emissions, improve energy efficiency, adopt sustainable procurement practices, and employ renewable energy sources while reducing waste generation in our operations.

Sustainability focus

We have formalised focus areas under the themes of Climate Change, Resource Optimisation, and Corporate Citizenship. At present, we are implementing projects in the realm of energy efficiency, renewable energy, water positivity, recycling and reuse of materials, sustainable procurement, societal wellbeing, skill development & employability, education of underprivileged children and creating sustainability awareness. A tracking mechanism for sustainability performance is developed and review system is being established. The FY17 measurements will be used for setting up long-term Sustainability Goals at Marico.

1. Sustainable Procurement

Sustainable supply assurance is at the heart of Marico's Procurement Excellence Framework. As a part of our business initiatives, we have been able to forge strong and long-lasting relationships with farmers under the 'Farmer First' program.

a. Coconut cultivation

1. **Package of Practices:** Marico has set up a team to understand the best practices for Coconut farming through learning programs with universities & on-field experiments. The information collected is converted into a Package of practice manual, which is circulated to farmers. Exclusive training programs are designed for the farmers accordingly.

   - Trained 3,000 farmers with total area of 6,000 acres.
   - Distributed around 2,200 hybrid coconut saplings to the coconut farmers (free of cost) in Karnataka, Tamil Nadu, Andhra Pradesh and Kerala so that farmers can experience the high productivity of hybrids.
   - **Impact:** 120 farmers spread across 368 acres of land have adopted the suggested practices with regular monitoring and guidance of Marico personnel. Early adopters who started in August 2015 have shown 20% cumulative productivity increase in the months from January-April.

2. **Partnering with Government:** Marico is working with the Government of Kerala as part of their Keragramam Project initiative in Kavannur Panchayath, Malappuram. We have partnered with the agricultural departments in the state for training farmers and setting up 12 Model Farms across Kerala. These Model Farms aim to educate and demonstrate benefits of scientific farming and pest management practices.

3. **Collaboration with Coconut board of India:** Marico's Copra collection centre in Malappuram district partnered actively with the Coconut Development Board for rollout and execution of the CPS (Coconut Producer's Society) program. As a part of the program, the collection centre will be leveraging its reach to the farmers to form clusters in order to avail benefits from the Government of India. This initiative has brought about a transformation in the lives of coconut farmers in that area. Overall, 110 clusters were formed from FY08 to FY14 and 121 CPS were formed in FY15 to FY16. These efforts influenced the lives of 7,700 farmers covering more than 6,700 acres.

120 farmers

Spread across 368 Acres of land have adopted the suggested practices with regular monitoring and guidance by Marico personnel

Farmer camps, Kerala

b. Safflower productivity development

Marico has been instrumental in developing Safflower production as well as productivity in India. Multiple initiatives have been undertaken in past 10 years to arrest decline of crop and develop Safflower as a profitable option for Rabi season. We are making efforts towards bringing in new technological solutions to farmers and improve productivity of Safflower in farmers' fields.

Agri-extension program has touched upon 5 states, 40+ districts, 3,200+ safflower growing villages and 63,000+ farmers over the past few years.

Key initiatives –

1. **Seed Multiplication Program**

   Quality of seed is the most important controllable variable for improving yields of Safflower crop. Safflower crop, by virtue of being a minor crop, has not attracted investment or interest from many private/

Mr. Jubail, Farm Manager Anakayam farm, Government of Kerala Interacting with farmers as part of training

5 states, 3,200+ safflower growing villages and 63,000+ farmers

touched by the Agri-extension program

public seed companies. Marico works with private seed companies by contributing money and human resources in production, grading, and sale of quality seeds to safflower farmers. As a result of this intervention, we have been able to improve seed replacement rate to 31% from 0.07%. The higher seed replacement has resulted in 2% increase in oil content from 29.5% in FY12 to 30.15% in FY16. Since, oil remains the major input for which all oilseeds are grown, any increase in oil percentage leads to increase in incomes of the farmers.

2. **Pre-Sowing Training Classes (PSTC)**
   Marico team regularly conducts PSTC classes wherein we disseminate information on the best practices of growing Safflower, relevant to the area where farmers operate. Select influential and progressive farmers are shortlisted for the classes to help popularise these practices among other farmers in the area.

3. **PPP Programs with Government of Maharashtra**
   Public-Private partnership programs with state agriculture departments are undertaken in order to help Government drive agenda of welfare and income maximisation of farmers. Depending on the program, Marico pledges either free inputs in the form of effective seeds or gives a buying guarantee to the participating farmers.

4. **Experiment/Demonstration Plots & Field days**
   Marico regularly organises experiment/demonstration plots to showcase the effectiveness of new technology to farmers in adjoining areas. These plots help us in screening any new technology on the basis of their on-field results. Marico's agri-extension team recommends new practice to farmers only if it works in our experiment plots.

For instance, this year we did experiment plots with Biostat (a soil amendment technique). Application of this technique increases yield by improving the capacity of soil to retain nutrients. We were able to observe yield increase to the tune of 66% on aggregate levels.

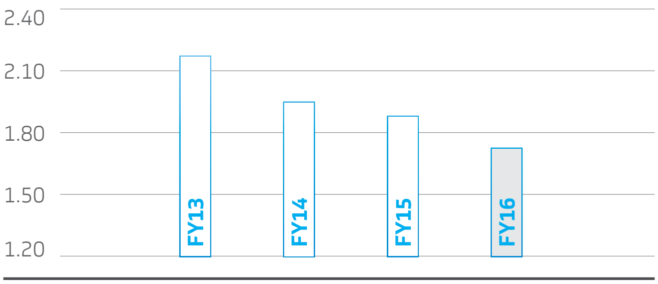
2. Efficient Manufacturing

Optimising the resource consumption and improving operational efficiency has always been a priority for all our manufacturing locations. Most of our manufacturing locations are certified as per ISO:14001 Environment Management System. Our largest manufacturing plant in Baddi has been certified as per ISO: 50001 Energy Management System.

Marico has won several awards in Green manufacturing such as CII Water Conservation Award, CII Energy Conservation Award, Greentech Environment Excellence Award, National Energy Conservation Award, CII Excellence in Energy Management Award in past years.

- **Energy efficiency:** Energy efficiency improvements were carried out across all units to reduce overall energy (thermal as well as electrical) consumption. Electricity reduction initiatives saved overall

Energy intensity GJ/KL (Thermal & Electrical)

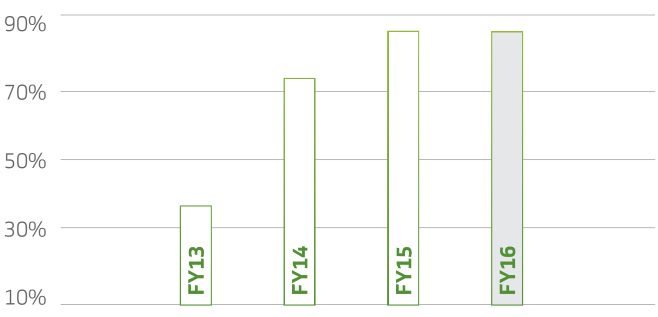


9,00,000+ units in FY16 equivalent to 5.8% improvement over FY15. Waste heat recovery is done to reduce fuel requirement.

- **Renewable energy:** Recognising that fuel consumption for generating process heat causes the maximum energy demand we have increased the use of biomass in our boilers at all facilities. As a result Green House Gas emissions are also reduced to a great extent.

  Marico has started using wind energy for its units and business associates in southern cluster which will provide 20 Lac units of renewable energy per annum worth of reducing Green House Gas emissions by 1000 tCO2 (Tons of Carbon dioxide) approximately.

Biomass energy usage (%)



- **GHG emissions intensity:** Continuous efforts are taken to reduce the Green House Gas emissions arising out of own operation as well as helping business associates by improving their operational efficiencies.

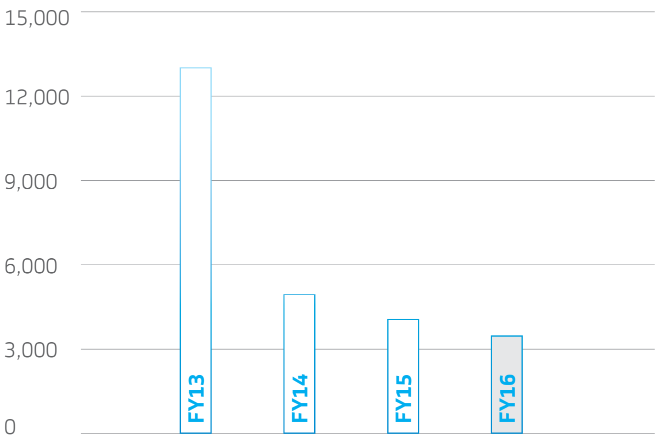
- **Waste elimination and yield improvement:** Process and packaging design improvements in India as well international locations have benefited in reduction of packing material. Overall 8 projects were completed in last 2 years for design optimisation which had helped in saving packing material worth of 260 MT (Metric Ton).

- **Efficiency improvement at business associates:** A focussed effort in improving operational efficiencies of our business associates resulted in material movement reduction which is equivalent of 13 tCO2 annually. Initiatives like usage of multi-cavity moulds, high speed printing, combing of operations were key contributors.

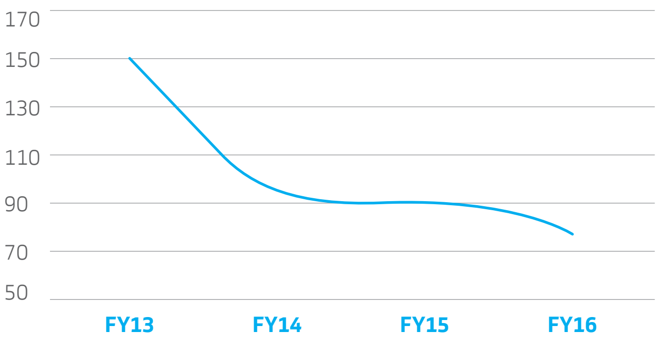
9,00,000+ units

overall savings in FY16 as a result of Electricity Reduction initiatives.

GHG Emmissions intensity (Scope 1) tCO_2



GHG Emmissions intensity (Scope 1 + Scope 2) $kgCO_2$/KL



3. Green Building

Our corporate office in Mumbai is a Green Building certified by USGBC (LEED Certification for Commercial Interiors). In order to achieve this certification we have taken up several energy and water conservation projects and have demonstrated efficient use of resources. We have recently completed an important project on 'Reduction of Illumination energy reduction' as a result of which, it is expected that we will be able to better our credentials and achieve further reductions in energy consumption. We have also rolled out projects for water free Urinals and recycling of waste water which has brought down fresh water demand considerably. The LEED Certification given by USGBC is a testimonial to the efforts taken in this direction.

4. Care for Communities

1. Marico Innovation Foundation

Marico Innovation Foundation is a not-for-profit organisation working towards the cause of innovation since 2003. The Foundation creates impact through its four core programs:

I. MIF Scale-up program works closely with innovative social organisations, which are driven to achieve large-scale impact. Our network of domain experts, CXOs, B-Schools and like-minded corporates consult organisations on their scale-up. We diagnose the challenges, implement prototype solutions and integrate successful solutions into the business offering of the organisation.

II. MIF Innovation Awards celebrate the most breakthrough Indian innovations that hold the potential to have a large-scale impact. 49 breakthrough innovations have been recognised over the last 12 years.

III. India Innovates: A video series that showcases some of the most amazing innovations of India that are truly transforming lives, communities, businesses and more

IV. hack2incubate: A platform created and designed to inspire innovations and incubate them into successful businesses

2. Education for all

Marico launched programs called 'Chotte Kadam Pragati Ke Aur' (Small Steps to progress), 'Going to school' to support the education of underprivileged children under the age group of 6 - 18 years in India. Under this program, projects were undertaken with a prime focus of mobilisation and retention of children in the schools. Last year, education strategy was built on three core pillars to a drive combined brand and social impact:

- Bringing children back to school and preventing dropouts
- Improving in-class learning for children
- Equipping children with life skills

Over 2,00,000 children benefited in programs put together.

2,00,000+ children

benefitted in all the education programs put together

3. Saffola World Heart Day

Saffola's vision is to create a Heart Healthy India! Through its not for profit initiative Saffolalife, it is on a mission to make people realise the need and importance of heart health by educating them on early markers of heart health & enable them to start on this journey in a manner that is simple, effective yet measurable.

Over the years, Saffola has reached out to Millions across the country via large-scale mass media awareness programs, helped over 2,00,000 people over 90 cities with diagnostic check-ups, dietician services, 'Heart Age Finder' tool.

In 2014, Saffola undertook the task of driving awareness of Women's Heart Health. In 2015, the brand stayed committed to the cause of Women's Heart Health through its campaign 'Protect her Heart'. Saffolalife launched one of its kind– Heart Fitness Test that helps people assess their Heart Health basis their Fitness Parameters. Over 46,000 Heart Fitness Tests have been taken till date.

4. **Nihar Shanti Amla Mobile pathshala**
The Mobile Pathshala (Mobile School) program was designed to aid schooling in deep rural pockets especially for 4 - 8 year old children. It was based on principals like 'Teach by Principles rather than linear directions', 'Mnemonic devices aid retention' and 'Paint a picture with words'. Overall, 15.82 Lac user registered till date.

50 schools in 2 townships

in South Africa in major metropolitan area reached out by HERCULES

5. **Marico Bangladesh- Dhaka Ahsania Mission Children Learning Center project**
As part of our continued efforts to create a positive lasting impact on society, Marico Bangladesh formed a partnership with Dhaka Ahsania Mission (DAM) to bring the light of education to underprivileged communities. Through this partnership, free access to quality education is being provided to out-of-school children who unfortunately had to drop out of mainstream schooling due to life's hardships.

The partnership has so far provided education to over 3,000 out of school children in the Melandah Upazila of Jamalpur district, which has historically suffered from very low literacy rate. The team has established and today operates 75 Children Learning Centers comprising 75 teachers selected and trained exclusively.

Based on the unique model of community mobilisation, multi-grade teaching- the project is witnessing great participation from teachers, parents and the community at large. While the parents are applauding this initiative, teachers are enjoying working at CLCs, students are making most of the learning experience

6. **HERCULES Smart School Campaign – South Africa**
Marico South Africa launched the HERCULES Hygiene and First Aid Awareness Campaign in 2015. HERCULES reached out to 50 schools in 2 townships within major metropolitan areas. The primary objective was not only to create brand awareness, promoting early engagement with the brand but to also educate and empower school learners in previously disadvantaged communities on health and wellbeing. It was a huge opportunity for Marico South Africa to give back to the community by supplying these schools with much-needed materials and supplies such as educational posters, leaflets, frisbees and water bottles (to encourage a healthy lifestyle). A significant contribution to these schools was the donation and installation of a fully stocked, metal branded first aid kit, which was placed in strategic areas within the premises (i.e the sick room, office area and sports areas).

The campaign was a success resulting in HERCULES interacting with 32,308 learners (plus the teachers and parents) over the set period. In total thus far, Hercules has reached 1,20,000 learners (plus teachers and parents) in 160 schools across 3 provinces.

Diversity and Inclusion

At Marico, we are committed to providing an enabling environment for diversity and inclusion across the organisation.

Our value of Transparency & Openness guides our approach towards diversity by "allowing diversity of opinion by listening without bias, giving and receiving critique, with mutual trust and respect for the other". We believe our inclusive policies and programs will help us strengthen this area and attract great talent and enable success for both the member and the organisation. We strongly believe in meritocracy and equality for everyone, regardless of age, gender or ethnicity.

33%

33% OF MEMBERS IN CONSUMER FACING FUNCTION (MARKETING & TECHNOLOGY) ARE WOMEN; 29% OF THESE WOMEN ARE IN LEADERSHIP ROLES

Gender diversity

More than one-third of our talent in the consumer focussed functions of Marketing and Research & Development are women. We have also taken concerted efforts to increase the representation of women in our Sales function and have seen a 50% jump in women's representation in Sales Frontline Manager roles in the last one year.

We have special policies to encourage women in our workplace especially when they go through their life stage of starting a family. Our policies are designed to empower working mothers to integrate family and career effectively. We offer paid maternity leave beyond statutory requirements and flexible working arrangements such as flexi-time and work from home options. The women members can choose their working arrangement in discussion with their Supervisor. Our experience has been that a combination of these options enables women member to effectively manage this critical life stage.

39%

39% OF OUR WORKFORCE COMPRISES NON-INDIANS

Ethnicity

We operate in 25 countries and have on ground operations in South Africa and North Africa, Sub-Sahara Region, Middle East, Bangladesh and South East Asia. Our core value of Global Outlook encourages Mariconians to be sensitive and adaptable to cultural diversity and learn from different cultures. Today, 39% of our workforce comprises non-Indians and represents 9 nationalities. Local talent constitutes more than 50% of each country's leadership team in the geographies we have operations in.

40%

40% OF OUR MEMBERS ARE MILLENIALS

Generational Diversity

Today, 40% of our members are Millennials, 52% Gen X and 8% baby boomers. We are consciously tracking the changing mix of the generational diversity within the organisation. Recently, we conducted an extensive study internally to understand the changing employee aspirations in light of the Generation Y entering the workforce. Our research has helped us understand the expectations and aspirations of this generation and how they are different from the previous generation.

We understand the importance of freedom at the workplace for the younger generation. Our roles are designed to provide empowerment. Our policies and practices are designed to provide flexibility and connectivity to provide a more conducive and efficient working environment.

Diversity and Inclusion will continue to be an integral part of Marico's growth and transformative journey and will play a key role in shaping the Marico of the future.

Corporate Information

BOARD OF DIRECTORS

1 MR. HARSH MARIWALA
CHAIRMAN & NON-EXECUTIVE DIRECTOR

2 MR. B. S. NAGESH
INDEPENDENT DIRECTOR

3 MR. ATUL CHOKSEY
INDEPENDENT DIRECTOR

4 MR. SAUGATA GUPTA
MANAGING DIRECTOR & CEO

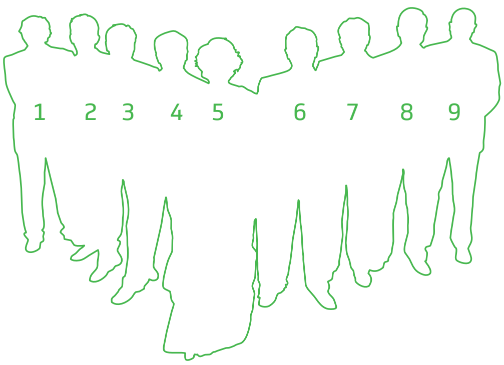
5 MS. HEMA RAVICHANDAR
INDEPENDENT DIRECTOR

6 MR. RAJEN MARIWALA
NON-EXECUTIVE DIRECTOR

7 MR. ANAND KRIPALU
INDEPENDENT DIRECTOR

8 MR. RAJEEV BAKSHI
INDEPENDENT DIRECTOR

9 MR. NIKHIL KHATTAU
INDEPENDENT DIRECTOR



COMPANY SECRETARY & COMPLIANCE OFFICER
Mr. Surender Sharma*
*Ms. Hemangi Ghag until April 28, 2016

AUDIT COMMITTEE
Mr. Nikhil Khattau - Chairman
Ms. Hema Ravichandar - Member
Mr. B. S. Nagesh - Member
Mr. Rajen Mariwala - Member
Mr. Surender Sharma - Secretary to the Committee*
Mr. Harsh Mariwala - Permanent Invitee
Mr. Saugata Gupta - Permanent Invitee
*Ms. Hemangi Ghag until April 28, 2016

CORPORATE GOVERNANCE COMMITTEE
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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Mr. Atul Choksey - Chairman*
Mr. Harsh Mariwala - Member
Mr. Rajen Mariwala - Member
Mr. Rajeev Bakshi - Member
Mr. Saugata Gupta - Member
Ms. Priya Kapadia - Secretary to the Committee
*Mr. Harsh Mariwala was the Chairman until April 28, 2016

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

STAKEHOLDER RELATIONSHIP COMMITTEE
Mr. Nikhil Khattau - Chairman
Mr. Rajen Mariwala – Member
Mr. Surender Sharma - Secretary to the Committee*
*Ms. Hemangi Ghag until April 28, 2016

MANAGEMENT TEAM

MR. SAUGATA GUPTA
MANAGING DIRECTOR & CEO

MS. ANURADHA AGGARWAL
CHIEF MARKETING OFFICER

MR. ASHISH JOSHI
CHIEF OPERATING OFFICER - SOUTH EAST ASIA BUSINESS

MR. ASHUTOSH TELANG
CHIEF HUMAN RESOURCES OFFICER

MR. JITENDRA MAHAJAN
CHIEF SUPPLY CHAIN OFFICER

MR. MUKESH KRIPALANI
CHIEF BUSINESS PROCESS TRANSFORMATION & IT

MR. PANKAJ SALUJA
CHIEF - STRATEGY, M & A & NEW BUSINESS

MR. SANJAY MISHRA
CHIEF OPERATING OFFICER – INDIA SALES & BANGLADESH BUSINESS

DR. SUDHAKAR MHASKAR
CHIEF TECHNOLOGY OFFICER

MR. SURESH M. S. JAGIRDAR
CHIEF LEGAL COUNSEL

MR. VIVEK KARVE
CHIEF FINANCIAL OFFICER

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
M/s 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 – 8

WEBSITES
www.marico.com
www.maricobd.com
www.maricoinnovationfoundation.org
www.parachuteadvansed.com
www.saffolalife.com
www.pblskin.com
www.icpvn.com
www.chottekadam.com
www.setwet.com
www.livonhairgain.com
www.livonilovemyhair.com
www.fitfoodie.in
www.artofoiling.com
www.scalptherapie.com
www.parachuteadvansed.com
www.indiaparenting.com/bio-oil/

Awards and Accolades

Marketing

- Marico bagged 8 awards at the EMVIES 2015, 3 Gold & 2 Bronze for Saffola's World Heart Day campaign, 2 Silvers for Saffola Fit Foodie and 1 Bronze for Nihar Shanti Amla.
- Marico was the most awarded company in Asia at the APPIES 2015, won a Gold each for Nihar Shanti Amla, Saffola Oats and Saffola Oil, a Silver for Parachute Advansed.
- Marico brands won 3 awards at the Campaign India Digital Crest Awards 2015; Saffolalife won Silver and a Bronze and Saffola Masala Oats received Bronze.
- Marico brands won at the IDMA Awards 2015; gold for Saffolalife, gold for Parachute Advansed Body Lotion and silver for Saffola Fit Foodie.
- Saffolalife #ProtectHerHeart Wins Gold at the India PR & Corporate Communication Awards.
- Marico won 4 awards at Effie 2015- Gold for Saffolalife World Heart Day and a Silver for Saffola Fit Foodie campaign in Experiential Marketing category and a Silver for Saffolalife in the World Heart Day & Saffola Masala Oats in Confectionary & Food category.
- Marico won 6 awards at the Abby Awards, Goa Fest 2016- Saffolalife won a Silver and 2 Bronze, Nihar PCN won a Silver, Parachute Advansed Aromatherapy won a Bronze and Bio Oil received a Bronze.
- Saffola featured in the 11th edition of Afaqs' India's Buzziest Brands amongst 60 other brands.
- Marico won at the prestigious SABRE PR Awards 2015, Parachute Advansed won a Gold for the Art of Oiling campaign.
- Marico Bags Gold at IAMAI India Digital Awards- Parachute Advansed Aromatherapy won Gold for Best Display campaign.

Leadership

- Saugata Gupta ranked as India's most valuable CEOs by Businessworld and the Top 3 CEOs in the Large (2,500-7,499 Crores) Category & the Dynamic Dozen List.
- Vivek Karve was recognised as one of India's best CFOs by Yes bank-BusinessWorld Best CFO Awards 2015-16.
- Anuradha Aggarwal Ranks Top 10 in Impact 50's Most Influential Women 2016.
- CQA Head Shailesh Godekar won Innovative Leadership in Quality Award at the National Quality Excellence Awards by World Quality Congress.

Corporate Governance

- Marico received a certificate of recognition for Excellence in Corporate Governance at the 15th ICSI National Awards
- Marico was recognised as the Best Domestic Company on Corporate Governance by Asiamoney's Corporate Governance Poll 2015.

IT

- Marico won 2 awards at Big Data & Analytics Awards- Best Practices in Data Warehousing and Excellence in Business Intelligence.

Green

- Marico Corporate Office was awarded with LEED Gold certification for its sustainable building design and commitment towards a greener future.

STATUTORY REPORTS

Management Discussion and Analysis

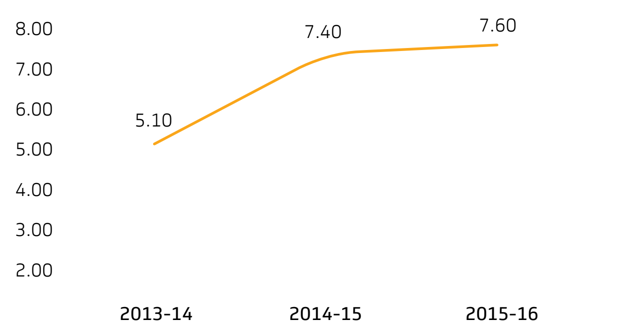
This discussion covers the financial results and other developments for the year ended March 31, 2016 in respect of Marico Consolidated, comprising its domestic and international FMCG business. The Consolidated entity has been referred to as 'Marico' or 'Group' or 'Company' in this discussion.

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.

Update On Macro Economic Indicators & FMCG Industry

India

GDP Growth %



Source: Central Statistical Office

The Indian economy has been through challenging times in the last two years due to weak global macros coupled with below normal rainfall. However, even amid such weak global macros, the Indian economy has also 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 - taking the foreign exchange reserves to an all-new level of USD 350 Billion. GDP grew at a healthy clip of 7.6% in FY16 with a forecast of 7.8% in FY17. The country remained the leader among all nations in the global consumer confidence index with a score of 131 points for the quarter ending December 2015, followed by the Philippines (117), Indonesia (115) and Thailand (114). Consumer confidence in India has remained high for nine consecutive quarters. India's consumer inflation, which had been in 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 measures to contain food inflation and the sharp decline in commodity prices especially crude oil.

The FMCG sector at USD 38.8 Billion (Source: Nielsen) is one of the largest sectors in India. Over the last 5 years, the sector has grown at compounded annual growth rate of 12.7%. In the past year, the growth rate has tapered off mainly due to deflation and below normal monsoons. While sentiment appears to have improved, it has not yet translated to tangible improvement in consumption across the sector. However, there is a silver lining. The recent "normal monsoon" forecast by meteorological agencies augurs well for the sector. Some other factors expected to drive the recovery are a stronger GDP growth (leading to investments in various sectors which eventually results in employment generation), moderate consumer inflation, enabling government policy framework, continuing input cost benefits, Direct Benefit Transfer Scheme (DBT), One Rank One Pension (OROP) for ex-Military servicemen and increased pay-outs to government employees consequent to implementation of 7th Pay Commission recommendations.

Over a medium to long-term, India's potential to emerge as one of the largest consumption economies of the world is intact. Apart from population growth, India is witnessing other trends that make it a favourable market from consumption perspective. These include urbanisation, increase in number of nuclear families, improvement in education level, 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. World Bank suggests that at the current GDP/capita of USD 1,581, consumption should accelerate from the current levels, especially in premium categories. The FMCG sector will be the biggest beneficiary of the expected consumption boom.

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 is on food, making these households highly vulnerable to down-trading in times of high food inflation. Two-third 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 rainfall, but with an expected better than average monsoon, we will see a positive effect on consumption in the medium term. 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, and structural reforms by the new government and the cyclical recovery that is in progress.

Bangladesh

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. Bangladesh's foreign exchange reserves hit a record USD 28.27 Billion at the end of March 2016 thanks to steady exports and slow import growth due to falling global commodity prices. Rising garment exports and steady remittances from Bangladesh nationals working overseas, two mainstay revenue generators for the country, have helped foreign exchange reserves grow steadily in recent years.

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. Political stability will further help the cause.

Middle East and North Africa (MENA)

The decline in oil prices, weak global growth and rising geopolitical risks plagued economic activity in the Middle East and North Africa (MENA) in 2015. MENA's economy expanded 2.6% annually in 2015, which was below the 2.9% increase the year before. Oil-producing countries faced the brunt of the pain as the Organisation of the Petroleum Exporting Countries' (OPEC) strategy to keep oil prices low in order to retain market share backfired. As falling oil prices cut government revenues and sent budget balances deep into the red, most countries have also been cutting subsidies and raising energy prices, which will further restrain demand growth.

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. Fitch Ratings, a global leader in credit ratings and research, has reaffirmed Egypt's long-term foreign and local currency default rating with a "B" grade, which signifies a stable economic outlook. GDP growth for FY16 slowed to an estimated 3.2%, owing to decline in tourism revenues and the foreign currency crisis. This is after it strengthened to 4.2% in the previous year.

Fitch assumes that growth will strengthen moderately to 3.6% in FY17 since energy shortages are being addressed, and public and private investment is rising. However, Egypt's economic outlook is clouded by the ongoing dollar crunch, persistent macroeconomic imbalances, slow implementation of structural reforms and political instability.

While the short-term prospects appear subdued, the medium to long-term prospects are brighter. A steadily growing population and a developing economy provide a good base for FMCG companies in Egypt. Penetration levels in hair grooming and skin care products are modest suggesting bigger headroom for growth. The country also provides a gateway to North African countries of Algeria, Libya and Morocco.

Vietnam

Vietnam is one of the fastest growing countries in South East Asia. In the year 2015, the Vietnamese economy grew by 6.7%, in line with the government's target. Vigorous expansion of manufacturing and construction in 2015 spurred the fastest economic growth in Vietnam in the last 7 years. Foreign direct investment is seen supporting strong growth through the forecast period. The demographics of the country are very promising, with an extremely young and educated population providing an opportunity for FMCG companies to grow rapidly and premiumise.

South Africa

The South African GDP grew by 1.3% in 2015 compared to a 1.4% expansion in 2014 but is expected to rebound to 2.0% in 2016, as a large Rand depreciation may stimulate an export-led recovery. High levels of unemployment and inequality coupled with energy crisis are considered to be the most salient economic problems faced by the country. The long-term growth rate of South Africa has been estimated at 2.1%.

The Marico Growth Story

Marico achieved revenue from operations of ₹ 6,132 Crores (USD 915 Million) during FY16, a growth of 7% over FY15. The volume growth underlying this revenue growth was at 7%. Profit After Tax (PAT) for FY16 was ₹ 725 Crores (USD 108 Million), a growth of 26% over FY15.

Over the past 5 years, Marico's topline and PAT have grown at a compounded annual growth rate (CAGR) of 16% and 19% respectively. This places Marico in the top quartile in this sector.

Domestic FMCG Business: Marico India

The FMCG business in India achieved a turnover of ₹ 4,755 Crores (USD 710 Million) during the year, a growth of 7% over last year. The business delivered 7% volume growth. The operating margin of the India business during FY16 was 21.6% before corporate costs allocation.

Coconut Oil

Parachute's rigid portfolio (packs in blue bottles) recorded a volume growth of 7% for FY16 over FY15. Competitive position being favourable throughout the year, Parachute along with Nihar increased its market share by more than 63 bps to 59% during the 12 months ended March 2016. Further, in line with its philosophy to protect the consumer franchise and maintain the volume momentum, the Company actioned a cumulative decrease of 12% in its maximum retail prices in response to a deflation of 27% in the raw material prices.

The non-focused part of the portfolio (mainly pouch packs) witnessed contraction as the Company maintained minimum threshold of margins in an environment where the commodity prices have corrected substantially.

The branded coconut oil market size is ₹ 4,900 Crores (USD 731 Million). However, there is also a significant part of the market, approximately 30-40% 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. The Company would continue to exercise a bias for volume growth coupled with steady increase in market shares as long as margins remain within a band.

Foods: Super premium refined edible oils and oat cereals

The Saffola refined edible oils franchise demonstrated a 9% growth in volume terms during FY16 backed by a strong recovery in the second half of the year which was led by initiatives taken by the Company.

Over the recent years, Saffola has been leveraging the consumer trend of proactively managing a healthy lifestyle. Adopting Saffola is one of the shifts that consumers continue to make. The Saffola range of blended refined oils (available in four variants) operates in the premium niche of the refined edible oils market. The rising awareness about healthy living in the country provides significant headroom for growth. The Company continued focus on the key task of driving relevance amongst the proactively health conscious consumers through key marketing input of Saffola Active communication of "Use not just less Oil but Right Oil as well – to stay fit & active".

The near term outlook for this franchise is positive with double digit volume growth prospects. Over the medium term, we are also looking at the innovation pipeline especially in the premium segment. The Company is confident of maintaining double digit growths over the medium term.

The brand gained market share of 322 bps and further strengthened its leadership position in the super premium refined edible oils segment to 63% during the 12 months ended March 2016.

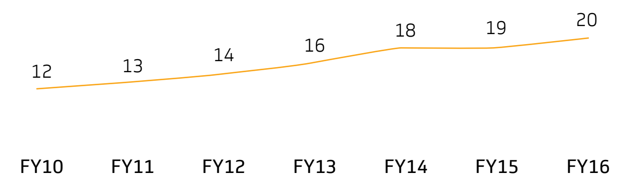
Saffola's foray into healthy foods, Saffola Oats, has emerged as a strong brand, ranked second, in the oats category with a value market share of 27%. Saffola Masala Oats launched two new exciting flavours viz. "Chinese and Italian" in January 2016. These flavours have been developed keeping in mind that consumers crave for novel and exciting flavours during snacking occasions. The brand has also signed on celebrity chef Kunal Kapoor as its brand ambassador to partner with the brand in creating many more superior product offerings for the consumers. Focus on value added offerings in the oats segment has enabled the Company to capture 70% value share in the flavoured oats market for the 12-month period ended March 2016. The franchise crossed ₹ 100 Crores (USD 15 Million) of top-line during the year and is well poised to cross ₹ 200 Crores (USD 30 Million) landmark by FY18. 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 has also driven distribution expansion to improve availability. Saffola Masala Oats is now the most distributed brand in its category. Focus on improving the margins in this franchise with focused cost management initiatives will ensure long-term sustainable profitable growth.

Value Added Hair Oils

Marico's value added hair oil brands registered a volume growth of 14% during the year. Marico continues to grow faster than the value added hair oils market of ₹ 6,100 Crores (USD 910 Million). During the year, the Company further strengthened its market leadership by 179 bps to 32% volume share (for 12 months ended March 2016) and with value share gain of 132 bps to 25% for the same period. Going forward, the Company will continue its focus on premiumisation to drive growth in the category. The Company's Value Added Hair Oils portfolio crossed ₹ 1,200 Crores (USD 179 Million) landmark this year with a bouquet of 4 strong brands.

Value Added Hair Oils portfolio has grown at a 10 year Compounded Annual Growth Rate of ~30% and now accounts for a sizeable portion of the Company's Business which is growing strongly.

Hair Oils Journey-Share of Business %



Nihar Shanti Amla continued to gain market share and achieved a volume market share of about 37% for the 12 months ended March 2016 in the Amla hair oil category (MAT March 2015: 32%). The increased scale of the franchise enables the Company to benefit from operating leverage thereby improving net margins despite competitive pricing. A spout pack of ₹ 5 is being prototyped in Northern Rural India to drive trial and penetration.

Nihar Naturals Sarson Kesh Tel, a value added mustard oil targeting loose mustard oil pool was launched across markets in North and parts of East India after promising results from the prototype in Rajasthan.

In the Hair Fall Control segment of value added hair oils, Marico has two offerings – Parachute Advansed Ayurvedic Oil and Parachute Advansed Ayurvedic Gold Hair Oil. Marico clocked a top line of circa ₹ 60 Crores during FY16 in this segment. Parachute Advansed Ayurvedic Oil, a coconut oil based formulation, with presence in southern states, continued to grow rapidly. Parachute Advansed Ayurvedic Gold Hair Oil, a sesame oil based formulation, after its successful prototype in Maharashtra has now been extended to all the Non-Southern states in February 2016. This variant is aimed at a more broad-based play in northern and eastern India. The Company expects to cross top line milestone of ₹ 100 Crores (USD 15 Million) by FY18 in the Hair Fall Control segment.

The Value Added 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 consumer needs of nourishment and problem solution. Marico's focus on leave-in hair nourishment offers Marico an opportunity to look beyond just hair oils and in the process premiumise its portfolio.

Youth Portfolio

The Youth brands portfolio plays in three categories i.e., Hair Gels, Leave-in serums and Deodorants. This business delivered a lackluster performance during FY16 - declining by 4% in comparison to FY15.

Set Wet Gel brand completed one full year after it was re-launched in Q4FY15. Riding on focused brand building efforts, new pack and expanded distribution, the brand delivered consistent double-digit growths throughout the year. It has also been gaining market share consistently which is testimony to the effectiveness of the revamped strategy. The market share went up by 1,197 bps in last 12 months to 54% in March 2016. The Gels now comprise circa 40% of total Youth Portfolio. The initiatives taken by the brand have also accelerated growth in the category, which is at a nascent stage of its evolution.

Taking a leaf from the Set Wet Gel success book, the 'Sada Sexy Raho' (Remain Sexy forever) campaign has been extended to Set Wet Deodorants too. Ranveer Singh, a leading cine actor and a youth icon, works with the brand as its ambassador. His youth appeal is expected to help the brand get back lost volumes and market share. The refreshed new product which hit the markets in March 2016 promotes the 'day usage' practice unlike the other brands which focus only on 'party / night usage'. The medium term objective is to regain the market share.

Livon Franchise declined in FY16 over FY15. Livon has two products – the Hair Gain and the Leave-in conditioner serum. The Livon Hair Gain franchise got impacted by counterfeits (especially in the e-commerce channel). The Brand launched its new communication showcasing real life consumer experiences to build credibility about the product's efficacy. The anti-counterfeit measures on the pack were also strengthened with the introduction of Unique Identification Number on each pack. In order to revive the growth in Serums category, the Company restaged Livon Serum during the second quarter of FY16. Key pillars of the restage included a better formulation, refreshed packaging, celebrity brand ambassador, new communication campaign and low unit packs at ₹ 5. While the medium term prospects for this brand are promising, in the near term, it will take couple of quarters to return to growth path, given the category creation task. The results of both Hair Gain and Serum restage are being closely monitored.

The Hair Gels and Creams (Set Wet and Parachute) and Leave-in Conditioners (Livon and Silk and Shine) now have a 12-month value share of 59% and 79% respectively. 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.

Overall, given the initiatives rolled out for all the three verticals, the Company is confident of a double digit value growth in the Youth Business in near term.

Distribution

Marico's rural and urban sales grew by 8% and 6% respectively in FY16. The continued focus on distribution expansion in rural markets has pushed the Company's rural sales to 34% of total India sales in FY16. In rural areas, incremental direct coverage provides an ideal platform to enhance the reach of the Value Added Hair Oils portfolio. As a step towards increasing rural reach, the Company is prototyping ₹ 5 spout pack of Nihar Shanti Amla in rural India.

Sales in Modern Trade (9% of the India turnover) continued the good run with growth of 15% in FY16. CSD and Institutional sales (8% of the India turnover) grew at 11% in FY16.

Project ONE (Outlet Network Expansion) was conceived with an objective of increasing Marico's direct coverage in its top 6 metros. Project ONE has significantly augmented the reach of the Company's brands by improving assortment and availability at the outlet. It gives retailers convenience of service and access to promotions. With the coverage objective achieved, the initiative has been merged into regular distributor coverage. The project has resulted in optimizing distributor sales and store delivery apart from reducing service costs to these stores. Incremental Turnover of ` circa 60crore (USD 9 Million) was garnered through Project ONE in FY16. The Company has expanded the coverage of this initiative to the next level of 14 towns.

The journey to refresh and reconfigure the IT systems within the company with robust infrastructure including digital initiatives is underway.

The Company has completed the rollout of its technology driven collaboration platform for its customers in India. This new Order Management Platform enables automatic ordering through the system, which has helped increase the fill rates and brought about a greater visibility to stock-outs and thus impacted sales positively. Marico has also embarked on changing its point of sale as well as Distributor Management systems. This is an enabler to improve sales force productivity, visibility and commercial controls in the areas where it has already been rolled out. This is giving a strong backbone to drive data visibility and future analytics resulting in better execution in the market.

Marico has set up the analytics architecture in the back end to handle the visibility of digital data and use of the same across different functions.

The prototype on use of Advanced Analytics to predict store level assortment in one of the major cities is underway. The results have been encouraging and the pilot has been extended to all the outlets in that city from January 2016.

As part of its plan to remain relevant to the internet-savvy new age consumers and other stakeholders, the Company, in coming quarters, will focus a lot on various digital Initiatives. As a result, e-commerce has become an important pivot of growth. The Company has taken definitive steps to stay ahead of the curve in this space and has identified and appointed dedicated resources for e-commerce. As a result of these initiatives, Company has been able to double its annual revenue in e-commerce channel as compared to FY15.

Summing up the story of India Business in FY16

FY16 was a tough year for Indian economy. Although the consumer inflation was low, a below-normal rainfall caused distress, especially in Rural India. Amid these tough conditions, the India FMCG business delivered a satisfactory top line and a robust bottom line performance. With various building blocks in place and prospects of a normal monsoon, the outlook on this business for the coming year is positive.

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 Groups turnover in FY16. The business reported a 4% constant currency growth during the year. The operating margin for the full year was at 17.7% (before corporate costs allocations).

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 and South East Asia
3. Go-To-Market transformation in Egypt
4. Investment in new markets

Overall, the strategy of focusing on strengthening the core and investing behind capabilities has started showing positive results and should help accelerate growth in coming years.

Bangladesh (45% of the International Business)

The Bangladesh business remained flat in FY16 on account of muted volume growth in Parachute coconut oil and price cuts due to benign material costs.

Parachute coconut oil de-grew by 3% in constant currency terms due to price correction (volume growth: 2%) maintaining leadership position with 82% share. Given that the scope of growth in coconut oil segment is limited as the category has matured, the Company has taken substantial measures in driving adjacent sources of growth to diversify the portfolio. However, the coconut oil franchise continues to have a larger share of the business and needs to continue to grow. In line with the Company's philosophy to protect the consumer franchise and gain market share, an overall price cut of circa 10% across SKU's was actioned during the year.

During the year, the Company's value added hair oils portfolio grew at a rate of 13% in constant currency terms. New packaging has been introduced for 'Nihar Shanti Amla' in order to lend a modern and premium imagery to the brand. Flagship brand 'Beliphool' value added perfumed coconut oil was re-launched in new PET pack.

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 (VAHO), Hair Dyes, Deodorants, Leave-in conditioners, Savoury Oats and Premium Edible oils. These products have been accepted well and are expected to create a portfolio of the future in Bangladesh. During FY16, the non-coconut oil portfolio grew at a rate of 13% in constant currency terms. In FY16, the entire value growth is attributed to non-Coconut Oil portfolio given the reduction in Parachute Coconut Oil prices.

Consequent to these initiatives, the non-coconut oil portfolio is now more than 20% of the total business in Bangladesh as compared to 10% four years back. The new launches offer a substantial proposition for future roadmap in Bangladesh. The Company expects to leverage its strong distribution network and learning from the Indian 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 - 20% of the International Business)

The MENA business on an overall basis grew by 17% (constant currency basis) during FY16 as compared to FY15.

In the Middle East business, the Parachute franchise of Value Added Hair Oils and Creams was re-launched with improved formulations and packaging. It targets the Arab consumers who are looking for nourishment and problem solutions in modern contemporary formats. The Business continued its positive momentum and grew by 27% on constant currency basis in FY16. Thus, the business has grown in double digits in all the

quarters in FY15 and FY16. The business has reported operating profits for the full year and this trend of improvement is expected to continue and the management expects the business to become consistently profitable in FY17.

The Company had undertaken a distribution transition in Egypt in the second half of FY15. The transition was aimed at eliminating dependence on a single distributor and achieving better go-to-market (GTM) model for realising the maximum distribution potential. Many transformational benefits such as increased direct distribution, improved retail selling and reduced working capital requirement resulting in lower credit risk have started to accrue. The transformation started yielding results in the second half of FY16; the business grew by 6% in constant currency over FY15. However, given the tough macro-economic conditions, the recovery is likely to be gradual. We remain positive about the medium term outlook on this market.

South East Asia (25% of the International Business)

Business in South East Asia (of which Vietnam is a significant contributor) grew by 2% in constant currency terms in FY16. On a like-to-like basis (without considering the results of its subsidiary, Beauté Cosmétique Societé Par Actions, which was divested during Q1FY16), the constant currency growth was 7% for the year. X-Men maintained its leadership in male shampoos and the number two position in male deodorants. Over the medium term, the Company remains well poised to participate in the category growths when economic growth picks up.

The Company continues to scale up its presence in neighboring countries like Malaysia and Myanmar. Myanmar ended the year with a turnover of circa USD 6 Million.

South Africa (7% of the International Business)

The business reported a constant currency growth of 7% during the year despite challenging macro conditions. The rapidly depreciating South African Rand (ZAR), however, impacted the top line growths. The currency has devaluated by 22% over last 12 months.

The Company has initiated its organic footprint in sub-Saharan African markets. The Company commenced exports to four countries. Plans for entry in other markets are on track and the Company believes these markets are "Invest to Grow" markets and will be backed by adequate marketing initiatives.

Summing up the story of International Business in FY16

FY16 was a tough year for the International Business. Challenging macros and longer gestation period for some of the transformation steps has resulted in a lower growth. The medium term outlook, however, is positive. The macro headwinds are slowly receding while the Company will step up its efforts to regain the double digit constant currency growth backed by growth in core and launch of new products.

Consolidated Results of Operations – An Overview

During the year ended March 31, 2016 (FY16), Marico registered consolidated revenue from operations of ₹ 6,132 Crores, a growth of 7% over previous year. The volume growth underlying this revenue growth was 7%.

Profit after tax (PAT) for FY16 was ₹ 725 Crores, a growth of 26% over FY15.

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 states the details of income from sales and services for FY16 and FY15.

(₹ in Crores)

Particulars	FY16	FY15
Revenue from Operations	6,132.0	5,733.0
Other Income	93.4	58.9
Total Income	6,225.4	5,791.9

There has been 7% growth in Revenue from Operations on account of 7% growth in Marico India and 7% growth in Marico International.

Expenses

The following table sets the expenses and certain other profit and loss account line items for the years FY16 and FY15:

	For the year ended March 31,			
	2016		2015	
	₹ Crores	% of Revenue	₹ Crores	% of Revenue
Revenue from Operations	6,132.0		5,733.0	
Expenditure				
Cost of Materials	3,061.4	49.9%	3,119.0	54.4%
Employees Cost	363.9	5.9%	325.1	5.7%
Advertisement and Sales Promotion	786.1	12.8%	649.8	11.3%
Other Expenditure	858.2	14.0%	768.9	13.4%
PBIDT margins	1,062.5	17.3%	870.1	15.2%
Depreciation, Amortisation and Impairment	101.8	1.7%	84.3	1.5%
Finance Charges	20.3	0.3%	23.0	0.4%
Tax	297.1	4.8%	236.8	4.1%
Profit after Tax	724.8	11.8%	573.5	10.0%

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, declined by 27% as compared to last year. Rice bran oil and Liquid Paraffin prices dropped by 3% and 31% respectively during the year while Safflower Oil prices were up by 10%. HDPE (a key ingredient in packaging material) price was down by 10% compared to FY15. Considering copra accounts for a major proportion of input costs, the overall cost of materials reduced by 448 bps during FY16 leading to gross margin expansion.

Employee Cost

Employee cost includes salaries, wages, annual performance incentives, provision towards long-term incentives, statutory 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. Based on the Company's target achievement and the individual's performances against goals identified performance incentives are determined. Long-term incentive provisions are towards Employee Stock Option Plan (ESOP) and Stock Appreciation Rights Scheme (Company's long-term incentive plan). During the year under review, employee cost as % of revenue is higher compared to last year mainly due to higher provisions towards these long-term incentives.

Advertisement and Sales Promotion (ASP)

The Company continues to make investments behind existing products and new products. ASP spends on new products comprises significant part of the overall ASP. Overall increase in ASP spends for the full year was 21%. Significant part of the overall ASP was invested behind new products such as Value Added Hair Oils, Foods and Youth portfolio in India and new launches and restages across other geographies.

Depreciation, Amortisation and Impairment

For the year as a whole, depreciation has increased from ₹ 84.3 Crores in FY15 to ₹ 101.8 Crores in FY16. The increase is on account of change in useful life of moulds and capital asset additions for the year.

Other Expenses

(a) The other expenses consist of expenses which are fixed in nature (about 1/3rd) and expenses which are variable in nature (about 2/3rd).

Other Expenses	FY16	FY15	% variation
Fixed	295	222	33
Variable	564	547	3
Total	858	769	12

a. Fixed Expenses include items such as rent, legal and professional charges, foreign exchange losses and donation. A large part of increase in these fixed expenses is attributable to hit on account of realised foreign exchange losses during the year ₹ 45 Crores which pertains to hedging a part of external commercial borrowing (ECB) taken for funding acquisition of controlling stake in International Consumer Product Corporation (ICP), Vietnam in 2011. Excluding the same, other fixed expenses have increased by 13% largely due to increased Legal & Professional charges.

b. Variable Expenses include items such as freight, subcontracting charges, power and fuel, warehousing, input and output taxes, etc. The variable expenses have increased by 3% on account of freight and other rates and taxes.

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 Debt (refer balance sheet).

Direct Tax

The Effective Tax Rate (ETR) for the Company during FY16 was 29.1% as compared to 28.8% during FY15.

Consolidated Balance Sheet

(₹ in Crores)

	Particulars	As at March 31, 2016	2015
A	**Equity and Liabilities**		
1	Shareholders' Funds		
	(a) Share Capital	129.0	64.5
	(b) Reserves & Surplus	1,967.8	1,760.3
	Sub-total Shareholders' fund	**2,096.8**	**1,824.8**
2	Minority Interest	14.3	13.7
3	Non-current liabilities		
	(a) Long-term borrowings	0.4	168.7
	(b) Deferred tax liabilities (Net)	10.2	12.3
	(c) Long-term provisions	11.5	8.7
	Sub-total Non-current liabilities	**22.0**	**189.7**
4	Current Liabilities		
	(a) Short-term borrowings	152.8	165.4
	(b) Trade payables	669.0	564.3
	(c) Other current liabilities	375.1	276.5
	(d) Short-term provisions	103.3	95.3
	Sub-total current liabilities	**1,300.1**	**1,101.6**
	TOTAL - EQUITY AND LIABILITIES	**3,433.3**	**3,129.7**
B	**Assets**		
1	Non-current assets		
	(a) Fixed assets	582.6	589.8
	(b) Goodwill on consolidation	498.0	489.2
	(c) Non-current investments	69.4	46.8
	(d) Deferred Tax Assets	10.3	4.4
	(e) Long-term loans and advances	100.4	50.6
	(f) Other non-current assets	58.2	120.8
	Sub-total Non-current assets	**1,318.8**	**1,301.5**
2	Current assets		
	(a) Current investments	347.0	237.1
	(b) Inventories	925.8	994.7
	(c) Trade receivables	252.4	176.8
	(d) Cash and cash equivalents	309.7	204.9
	(e) Short-term loans and advances	249.0	179.1
	(f) Other current assets	30.7	35.6
	Sub-total current assets	**2,114.6**	**1,828.2**
	TOTAL ASSETS	**3,433.3**	**3,129.7**

Shareholders' Funds

This comprises the paid up share capital and reserves & surplus. Increase in Share Capital is on account of issue of bonus equity shares in the ratio of 1 equity share for every 1 equity share held and stock options exercised by the employees under the ESOP Scheme 2007. Annexure to the Directors' Report provides further details of stock options issued, exercised and pending to be exercised.

Increase in Reserves & Surplus from ₹ 1,760.3 Crores in FY15 to ₹ 1,967.8 Crores in FY16 is on account of net profits earned during the year, net off the dividend distributed and reduction in debit balance of hedge reverse pertaining to the ECB (refer note (a) under Other Expenses).

Minority Interest

Minority Interest represents the share of consolidated profits attributable to non-Marico shareholders in Marico Bangladesh Limited. 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.

Increase in minority interest from ₹ 13.7 Crores in FY15 to ₹ 14.3 Crores in FY16 is mainly on account of profits earned during the year net off the dividend distributed by Marico Bangladesh Limited.

Long-term Borrowings

Long-term borrowings represent borrowings which have repayment schedules exceeding one year. The Long-term borrowings have come down from ₹ 168.7 Crores to ₹ 0.4 Crores primarily due to repayment of the External Commercial Borrowing (ECB) and the balance 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 Accounting Standard 11 (AS11).

Deferred Tax Liabilities

Deferred Tax Liabilities (DTL) represent the timing differences resulting due to variations in the treatment of items as per Income Tax Act, 1961 and Indian Generally Accepted Accounting Practices (GAAP). The reduction in DTL from ₹ 12.3 Crores in FY15 to ₹ 10.2 Crores in FY16 is largely due to the timing difference on the treatment of intangibles.

Long-term Provisions

Long-term Provisions are provisions for Leave Entitlements, Gratuity and Employee Stock Appreciation Rights (STAR). Long-term provisions have increased from ₹ 8.7 Crores in FY15 to ₹ 11.5 Crores in FY16 due to increase in provisions towards Gratuity.

Short-term Borrowings

Short-term Borrowings represent borrowings taken for working capital purposes. The short-term borrowings have reduced to ₹ 152.8 Crores in FY16 from ₹ 165.4 Crores in FY15 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 increased from ₹ 276.5 Crores in FY15 to ₹ 375.1 Crores in FY16 on account of reclassification of a part of ECB (payable within one year from the balance sheet date) to Other Current Liabilities.

Short-term Provisions

Short-term Provisions represent provisions towards employee benefits, Income tax and Disputed Indirect Taxes. The amount has increased from ₹ 95.3 Crores in FY15 to ₹ 103.3 Crores in FY16 primarily due to increase in provision towards increase in income tax provisions in Marico Bangladesh Limited.

Fixed Assets including Intangible Assets and Capital work-in-progress

Fixed assets represent investments made by the Company in tangible assets such as Buildings, Plant & Machinery, Furniture & Fixtures, etc. Reduction in net Fixed Assets (Gross value of Fixed Assets net of depreciation, amortisation and impairment) from ₹ 589.8 Crores to ₹ 582.6 Crores is on account of normal impact of depreciation & impairment.

Goodwill on Consolidation

Goodwill on consolidation represents the excess of consideration paid over their net assets to acquire companies. Goodwill on Consolidation has increased from ₹ 489.2 Crores in FY15 to ₹ 498.0 Crores in FY16 mainly due to foreign currency translation impact on revaluation of goodwill of foreign subsidiary as per AS11.

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. Increase in non-current investments from ₹ 46.8 Crores in FY15 to ₹ 69.4 Crores in FY16 is on account of reclassification of a property as asset held for disposal and increase in investment in bonds.

Deferred Tax Assets

Deferred Tax Assets represent timing differences resulting due to variations in the treatment of items as per Income Tax Act, 1961 and Indian GAAP. Increase in deferred tax assets from ₹ 4.4 Crores in FY15 to ₹ 10.3 Crores in FY16 is due to timing difference on the treatment of depreciation in Indian GAAP and The Income Tax Act, 1961 and timing difference due to disallowance of certain expenses as per the income tax laws.

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 increased from ₹ 50.6 Crores in FY15 to ₹ 100.4 Crores in FY16 during the year mainly due to additional loan disbursed to WEOMA for funding new STAR schemes.

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 ₹ 120.8 Crores in FY15 to ₹ 58.2 Crores in FY16 is on account of Minimum Alternate Tax (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. Increase in current investments from ₹ 237.1 Crores in FY15 to ₹ 347.0 Crores in FY16 is mainly on account of increase in investments in Mutual Funds.

Inventory

Inventory includes the stocks of raw material, packing material, work-in-process, stock-in-trade and finished goods held for sale in the ordinary course of business. Decrease in inventory from ₹ 994.7 Crores in FY15 to ₹ 925.8 Crores in FY16 is mainly due to deflation in raw material costs partially offset by higher raw material and finished goods inventory levels.

Trade Receivables

Trade Receivables include the monies to be received from its customers against sales made to them. Increase in trade receivables from ₹ 176.8 Crores in FY15 to ₹ 252.4 Crores in FY16 is attributed to a comparatively higher skew of sales towards the end of March 2016 as compared to March 2015.

Cash and Cash Equivalents

This includes amounts lying in Cash and with the Company's bankers. There is an increase in the cash balances from ₹ 204.9 Crores in FY15 to ₹ 309.7 Crores in FY16 primarily due to increase in Fixed Deposits (FD) kept with various banks.

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 ₹ 179.1 Crores in FY15 to ₹ 249.0 Crores in FY16 is 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. Decrease in Other Current Assets from ₹ 35.6 Crores in FY15 to ₹ 30.7 Crores in FY16 is on account of reclassification of a property as asset held for disposal (and thus included under non-current investments).

Contingent Liabilities

Contingent liabilities increased from ₹ 736.8 Crores in FY15 to ₹ 875.7 Crores in FY16.

1. Major component of this liability is a possible obligation of ₹ 685.5 Crores on account of excise duty which has been explained in detail in the Notes to Accounts.

2. Other contingent liabilities include letters 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:

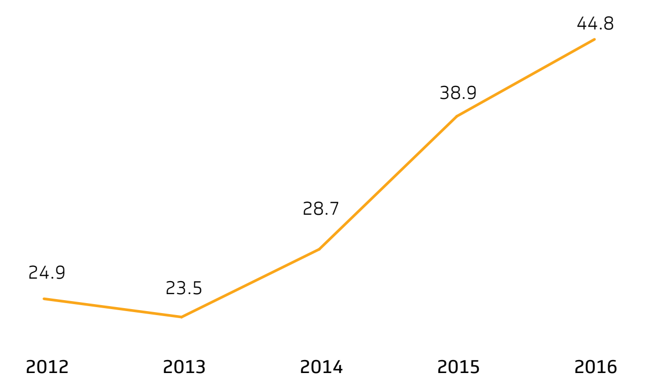
Ratio	FY16	FY15
Return on Capital Employed	**44.8%**	38.9%
Return on Net Worth	**37.0%**	36.0%
Working Capital Ratios (Group)		
- Debtors Turnover (Days)	**13**	13
- Inventory Turnover (Days)	**57**	57
- Net Working Capital (Days) including surplus cash	**46**	45
Debt: Equity (Group)	**0.19**	0.35
Finance Costs to Turnover (%) (Group)	**0.3%**	0.4%

Note: 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 primarily due to robust growth in operating profits.

The Company's ROCE has been on a rise for the past 5 years which is depicted in the following chart.

ROCE - Past 5 years Trend %



Shareholder Value

The Company's dividend distribution policy is aimed at sharing its prosperity with its shareholders subject to maintaining an adequate chest for liquidity and growth.

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 675% (including one time payout of 150% declared in March 2016) as compared to 250% during FY15. The overall dividend payout ratio was 69% of PAT as compared to 30% during FY15. Subject to its fund requirements towards inorganic growth, the Company shall endeavour to maintain a dividend payout ratio of 40-50% in the medium term.

Human Resources

Talent and Culture are two strategic drivers for Marico to achieve its business aspiration of becoming an emerging market multinational. The HR Function's mission has been to attract and nurture talent to succeed and create a great place to work.

Over the last year, we have taken several initiatives to live the mission for achieving our business aspiration and make a difference to our 2,461[1] employees worldwide. The key highlights are presented below.

In the strategic area of **Talent**, we built a robust talent pipeline to meet present and future business needs, in line with our endeavour to build capability ahead of growth. This involved streamlining of the **Talent Pipeline Process** to formally track the talent pipeline for critical positions. To strengthen our capability building efforts to meet current and future business needs, we have designed **Functional Competency** frameworks for select functions. This will facilitate talent development in line with the organisation's capability needs and help promote talent mobility across units in India and internationally. As part of our leadership development efforts, we extended **customised development experiences** to key talent based on their leadership passage.

"Over the Wall", Marico's flagship Business School engagement program was strengthened to build greater traction at leading business schools in India to attract top

[1] As on March 31, 2016

young talent. The program was integrated with our Facebook page "Marico Campus Connections (MC2)", which enabled us to organise live case study presentations at campuses and invite audiences to participate in selecting the best teams in this contest. Similarly, our Best Summer Project contest also went digital and these initiative garnered 8,547 hits online.

This year, we also launched the **Marico's Career page** on **LinkedIn** to strengthen our employer brand and connect with talent. **Talview**, a video based interview platform was introduced for hiring in Sales Function across India which has resulted in faster turnaround time and cost saving for hiring.

In the strategic area of **Organisational Culture**, we endeavoured to foster Innovation. **Innovation Jams** were leveraged successfully to crowdsource ideas from Mariconians on specific themes. Marico's first **Young Board**, comprising young home grown leaders, successfully completed their tenure and worked on spotting new business opportunities and key organisational initiatives. The succeeding, 2nd Young Board was constituted to continue the momentum to strengthen Marico's culture. A **Technology Think Tank** was constituted with bright young minds, which explored and recommended how to leverage technology innovatively.

Continuing with our digital theme, we extended **iLearn**, Marico's global technology enabled learning platform, to all members worldwide. Over 1,500 members (98%) were educated on Marico's Code of Conduct through e-learning via this platform. Members continue to leverage this platform for competency development. **Maricognize**, our unique social recognition program, continues to be leveraged to celebrate big and small contributions. We also embraced **technology** to organise a global interactive webinar with the MD and CEO to clarify Marico's business aspirations, progress on thrust areas, key achievements and also respond to member questions and concerns.

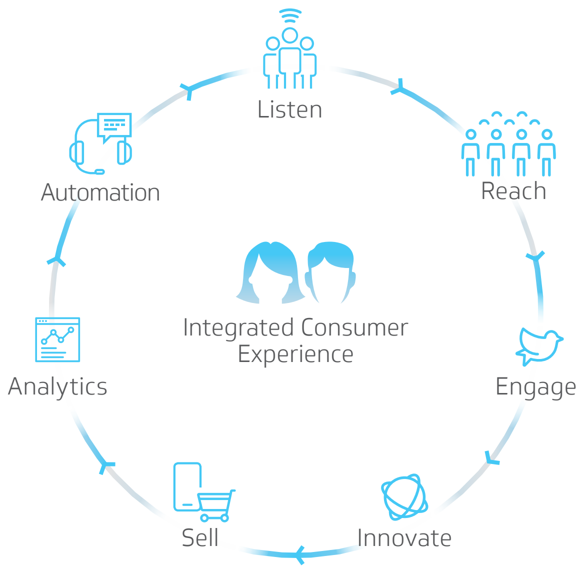
These initiatives and efforts over the last few years, have won us quite a few **accolades**. We are proud to share that

- Marico is ranked No. 3 in the FMCG industry in the 2015 Great Place to Work Study.
- Marico is ranked No. 4 in the 2014 Aon Hewitt Top Companies for Leaders in India, a study conducted by Aon Hewitt on talent management and leadership development practices globally.
- Marico participated as an invitee at the global Top Companies of Leaders Think Tank event co-hosted by Aon Hewitt and GE at GE's Crotonville campus in USA.

Information Technology and Digital

Over the last couple of years, the digital forces have brought about a lot of changes in the business environment. Your Company has also recognised the opportunities presented by such forces and has developed a strategy to harness them in order to become a digitally savvy consumer company.

Your Company has already taken steps to engage with its customers, consumers and employees through the use of SMAC (Social, Mobile, Analytics, Cloud) and platform based technologies.



It follows the cycle of Listen -> Reach -> Engage -> Innovate -> Sell -> Analyse - > Automate in order to deliver a better and integrated experience to the associates and consumers.

The Company Listens and Engages with its consumers through **Online** (saffolalife.com, fitfoodie.in), **Social** (facebook\SetWetStyling, Sentiment Monitoring) and **Mobile** (Nihar Shanti Amla Angrezi Pathshala, Parachute Advansed Ayurvedic Hair Oil) channels.

Your Company also rolled out Order Collaboration Platform for its Indian customers (distributors) which has helped in better fill rates, improve visibility of stock outs and thus positively impacting sales as well as the working of the distributors. The Company has also embarked on changing the point of sale and Distributor Management Systems to enable improved sales productivity, visibility and commercial controls. This has led to a positive impact on the life of the distributors benefiting them at an overall level and contributing to the wellbeing of our associates in a sustainable manner.

Sell: E-commerce is an important pivot of growth and with dedicated resources and technology the Company has been able to double its annual revenue in the e-commerce channel as compared to FY15.

As a result of the above platforms, the data available has led to better descriptive and predictive analytics. Your Company has already set up the analytics architecture in the back end to handle the visibility of digital data and its usage across functions. Specific projects are in various stages of progress across Sales, Marketing and Supply Chain functions.

Your Company also continuously scans for technologies that are useful and relevant to its business and which can aid in increasing the shareholder value through growth, innovation, simplification or efficiency. In order to prioritise the relevance of such technologies and to generate ideas on its usage, your Company successfully conducted an "Innovation Jam on Digital Technologies" which sought ideas from its employees. A team was formed comprising young IT Savvy Managers from across departments as a "Technology Think Tank" in order to generate top ideas which would contribute to the growth and business of the Company. Select ideas are now being prototyped and taken forward by the respective business teams in collaboration with the IT department. Your Company believes that these ideas will add to the sustainable profitable journey on which we have embarked upon.

Outlook

Marico India

The year FY17 has begun with deflationary pressures and a severe drought in many parts of the country, impacting at least 25% of the population. These headwinds may limit the volume growths in the short-term. However, the forecast of a normal monsoon has brought some good news. This should help lift the consumption levels, especially in the second half of FY17. The Company will strive to drive volume growths and maintain medium term growth rates in the range of 8-10% by growing the core and rapidly scaling New Products. In the near term, however, given the Year-on-Year deflation, the top line growth will be subdued. In **Parachute Rigids**, the Company aims to grow volumes in a range of 5-7%, both in the near term and medium term. **Saffola** is likely to grow by circa 10% in the near term due to combination of wider participation and selective pricing inputs. The medium term growth prospects are also similar. The **Foods** franchise is expected to contribute up to ₹ 200 Crores (USD 30 Million) by FY18. This translates to aggressive growths in the coming two years. New launches / prototypes in value added **hair oils** space will aid in premiumising the Company's offering and will further improve its value market shares. The launches will also help reaching the mass market segment by widening the product offering thus extending the gains in volume market shares. In the medium term, the Company aims to grow this franchise at a volume growth rate of 12-15%. On the back of a continued healthy performance of Gels, renovation of Deodorants and expected demand due to restage of Livon serum, the **Youth portfolio** is expected to grow at high double-digit (>20%) in FY17 and at 15% in the medium term. The **direct distribution initiative** of Project ONE is expected to supplement volume growths in the Tier I and Tier II markets. Strategic initiatives in sales and supply chain will aim at ushering in efficiency in selling and go-to-market. Over the medium term, **operating margin** (before allocation of corporate overheads) of about 18% to 19% is sustainable. However, in the near term, given the soft commodity price tables, the operating margin is likely to remain in the band of 20-22%.

Marico International

Over the last 12-18 months, the Company has systematically invested in the core international markets to strengthen both the brands and the organisational capability to handle growth. With such augmented efforts to build a **robust organic growth capability** and a stronger organisation, the Company is also looking at **inorganic growth** both in terms of new markets and acquisitions / alliances to step up the overall growth in International markets leveraging the current management bandwidth. The Company believes that the **core markets** of Bangladesh, Vietnam and MENA are "**Invest to Grow**" markets and the Company will continue to drive growth with brand restages, new product launches and capability building initiatives apart from aggressively tapping and growing new markets. Rest of South East Asia and East Africa are the new growth engines for future. The Company will aim for organic and inorganic growth in these markets. It expects to clock an organic top line growth of ~15% in constant currency in the medium term. However, in the near term, given the deflationary headwinds, especially in the Bangladesh market, the growths may be a tad lower. The structural shift in **operating margins** is expected to be sustained at around 17%.

Marico Limited

The Company will aim at a volume growth of 8-10% and a topline growth of ~15% in the medium term. In the near term, though, the value growths may be in single digit given the Y-o-Y deflation in key commodities in core markets. The Company will focus on **fewer but bigger innovations** to create growth engines of the future. Market growth initiatives in core categories and expansion into adjacent categories will be supported by investments in ASP with **focus on brand building**. The Company will continue to invest in increasing its **direct reach and Go-To-Market transformation** initiatives in all of its key markets. The Company is focusing on **Digital initiatives** in a big way to improve consumer engagement, drive sales through e-commerce for internet savvy consumers and build data Analytics capabilities. In FY17, there are plans to **revitalise the cost management** initiatives with specific focus on front-end spend effectiveness. **Operating margin** is expected to be maintained in a band of 17-18% over the medium term. In the near term, however, given the soft commodity prices, the margins will witness an upward bias. The Company will focus on **deriving synergies** from the unification of India and International FMCG businesses. This includes acceleration of cross pollination and portfolio harmonisation, talent mobility, supply chain synergies and process harmonisation leading to cost arbitrage. The Company will continue to support various initiatives which are true to its **Purpose of "Make a Difference"**.

Risks & Concerns

Changing Consumer Preferences

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

Marico invests significantly in consumer in-sighting to adapt to changing preferences. The Company also actively watches the social media trends to spot early trends in consumer 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. Your Company's brands enjoy a significant equity with its consumers and thus hold adequate purchasing power.

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.

The Company continuously drives towards making its value added products available to masses at affordable prices. Low Unit Packs of its Value Added Hair Oils is an attempt in this direction.

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 and unrest in these markets. However, the Company operates with well-defined risk management policies to mitigate various risks.

Competition

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

In last few years, Marico has entered categories such as mass skin care, breakfast cereals, hair styling, post wash leave-in conditioners, deodorants and hair colors 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.

Renewed focus on Ayurveda / Naturals / Indian by a few new players has brought in different competitive dimensions in Marico's core portfolio.

The Company believes that healthy competition is good for businesses as it focuses management attention on offering its consumers differentiated high-quality products that address consumers' needs. With such "service" approach the Company expects to win and retain its consumer franchise. The Company also focuses on protecting volumes in preference to short-term profitability.

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, Myanmar Chats 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 significant pressure on the financial position of the Group.

Private Labels

Expansion of modern trade can lead to emergence of private labels. While the risk of private labels has been low in India, this can change 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 inability 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. Marico has identified having a robust Talent Value Proposition as one of the Transformation areas to drive sustainable growth over long run.

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, all 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
- A robust framework on Internal Financials Controls
- An effective whistle blowing mechanism

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.

Internal audits are undertaken on a continuous basis, covering various areas across the value chain like procurement, manufacturing, supply chain, sales, 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.

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 Financial Controls (IFC)

As per section 134 (5) (e) of Companies Act, 2013, IFC means the policies and procedures adopted by company for ensuring:

- Accuracy & completeness of accounting records
- Orderly & efficient conduct of business, including adherence to policies
- Safeguarding of its assets
- Prevention & detection of Frauds

For Listed companies, requirement is to have IFC framework in place and ensure operating effectiveness of controls. Marico India developed IFC framework basis review of Policies, procedures and processes. Controls for each of the processes were documented. Design and operating effectiveness of controls was tested by management and later audited by the statutory auditors. Your statutory auditors have given a clean report after checking effectiveness of controls.

The management believes that strengthening IFC is a continuous process and therefore it will continue its efforts to make the controls smarter with focus on preventive and automated controls as opposed to mitigating and manual controls. Over a period, the Company will also extend this framework to its overseas subsidiaries.

Business Responsibility Report

Section A: General Information about the Company

No.	Particulars	Company Information
1	Corporate Identification Number (CIN) of the Company	L15140MH1988PLC049208
2	Name of the Company	Marico Limited
3	Registered Office & Corporate Office	7th floor, Grande Palladium 175, CST Road, Kalina, Santa Cruz (East) Mumbai, Maharashtra 400098
4	Website	www.marico.com
5	E-mail ID	investor@maricoindia.net
6	Financial year reported	Year ended on March 31, 2016 (FY16)
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Edible Oils – NIC Code 10402 Value Added Hair Oils – NIC Code 20236 Coconut Oil, Super Premium Refined Edible Oils, Oats Meal, Hair Oils, Hair Gels & Creams, Post Wash Hair Conditioner, Male Deodorants
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Edible oils, hair oils and personal care
9	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	a) Marico through its subsidiaries has operations in Bangladesh, UAE, Egypt, Vietnam and South Africa. b) Marico Limited has its Corporate Office in Mumbai and its manufacturing units are located at Pondicherry, Kanjikode, Perundurai, Jalgaon, Paonta Sahib, Dehradun and Baddi. It also has regional offices at Delhi, Mumbai, Kolkata and Hyderabad.
10	Markets served by the Company	- India through domestic operations - Exports are done to other countries such as Singapore, Malaysia, Nepal, Canada and the USA.

Section B: Financial Details of the Company

No.	Particulars	Company Information
1	Paid up Capital, as on 31.3.16	129,01,71,198 equity shares of ₹ 1 each aggregating to ₹ 129,01,71,198
2	Turnover : Gross : Net	₹ 4,954.50 Crores ₹ 4,947.37Crores
3	Profit after Tax	₹ 701.86 Crores
4	Total Spending on Corporate Social Responsibility (CSR) a) in ₹ b) As a percentage of profit after tax (%)	 a) 10.02 Crores b) 1.84% (Percentage of PAT for the FY16)
5	List the activities, in which expenditure in 4 above, has been incurred	i. Scalability of Social Organisations ii. Community Development iii. Education iv. Health Care v. Livelihood enhancement vi. National Emergency & Disaster Relief

Section C: Other details

1. Does the Company have any Subsidiary Company/ Companies?
   Yes

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(ies)
   Yes. One subsidiary company participates in BR initiatives of Marico Limited.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]
   Yes. Less than 30% of the associated entities participate in BR initiatives of Marico.

Section D: Business Responsibility (BR) Information

1. Details of Director/Directors responsible for BR

a. Details of the Director/Directors responsible for implementation of the BR policy/policies

No.	Particulars	Company Information
1	DIN Number	05251806
2	Name	Mr. Saugata Gupta
3	Designation	Managing Director & CEO

b. Details of BR head :

No.	Particulars	Company Information
1	DIN Number	NA
2	Name	Mr. Jitendra Mahajan
3	Designation	Chief Supply Chain Officer & BR Head
4	Telephone Number	022 66480480
5	e-mail ID	jitendram@maricoindia.net

2. Principle-wise (as per National Voluntary Guidelines (NVGs)) Business Responsibility Policy/policies

The response regarding the above 9 principles (P1 to P9) is given below

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Policies are prepared ensuring adherence to applicable laws and in line with international standards such as ISO, GRI, ILO, and OSHA.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5.	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	1. http://marico.com/investorspdf/Corporate_Social_Responsibility_Policy.pdf 2. http://marico.com/about-us/code-of-conduct 3. http://marico.com/investorspdf/Sustainability_Policy_approved_June_20,_2016.pdf								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	Y	N

2a. If answer to No. 1, against any principle is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	Not Applicable								
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available, for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to Business Responsibility (BR):

Information with reference to BRR framework:

No.	Questions	Information
1.	Frequency of review, by the BR Committee to assess the BR performance.	BR Committee comprises the Managing Director, who heads the Committee and four senior managerial personnel. The BR Committee reviews the Business Responsibility performance of the Company on annual basis.
2.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	BR report as well as Sustainability report is published on annual basis. Marico is publishing both the reports for the first time for year ended on March 31, 2016 (FY16).

Section E: Principle-wise Performance

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability.
Any business without ethics cannot win the trust of the stakeholders. Our philosophy is to conduct the business with **high ethical standards** in our dealings with all the stakeholders that include employees, customers, suppliers, government and the community.

We have enacted a **"Code of Conduct"** and **"Marico Code of Business Ethics"** with the underlying philosophy of conducting our business in an ethical manner as enshrined by our values and beliefs. This helps in creating a work environment that is conducive to our employees and our associates. The Code sets out the guidelines to be followed by each member of Marico group.

Members of Code of Conduct Committee (CCC)

No.	Designation
1.	Chief Human Resources Officer
2.	Chief Financial Officer
3.	Chief Legal Counsel
4.	Chief - Business Process Transformation & IT
5.	Head Learning & Development
6.	Business HR Head – Corporate functions

Information with reference to BRR framework:

No.	Questions	Information
1.1	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/ NGOs /Others?	The Code of Conduct of Marico provides guidelines on ethics, bribery and corruption. It is binding to all Marico employees only. However, the guidelines are communicated to most of our key associates like vendors, suppliers and it is expected that they will follow it while their interactions with Marico.
1.2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	The Code of Conduct Committee is located at the Head Office and has members across various functions. Marico has taken significant steps to ensure that our members understand and practice our Code of Conduct. The Company has a very thorough internal and external mechanism of investigation for all complaints as it has a significant bearing on the individual and the organisation. The Company invests a lot of resources in maintaining its Code of Conduct. In the financial year 2015-16, we have received 18 complaints as follows: • Quarter 1: 2 • Quarter 2: 4 • Quarter 3: 6 • Quarter 4: 6 We have satisfactorily resolved 56% of the cases. The Company continues to investigate in the remaining cases through internal as well as independent external investigation agencies.

Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Our robust commitment to ensure compliance with relevant standards of health and safety commences at the design stage, wherein appropriate health and safety elements across manufacturing, delivery and consumption are identified and evaluated. New products are developed after careful consideration of global developments. This is supported by comprehensive research and testing facilities at the manufacturing locations whose laboratories conform to ISO/ IEC 17025 and are certified by National Accreditation Board for Testing and Calibration (NABL). Marico uses proprietary software for regular monitoring and review of stringent raw materials specifications.

For development of product concept, the health & safety impacts of products and services are assessed through clinical study to understand the clinical benefits. Such a study is carried out using standard scientific instruments used world-wide.

Marico has an internal Artwork Management System (AMS) managed by Quality Team encompassing all relevant stakeholders such as legal, marketing, packaging, regulatory, manufacturing etc. This helps in ensuring compliance of all artworks for quality and legal requirements.

Manufacturing facilities and key third party units of Marico are certified with ISO 22000 for Foods safety and ISO 22716 for Good manufacturing practices in cosmetics. Marico is one of the very few companies which have been certified for ISO 10002 certification standard which emphasises on Quality Management system for Consumer Response Management process.

Information with reference to BRR framework:

No.	Questions	Information
2.1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.	Marico's business strategy is to be in the area of Beauty and wellness. Its product portfolio addresses the social needs through its brands like Saffola, Parachute, Mediker, Revive and Livon. In addition to this, it is exploring new products with its R&D team to produce affordable products on health and personal care sectors. Marico is also creating awareness about healthy lifestyle by educating consumers on the physical fitness, obesity, healthy eating habits and Sustainable life styles.
2.2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): (a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain? (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	a) Marico has taken various initiatives in energy reduction in manufacturing process of Saffola and Parachute. Below are some cases – 1. 125 KW Steam Turbine installed at Baddi which resulted in savings of 105503 KWH. 2. At Pondicherry unit, process improvement of "elimination of 2nd stage Expeller kettle" yielded 1.47 KW/MT. 3. Provision of VFD in Expeller drive at Kanjikode reduced the power consumption by 44928 Units / Annum 4. Productivity improvement at Jalgaon refinery saved 69920 KWH / annum. **Details of various initiatives are provided in Sustainability report.** b) Marico's products are related to human consumption or usage for wellness & beauty. Product's usage or consumption attracts very less use of energy or water and we are in assessing opportunities of improvement in this stage.

No.	Questions	Information
2.3	Does the Company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	One of the key pillars of Marico's Procurements Excellence Framework is Long-term **Sustainable** Supply Assurance. As many of Marico's raw materials are agricultural commodities, Marico engages or enables interventions which are win-win for the farmer & Marico. The initiatives drive to improve the farmers' wellbeing and delivering uninterrupted supply to Marico. These initiatives are directed for Coconut, safflower, oats production in India. • Marico Agri-extension team works to improve the productivity of the farmers through adopting the correct & modern package of practices. • Marico collaborates with the local government agencies to drive programs for backward or drought affected areas. • Marico ensures availability of good quality certified seeds/seedlings to safflower farmers to improve the crop productivity. • Marico is funding research with Government & Non-government agencies to develop & release of newer & better varieties of seeds **Considering these efforts, agri-based buying is done in a sustainable way which contributes to 79% of overall procurement.**
2.4	Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	• Marico has various initiatives to do disintermediation & help the small producer. • Contract farming in Safflower enables that farmers have assurance of a buyer even before they sow a crop & that too at a specific price. This helps the farmer to manage his price risk very effectively. In addition the farmer receives support in getting the right seed material & training on the correct & modern package of practices as well. • For Copra, Marico over the last 10 years has set-up **"Collection Centers"** so that the small farmer converters can directly supply the material to the Company within a 20-30 km radius from his production point. This enables the farmer to avoid the middleman & also have an assured buyer for their produce. The farmers are educated to produce the right quality of material so as to get maximum value for their produce. • Marico has also encouraged farmers to setup CPCs (Coconut Producer Companies) whereby they can source coconut for Marico. It again helps the farmers get an assured buyer.
2.5	Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5%-10%, >10%) ? Also, provide details thereof, in about 50 words or so.	Our production process is based on principles of optimising the material and energy resources. Our products are consumer goods and hence they are consumed at consumer's end during usage. Therefore, recycling of product is very less and can be mentioned in category of less than 5%. There is a well-defined policy to take back products which are expired or found with some packaging defects in order to recycle them to best possible extent. Most of the process waste is recycled and utilised for creating value added products. We also ensure recycling or reuse of the primary / secondary packaging material at our factories wherever possible. Packaging materials which cannot be reused are sold to authorised recyclers. Overall, waste recycling happens for all waste material and can be categorised as greater than 10%.

Principle 3: Business should promote the wellbeing of all employees.

We believe that our human capital is one of the most valuable resources to tap the perennial growth of business. Marico's Code of Conduct provides guidelines for employee well-being related to participation, freedom, gender equality, good environment and harassment free workplace. A strong deployment mechanism is established for deployment of guidelines and grievance redressing mechanism.

Marico ensures overall well-being of its employees. It organises programs in various areas like financial well-being, physical well-being etc.

Marico would focus more on capability building of the personnel based on job/role requirements, technical knowledge and soft skills. Annual plans are made for individual members through self-learning or classroom training modes.

Information with reference to BRR framework:

No.	Questions	Information : as on March 31, 2016		
3.1	Please indicate the Total number of employees.	1,463		
3.2	Please indicate the Total number of employees hired on temporary/ contractual/casual basis.	18		
3.3	Please indicate the Number of permanent women employees.	165		
3.4	Please indicate the Number of permanent employees with disabilities.	4		
3.5	Do you have an employee association that is recognised by management?	Yes		
3.6	What percentage of your permanent employees is members of this recognised employee association?	11%		
3.7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	**Complaints**	**Filed**	**Resolved**
		Child Labour / Forced labour	0	0
		Involuntary Labour	0	0
		Sexual Harassment	1	1
		Discriminatory employment	0	0
3.8	What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?	**Employee Categories**	**% trained on Safety & Skill Upgradation(*)**	
		a) Permanent employees	100%	
		b) Permanent women employees	100%	
		c) Contract employees	100%	
		d) Employees with disabilities	100%	

* Excluding members on long duration leaves

Principle 4: Business should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

Marico believes that the performance of business enterprises must be measured in terms of the value they create for society. As part of its Triple Bottom Line commitment, Marico is committed to make growth more inclusive by focusing on the needs of identified stakeholders. Marico procures raw materials from the rural communities who are engaged in agriculture. Almost all these crops are grown under rain-fed conditions in some of the most moisture stressed regions of the country. We have realised the importance of robust agri-supply chains towards contributing for sustainable business and have hence decided to deepen our engagement with the suppliers. It is mutually beneficial to enable rural farmers to strengthen their production system and enhance yields on a sustainable basis.

Information with reference to BRR framework:

No.	Questions	Information
4.1	Has the Company mapped its internal and external stakeholders? Yes/No	Marico has always acknowledged the vital contribution of all stakeholders such as employees, communities, suppliers, customers, regulatory bodies, industry associations, shareholders, academic institutes and media in building a sustainable business and has accorded importance to their voices and concerns. During FY16, Marico has carried out comprehensive stakeholder identification program. This allowed us to understand the needs and expectations of our stakeholders better.
4.2	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?	The stakeholder engagement program is deployed by focusing on each identified stakeholder from various business divisions of the organisation. We are working towards betterment of communities in the vicinity of our manufacturing plants which are located in underdeveloped regions of the country. **We have identified stakeholders and we are working on projects for them.**
4.3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.	Marico makes conscious efforts for the communities residing in close proximity of Marico's production units so as to enable them improve their standard of living. Marico's inclusive models enable these neighboring communities to live a life of social and economic dignity, thus responding meaningfully to their needs and aspirations. 1. We directly procure raw material from farmers in Kerala and Tamil Nadu giving them opportunity to maximise their earnings. 2. We are also carrying out hygiene awareness sessions for school children to inculcate healthy living habits through "Teach Little Minds" initiative. 3. Our Girl child education program aims at improving literacy levels in underdeveloped societies. 4. Farmers First programs helps in improving cultivation practices for farmers so that they get better yield.

Principle 5: **Businesses should respect and promote human rights.**

The organisation maintains engaging and transparent relations with all its members, associates and any related Associations. The organisation has well entrenched guideline led policies and practices to address and redress grievances of any nature. These include formal mechanisms administered through committees set up for review of grievances (including those that may lead to allegations of conduct breaches and / or sexual harassment, etc.) The mechanisms also include informal avenues of raising any form of grievance through ethics helpline, through various forums like open houses and / or network calls, anonymous modes of raising grievances, etc.

The organisation strives to redress the grievance through discreet or formal investigation, dialoguing, and initiating appropriate consequence and / or remedial actions. Detailed guidelines for the same are also incorporated in the Code of Conduct.

Information with reference to BRR framework:

No.	Questions	Information
5.1	Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?	Marico's Code of Conduct policy covers the guidelines on Human rights and it's applicable to all members of Marico group. It's also shared with associates through various forums. Members and associates have been provided many options to speak up fearlessly to report any violations of the Code, or share their concerns confidentially through various modes such as toll-free number, email, website helpline, complaint drop box and access to Committee members as per the various Committees under the Code of Conduct.
5.2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	One complaint was received and it was satisfactorily resolved.

Principle 6: **Business should respect, protect, and make efforts to restore the environment.**

Majority of the manufacturing locations of Marico are certified as per ISO: 14001 Environment Management System. Our largest manufacturing plant at Baddi, Himachal Pradesh has been certified as per ISO: 50001 Energy Management System. Fuel consumption for process heat is an important factor in operations. Marico has used biomass for process heat to ensure minimal environment impact. There are several innovative technologies which have been implemented to reduce the energy consumption as well as to use the renewable energy at the plants and corporate offices. We are also conducting energy audits every year and taking the measures to improve the energy efficiency continuously.

Our corporate office in Mumbai is a Green Building certified by USGBC where an important project on **"Reduction of Illumination energy reduction"** got completed. It has rolled out projects for water free Urinals and recycling of waste water. We have also initiated the process of reporting our sustainability performance as per the GRI G4 Guidelines.

Information with reference to BRR framework:

No.	Questions	Information
6.1	Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.	Marico's Sustainability Policy extends to all the stakeholders the organisation deals with including suppliers, contractors, NGOs and others. We aim to propagate the principles of Sustainability throughout our **Value chain** & to all stakeholders.
6.2	Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.	Marico has been working on climate change issues by improving its process efficiency and taking initiatives in energy efficiency, developing green zones at units and water conservation etc. In order to streamline the efforts and set common objective, a central Sustainability and SHE policy has been prepared which is applicable across the group. Marico is also exploring more renewable energy resources for reducing GHG emissions. **Relevant case studies are shared in Sustainability report FY16.**
6.3	Does the Company identify and assess potential environmental risks? Y/N	Marico accordingly has identified several environmental risks that can impact the long-term sustainability of the organisation via aspect impact analysis.
6.4	Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	NA
6.5	Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc ? Y/N. If yes, please give hyperlink for web page etc.	Marico has taken multiple initiatives for energy efficiency and renewable energy. It has setup solar panels for lighting. Most of the high fuel consuming units meet their energy demand through biomass. The Corporate Office in Mumbai is certified Green Building and is making use of LED lights for energy conservation. Other energy conservation initiatives at our manufacturing locations include power factor correction capacitor banks, boiler efficiency improvement, retrofitting high efficiency motors and installation of variable frequency drives. **Relevant case studies are shared in Sustainability report FY16.**
6.6	Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/ SPCB for the financial year being reported?	Yes
6.7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	Nil

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Marico is engaged with associations like FICCI, CII, SEA, IBHA etc. It contributes in development of Industry and government bodies in regulatory, operational and other areas by working along with these institutions. Food safety, consumer awareness etc. are some of the areas where Marico participated with them.

Information with reference to BRR framework:

No.	Questions	Information
7.1	Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.	Marico is associated with several associations – 1. Federation of Indian Chambers of Commerce and Industry (FICCI). 2. Indian Beauty & Hygiene Association (IBHA) 3. Tamil Nadu Agricultural University (TNAU) 4. Indian Agricultural Research Institute (IARI) 5. Solvent Extractors' Association (SEA) 6. Consumer Guidelines Society of India (CGSI) 7. Indian Merchant Chambers (IMC) 8. Confederation of Indian Industry (CII)
7.2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Marico is associated with above institutions with an intention of mutual learning and contribution in development of processes. Marico has been instrumental in developing capabilities of FSSAI officers. In last seven years we have trained over 2,200 food safety officers all across India.

Principle 8: Businesses should support inclusive growth and equitable development.

Our stated purpose is to **"Make a Difference"**. A firm has to work closely with its ecosystem to create a sustainable & inclusive growth for all. Marico believes that social, environmental and economic values are interlinked and we belong to an **Interdependent Ecosystem** comprising Shareholders, Consumers, Associates, Employees, Government, Environment and Society. We are committed to ensure a positive impact of our existence on all these stakeholders.

It's our continuous endeavour to integrate sustainability considerations in all our business decisions. Marico's CSR initiatives can be grouped in 3 categories as –

1. Social Innovation acceleration project (SIAP) sponsored by Marico Innovation Foundation, a not-for-profit subsidiary of Marico.

    a. These programs are aimed at promoting innovation in society and contribute in nation's development.

2. Corporate Social programs like Farmer first, Chhote Kadam Pragati ke aur (child education program sponsored by Nihar Shanti Amla, a hair oil brand), Saffolalife (a preventive healthcare program sponsored by Saffola, a healthy foods brand), I am capable (a woman empowerment initiative sponsored by Nihar Naturals).
    a. We intend to work along with our stakeholders & consumers to ensure that their capabilities increase and they live a better life.

3. Unit level CSR projects
    a. Manufacturing units of Marico are spread over different regions in India and lots of projects are taken by local teams to improve health, education, environment, hygiene and infrastructure of society where we live and operate.

Thus, we contribute not only to economic & social development but also work along with underdeveloped communities to improve their lifestyle.

Information with reference to BRR framework:

No.	Questions	Information
8.1	Does the Company have specified programs/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Marico has undertaken various programs in societal development. Marico Innovation Foundation works towards fostering innovation in India. Apart from this, Marico also runs programs like "Chote Kadam pragati ke aur", "Saffolalife", "Shikshamev jayate", "Sakshar Beti Sudhrud Samaj" and more primarily in areas of health and education.
8.2	Are the programs/projects undertaken through in-house team/own foundation/ external NGO/government structures/ any other organisation?	Marico Innovation Foundation (MIF), the CSR arm of Marico, leads the CSR activities along with the efforts of brands and business. Manufacturing and procurement teams take up the initiatives related to community development in their areas.
8.3	Have you done any impact assessment of your initiative?	Marico has done impact assessment for its initiatives "Going to School" – baseline and end line assessment and "Sesame Workshop India" – baseline study through IMRB International.
8.4	What is your Company's direct contribution to community development projects (Amount in ₹ and the details of the projects undertaken)?	Marico has spent overall ₹ 10.02 Crores for community development activities. Following are projects undertaken – 1. Educate girl child – promoting girl education and helping girl students for learning 2. Mobile pathshala – distance learning program 3. Saffolalife – Preventive healthcare promotion program 4. Initiative for improving agriculture productivity 5. Social innovation acceleration program – improving capability of social organisations
8.5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Marico's CSR initiatives are rolled out directly or in partnership with non-profit organisations. This helps in increasing reach as well as ensuring the adoption of initiative by communities. Project teams track the reach and take necessary steps to make it successful.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Marico is in the business of consumer goods and its products are related to beauty and wellness. It's our continuous endeavour to educate consumer on good lifestyle. We promote good living habits and knowledge about health through our initiative **"Saffolalife"**. We work with people as well as Government and private agencies to create awareness about hygiene and product regulations.

As part of organisation's commitment to engage with stakeholders, Marico conducts quality awareness drives directly to create sanitation and hygiene awareness amongst school children through "Teach little minds" program.

Marico Corporate Quality team is certified for **Customer compliant management system ISO 10002**. This provides a systematic approach to understand consumer issues and improve production processes accordingly.

Product development team ensures that the formulations are made from sustainable raw material and they do not have any after effects in usage also.

Information with reference to BRR framework:

No.	Questions	Information
9.1	What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	Following is the status of customer complaints / consumer cases as on the end of financial year ended on March 31, 2016 – 1. Customer complaints – Nil 2. Consumer cases - 3
9.2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)	Marico adheres to all the applicable regulations regarding product labeling and displays relevant information on it.
9.3	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No case filed by any stakeholder related to the mentioned subject is pending as at the end of financial year ended on March 31, 2016.
9.4	Did your Company carry out any consumer survey/ consumer satisfaction trends?	Consumer satisfaction is important for business. Marico connects with consumer with multiple touch points. A survey is conducted with sample consumers to understand the product quality feedback by Corporate quality team. It has also established a process of Consumer Complaint Management system ISO 10002. This helps in systematic resolution of all complaints and helps in improving consumer delight.

Board's Report

To the Members,

Your Board of Directors ('Board') is pleased to present the Twenty Eighth Annual Report of your Company, Marico Limited, for the year ended March 31, 2016 ('the year under review', 'the year' or 'FY16').

In line with the requirements of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Regulations'), this report covers the financial results and other developments during the financial year April 1, 2015 to March 31, 2016 in respect of Marico Limited ('Marico' or 'the Company' or 'your Company') and Marico Consolidated comprising Marico, its subsidiaries and associate in India and overseas. The consolidated entity has been referred to as 'Marico Group' or 'Your Group' in this report.

FINANCIAL RESULTS - AN OVERVIEW

(₹ in Crore)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Consolidated Summary Financials for the Group		
Revenue from Operations	**6,132.04**	5,732.98
Profit before Tax	**1,033.75**	821.65
Profit after Tax	**724.78**	573.45
Marico Limited – financials Revenue from Operations	**4,947.37**	4,681.20
Profit before Tax	**944.10**	731.04
Less: Provision for Tax for the current year	**242.24**	185.87
Profit after Tax for the current year	**701.86**	545.17
Add: Surplus brought forward	**1,753.12**	1,393.63
Profit available for Appropriation	**2,454.98**	1,938.80
Appropriations:Distribution to shareholders	**435.43**	161.24
Tax on dividend	**65.43**	13.27
	500.86	174.51
Transfer to Debenture Redemption Reserve	**-**	11.17
Surplus carried forward	**1,954.12**	1,753.12
Total	**2,454.98**	**1,938.80**

RESERVES

There is no amount proposed to be transferred to the Reserves.

BONUS ISSUE AND RECLASSIFICATION OF AUTHORIZED SHARE CAPITAL OF THE COMPANY

In order to increase the overall liquidity to enable broad-based investor participation, the Company, during the year under review issued bonus equity shares in the ratio of 1:1 to the shareholders which were allotted in December, 2015.

To facilitate the aforesaid bonus issue, your Company re-classified its Authorized Share Capital to Rs. 215 Crores divided into 150 Crores Equity Shares of Re. 1 each and 6.5 Crores Preference Shares of Rs. 10 each, which led to consequential alteration of Clause V of the Memorandum of Association of your Company.

DIVIDEND

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

Your Company's distribution to equity shareholders during FY16 comprised the following:

First Interim Dividend of 175% on the equity base of Rs. 64.51 Crores.

Second Interim Dividend of 150% on the post bonus equity base of Rs. 129.02 Crores.

One time Special Third Interim Dividend of 100% on the post bonus equity base of Rs. 129.02 Crores.

The total equity dividend for FY16 (including dividend distribution tax) aggregated to Rs. 500.86 Crores. The overall dividend payout ratio hence is 69% of the consolidated profit after tax as compared to 30% during FY15.

REVIEW OF OPERATIONS

During FY16 Marico posted revenue from operations of Rs. 6,132 Crores, a growth of 7% over the previous year. The business delivered a volume growth of 7% with an operating margin of 17.3%. The business reported bottom line of Rs. 725 Crores, growth of 26% over last year.

Marico India, the domestic FMCG business, achieved a turnover of Rs. 4,755 Crores in FY16, a growth of 7% over last year. Volume growth for the year was also at 7%. The overall sales growth was backed by continued growth momentum in categories of Parachute Coconut Oil, Edible Oils and Value Added Hair Oils (VAHO). The operating margin for the India business was healthy at 21.6% before corporate allocations. Higher operating margins can be attributed mainly to gross margin expansion led by softer input costs.

During the year, Marico International, the International FMCG business, posted a turnover of Rs. 1,376 Crores, a growth of 7% over FY15 in constant currency terms. The operating margin for the year was at 17.7% (before corporate allocations) reflecting a sustained structural shift over the last few years.

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 16% and bottom line by 19% 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.

- Update on Macro Economic Indicators & FMCG Industry
- Opportunities and Threats
- Risks and Concerns
- Internal control systems and their adequacy
- Discussion on financial and operational performance
- Segment-wise performance
- Outlook
- Material development in Human Resource /Industrial Relations including number of people employed

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

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 2015-16 together with progress thereon and the 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 AND ASSOCIATE

A list of companies which are subsidiaries/associate to your Company is provided as part of the notes to Consolidated Financial Statements. During the period under review, there were no companies which have become subsidiaries of your Company. Beauté Cosmétique Societé Par Actions, a company in Vietnam, ceased to be a subsidiary of your Company w.e.f. May 14, 2015 consequent to divestment. During the year under review, Bellezimo Professionale Products Private Limited became an associate of your Company w.e.f October 21, 2015 as per Section 2(6) of the Companies Act, 2013, consequent to acquisition of 45% equity stake by your Company.

A separate statement containing salient features of the financial statements of all subsidiaries of your Company forms part of the Consolidated Financial Statement in compliance with Section 129 and other applicable provisions of the Act. 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 and Sundays up to the date of the Annual General Meeting, as required under Section 136 of the Act. Any Member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office Address.

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 2015-16 were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the Rules made thereunder. There were no transactions which were material (considering the materiality thresholds prescribed under the Act or clause 49 of the erstwhile Listing Agreement/Regulation 23 of the SEBI Regulations). 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 and Rules made thereunder.

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 approvals so granted on a quarterly basis. During the year under review, in accordance with the amendment brought to the Companies (Meetings of Board and its Powers) Rules, 2014, on December 14, 2015, the Audit Committee, as authorized by the Board, has framed Criteria for granting an omnibus approval to the related party transactions to be entered into by the Company.

During the year under review, your Board updated the policy on Related Party Transactions as required under the SEBI Regulations. 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 Act, read together with the Companies (Acceptance of Deposits) Rules, 2014, at the end of the financial year 2015-16 or the previous financial year. Your Company did not accept any deposit during the financial year 2015-16.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act, 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 Act:

- that in the preparation of the annual financial statements for the year ended March 31, 2016, 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, 2016 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

There is no change in the composition of the Board.

During the year under review, declarations were received from all Independent Directors of the Company that they satisfy the 'criteria of Independence' as defined under Regulation 16(1)(b) of the SEBI Regulations and Section 149(6) of the Act, read with Schedule IV and the relevant 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. Rajen Mariwala (DIN: 00007246) is liable to retire by rotation at the 28th 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. Your Directors recommend his re-appointment as the Non-Executive Director of your Company.

KEY MANAGERIAL PERSONNEL

During the year under review, there is no change in the Key Managerial Personnel of the Company. Subsequent to the close of the year, Mr. Surender Sharma, Head Legal – International Business has been appointed as the Company

Secretary & Compliance Officer w.e.f. April 29, 2016 in place of Ms. Hemangi Ghag, who resigned from the post of Company Secretary & Compliance Officer on April 28, 2016. Ms. Ghag continues as an employee of your Company.

The Key Managerial Personnel of the Company as on date are:

1. Mr. Saugata Gupta is the Managing Director (MD) & Chief Executive Officer (CEO).
2. Mr. Vivek Karve is the Chief Financial Officer (CFO).
3. Mr. Surender Sharma is the Company Secretary (CS).

MEETINGS

The details of the meetings of the Board of Directors and its Committees held during the year under review are stated in the Corporate Governance Report.

The details of attendance of the Directors in the Board Meetings and its Committees during the year under review are stated in the Corporate Governance Report.

AUDIT COMMITTEE

The composition of the Audit Committee of the Board of Directors along with the composition of other Committees 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 Act, read with the Rules made thereunder and the SEBI Regulations, 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 said Policy are stated in the Corporate Government Report.

BOARD EVALUATION

Your Board is committed to assessing its own performance as also performance of individual director 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 ('CGC') (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 is subject to positive outcome of the annual evaluation process. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report. In terms of the Act, the Independent Directors on your Board also meet separately once in a year to discuss the matters as prescribed under Schedule IV to the Act and to assess the performance of the Non – Independent Directors of your Board.

The board evaluation exercise during the year under review has resulted in the Board identifying three focus areas for it to work upon in the coming years:

1. Intensifying its efforts in guiding the organization to get future ready, especially in identifying new growth drivers;
2. Renewed focus and time commitment for mentoring the senior management, setting them up for success in the ever changing macro environment; and
3. Revisiting the Board composition with an eye on future trends especially in the digital era.

The Board is also committed to review progress on these priorities during the annual Board Retreats held once a year.

DISCLOSURE RELATING TO REMUNERATION

The information required pursuant to Section 197(12) of the Act, 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 & 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 Act, 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 Act, 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 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 and Sundays 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.

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 Company 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 for 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, the Audit Committee and the Corporate Governance Committee are informed periodically on the matters reported to CCC and the status of resolution of such cases.

The Company affirms that no personnel has been denied access to the Audit Committee.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

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 2015-16, the ICC received 1 complaint on sexual harassment and the same was 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.

The constitution of the Risk Management Committee ('RMC') is stated in the Corporate Governance Report. 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 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 Option Scheme ('the Scheme') in 2007 for grant of Employee Stock Options ('the Options') to certain employees of the Company and its subsidiaries. Accordingly, during the year under review, in view of exercise of the Options by the eligible employees of the Company, an aggregate of 1,03,600 equity shares were issued to them by the Company.

Subsequent to exercise of all the Options under the Scheme, the Scheme was concluded.

None of the Non-Executive Directors (including Independent Directors) have received 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 Managing Director & Chief Executive Officer (MD & CEO). The objective of this Scheme was to give a wealth building dimension to the remuneration structure of the MD & CEO. 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. The stock options (3,00,000) granted to the MD & CEO by the CGC on April 1, 2014, stand increased to 6,00,000 as at March 31, 2016 due to bonus equity shares issued by the Company during the year under review (in the ratio of 1:1) and are vested in the MD & CEO. The stock options vested in the MD & CEO constitute 0.05% of the current paid up equity capital of the Company as on the date of this Report.

Marico MD CEO Employee Stock Option Plan 2014

At the 26th Annual General Meeting 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 Scheme(s) notified thereunder. Accordingly, no stock options were granted to the MD & CEO under the said Scheme for the year under review. However, the options granted (46,600) to the MD & CEO on January 5, 2015 by the CGC stand increased to 93,200 as at March 31, 2016 due to bonus equity shares issued by the Company during the year under review (in the ratio of 1:1). These stock options constitute 0.007% of the paid up equity share capital of the Company as on the date of this Report.

Marico Employees Stock Appreciation Rights Plan, 2011

At the 27th Annual General Meeting of the Company held on August 5, 2015, the Members had approved the Marico Stock Appreciation Rights Plan, 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 equity 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.

As at March 31, 2016 an aggregate of 50, 67,800 STARs were outstanding which constitute about 0.39% of the current paid up equity share capital of the Company.

Statutory information on ESOS, STAR and Trust

Disclosure on ESOS, STAR and Trust in terms of Section 62(1)(b) of the Act, read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, Regulation 14 of the SEBI (Share Based Employee Regulations) and SEBI Circular dated June 16, 2015 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/Plans is in accordance with the erstwhile Securities and Exchange board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) 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/Plans.

AUDITORS

Statutory Auditors

The Members, pursuant to the appointment of M/s. Price Waterhouse, Chartered Accountants as the statutory auditors of your Company at the 26th Annual General Meeting of your Company ('AGM'), had ratified their appointment at the 27th AGM, to hold office from the conclusion thereof till the conclusion of the 28th AGM of the Company. Further, as required under Regulation 33(1)(d) of the SEBI Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The appointment of statutory auditors is approved by the Members up to the conclusion of 29th AGM of the Company.

Accordingly, your Directors seek ratification of the appointment of the statutory auditors for the financial year 2016-17.

Cost Auditors

M/s. Ashwin Solanki & Associates, Cost Accountants, were appointed as the Cost Auditor for the financial year 2015-16 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 Auditor for the financial year 2016-17. In terms of the provisions of Section 148(3) of the Act, 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 year 2016-17 at the 28th AGM.

SECRETARIAL AUDIT

Pursuant to Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company appointed Dr. K. R. Chandratre, Practising 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 AUDITOR'S REPORT

The Auditor's Report for the year ended March 31, 2016 does not contain any qualification, reservation or adverse remark.

CORPORATE GOVERNANCE

As per the SEBI Regulations, 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 attached 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 Act, 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 Act, 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 & vision 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 29, 2016

Harsh Mariwala
Chairman
(00210342)

Annexure ‘A’ to the Board’s Report

DISCLOSURE ON CORPORATE SOCIAL RESPONSIBILITY (‘‘CSR’’)

I. A Brief Outline of the Company’s CSR Philosophy, including overview of projects or program proposed to be undertaken and the web-link to the CSR Policy and projects or programs.

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

Maricos 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 the 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 preventative 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)

Marico Innovation Foundation, a Company incorporated under section 25 of the Companies Act, 1956, is a wholly owned subsidiary of your Company. MIF is a not-for-profit organisation working towards the cause of innovation since 2003. The Foundation creates impact through it's below mentioned programs:

A. Social Innovation Acceleration Program (SIAP):

SIAP works with 'For Profit' and 'Not For Profit' organisations and is sector agnostic. It focuses on the innovative idea and the impact an organization wishes to achieve. The Program also focuses on the shift in the mindset of an 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; and

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 various organizations to scale up their impact. These organizations are:

(i) Tara Livelihood Academy:

TARA Livelihood Academy (TLA) was established in 2007 by the Development Alternatives Group (DAG) as yet another vehicle to fulfill its mandate of disseminating Sustainable Development, by providing skills to the youth, women and community groups.

MIF is helping TLA through:

1. Creation of an asset light model of operations;
2. Streamlining of the process and reducing the cost of recruitment of potential candidates;
3. Right GTM Strategy - Identification of right markets for TLA to offer their training services;
4. Pivot from training to livelihood – Ensuring trained youth are connected to appropriate livelihood opportunities.

(ii) Fractal Microspin:

Microspin Machine Work was established by Fractal Foundation in 2011 to ensure that farmers didn't have to settle with the raw end of the cotton value chain. A machine that can easily be installed in a farmer's backyard, Microspin mechanically converts raw cotton into yards of fabric. Mr. Pramod Gothi, Ex MD, Morarjee Mills is mentoring Fractal Microspin.

MIF is helping Microspin through:

1. Leveraging the established networks and ecosystems with leading apparel manufacturers for the acceptance and adoption of Crafted Yarn; and
2. Creation of communication tools that help Microspin sell its concept with garment corporates.

(iii) Yuva Parivartan (YP):

The primary objective of YP is to provide Livelihoods to deprived, out of school youth through Vocational Training and provide access to wage or self-employment.

The current interventions of MIF include:

1. Helping YP improve its field staff's operation effectiveness;
2. Assisting YP in the creation of a mobile app for overall monitoring and tracking; and
3. Getting YP to benchmark best practices in sales by getting their ASMs shadow Marico Sales team.

(iv) Saral Designs:

It is a 'For-Profit' social enterprise that designs and manufactures affordable and quality sanitary napkins. Saral Designs has developed advanced machines that manufacture sanitary pads at a low cost so that it can be sold to a majority. Its products provide 100% absorption compared to cloth/ordinary pads.

MIF is helping Saral Designs through:

1. Business development, starting with understanding the consumer then launching the product in test markets and developing a scalable go-to-market strategy; and
2. The program is also helping Saral put a financial model in place and set relevant pricing/packaging for the products.

(v) Swasth Healthcare:

Swasth runs primary healthcare units in the bottom-of-pyramid areas of Mumbai. They have 15 clinics as on date with plans to scale to 52 units in the next 3 years.

MIF is working with Swasth on 3 aspects:

1. There is a steering committee to guide Swasth in their growth journey. MIF sits on this committee as the marketing / strategy expert; and
2. MIF is helping them in creating a comprehensive communication package to help them create a better and a more dependable brand image with their patients.

(vi) Zaya Labs:

Zaya is an education-technology startup based in Mumbai. Since Zaya also uses hardware, as they scale the business; their supply chain has to be geared to support the increase in volumes.

MIF is helping Zaya build their supply chain processes.

(vii) Gram Tarang:

Gram Tarang conducts vocational courses for rural communities and helps them attain a livelihood through placements in Orissa.

MIF is helping Gram Tarang consolidate all their efforts and create a scale-up plan. Mr. Ravi Venkatesan (Ex-Chairman Microsoft India) is the MIF mentor for Gram Tarang.

(viii) Eco-cooker:

EcoSense Appliances, a part of the Sanjay Group of Companies, manufactures energy-efficient appliances for cooking. It was born out of the fact that there is immense potential for products that will help consumers save the cost of cooking through innovation.

MIF is helping them understand the right market and right customer for EcoCooker as well as create a well-defined go-to-market strategy. Mr. Sanjeev Aga, Ex MD Idea Cellular is mentoring the Eco-cooker team.

B. Hackathon:

Hackathons are 2-3 day events where participants work together to develop innovative solutions for real-world problem statements.

1. MIF has sponsored a Hackathon on Diabetes and Cardio-vascular health issues organized by CAMTech, an arm of Massachusetts General Hospital; and
2. MIF has partnered with Villgro to incubate high potential innovative ideas.

Impact: One idea will potentially get incubated in 2016-17.

C. India Innovates - Video Series:

India Innovates is a web series by the MIF in collaboration with the Better India. As part of this on-going series, it is sharing some of the most amazing innovations of India that are truly transforming lives, communities, business and more.

Edible Cutlery is part of Marico Innovation Foundation's series "India Innovates" that attempts to bring out the stories of some of the most brilliant minds in our Country. This edible cutlery is a perfect alternative to harmful disposable cutlery which is not only environmentally safe but also enriched with nutritious ingredients. These videos have been created exclusively for creation of awareness about innovation in the eco-system.

Impact : 4 out of the 6 videos that were created for the India Innovates web series have received an incredible response which has been mentioned below:

Total Reach -	5,34,96,892
Total Video Views -	61,60,346
Total engaged users -	14,61,907

Brand CSR

Nihar Shanti Amla (NSA): promoting child education

In 2012, your Company, under its hair oil brand name Nihar Shanti Amla, launched a programme called "Chotte Kadam Pragati ke Aur" to support the education of underprivileged children. Retention, learning outcomes and training in soft & life skills within the age group of 4-14 years were identified as three priority education interventions. Under this program NSA partnered with three firms:

1. Educate Girls: Udaipur and Jalore district of Rajasthan.
2. Going to School: Muzaffarpur district of Bihar.
3. Sesame India Workshop : Farrukabad, Shahjahanpur and Kannauj districts of Uttar Pradesh.

1. Educate Girls:

Objective: Provide quality education for all underserved and marginalized girls by mobilizing public, private and community resources thus improving access to education and school quality and achieving behavioural, social and economic transformation for all girls in India's gender gap districts thereby creating an India where all children have equal opportunities to access quality education.

Impact: Total number of children benefitted from the Educate Girls Program in FY 2015-16 is 1,25,311.

2. Going to School:

Objective: Promoting entrepreneurship among children through their "Be an Entrepreneur program". This aims at providing entrepreneurial skill development training to children in class 9 in 50 Government schools in Muzaffarpur in order to prepare them for the lack of employment opportunities and be able to create jobs for themselves and others.

Impact: 16,500 children were benefitted from Going to School Program in FY 2015-16.

Social Impact Audit through IMRB International:

To measure the impact of the Go to School, one year program in bringing about changes in knowledge, attitude and practice of the students, IMRB International was commissioned to conduct the fieldwork and report the findings and the way forward.

Feedback on the program and impact: About two in three are of the opinion that they have found the training useful and about half claim that it has increased their confidence and helped them for future – but only 39% would recommend this training to others (recommendation has been proved to be the strongest indicator of satisfaction).

No improvement in the perceptions or attitudes towards being socially responsible or on self-efficacy parameters but some positive change can be seen on the self-initiation aspects over the last three months of the program. In addition, 89% students (as opposed to 69% during baseline) mentioned that they now have ideas for saving the environment from pollution and degradation.

As seen during baseline, there is a tremendous scope of improvement on the interpersonal and time & people management aspects as most of the students have claimed not to be good at these – the same continues to be a need post the end line as well.

3. Sesame Workshop India:

Objective: Using media to engage children and aid their basic academic and life skills to help them reach their maximum potential. Galli Galli Sim Sim is India's only educational program for children that harnesses the power of television to provide a strong early childhood educational foundation to pre-schoolers and promotes children's overall cognitive, socio-emotional and physical development while celebrating India's cultural diversity.

Impact: Total children benefitted from Sesame Workshop India in FY 2015-16 is 70,000 children.

Mobile Pathshala:

Nihar Shanti Amla had launched the "Angrezi Mobile Pathshala", which is a first of its kind property that provides its callers an opportunity to learn simple English words through stories & characters, completely free of cost to the caller. The intention is to take learning as close to the consumer with this property.

Impact: From the launch of the initiative in September 2013 till date, "Angrezi Mobile Pathshala" has got 16.20 lacs unique users, calling in.

Other Initiatives

Expenses incurred towards improving agricultural productivity:

Oats Local Variety Development:

Your Company has understood the need to improve production of Oats in India which pales in comparison to other cash crops and hence stepped in by funding the research for developing an Oats variety in India in association with Tamil Nadu Agricultural University (TNAU) & Indian Agricultural Research Institute (IARI) fit for processing for human consumption. These efforts have shown positive results.

The new variety of Oats seeds would be available for Indian farmers for sowing in the FY2019.

Impact: The Internal Varietal Trial (AVT) stage was successfully completed with production of 9 MT of Oats across 2 selected varieties. The Local Oats development project will move into the advanced Varietal Trail-II. In this, the Oats will be cultivated in different locations in different soil types & cultivation conditions.

Coconut Productivity Improvement:

Coconut is an important crop in India cultivated in the Southern States by close to 1 million farmers. Most of the farmers based there do not have the knowledge on making the most from their coconut farm. They depend on traditional practices which they have learned by experience & observing others. But they struggle to get the best productivity from their farm.

Marico team collected all such practices from various Universities & Agri-experts, published a booklet & distributed it to farmers for their understanding.

In addition, Marico conducted training programs in over 45 villages which was attended by more than 1000 farmers whereby the farmers were educated about the package of practices & disease management techniques to improve the productivity of Coconut.

In order to further improve productivity, your Company also believes in researching cutting edge methods of productivity improvements by doing on field trails of new practices.

Impact: Your Company has made extensive study on the above and estimates that if an average farmer follows the correct package of practices for cultivation & disease control, the farmers can improve the productivity by about 25%.

Perendurai Model Farm:

The objective of the program is to evaluate the performance of different varieties & hybrids available in India under different package of practices & demonstrate the differences to enable the farmers to select the right hybrids or varieties. 18 saplings each of 6 different hybrids have been planted. There are 3 different levels of cultivation practices which are followed for each variety. The plants are currently in the second year. The morphological characteristics of the plants are being tracked.

In addition to the Perendurai model farm, 20 more trail farms have been taken up for hybrid cultivation demo to showcase the benefits of hybrid (which can double productivity) to the farmers.

Impact: Once the plants enter into 4th year, the farmers would be invited to see the performance of different varieties & cultivation conditions so that they can adopt the best variety & best cultivation conditions.

Mechanisation Solutions

The project focuses on developing mechanisation solutions to improve the productivity or the small converter-farmer so that quality, cost & yields can be improved. Marico is enabling research in Copra production so that some machines can be built which can lead to better quality or cost reduction or yield improvement.

Contribution towards Chennai Flood Relief:

Your Company made a contribution worth Rs. 23 lacs towards Chennai Floods Relief during the financial year 2015-16 through distribution of Saffola Masala Oats under the campaign "Goonj".

II. Composition of the Corporate Social Responsibility Committee:

The composition of the Corporate Social Responsibility Committee has been disclosed in the Corporate Governance Report of the Annual Report.

III. Average net profit of the Company for last three financial years: Rs 558.72 crores

IV. Prescribed CSR expenditure (2% of the amount as in item III above): Rs 11.17 crores

V. Details of CSR spent during the financial year: Rs. 10.02 Crores

a Total amount to be spent for the financial year: Rs 11.17 Crores

b Amount unspent , if any - Rs. 1.15 Crores (The CSR Budget approved by the CSR Committee had a shortfall of Rs. 28 lacs as initiatives were not planned)

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

1	2	3	4	5	6	7	8
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 ₹)**	**Amount Spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads (Amount in ₹)**	**Cumalative expenditure upto the reporting period (Amount in ₹)**	**Amount spent: Direct or through implementing agency***
(A) Marico Innovation Foundation							
1	**Social Innovation Acceleration Project (SIAP)**			613,776	351,262	3,628,943	Through Implemention 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. There is no implementing agency since this project is being managed in-house by the Marico Innovation Foundation.
Current Projects:							
a	Tara Livelihood Academy	Livelihood Enhancement Project	Madhya Pradesh & Uttar Pradesh				
b	Yuva Parivartan	Livelihood Enhancement Project	PAN India				
c	Fractal Microspin	Livelihood Enhancement Project	Vidarbha, Maharashtra				
d	Saral Design	Healthcare	Maharashtra				
e	Swasth Healthcare	Preventive Healthcare	Mumbai, Maharashtra				
f	Eco Cooker	Conservation of natural resource	PAN India				
g	Zaya Labs	Education	Mumbai, Maharashtra				
Ex - Projects:							
h	Rang De	Eradicating poverty	Bangalore, Karnataka				
i	Under the Mango Tree	Livelihood enhancement	Maharashtra, Gujarat and Madhya Pradesh				
j	Sankara Eye Care Institution	Promoting healthcare including preventive healthcare	Mumbai, Maharashtra				
k	Gram Tarang	Livelihood enhancement	PAN India				
l	Boheco	Agriculture	Mumbai, Maharashtra				
m	I say organic	Organic food	Delhi				
2	**Thought Leadership**	Infusing innovation through thought leadership	PAN India	1,387,647	909,147	909,147	Partnership with the Better India - social organisation.

1	2	3	4	5	6	7	8
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 ₹)**	**Amount Spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads (Amount in ₹)**	**Cumalative expenditure upto the reporting period (Amount in ₹)**	**Amount spent: Direct or through implementing agency***
3	Hackathon	Healthcare	PAN India (INR 66,54,180 was towards donation to CAMTech)	7,331,878	7,006,821	7,006,821	Partnership with CAMTech
TOTAL (A)				**9,333,301**	**8,267,231**	**11,544,912**	
(B) Brand Led CSR Initiatives							
1	Nihar Shanti Amla : Education initiative(s)						
a	Educate Girls (EG) Udaipur project	Promoting Education	Udaipur district, Rajasthan	4,892,537	3,598,038	3,598,038	Educate Girls is a non-governmental organization that holistically tackles issues at the root of gender inequality in India's educational system. With a focus on enrollment, retention and learning, Educate Girls aims to provide quality education for all under-served and marginalized girls by mobilizing and leveraging public, private, and community resources to improve access to education and school quality.
b	Educate Girls (EG) Jalore project	Promoting Education	Jalore/disctrict, Rajasthan	9,016,660	9,592,619	9,592,619	
c	Going to School (GTS)	Promoting Education	Muzzafarpur district, Bihar	4,206,493	4,206,493	4,206,493	Going to School is a creative non-profit education trust with a 12-year track record of creating design driven, inspiring stories with heroes, children can identify themselves with GTS motivates children, especially girls, to stay in schools, learn entrepreneurial skills and use their education to transform their lives and create opportunities for themselves. GTS's current focus is to teach entrepreneurial skills predominantly in government secondary schools through a one year program to children in grade nine through the Be! Schools program. The ultimate goal is to equip children with the skills that they need to eventually become entrepreneurs and secure gainful employment.

1	2	3	4	5	6	7	8
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 ₹)**	**Amount Spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads (Amount in ₹)**	**Cumalative expenditure upto the reporting period (Amount in ₹)**	**Amount spent: Direct or through implementing agency***
d	Sesame Workshop India Trust (SWIT)	Promoting Education	Farukkhabad Shahjahanpur Kannauj districts of Uttar Pradesh	19,776,144	11,615,996	11,615,996	Sesame Workshop India Trust is leading the movement to change the educational equation through its innovative projects that puts children at the center of development. Under its flagship initiative Galli Galli Sim Sim (GGSS), SWI works in low resourced classrooms and communities to bring to children and their caregivers, language and strategies that has a proven impact on their literacy, numeracy, physical wellbeing and social emotional skills
e	IMRB	Impact assessment	Impact assessment of the three projects: 1. Educate Girls (Udaipur) 2. Sesame Workshop India Trust 3. Going to School (Impact assessment is excluding Educate Girls Jalore project)	3,279,584	3,279,584	3,279,584	IMRB is the impact evaluation partner who wiill be conducting the baseline, midline (in case of Educate Girls) and endline to help us understand the impact.
f	Mobile Pathshala Initiative	Promoting Education	To promote education through mobile pathshala	11,463,452.28	11,463,452	11,463,452	Nihar Shanti Amla had launched the Angrezi mobile pathshala, which is a first of its kind property, that provides its callers an opportunity to learn simple English words through stories & characters, completely free of cost to the caller. The intention is to take learning as close to the consumer with this property.
2	Saffola World Heart Day CSR - Saffolalife Free Cholesterol tests	Preventive Healthcare	All India	35,000,000	34,413,949	72,813,949	Direct
TOTAL (B)				**87,500,000**	**7,81,70,132**	**116,570,132**	
(C) Other Initiatives							
1	Expenses incurred towards improving agricultural productivity	Livelihood enhancement	Money paid to TNAU for doing the development.	4,500,000	6,659,682	7,269,681	Direct
2	Goonj	Disaster Relief	Chennai, Tamil Nadu	2,300,000	2,300,000	2,300,000	Direct
TOTAL (C)				6,800,000	8,959,682	9,569,682	
TOTAL CSR SPEND (A)+(B)+(C)				103,633,302	95,397,045	137,684,726	

1	2	3	4	5	6	7	8
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 ₹)**	**Amount Spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads (Amount in ₹)**	**Cumalative expenditure upto the reporting period (Amount in ₹)**	**Amount spent: Direct or through implementing agency***
(D) Capacity Building and Administrative Expenditure (Limited to the cap of 5% of total spent)				5,181,665	4,769,852	10,097,962	
TOTAL CSR SPEND (A)+(B)+(C)+(D)				108,814,967	100,166,896	147,782,688	

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

VI. Reasons for not spending/underspending the amount as mentioned in clause c hereinabove:

1 SIAP: The fees to be paid to the Consultants was budgeted but was not paid as the services of the Consultants was not taken. During the year under review, the SIAP model underwent a change from an outsourced model to an in-house intervention with the pro-bono efforts of Marico Mentors and Ex-CEOs as Senior Mentors. Due to the cost optimization as aforesaid, the budget was under-utilized.

2 Thought Leadership:

a. The Thought Leadership was a new project that was started during the year.

b. A series of 6 videos was showcased and due to the better commercials availed, the amount to be initially paid to the service provider was brought down thereby resulting into under utilization of the budgeted amount.

3 Hackathon: A better deal was availed from the budgeted amounts due to change in exchange rate as the disbursal was slated to be made in USD.

4 Educate Girls: Underspends towards the Educate Girls project were mainly due to the shift to the concept of enrolling more number of "out of school children." Due to the change in the concept as aforesaid, the expenditure on the administrative cost had a deficit as compared to the budgeted amount..

5 Sesame Workshop India:

a. There was a delay in initiating the program. In June 2015, a Sesame Workshop India team visited the location for intervention (i.e. Kanpur, Dehat and Unnao District) and found that most of the Anganwadi centres were dysfunctional and were open intermittently due to various reasons.

b. It was then recommended to focus in western Uttar Pradesh specifically districts in Shahjahnapur, Farukkhabad, and Kannuaj which caused a quarters delay in starting the project, which in turn led to the underspends under the project.

6 The underspend in the CSR activities of the Company for the financial year 2015-16 was mainly due to extraneous factors and due to better negotiation by the Company with the service providers/external agencies which resulted into savings and ultimately could not be spent as budgeted. The Company has been however extremely committed towards exercising its social responsibilities and is dedicated to spend, to achieve better results. The Company is confident about its work in the social space and has been always in the forefront and is sensitive to the requirements of the Companies Act, 2013. In view of the same, your Company is confident of a turnaround as far as the CSR numbers are concerned in the next financial year.

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

Place: Mumbai	**Saugata Gupta**	**Harsh Mariwala**
Date : April 29, 2016	**Managing Director & CEO**	**Chairman of the Board and CSR Committee**

Annexure 'B' to the Board's Report

Information required under section 197 of the Companies Act,2013 read with Rule 5(1) of 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 fo the financial year 2015-16 is as follows :

Name of Director	Total Remuneration (₹)	Ratio of remuneration of director to the Median remuneration
Mr. Harsh Mariwala	55,284,000	66.32
Mr. Saugata Gupta	80,630,477	96.73
Mr. Anand Kripalu	1,780,000	2.14
Mr. Atul Choksey	1,780,000	2.14
Mr. B. S. Nagesh	1,960,000	2.35
Ms.Hema Ravichandar	2,100,000	2.52
Mr. Nikhil Khattau	2,000,000	2.40
Mr. Rajeev Bakshi	1,860,000	2.23
Mr. Rajen Mariwala	1,980,000	2.38

Notes:

1. The information provided above is on a standalone basis.
2. Remuneration of Mr. Harsh Mariwala, Chairman & Non-Executive Director, Mr. Harsh Mariwala, includes incentive for the financial year 2015-16 considered on accrued basis.
3. The remuneration to Non-Executive Directors includes sitting fees paid during the financial year 2015-16.
4. The median remuneration of the Company for all its employees is Rs. 8,33,557 for the financial year 2015-16. For calculation of median remuneration, the employee count taken is 981 which comprises employees who have served for whole of the financial year 2015-16.

B) Details of percentage increase in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year 2015-16 are as follows :

Name	Designation	Remuneration (₹)		Increase/ (Decrease) (%)
		2015-16	2014-15	
Harsh Mariwala	Chairman & Non- Executive Director	55,284,000	78,683,016	-30%
Mr. Saugata Gupta	Managing Director & CEO	80,630,477	60,679,292	33%
Mr. Anand Kripalu	Independent Director	1,780,000	1,800,000	-1%
Mr. Atul Choksey	Independent Director	1,780,000	1,700,000	5%
Mr. B. S. Nagesh	Independent Director	1,960,000	1,960,000	0%
Ms.Hema Ravichandar	Independent Director	2,100,000	2,020,000	4%
Mr. Nikhil Khattau	Independent Director	2,000,000	1,940,000	3%
Mr. Rajeev Bakshi	Independent Director	1,860,000	1,800,000	3%
Mr. Rajen Mariwala	Non- Executive Promoter Director	1,980,000	1,800,000	10%
Mr. Vivek Karve	Chief Financial Officer	19,641,043	35,731,143	-45%
Ms.Hemangi Ghag	Company Secretary & Compliance Officer	3,501,025	2,532,046	38%

1. Mr. Harsh Mariwala ceased to be the Managing Director of the Company with effect from April 1, 2014. Thus, the remuneration of Mr. Harsh Mariwala for the financial year 2014-15 included amount paid towards performance incentive for the financial year 2013-14 and towards settlement, consequent to the cessation of his office as Managing Director. Hence the remuneration paid to him in the financial years 2015-16 and 2014-15 is not comparable.
2. 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. 18,628,275. Hence the remuneration paid to him in the financial years 2015-16 and 2014-15 is not comparable.

C) Percentage increase in the Median Remuneration of all employees in the financial year 2015-16

	2015-2016	2014-2015	Increase (%)
Median* remuneration of all employees per annum	833,557	757,042	10.11%

* For calculation of median remuneration, the employee count taken is 981 and 989 for the financial year 2015-16 and 2014-15, respectively, which comprise employees (excluding workmen) who have served for the whole of the respective financial years.

D) Number of permanent employees on the rolls of company as of March 31, 2016

1,463 (inclusive of workmen)

E) Relationship between average increase in remuneration of all employees and the performance of you 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 2015-16, 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 2015-16 as compared to the financial year 2014-15 was 15%.

* Employees who have served for whole of the financial year 2015-16 have been considered.

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

(₹ in Crores)

	2015-16	2014-15	% Increase
Net Income from Operations	4,947.37	4,681.20	5.7%
Operating Profit Before Tax (PBT) (i.e. PBT excluding dividend income from overseas subsidiary)	830.05	636.17	30.5%
Profit Before Tax	944.10	731.04	29.1%
Profit After Tax (PAT)	701.86	545.16	28.7%

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 2015-16 increased by around 5% compared to the financial year 2014-15. Kindly refer the explanations given under note 2 of point No.B of this disclosure for better comprehension of the details given hereinabove.

The Profit Before Tax (PBT) increased by 29% in the financial year 2015-16 compared to the the financial year 2014-15. 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 2015-16 compared to the financial year 2014-15 was 30.5%.

G) Details of variation in the market capitali-zation and price earnings ratio as at the closing date of the current and previous financial years and the share price details:

Particulars	As on March 31, 2016	As on March 31, 2015
Price Earnings Ratio*	45	46.4
Market Capitalization (Rs. in Cr.)	31,610	25,297

* Taken on a standalone basis

Comparison of share price at the time of last public offer and market price of the share of 31st March, 2016:

Market Price* as on March 31, 2016 (₹)	245
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]	2.19
% increase of Market price over the price at the time of Initial Public Offer cum Offer for Sale	11,087%

*Last Traded Price on National Stock Exchange of India Limited.

H) Comparision of average percentage increase in remuneration of all employee 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	15.7%
Average Percentage increse in the Remuneration of Key Managerial Personnel*	
Mr. Saugata Gupta, Managing Director & CEO	32.9%
Mr. Vivek Karve, Chief Financial Officer	-45.0%
Ms. Hemangi Ghag, Company Secretary & Compliance Officer	38.3%
	4.9%

*Kindly refer the explanations given under note 2 of point No.B of this disclosure for better comprehension of the details given hereinabove.

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

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 Corporate Governance Committee (which acts as 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 other such 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 receive 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 Board's Report

Disclosures under section 62(1)(b) of the Companies Act, 2013 read with rule no. 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 and Regulation 14 of The SEBI (Share Based Employee Benefits) Regulations, 2014

A	Details related to ESOS	Marico Employee Stock Option Scheme 2007 (Marico ESOS 2007)	Marico Employee Stock Option Scheme 2014 (Marico ESOS 2014)	Marico MD CEO Employee Stock Option Plan 2014 (Marico MD CEO ESOP Plan 2014)
1	**Description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including :**			
a	Date of shareholders' approval	At the Extra Ordinary General Meeting held on November 24, 2006.	At the Extra Ordinary General Meeting held on March 25, 2014.	At the Annual General Meeting held on July 30, 2014.
b	Total number of options approved under ESOS	Equity shares to arise out of exercise of stock options not to exceed 5% of the aggregate number of issued equity capital of the Company as on the date of the grant.	Not more than 3,00,000 Stock Options.	Equity shares to arise out of exercise of stock options not to exceed 0.5% of the aggregate number of issued equity share capital of the Company as on the date of the grant of options.
c	Vesting requirements	Options granted under the Scheme to vest after one year from the Grant Date.	Options granted under the Scheme to vest after two years from the Grant Date.	Options granted under the Scheme to vest after one year from the Grant Date.
d	Exercise price or pricing formula	**Exercise Price & formula:** **Lower of the following:** i) Average of the closing price for last 21 trading sessions on NSE prior to the date on which specific number of the options are granted to the employees by the Corporate Governance Committee of the Board of Directors, or ii) The closing price for the last session on NSE prior to the date on which specific number of the options are granted to the employees by the Corporate Governance Committee of the Board of Directors.	**Exercise Price:** 1.00 per share, i.e. at face value. Exercise Price Formula: NA.	**Exercise Price:** ₹ 1.00 per share, i.e. at face value. Exercise Price Formula: NA.
e	Maximum term of options granted	The Options granted to be exercised not later than 5 years from the date of vesting of the respective Options.	To be exercised within a period of 12 months from the date of vesting	
f	Source of shares (primary, secondary or combination)	The source of Shares is Primary.		
g	Variation in terms of options	There was no variation in terms of Options.		
2	**Method used to account for ESOS - Intrinsic or fair value.**	Intrinsic Value.		
3	**Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.**	Profit would have been higher by ₹ 0.33 Crore. Impact on EPS of the Company is negligible.		
4	**Option movement during the year (For each ESOS):**	**Marico Employee Stock Option Scheme 2007 (Marico ESOS 2007)**	**Marico Employee Stock Option Scheme 2014 (Marico ESOS 2014)**	**Marico MD CEO Employee Stock Option Plan 2014 (Marico MD CEO ESOP Plan 2014)**
	Number of options outstanding at the beginning of the period	103,600	300,000	46,600
	Adjustment on account of bonus issue in the ratio of 1:1	-	300,000	46,600
	Number of options granted during the year	-	-	-
	Number of options forfeited / lapsed during the year	-	-	-
	Number of options vested during the year	-	-	-

A	Details related to ESOS	Marico Employee Stock Option Scheme 2007 (Marico ESOS 2007)	Marico Employee Stock Option Scheme 2014 (Marico ESOS 2014)	Marico MD CEO Employee Stock Option Plan 2014 (Marico MD CEO ESOP Plan 2014)
	Number of options exercised during the year	103,600	-	-
	Number of shares arising as a result of exercise of options	103,600	-	-
	Money realized by exercise of options (INR), if scheme is implemented directly by the company	5,952,490	-	-
	Loan repaid by the Trust during the year from exercise price received	NA	NA	NA
	Number of options outstanding at the end of the year	-	600,000	93,200
	Number of options exercisable at the end of the year	-	-	-
5	**Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.**	57.46	-	-
6	**Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to - (a) senior managerial personnel; (b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and (c) 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.**	NA	The details pertaining to the status of the options granted to the Managing Director & CEO are given in Board's Report under ***"ESOP/Stock Appreciation Rights Schemes"***	
7	**A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:**	**Marico Employee Stock Option Scheme 2007 (Marico ESOS 2007)**	**Marico Employee Stock Option Scheme 2014 (Marico ESOS 2014)**	**Marico MD CEO Employee Stock Option Plan 2014 (Marico MD CEO ESOP Plan 2014)**
a	i) the weighted-average values of share price	NA	₹ 209.15	₹ 329.95
	ii) the weighted-average values of exercise price		₹ 1.00 per share	₹ 1.00 per share
	iii) the weighted-average values of expected volatility		26.62%	23.66%
	iv) the weighted-average values of expected option life		3 years	3 years and 3 months
	v) the weighted-average values of expected dividends		3.50%	3.50%
	vi) the weighted-average values of the risk-free interest rate		8.00%	8.00%
b	The method used and the assumptions made to incorporate the effects of expected early exercise;	Intrinsic value		
c	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	NA	Historical volatility of the share of the Company over the previous 3 years ended March 31, 2014, based on the life of options	Historical volatility of the share of the Company over the previous 3 years and 3 months ended January 04, 2015, based on the life of options
d	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	NA		
8	**Disclosures in respect of grants made in three years prior to IPO under each ESOS until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made.**	NA		

B	Details related to SAR	STAR Scheme III	STARScheme IV	STAR Scheme V	STAR Scheme VI
1	**Description of each SAR scheme that existed at any time during the year, including the general terms and conditions of each SAR scheme, including -**				
a	Date of shareholders' approval:	Approved by the Corporate Governance Committee of the Board of Directors on December 7, 2012*	Approved by the Corporate Governance Committee of the Board of Directors on October 29, 2013*	Approved by the Corporate Governance Committee of the Board of Directors on August 5, 2015*.	Approved by the Corporate Governance Committee of the Board of Directors on December 2, 2015*.
		*(The Marico Employee Stock Appreciation Rights Plan 2011 (STAR Plan) was initially approved by the Board of Directors of the Company at its meeting held on January 27, 2011 and subsequently the modified STAR Plan was approved by the Board of Directors at its meeting held on June 22, 2015 and the same was recommended to the shareholders. The same was then approved by the Shareholders at their meeting held on August 5, 2015, in order to align the STAR Plan with the requirements of the SEBI (Share Based Employee Benefits) Regulations, 2014. The Corporate Governance Committee of the Board has, from time to time, notified STAR schemes under the STAR Plan as authorized under the aforementioned resolutions).			
b	Total number of shares approved under the SAR scheme	The secondary acquisition by the Trust shall: i. not be more than 5% of the paid up equity share capital of the Company as at the end of the financial year, immediately preceding the year in which approval of the shareholder was obtained for such secondary acquisition; ii. not be more than 2% in a financial year of the paid up equity share capital as at the end of the preceeding financial year; and iii. not be more than 0.5% of the paid up equity share capital of the Company during a financial year.			
c	Vesting requirements	As determined by the Corporate Governance Committee in the respective Schemes notified under the Plan.			
d	SAR price or pricing formula	Average of Closing Market Price for a period of 22 Working Days (of the the Stock Exchange) immediately preceding the Grant Date.			
e	Maximum term of SAR granted	The Vested STAR shall be matured as on the Vesting Date according to the terms and conditions as determined and set forth under the STAR Plan and relevant notified Schemes.			
f	Method of settlement (whether in cash or equity)	Method of settlement is Cash settlement.			
g	Choice of settlement (with the company or the employee or combination)	Choice vests with the Company.			
h	Source of shares (primary, secondary or combination)	Source of acquisition is Secondary.			
i	Variation in terms of scheme	STAR Scheme I, II and III were modified by the Corporate Governance Committee of the Board, vide circular resolutiuon dated December 12, 2012 to redefine the term Grant Date and consequent changes in other clauses of the respective schemes.			
2	**Method used to account for SAR - Intrinsic or fair value.**	Intrinsic Value.			
3	**Where the company opts for expensing of SAR using the intrinsic value of SAR, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of SAR, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.**	Employee Compensation cost would have increased by ₹ 14.60 Crore & profit would have been lower to that extent. Consequently Basic EPS would have been lower by ₹ 0.11 (From 5.44 to 5.33).			

4	**SAR movement during the year (For each SAR scheme):**	**STAR III**		**STAR IV**		**STAR V**			**STAR VI**	**Total**
	Particulars	**Tranche I**	**Tranche II**	**Tranche I**	**Tranche II**	**Tranche I**	**Tranche II**	**Tranche III**	**Tranche I**	
	Number of SARs outstanding at the beginning of the year	771,600	121,100	754,700	-	-	-	-	-	1,647,400
	Number of SARs granted during the year	-	-	-	272,700	618,100	45,800	2,700	677,500	1,616,800
	Adjustment on account of bonus issue in the ratio of 1:1	-	-	754,700	272,700	618,100	45,800	2,700	677,500	2,371,500
	Number of SARs forfeited / lapsed during the year	170,800	21,000	334,400	126,000	145,000	-	-	21,600	818,800
	Number of SARs vested during the year	600,800	100,100	-	-	-	-	-	-	700,900
	Number of SARs exercised/settled during the year	-	-	-	-	-	-	-	-	-
	Number of options outstanding at the end of the year	-	-	1,175,000	419,400	1,091,200	91,600	5,400	1,333,400	4,116,000
	Number of options exercisable at the end of the year	-	-	-	-	-	-	-	-	-

5	**Employee-wise details (name of employee, designation, number of SAR granted during the year, exercise price) of SAR granted to -**					
a	Senior Managerial Personnel;	Nil	334,200*	608,800*	580,600*	
		*Due to sensitivity of the information, only summary is provided. The above numbers include adjustment on account of issuance of bonus equity shares by the Company during the previous financial year in the ratio of 1:1				
b	any other employee who receives a grant in any one year of amounting to 5% or more of SAR granted during that year; and	Nil				
c	identified employees who were granted SAR, 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.	Nil				
6	**Disclosures in respect of grants made in three years prior to IPO under each SAR scheme until all SARs granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such SARs shall also be made.**	Nil				

B	**Details related to Trust**	
1	**The following details, inter alia, in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are to be disclosed:**	
	Particulars	**Details**
	Name of the Trust	Welfare of Mariconian Trust
	Details of the Trustee(s)	IDBI Trusteeship Services Limited
	Amount of loan disbursed by company / any company in the group, during the year	545,000,000
	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	665,580,410
	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	NIL
2	**Any other contribution made to the Trust during the year**	
	(a) Number of shares held at the beginning of the year;	1,431,741
	(b) Number of shares acquired during the year :	
	(i) through primary issuance	-
	(ii) through secondary acquisition	
	Before Bonus Issue	1,011,411
	After Bonus Issue	656,278
	Acquisition as a percentage of paid up equity capital as at the end of the previous financial year,	0.21%
	Weighted average cost of acquisition per share	
	(a) Shares bought before Bonus Issue	409.68
	(b) Shares bought after Bonus Issue	223.98
	(c) Number of shares sold	727,400
	(d) Number of shares vested to the employees	700,900
	(e) Purpose of shares sold	Vesting of STAR Scheme III
	(f) Number of shares held at the end of the year.	4,087,782
3	**In case of secondary acquisition of shares by the Trust**	
	Number of shares	
	Held at the beginning of the year	1,431,741
	Acquired during the year (Before Bonus issue)	1,011,411
	Sold during the year (Before Bonus Issue)	727,400
	Transferred to the employees during the year (No of shares vested)	700,900
	Subtotal	**1,715,752**
	Adjustment on account of bonus issue in the ratio of 1:1	3,431,504
	Acquired during the year (After Bonus issue)	656,278
	Sold during the year (After Bonus Issue)	-
	Held at the end of the year	**4,087,782**

Annexure 'D' to the Board's Report

FORM NO. MR.3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

[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
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 2016 ('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 2016 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 Overseas 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 erstwhile Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect from 15 May 2015;

(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 (Share Based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **(Not Applicable to the Company during the Audit Period);**

(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 notified with effect from 1 July 2015;

(ii) The erstwhile Listing Agreements entered into by the Company with stock exchanges and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from 1 December 2015.

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. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were 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, regulations, guidelines, standards etc.

Dr. K. R. Chandratre
Company Secretary in Practice
FCS 1370
CP No 5144

Place: Pune
Date: 29 April 2016

Annexure 'E' to the Board's Report

A. Conservation of Energy

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

Baddi

The Company undertook several initiatives in power and fuel consumption reduction at its Baddi plant. These initiatives resulted in savings of **2,92,966 units & 332 MT** of fuel corresponding to reduction in carbon footprint by **670 MT of CO_2** last year.

Details of Initiatives are as below:

- Installation of 125 KW Steam Turbine.
- Installation of copper tubes in replacement of PU tubes.
- VFD installation in cooling tower pump.
- LED lighting in the factory.
- Condensate and Flash steam recovery improvement, resulted in lesser fuel reduction.

In addition, to the above various water conservation of usage was undertaken which resulted in reduction of more than 1900 MT of water per month.

Details of Initiatives are as below:

- Capacity improvement of DM Plant.
- Condensate recovery in the plant.
- Closure of de-aerator tank vent.
- Anion back wash in wet-scrubber.
- Treated water usage for gardening.
- Leakage plugging from DM tank.
- Line modification in Separator for smooth flow of gums.

Jalgaon

The Company undertook the following the initiatives at its Jalgaon plant to reduce carbon footprint. These initiatives enabled a saving of **84,008 units and 699 MT of fuel** last year equivalent to **910 MT of CO_2** emissions.

For Power Consumption reduction:

- High Speed mechanical pouch filling machines instead of pneumatically operated
- Replacement of CFL bulbs by LED lights from 85 watt to 20 watt.
- Productivity improvement in refinery.

For Fuel Consumption reduction:

- Replacement of steam traps.
- Improvement in heat exchanger efficiency - replacement of plates.
- Improvement in cleaning SOPs for boilers.

Pondicherry

Pondicherry Power Task Force Energy Conservation Initiatives have resulted in a reduction of **79,509 Units/Year** equivalent to **75 MT of CO_2** emissions through following initiatives:

- Final Oil tank pump and Expeller 329-B motor capacity optimized.
- Replacement of Lower Efficiency Motor with Higher Efficiency (IE3) Motors in Expeller 318-B, Prebreaker.
- Reduction of Operating hours of Admin pump.
- Transparent Sheets replaced for Manufacturing Buildings to improve day time lighting.

Water Conservation

- Sewage Treatment Plant recycled 498 KL of Water and used for functional garden.
- Reused 533KL from Water Treatment Plant to gardening.

Perundurai

Perundurai plant has achieved consistent improvement in power consumption by **4.0U/MT** of copra crushed in FY15-16. This amounted to overall saving of **1,22,632 Electricity units & 257 MT Fuel** equivalent to **912 MT of CO_2** emissions

Following are the power saving initiatives carried out last year:

- Change of Boiler fuel from Diesel to Briquette (Agro Waste) resulted in savings of 257 MT of Diesel
- Elimination of 2nd stage Expeller kettle yielded 1.47 KW/MT.

- 100% Usage of SFB resulted into carbon footprint reduction.
- Third Party Power Purchase to reduce the DG usage.
- Power savings of 5.18 GJ/month by optimization of Cooker Motor Frequency.
- Power savings of 6.48GJ/month by optimization of Expeller second stage Vertical Feeder motor.
- Power savings by water line modification and reduction of Admin motor pump load.
- Power savings by optimization of Steam Pressure setting for process usage.

Kanjikode

Kanjikode Plant has achieved consistent improvement in specific fuel consumption by **0.21 Ltrs/MT in FY 15-16.** This led to overall savings of **5.1 KL of fuel.** In specific power consumption reduction through Power Task Force has resulted in overall savings of **61,629 Units in FY 15-16.**

Initiatives taken in Kanjikode have led to reduction in overall **CO_2 emissions by 73.71 MT.**

- Aluminium insulation has been fixed in all steam lines to reduce Specific fuel consumption by 0.21 Lt / MT.
- Implementation of auto control cake overflow conveyor and copra overflow conveyor operation has resulted in SPC Reduction of 4,680 Units / Annum.
- Provided online cap heater with hot air recirculation system in Line 5 reduces the power consumption by 2,995 Units per Annum resulting in reduction of 2.5 t CO_2/Annum.
- Replacement of Fluorescent Lamp with LED in filling has resulted in reduction of power consumption by 1,538 units per Annum.
- Provided VFD in Expeller drive reduces the power consumption by 44,928 Units / Annum.
- Installed capacitor in second crushing has resulted in power reduction of 7,488 Units / Annum.
- Identification of spillage points and elimination of spillage in the process to reduce the mass loss from 0.72% to 0.54%.

Paonta Sahib

The Company undertook following initiatives to reduce carbon footprint. These initiatives **at its** plant at Paonta Sahib enabled a saving of **43,330 units and 17 MT of fuel** last year equivalent to **93.43 MT of CO_2** emissions. Some of these initiatives include:

- Batch Transfer time reduction in hair oil.
- Interlocking of cooling tower with chiller.
- Replace constant wattage heat tracer with self-regulating one.
- Replacement of reciprocating pump with lobe pump.
- Water overflow restrictive system from storage tanks.
- Installation of solar light instead of normal electrical street light.
- DG 380 KVA automation (Saving in Diesel consumption).
- DG interconnect (Saving in Diesel consumption).

2. Capital investment on energy conservation equipment during the year was Rs.204 Lacs.

A. Technology Absorption

1. Science inspired by purpose has always created wonders!

Understanding this fact made Marico realise that cutting edge science is the best route for delivering on unmet consumer needs. Our scientists have the ability to develop rich insights about the local consumers and leverage these to provide efficacious solutions. Marico R & D team discovered the underlying science of hair oiling, the great Indian tradition, through original research and employed novel technologies to create products targeted at specific hair care needs. Realizing the need to develop food solutions to lifestyle epidemics being faced by India, we used a nutrition-based approach coupled with biochemical understanding to create authentic, nutritious food solutions to effectively prevent the onset of lifestyle diseases. The proof of delivery of these science based designs is validated through rigorous clinical trials in consumers. Our Design Thinking approach has resulted in products which maintain not only product quality throughout shelf life, but minimise the waste and environmental impact.

We measure our success in the market through the unflinching loyalty of consumers to our products and to enable this we have a capable team comprising of 92 members :

PhD – 8

Masters – 29

Scientists – Total 37

2. Research and Development (R&D)

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

R&D efforts were directed towards core areas of hair oils, leave in formats, non-oil nourishing products, styling formats, deodorants, oats & packaging innovations across the global markets. Efforts to understand consumers in international geographies and align systems and processes across the business continued.

In hair care, research efforts were directed to understand different hair types in relevant geographies and creation of tailor-made hair care formats. Research on improving benefits in anti-hair fall category continued. In deodorants, research on understanding of body odour and approach of perfume engineering helped create distinct perfumes with higher longevity. Efforts of the Consumer Technical insights group were targeted towards generating insights of product usage and attitudes across geographies and tailoring the product sensories accordingly. In packaging, major efforts were directed towards creating novel options for prevention of lookalikes and counterfeits. In foods, considerable efforts were directed towards creating new flavours through a deeper understanding of regional taste and occasion preferences. New technologies for applications of edible oils for lifestyle diseases are being worked upon. In Quality Assurance, efforts were directed towards revaluating and benchmarking product quality for its robustness.

3. Benefits derived as the result of the above efforts

- o Launch of new products – Parachute Gold Ayurvedic Hair Oil, Livon serum, Parachute Gold range of hair oils and creams in Middle East, two new flavours in saffola oats.
- o In depth understanding of hair structure and function leading to development of efficacious products.
- o Strong claim support for new products based on robust clinicals.
- o 7 patents filed across the departments. One international patent granted in Bangladesh and Kingdom of Saudi Arabia.
- o Best in class packaging.

4. 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 and innovation capability development.

5. 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. Several connect and develop projects were undertaken in the areas of new measurement techniques and novel actives for hair and skin benefits. These helped in developing in depth basic knowledge and stronger claims. Special efforts were undertaken to leverage digital technology for proving the efficacy of products to consumers at point of sale and also during usage.

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

7. The expenditure incurred on Research and Development:

Particulars	As at March 31,	
	2016 Rs. in Crore	2015 Rs. in Crore
(a) Capital	2.44	0.55
(b) Recurring	25.05	19.19
Total	**27.48**	**19.74**
As a % of revenues	**0.56**	**0.42**

The expenditure above includes a capital expenditure of Rs. 0.05 Crore (LY: 0.11) and a revenue expenditure of Rs. 6.93 Crore (LY: Rs. 4.05 Crore) towards the edible oils and foods business of Your Company.

B. 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,	
	2016 Rs. in Crore	2015 Rs. in Crore
Foreign Exchange earned	293.28	310.50
Foreign Exchange used	246.31	192.81

On behalf of the Board of Directors

Place : Mumbai
Date : April 29, 2016

Harsh Mariwala
Chairman

Annexure 'F' to the Board's Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2016.

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	61%
2	Value Added Hair Oils	20236	21%

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)(a)
5	**International Consumer Products Corporation (ICP)** 28th floor, Pearl Plaza,561 Dien Bien Phu,Binh Thanh District, HO CHI MINH City,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 (MBL)** Add: House-1, Road-1, Sector-1, Uttara, Dhaka-1230, Bangladesh	NA	Subsidiary	100% through MME	2(87)(ii)(a)
10	**MEL Consumer Care SAE (MEL)** Building 3,Section 1141, 34, IBAD Elrahman Street,Masaken Sheraton,Nozha District-Cairo-Egypt	NA	Subsidiary	100% through MME	2(87)(ii)(a)
11	**Marico Egypt For Industries S.A.E. (MEI)** Building 3,Section 1141, 34, IBAD Elrahman Street,Masaken Sheraton,Nozha District-Cairo-Egypt	NA	Subsidiary	100% through MELCC	2(87)(ii)(a)
12	**Egyptian American Investment and Industrial development Company S.A.E (EAIIDC)** Building 3,Section 1141, 34, IBAD Elrahman Street,Masaken Sheraton,Nozha District-Cairo-Egypt	NA	Subsidiary	100% through MME	2(87)(ii)(a)
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)(a)
14	**Thuan Phat Foodstuff Joint Stock Company (TPF)** 28th floor, Pearl Plaza,561 Dien Bien Phu,Binh Thanh District, HO CHI MINH City,Vietnam	NA	Subsidiary	99.99% through ICP	2(87)(ii)(a)
15	**Bellezimo Professionale Products Private Limited** Eucharistic Congress Buliding No. 2, 3rd floor, 5 Convent Street, Near Electric house, Colaba, Mumabi -400 001, Maharashtra, India	U24110MH2015PTC265935	Assoicate	45%	2(6)

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 01.04.2015)				No. of Shares held at the end of the year (As on 31.03.2016)				% 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	58.17	750,411,040	-	750,411,040	58.16	100.0
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	8,822,000		8,822,000	1.37	17,644,000		17,644,000	1.37	100.0
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	**384,027,520**	**0.00**	**384,027,520**	**59.54**	**768,055,040**	**0.00**	**768,055,040**	**59.53**	**100.0**
(2) Foreign									
a) NRI- Individuals	900,000	0.00	900,000	0.14	1,800,000	0.00	1,800,000	0.14	100.0
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	**900,000**	**0.00**	**900,000**	**0.14**	**1,800,000**	**0.00**	**1,800,000**	**0.14**	**100.0**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**384,927,520**	**0.00**	**384,927,520**	**59.68**	**769,855,040**	**0.00**	**769,855,040**	**59.67**	**100.0**
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	20,551,709	-	20,551,709	3.19	12,443,222	-	12,443,222	0.96	-39.5
b) Banks/FI	283,800	-	283,800	0.04	1,204,137	-	1,204,137	0.09	324.3
C) Central Govt/State Govt.	672,864	-	672,864	0.10	1,607,516	-	1,607,516	0.12	138.9
d) Venture Capital Fund	-	-	-	-	-	-	-		0.0
e) Insurance Companies	8,932,647	-	8,932,647	1.38	27,013,742	-	27,013,742	2.09	202.4
f) FIIs	156,947,263	5,000	156,952,263	24.33	199,902,103	10,000	199,912,103	15.50	27.4
g) Foreign Venture Capital Funds	9,541,299	-	9,541,299	1.48	-	-	-	-	-
h) Foreign Portfolio Investor (Corporate)	12,394,907	-	12,394,907	1.92	173,884,977	-	173,884,977	13.48	1302.9
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	**209,324,489**	**5,000**	**209,329,489**	**32.46**	**416,055,697**	**10,000**	**416,065,697**	**32.25**	**98.8**
(2) Non Institutions									
a) Bodies corporates									
i)Indian	25,372,022	42,000	25,414,022	3.94	39,823,660	76,000	39,899,660	3.09	57.0
ii) Foreign	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	19,134,639	689,840	19,824,479	3.07	38,116,186	1,282,204	39,398,390	3.05	98.7
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	3,560,452	-	3,560,452	0.55	18,115,223	-	18,115,223	1.40	408.8
c) Others (specify)									
1. NRI	1,476,780	-	1,476,780	0.23	3,505,680	-	3,505,680	0.27	137.4
2. Clearing member	367,450	-	367,450	0.06	1,154,716	-	1,154,716	0.09	214.3
3. Trusts	81,807	-	81,807	0.01	295,554	-	295,554	0.02	261.3
4. HUF	-	-	-	-	1,881,238	-	1,881,238	0.15	0.0
SUB TOTAL (B)(2):	**49,993,150**	**731,840**	**50,724,990**	**7.86**	**102,892,257**	**1,358,204**	**104,250,461**	**8.08**	**105.5**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**259,317,639**	**736,840**	**260,054,479**	**40.32**	**518,947,954**	**1,368,204**	**520,316,158**	**40.33**	**100.1**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**644,245,159**	**736,840**	**644,981,999**	**100.00**	**1,288,802,994**	**1,368,204**	**1,290,171,198**	**100.00**	**100.03**

(ii) & (iii) Shareholding of Promoters & Changes in Promoters' shareholding

Sl. No	Name	Shareholding at the beginning (01.04.2015)/ end of the year(31.03.2016)		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		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	01-Apr-15	0			
				08-Jan-16	Increase	Bonus issue in the ratio of 1:1		
		146,752,000	11.37	31-Mar-16	0		146,752,000	11.37
2	Harsh Mariwala with Kishore Mariwala (For Aquarius Family Trust)	73,376,000	11.38	01-Apr-15	0			
				08-Jan-16	Increase	Bonus issue in the ratio of 1:1		
		146,752,000	11.37	31-Mar-16	0		146,752,000	11.37
3	Harsh Mariwala with Kishore Mariwala (For Taurus Family Trust)	73,376,000	11.38	01-Apr-15	0			
				08-Jan-16	Increase	Bonus issue in the ratio of 1:1		
		146,752,000	11.37	31-Mar-16	0		146,752,000	11.37
4	Harsh Mariwala with Kishore Mariwala (For Gemini Family Trust)	73,376,000	11.38	01-Apr-15	0			
				08-Jan-16	Increase	Bonus issue in the ratio of 1:1		
		146,752,000	11.37	31-Mar-16	0		146,752,000	11.37
5	Arctic Investment & Trading Company Private Limited	8,785,000	1.36	01-Apr-15	0			
				08-Jan-16	Increase	Bonus issue in the ratio of 1:1		
		17,570,000	1.36	31-Mar-16	0		17,570,000	1.36
6	The Bombay Oil Private Limited	37,000	0.01	01-Apr-15	0			
				08-Jan-16	Increase	Bonus issue in the ratio of 1:1		
		74,000	0.01	31-Mar-16	0		74,000	0.01
7	Mr. Harsh Mariwala	11,454,600	1.78	01-Apr-15	0			
		1,500,000	0.23	05-May-15	Decrease	Gift to Ms. Rajvi Mariwala	9,954,600	1.54
				08-Jan-16	Increase	Bonus issue in the ratio of 1:1		
		19,909,200	1.54	31-Mar-16	0		19,909,200	1.54
8	Harshraj C Mariwala (HUF)	6,120,000	0.95	01-Apr-15	0			
				08-Jan-16	Increase	Bonus issue in the ratio of 1:1		
		12,240,000	0.95	31-Mar-16	0		12,240,000	0.95
9	Mrs. Archana Mariwala	12,300,000	1.91	01-Apr-15	0			
				08-Jan-16	Increase	Bonus issue in the ratio of 1:1		
		24,600,000	1.91	31-Mar-16	0		24,600,000	1.91
10	Ms. Rajvi Mariwala	13,100,000	2.03	01-Apr-15	0			
		1,500,000	0.23	05-May-15	Increase	Gift from Mr. Harsh Mariwala	14,600,000	1.13
				08-Jan-16	Increase	Bonus issue in the ratio of 1:1		
		29,200,000	2.26	31-Mar-16	0		29,200,000	2.26
11	Mr. Rishabh Mariwala	13,100,000	2.03	01-Apr-15	0			
				08-Jan-16	Increase	Bonus issue in the ratio of 1:1		
		26,200,000	2.03	31-Mar-16	0		26,200,000	2.03
12	Mrs. Preeti Gautam Shah	900,000	0.14	01-Apr-15	0			
				08-Jan-16	Increase	Bonus issue in the ratio of 1:1		
		1,800,000	0.14	31-Mar-16	0		1,800,000	0.14
13	Mrs. Pallavi Jaikishen	916,000	0.14	01-Apr-15	0			
				08-Jan-16	Increase	Bonus issue in the ratio of 1:1		
		1,832,000	0.14	31-Mar-16	0		1,832,000	0.14

Sl. No	Name	Shareholding at the beginning (01.04.2015)/ end of the year(31.03.2016)		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No.of Shares	% of total shares of the company				No.of Shares	% of total shares of the Company
14	Mrs. Malika Chirayu Amin	900,000	0.14	01-Apr-15	0	Bonus issue in the ratio of 1:1		
				08-Jan-16	Increase			
		1,800,000	0.14	31-Mar-16	0		1,800,000	0.14
15	Mr. Kishore Mariwala	1,491,060	0.23	01-Apr-15	0	Bonus issue in the ratio of 1:1		
				08-Jan-16	Increase			
		2,982,120	0.23	31-Mar-16	0		2,982,120	0.23
16	Mrs. Hema Mariwala	3,916,140	0.61	01-Apr-15	0	Bonus issue in the ratio of 1:1		
				08-Jan-16	Increase			
		7,832,280	0.61	31-Mar-16	0		7,832,280	0.61
17	Mr. Rajen Mariwala	3,443,200	0.53	01-Apr-15	0	Bonus issue in the ratio of 1:1		
				08-Jan-16	Increase			
		6,886,400	0.53	31-Mar-16	0		6,886,400	0.53
18	Mrs. Anjali Mariwala	3,709,100	0.58	01-Apr-15	0	Bonus issue in the ratio of 1:1		
				08-Jan-16	Increase			
		7,418,200	0.57	31-Mar-16	0		7,418,200	0.57
19	Dr. Ravindra Mariwala	7,542,320	1.17	01-Apr-15	0	Bonus issue in the ratio of 1:1		
				08-Jan-16	Increase			
		15,084,640	1.17	31-Mar-16	0		15,084,640	1.17
20	Mrs. Paula Mariwala	3,709,100	0.58	01-Apr-15	0	Bonus issue in the ratio of 1:1		
				08-Jan-16	Increase			
		7,418,200	0.57	31-Mar-16	0		7,418,200	0.57

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

Sl. No	Name	Shareholding at the beginning (01.04.2015)/ end of the year(31.03.2016)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		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	33,278,269	5.16	During the financial year	-	-	33,278,269	5.16
					33,278,269	Purchase	66,556,538	5.16
					31,386,588	Sale	35,169,950	2.73
2	National Westminster Bank Plc As Depositary Of M And G Global Basics Fund A Sub Fund Of M And G Investment Funds 1*	10,000,000	1.55	During the financial year	-	-	10,000,000	1.55
					10,000,000	Sale	-	-
3	Franklin Templeton Investment Funds*	9,914,406	1.54	During the financial year	-	-	9,914,406	1.54
					9,914,406	Sale	-	-
4	Indivest Pte Ltd*	9,541,299	1.48	During the financial year	-	-	9,541,299	1.48
					9,541,299	Sale	-	-
5	Baring India Private Equity Fund Iii Listed Investments Limited*	7,352,941	1.14	During the financial year	-	-	7,352,941	1.14
					7,352,941	Sale	-	-
6	Life Insurance Corporation Of India	6,889,052	1.07	During the financial year	-	-	6,889,052	1.07
					20,222,070	Purchase	27,111,122	2.10
					4,420,444	sale	22,690,678	1.76
7	Franklin Templeton Mutual Fund A/C Franklin India Bluechip Fund	6,771,741	1.05	During the financial year	-	-	6,771,741	1.05
					4,627,580	Purchase	11,399,321	0.88
					2,643,961	Sale	8,755,360	0.68
8	Kuwait Investment Authority - Fund No. 208	6,682,892	1.04	During the financial year	-	-	6,682,892	1.04
					6,825,192	Purchase	13,508,084	1.05
					3,643,995	Sale	9,864,089	0.76
9	Birla Sun Life Trustee Company Private Limited (A/C Birla Sun Life India Gennext Fund)	5,631,054	0.87	During the financial year	-	-	5,631,054	0.87
					891,000	Purchase	6,522,054	0.51
					6,272,054	Sale	250,000	0.02
10	Arisaig Partners (Asia) Pte Ltd. A/C Arisaig Global Emerging Markets Consumer Fund (Singapore) Pte. Ltd.	5,530,180	0.86	During the financial year	-	-	5,530,180	0.86
					6,781,880	Purchase	12,312,060	0.95
					2,326,000	Sale	9,986,060	0.77
11	National Westminster Bank Plc As Depositary Of First State Asia Pacific Leaders Fund A Sub Fund Of First State Investments Icvc#	-	-	During the financial year	-	-	-	-
					49,132,001	Purchase	49,132,001	3.81
12	Hasham Investment And Trading Company Private Limited#	-	-	During the financial year	-	-	-	-
					17,643,638	Purchase	17,643,638	1.37
					1,471,243	Sale	16,172,395	1.25
13	Barclays Merchant Bank Sinagapore Ltd#	-	-	During the financial year	-	-	-	0.00
					9,849,000	Purchase	9,849,000	0.76
14	Mattews India Fund#	2,995,223	0.46	During the financial year	-	-	2,995,223	0.46
					5,067,105	Purchase	8,062,328	0.62
					160,000	Sale	7,902,328	0.61

* Ceased to be a top ten shareholder as on March 31, 2016.

** Purchase also includes the effect of Bonus equity shares issued by the Company during the financial year in the ratio of 1:1
# Top ten Shareholder as on March 31, 2016

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 avaiable on the website of the Company

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No	Name	Shareholding at the beginning (01.04.2015)/ end of the year(31.03.2016)		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No.of Shares	% of total shares of the company				No.of Shares	% of total shares of the Company
	Directors							
1	Mr. Harsh Mariwala (Non Executive Director & Chairman)	11,454,600	1.78	01-Apr-15	-	-	11,454,600	1.78
				05-May-15	1,500,000	Decrease	9,954,600	1.54
				08-Jan-16	9,954,600	Bonus (1:1)	19,909,200	1.54
		19,909,200	1.54	31-Mar-16				
2	Mr. Rajen Mariwala (Non-Executive Director)	3,443,200	0.53	01-Apr-15	-	Bonus issue in the ratio of 1:1		
				08-Jan-16	Increase			
		6,886,400	0.53	31-Mar-16	-		6,886,400	0.53
3	Mr. Anand Kripalu (Independent Director)	-	-	-	-	Nil Holding	-	-
4	Mr. Atul Choksey (Independent Director)	18,168	-	01-Apr-15	-	Bonus issue in the ratio of 1:1		
				08-Jan-16	Increase			
		36,336	-	31-Mar-16	-		36,336	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	-	01-Apr-15	-	Bonus issue in the ratio of 1:1		
				08-Jan-16	Increase			
		17,400	-	31-Mar-16	-		17,400	0.00
2	Mr. Surender Sharma # (Company Secretary & Compliance Officer)	1	-	01-Apr-15	-	Bonus issue in the ratio of 1:1	-	-
			-	08-Jan-16	Increase		-	-
				31-Mar-16	-		2	0.00
3	Mr. Vivek Karve (Chief Financial Officer)	69,950	0.01	01-Apr-15	-	Bonus issue in the ratio of 1:1		
				08-Jan-16	Increase			
		139,900	0.01	31-Mar-16	-		139,900	0.01

#Mr. Surender Sharma, Head Legal – International Business has been appointed as the Company Secretary & Compliance Officer w.e.f. April 29, 2016 in place of Ms. Hemangi Ghag who resigned on April 28, 2016.

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 01.04.2015)				
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
Change in Indebtedness during the financial year				
Additions (Principal)	2,583.48			2,583.48
Reduction (Principal)	10,746.28			10,746.28
Adjustment (Exchange Rate difference)	1,519.77			1,519.77
Net Change	-6,643.03	-	-	-6,643.03
Indebtedness at the end of the financial year (As on 31.03.2016)				
i) Principal Amount	20,470.44			20,470.44
ii) Interest due but not paid				-
iii) Interest accrued but not due	67.59			67.59
Total (i+ii+iii)	**20,538.02**	**-**	**-**	**20,538.02**

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.	790.91
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	15.40
	(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)	806.30
	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. 15,58,344 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	1.80	1.80	4.00	2.60	3.00	3.60
	(b) Commission	16.00	16.00	17.00	16.00	17.00	16.00
	(c) Others, please specify	–	–	–	–	–	–
	Total (1)	114.80					
2	**Other Non Executive Directors**	**Mr. Harsh Mariwala**	**Mr. Rajen Mariwala**				
	(a) Fee for attending Board / Committee Meetings	2.00	3.80				
	(b) Commission	551.00	16.00				
	(c) Others, please specify*	-	-				
	Total (2)	572.80					
	Total B = (1+2)	687.60					
	Managerial Remuneration (Total A+B)	1,493.90					
	Overall Ceiling as per the Act	Rs. 10455.48 lacs (being 11% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)					

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.	196.09	35.01
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.32	-
	(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	**196.41**	**35.01**

* 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.

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 (acting as Nomination & Remuneration Committee)

V. Stakeholders' Relationship Committee

VI. Corporate Social Responsibility Committee

VII. Risk Management Committee

VIII. Other Committees

IX. Remuneration of Directors

X. General Body Meetings

XI. Means of Communication

XII. General Shareholder Information

XIII. Other Disclosures

I. PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Basic Philosophy

Corporate Governance encompasses laws, procedures, practices and implicit rules that determine the 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 the creditors, the employees and the State.

A company which is proactively compliant with the law and which adds value to itself through the 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, the development of roles and the 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 ('the Act') and the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('the SEBI Regulations') have strengthened 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. Marico's Board believes that a robust framework and flawless implementation of highest standards of Corporate Governance provides a sustainable competitive advantage to a firm. Together, the Management and the Board ensure that Marico remains a Company of uncompromised integrity and excellence. The Board of the Company has adopted a vision to be the *'best in class organization'* surpassing the expectations of all stakeholders.

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 functions in Marico by 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.

Your Company has constituted a Risk Management Committee on November 7, 2014 pursuant to the provisions of the erstwhile clause 49 of the Listing Agreement (now regulated by the SEBI Regulations) which shall 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 are captured in the latter part of this report.

At defined periodicity, your Board also reviews progress on the plans for mitigation of the top risks that your Company is exposed to.

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 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 the audit and to ensure adequacy of the internal audit system in the Company. The Audit Committee reviews the internal audit plan for every year and approves the same in consultation with the 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 the 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 the 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 has adapted to the new provisions of the SEBI Regulations that were made effective on December 1, 2015 and has framed and adopted robust and comprehensive policies as required by the SEBI Regulations so as to ensure maximum compliance. 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 discloses in advance, the details of the conference calls, Investor meetings and roadshows being conducted within the quarters in and outside the Country to the Stock Exchanges and updates its website with the same simultaneously.

The Board has, during the period under review, adopted a comprehensive Policy for Determination of Materiality of Event or Information in accordance with Regulation 30 of the SEBI Regulations and the Company makes prompt disclosures to the Stock Exchanges where the shares of the Company are listed regarding material events/ information so as to keep the Stakeholders apprised and enable them to make informed decisions.

Your Company has also taken the information sharing with the Directors to another level by going 'Digital'. The dissemination of information to your Company's Board has largely been paper driven as the background material for the Board & Committee meetings and other related information for their continuous appraisal was shared in print form. In order to facilitate seamless and secured flow of information between the Management and the Board, the Company availed services of an iOS based platform called MeetX. The platform has not only contributed to the Company's go-green approach and environmental sustainability but also aided effective Board collaboration.

Constructive separation of Ownership and Management

Marico's philosophy to have constructive separation of the Management of the Company from its Owners manifests itself in the composition of the Board of Directors which comprises 6 Independent Directors, 2 Non-Executive Promoter Directors and 1 professional being the Managing Director and Chief Executive Officer. The Independent Directors ensure protection of interests of all shareholders of the Company. The Board also has a Woman Director in line with the provisions of the Act and Rules made thereunder. The Board does not consist of representatives of creditors or banks. This has thus continued to result in maximization of the effectiveness of both, Ownership and Management by sharpening their respective accountability.

The participation of the Senior Management Personnel is ensured 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 Marico Insider Trading Rules, 2015 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 and Secretarial Auditors are not related to any of your Company's Directors.

Accountability

The Board plays a supervisory role rather than an executive role. Members of the Board provide constructive critique on the strategic business plans and operations of the Company. Mr. Saugata Gupta, Managing Director and Chief Executive Officer, continues to head the Company's business and 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. The Audit Committee also meets once in a quarter, in addition to the above to have detailed deliberations on matters relating to Risks, Internal Financial Controls, Internal Audit, Systems & Processes relating to Information Technology, Governance, Related Party Transactions of the Company etc.

Discipline

Marico's Senior Management is always sensitive to 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 business of beauty and wellness in the categories of Hair and Skin Nourishment and male grooming. In its international business too, it is focussed on growing in the emerging economies of Asian and African continents. 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. The Company raises funds which are used for expansion of business either organically or inorganically. The Company has also stayed away from entering into exotic derivative products.

The Company has a dividend philosophy, formulated considering organic and 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. The Company has improved the dividend pay-out ratio over the last 5 years consistently and would endeavour to maintain a satisfactory pay-out ratio in future.

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 business and the human resources deployed in them, the Corporate Governance Committee reviews the Unified Code of Conduct periodically.

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 (in some cases). 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 in accordance with Para D of Schedule V to the SEBI Regulations, to certify the above has been given hereinafter in the MD & CEO Certificate.

Fairness

All actions taken are arrived at after considering the impact on the interests of all shareholders 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 for all matters. Notice of the general meetings is comprehensive and the presentations made at the meetings are informative. Also, the Board is remunerated commensurately with the growth in the Company's profits.

Your Company is an equal opportunity employer and promotes diversity in its workforce, in terms of skills, ethnicity, nationalities and gender.

Social Awareness

The Company has an explicit policy emphasising ethical behaviour. It follows a strict policy of not employing any minor. The Company believes in gender equality 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.

Awards and Recognitions

Your Company has always strived for excellence in the field of Corporate Governance. The continuous efforts of the Company have reaped fruits during the year under review as the Company has been awarded 'Best Domestic Company on Corporate Governance in India as per Asiamoney's Corporate Governance Poll 2015'. The Company has also been recognized by the Institute of Company Secretaries of India as 'one of the top five Companies' in India for exemplary Corporate Governance practices. Mr. Saugata Gupta, Managing Director & CEO of the Company was recognized as one of the best CEOs of India in the large category by *BusinessWorld*. Mr. Vivek Karve, the Chief Financial Officer, was also recognized as one of the best CFOs of India in the category of liquidity management by the *Yes Bank - BusinessWorld Best* CFO Awards 2015-16. Besides the aforementioned awards on Corporate Governance, the Company has bagged awards for excellence in other areas such as Information Technology, Marketing, Sales etc. and the detailed list thereof is given at the end of the Annual Report.

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 the operations and Company finances to enable them to participate effectively in the Board discussions. The Directors are also appraised on a regular basis by uploading information in the Directors' Corner in the 'MeetX' application, which they can view in their personalized devices provided by the Company.
- Proceedings of Board are logically segregated and matters are delegated to Committees as under:
  - Administrative Committee supervises routine transactional matters.
  - Investment and Borrowing Committee supervises management of funds.
  - Audit Committee covers approval to related party transactions, review of internal controls and audit systems, oversight on risk management systems, financial reporting, compliance issues and vigil mechanism, appointment and remuneration to various auditors of the Company and their scope, Shareholders' grievances etc.
  - Corporate Governance Committee supervises remuneration of Directors, Key Managerial Personnel and their relatives and Senior Management Personnel. Corporate Governance Committee also acts as the Compensation Committee for the purpose of administration and superintendence of the Marico Employees Stock Option Scheme 2014, the Marico MD CEO ESOP Plan 2014 and the Marico Stock Appreciation Rights Plan 2011. The Committee is also entrusted with the responsibility of evaluating the performance of each Director of the Board and ensuring Board effectiveness.
  - Vigil Mechanism and Code of Conduct 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 supervises transfer formalities and other share-related procedures.
  - Stakeholders' Relationship Committee supervises redressal of stakeholders' grievances.
  - Securities Issue Committee supervises 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.
- Other Directorships held by Directors 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 quarterly meeting.
- All Directors endeavour to attend all the Board/ Committee meetings as also the General Meetings of the Company. The Chairpersons of the Audit Committee and the Corporate Governance Committee attend the Annual General Meeting to address shareholders' queries, if any.
- The Chief Financial Officer, the Chief Human Resources Officer and the Company Secretary & Compliance Officer in consultation with the Chairman of the Board/Committee and the Managing Director & CEO, formalise the agenda for each of the Board /Committee Meetings.
- The Board/Committees, at their discretion, invite Senior Management Personnel of the Company and/or external Advisors to any of the meetings of the Board/Committee.
- The Company ensures compliance with Secretarial Standards issued by the Institute of Company Secretaries of India in respect of the meetings of the Board/Committee and Shareholders.
- The Company has complied with the provisions of the SEBI Regulations including the circulars issued thereunder from time to time.

II. BOARD OF DIRECTORS

A. Composition and categories of Directors :-

Sr. No.	Name	Category
1.	Mr. Harsh Mariwala	Non-Executive Director & Chairman (Promoter)
2.	Mr. Saugata Gupta	Managing Director & CEO
3.	Mr. Anand Kripalu	Independent Director
4.	Mr. Atul Choksey	Independent Director
5.	Mr. B. S. Nagesh	Independent Director
6.	Ms. Hema Ravichandar	Independent Director
7.	Mr. Nikhil Khattau	Independent Director
8.	Mr. Rajeev Bakshi	Independent Director
9.	Mr. Rajen Mariwala	Non-Executive Director (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.

B. Attendance of each Director at the Board meetings and the last Annual General Meeting:

8 (Eight) meetings of the Board of Directors were held during the period from April 1, 2015 to March 31, 2016 viz: on April 30, 2015, June 22, 2015, August 5, 2015, November 4, 2015, January 7, 2016, January 30, 2016, March 10, 2016 and March 30, 2016. The attendance record of all Directors is as under: -

Name of the Directors	No. of Board Meetings		Attendance at Last AGM held on August 5, 2015
	Held	Attended	
Mr. Harsh Mariwala (Chairman & Non – Executive Director)	8	8	Yes
Mr. Saugata Gupta (Managing Director & CEO)	8	7	Yes
Mr. Anand Kripalu (Independent Director)	8	4	No
Mr. Atul Choksey (Independent Director)	8	6	No
Mr. B. S. Nagesh (Independent Director)	8	6	Yes
Ms. Hema Ravichandar (Independent Director)	8	6	Yes
Mr. Nikhil Khattau (Independent Director)	8	5	Yes
Mr. Rajeev Bakshi (Independent Director)	8	7	Yes
Mr. Rajen Mariwala (Non-Executive Director)	8	8	Yes

C. Number of Board or Board Committees of which a Director is a member or chairperson (#)

Name of the Directors	Number of Outside Directorships ($) held	Number of Committee Memberships in other Companies(*)	Number of Committees (*) in which Chairperson
Mr. Harsh Mariwala (Promoter & Non – Executive Director)	6	1	Nil
Mr. Saugata Gupta (Managing Director & CEO)	3	1	Nil
Mr. Anand Kripalu (Independent Director)	1	Nil	Nil
Mr. Atul Choksey (Independent Director)	9	1	1
Mr. B. S. Nagesh (Independent Director)	6	3	Nil
Ms. Hema Ravichandar (Independent Director)	2	1	Nil
Mr. Nikhil Khattau (Independent Director)	2	4	3
Mr. Rajeev Bakshi (Independent Director)	1	1	Nil
Mr. Rajen Mariwala (Non – Executive Director)	3	0	Nil

(#) As on March 31, 2016.

($) 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 Regulation 26(1)(b) of the SEBI Regulations.

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 erstwhile 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:

Name of the Members	Designation
Mr. Nikhil Khattau	Chairman (Independent Director)
Mr. B. S. Nagesh	Member (Independent Director)
Ms. Hema Ravichandar	Member (Independent Director)
Mr. Rajen Mariwala	Member (Non-Executive Director)
Mr. Surender Sharma*	Secretary to the Committee (Head Legal – International Business & Company Secretary)
Mr. Harsh Mariwala	Permanent Invitee (Chairman & Non – Executive Director)
Mr. Saugata Gupta	Permanent Invitee (Managing Director & CEO)

* Ms. Hemangi Ghag until April 28, 2016.

In accordance with Regulation 18(3) and Part C of Schedule II to the SEBI Regulations and Section 177 of the Act, 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 Act;
    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. Modified opinion(s) 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 utilization 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 the internal audit.
11. Discussion with the 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 the 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 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. 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 the 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, 2015 to March 31, 2016 viz. on April 13, 2015, April 30, 2015, July 10, 2015, August 5, 2015, October 7, 2015, November 4, 2015, January 7, 2016 and January 30, 2016. The attendance record of Members at the meetings of the Committee is as under:

Names of the Members	No. of Audit Committee Meetings	
	Held	Attended
Mr. Nikhil Khattau (Independent Director)	8	8
Mr. B. S. Nagesh (Independent Director)	8	7
Ms. Hema Ravichandar (Independent Director)	8	8
Mr. Rajen Mariwala (Non – Executive Director)	8	8

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 Act and provisions of the erstwhile Listing Agreement, the Board of Directors revised the terms of reference of the Corporate Governance Committee on November 7, 2014. The Committee acts as the Nomination and Remuneration Committee of the Board.

The Corporate Governance Committee was last re-constituted by the Board of Directors on April 30, 2014 and now comprises the following Members:

Name of the Members	Designation
Ms. Hema Ravichandar	Chairperson (Independent Director)
Mr. Anand Kripalu	Member (Independent Director)
Mr. B. S. Nagesh	Member (Independent Director)
Mr. Rajeev Bakshi	Member (Independent Director)
Mr. Ashutosh Telang	Secretary to the Committee (Chief Human Resources' Officer)
Mr. Harsh Mariwala	Permanent Invitee (Chairman & Non – Executive Director)
Mr. Saugata Gupta	Permanent Invitee (Managing Director & CEO)

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 the 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 decide whether to continue or extend the term of appointment of Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- 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 the 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 thereunder) and such other employee benefit schemes/ plans as the Board may approve from time to time.

The Corporate Governance Committee met 5 (Five) times during the period from April 1, 2015 to March 31, 2016 viz: on April 30, 2015, August 5, 2015, November 4, 2015, January 29, 2016 and March 30, 2016. The attendance record of the Members at the meetings of the Committee is as under:

Name of the Members	No. of Corporate Governance Committee Meetings	
	Held	Attended
Ms. Hema Ravichandar (Independent Director)	5	5
Mr. Anand Kripalu (Independent Director)	5	4
Mr. B. S. Nagesh (Independent Director)	5	4
Mr. Rajeev Bakshi (Independent Director)	5	5

Details of Remuneration of Non-Executive Directors for the Financial Year ended March 31, 2016

The Remuneration of Non-Executive Directors (excluding Non-Executive Chairman) for the Financial Year 2015-16 is as under:

Name	Remuneration*	Sitting Fees
	(₹ per annum)	(₹)
Mr. Anand Kripalu (Independent Director)	16,00,000	1,80,000
Mr. Atul Choksey (Independent Director)	16,00,000	1,80,000
Mr. B. S. Nagesh (Independent Director)	16,00,000	3,60,000
Ms. Hema Ravichandar (Independent Director)	17,00,000	4,00,000
Mr. Nikhil Khattau (Independent Director)	17,00,000	3,00,000

Name	Remuneration*	Sitting Fees
	(₹ per annum)	(₹)
Mr. Rajeev Bakshi (Independent Director)	16,00,000	2,60,000
Mr. Rajen Mariwala (Non – Executive Director)	16,00,000	3,80,000

* The amount taken is on payable basis.

The remuneration of Mr. Harsh Mariwala, Non-Executive Director & Chairman, for the financial year 2015 -16 is as under:

Remuneration for FY 2015-16		As Chairman of CSR Committee* (₹ per annum)	Total Remuneration (₹ per annum)	Sitting Fees (₹)
Fixed$ (₹ per annum)	Variable* (₹ per annum)			
3,30,00,000	2,20,00,000	1,00,000	5,51,00,000	2,00,000

$ Paid on a monthly basis

* The amount taken is on payable basis.

The remuneration* paid to Mr. Saugata Gupta, Managing Director and CEO, for the financial year 2015-16 is as under:

Salary & Perquisite	Annual Performance Incentive*	Contribution to Provident & Pension Funds
(₹)	(₹)	(₹)
68,625,976	12,004,501	1,558,344

* The amount taken is on payable basis.

Shareholding of Non-Executive Directors:

Name of the Non-Executive Directors	No. of Shares held (As on March 31, 2016)
Mr. Harsh Mariwala	1,99,09,200
Mr. Anand Kripalu	0
Mr. Atul Choksey	36,336
Mr. B.S. Nagesh	0
Ms. Hema Ravichandar	0
Mr. Nikhil Khattau	0
Mr. Rajeev Bakshi	0
Mr. Rajen Mariwala	68,86,400
Total	2,68,31,936

POLICY ON NOMINATION, REMOVAL, REMUNERATION AND BOARD DIVERSITY

Pursuant to the requirements of Section 178 of the Act and corresponding provisions contained in Regulation 17 of the SEBI Regulations, the Corporate Governance Committee at its meeting held on February 21, 2015, approved the policy on Nomination, Removal, Remuneration and Board Diversity ('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 Director

The Company's Board presently consists of only one Executive Director viz: Mr. Saugata Gupta, Managing Director & Chief Executive Officer (MD & CEO). The Corporate Governance Committee comprising of Non-Executive Independent Directors recommends to the Board the remuneration payable to the MD & CEO within the overall limit approved by the Members of the Company.

The remuneration to the MD & CEO comprises two broad terms – Fixed Remuneration and Variable Remuneration in the form of performance incentive. The performance incentive is based on the NR Policy of the Company. Additionally, the MD & CEO is entitled to employee stock options granted under Employee Stock Option Scheme(s) and stock appreciation rights granted under Stock Appreciation Rights Plan of the Company ('STAR Plan') & Schemes notified thereunder. The MD & CEO is not paid sitting fees for any of the meetings attended by him

Annual revisions in the remuneration are within the limits approved by the Members and are based on the recommendations by the Corporate Governance Committee.

Remuneration to Non-Executive Directors

The Non-Executive Directors add substantial value to the Company through their contribution to the Management of the Company and thereby they 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 at 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 at their last Annual General Meeting held on August 5, 2015 granted an approval for payment of remuneration to Non-Executive Directors for a period of five years up to a limit not exceeding 3% of the net profits of the Company calculated in accordance with the provisions of the Act, 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 had fixed the following remuneration payable to the Non-Executive Directors of the Company (except for the Non-Executive Chairman) based on the recommendation of the Corporate Governance Committee on November 7, 2014:

	Particulars	Remuneration*
1.	Fixed Remuneration	₹ 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 Responsibility Committee	₹ 1,00,000 per annum to Chairperson of each Committee stated herein
3.	Sitting Fees:	
	a) For Board Meetings	₹ 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**	₹ 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.

Remuneration to Chairman & Non – Executive Director:

Mr. Harsh Mariwala had stepped down as the Managing Director on March 25, 2014 and made way for Mr. Saugata Gupta who had succeeded him in the previous financial year, i.e. 2014-15. Mr. Mariwala however, has continued to be the Non-Executive Chairman of the Company since then. The Chairman of the Board continues to foster and promote the integrity of the Board while nurturing an environment so as to ensure harmony amongst the Directors for the long term benefit of all its stakeholders. The Chairman is entrusted with the responsibility of ensuring effective governance in the Company and continues to play an important role in guiding the Managing Director & CEO and the Top Management team for strategic business planning, leadership development, corporate social responsibility, image building, Board effectiveness and sustainable profitable growth of the Company. The Chairman presides over the meetings of the Board and of the shareholders of the Company. The Chairman is also a Member of various Committees such as Investment and Borrowing Committee, Securities Issue Committee, Share Transfer Committee and chairs the Risk Management Committee. The Chairman of the Board is entitled to a remuneration which is commensurate 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 Act, as approved by the Members.

PERFORMANCE EVALUATION

Your 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, Member's 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 along with the Chairman of the Company 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 a meeting of the Independent Directors wherein performance of Non Independent Directors, Chairman of the Board and of the entire Board was evaluated.
- 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.
- On completion of the above process, feedback was shared with each Director at the Board Meeting held subsequently on April 29, 2016.
- The Directors were satisfied with the evaluation process and have expressed their satisfaction with the evaluation process.

The Board evaluation exercise during the year under review has resulted in the Board identifying three focus areas for it to work upon in the coming years:

1. Intensifying its efforts in guiding the organization to get future ready, especially in identifying new growth drivers;
2. Renewed focus and time commitment for mentoring the Senior Management, setting them up for success in the ever changing macro environment; and
3. Revisiting the Board composition with an eye on future trends especially in the digital era.

The Board is also Committed to review the progress on these priorities during the annual Board Retreats held once a year.

DIRECTOR FAMILIARISATION PROGRAM

The Company had designed a Director 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, business and functionaries of the Company and to assist them in performing their role as Directors of the Company. Apart from review of matters as required by the Charter, the Board also discusses various business strategies periodically. This deepens the Directors' understanding and appreciation of Company's business and thrust areas. On the new trends and regulations, the Management also organises presentations by experts.

The 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 Act.

The Stakeholders' Relationship Committee comprises following Members:

Name of the Members	Designation
Mr. Nikhil Khattau	Chairman (Independent Director)
Mr. Rajen Mariwala	Member (Non – Executive Director)
Mr. Surender Sharma*	Secretary to the Committee (Head Legal – International Business and Company Secretary)

*Ms. Hemangi Ghag until April 28, 2016

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' Committee met once during the period from April 1, 2015 to March 31, 2016 viz: on March 30, 2016. The attendance record of the Members at the meeting of the Committee is as under:

Name of the Members	No. of Stakeholders' Committee Meeting(s)	
	Held	Attended
Mr. Nikhil Khattau (Independent Director)	1	1
Mr. Rajen Mariwala (Non – Executive Director)	1	1

Name and Designation of Compliance Officer:

Mr. Surender Sharma has been appointed as the Company Secretary and Compliance Officer w.e.f April 29, 2016. Ms. Hemangi Ghag was the Company Secretary & Compliance Officer until April 28, 2016.

Status Report of Investor Complaints for the year ended March 31, 2016

No. of Complaints Received	-	101
No. of Complaints Resolved	-	101
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 Act, the Board of Directors of the Company constituted a Corporate Social Responsibility Committee on January 31, 2014. The Committee was last reconstituted on April 29, 2016. Pursuant to the said reconstitution, Mr. Atul Choksey was appointed as the Chairman in place of Mr. Harsh Mariwala, who would continue as the Member upon cessation of Chairmanship. Further, Mr. Saugata Gupta and Mr. Rajeev Bakshi were inducted as Members of the Committee. Accordingly, the Committee comprises following Members:

Name of the Members	Designation
Mr. Atul Choksey	Chairman (Independent Director)
Mr. Harsh Mariwala	Member (Chairman & Non – Executive Director)
Mr. Saugata Gupta	Member (Managing Director & CEO)
Mr. Rajeev Bakshi	Member (Independent Director)
Mr. Rajen Mariwala	Member (Independent Director)
Ms. Priya Kapadia	Secretary to the Committee (Head - Marico Innovation Foundation)

The terms of reference of the Committee, inter-alia, include:

- To formulate and approve revisions to the CSR Policy and recommend the same to the Board for its approval.
- To recommend the annual CSR expenditure budget to the Board for approval.
- To approve unbudgeted CSR expenditure involving an annual outlay of Rs. 1 Crore and get such spends ratified by the Board of Directors.
- To nominate Members of the CSR Team and advise the team for effective implementation of the CSR programs.

- 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.
- To undertake wherever appropriate benchmarking exercises with other corporates to reassure itself of the effectiveness of the Company's CSR spends.
  a. CSR Spent – Tracking the Actual spends against the Budgeted spends for the year;
  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.
- To review the adequacy of the CSR 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.
- 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.
- To approve the disclosures which would form part of the Annual Report, and published on website of the Company.

The Corporate Social Responsibility (CSR) Committee met twice during the period from April 1, 2015 to March 31, 2016 viz: on April 13, 2015 and October 27, 2015. The attendance record of Directors at the meetings of the Members is as under:

Names of Directors	No. of Corporate Social Responsibility Committee Meeting(s)	
	Held	Attended
Mr. Harsh Mariwala (Chairman & Non – Executive Director)	2	2
Mr. Rajen Mariwala (Non – Executive Director)	2	2
Mr. Atul Choksey (Independent Director)	2	2

VII. RISK MANAGEMENT COMMITTEE

In line with the requirements of Regulation 21 of the SEBI Regulations, the Board of Directors at its meeting held on November 7, 2014, constituted the Risk Management Committee comprising the following Members:

Name of the Member	Designation
Mr. Harsh Mariwala	Chairman (Chairman & Non-Executive Director)
Mr. Saugata Gupta	Member (Managing Director & CEO)
Mr. Vivek Karve	Member & Secretary to the Committee (Chief Financial Officer)
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:

- 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 ongoing 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.
- Implementation of Risk Management Systems and Framework.
- 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.

The Risk Management Committee met once during the period from April 1, 2015 to March 31, 2016 viz: on June 30, 2015. The attendance record of Directors at the meeting of the Members is as under:

Name of the Members	No. of Risk Management Committee Meeting(s)	
	Held	Attended
Mr. Harsh Mariwala (Chairman & Non-Executive Director)	1	1
Mr. Saugata Gupta (Managing Director & CEO	1	1

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 reconstituted on April 30, 2014.

The Administrative Committee comprises the following Members:

Name of the Members	Designation
Mr. Saugata Gupta	Member (Managing Director & CEO)
Mr. Rajen Mariwala	Member (Non - Executive Director)
Mr. Vivek Karve	Member (Chief Financial Officer)
Mr. Pawan Agrawal	Member (Head - Finance, Marico Limited)
Mr. Ravin Mody	Member (Head - Treasury, IR and M&A)
Mr. Surender Sharma*	Secretary to the Committee (Head Legal- International Business and Company Secretary)

*Ms. Hemangi Ghag until April 28, 2016

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 resolutions by circulation.

The Administrative Committee met 17 (Seventeen) times during the period from April 1, 2015 to March 31, 2016 viz: on April 13, 2015, May 8, 2015, June 3, 2015, July 2, 2015, August 11, 2015, September 2, 2015, October 1, 2015, October 29, 2015, October 30, 2015, November 4, 2015, November 19, 2015, December 17, 2015, January 30, 2016, February 15, 2016, March 4, 2016, March 10, 2016 and March 15, 2016. The attendance record of the Members at the meetings of the Committee is as under:

Name of the Members	No. of Administrative Committee Meeting(s)	
	Held	Attended
Mr. Saugata Gupta (Managing Director & CEO)	17	10
Mr. Rajen Mariwala (Non - Executive Director)	17	13
Mr. Vivek Karve (Chief Financial Officer)	17	17
Mr. Pawan Agrawal (Head - Finance, Marico Limited)	17	17
Mr. Ravin Mody (Head - Treasury, IR and M&A)	17	16

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 reconstituted on November 07, 2014.

The Investment and Borrowing Committee now comprises the following Members:

Name of the Members	Designation
Mr. Harsh Mariwala	Member (Chairman & Non – Executive Director)
Mr. Saugata Gupta	Member (Managing Director & CEO)
Mr. Rajen Mariwala	Member (Non – Executive Director)
Mr. Surender Sharma*	Secretary to the Committee (Head Legal- International Business and Company Secretary)
Mr. Vivek Karve	Permanent Invitee (Chief Financial Officer)

*Ms. Hemangi Ghag until April 28, 2016

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 met 7 (Seven) times during the period from April 1, 2015 to March 31, 2016 viz: on July 2, 2015, August 17, 2015, September 7, 2015, September 24, 2015, November 4, 2015, December 17, 2015 and January 7, 2016. The attendance record of the Members at the meetings of the Committee is as under:

Name of the Members	No. of Investment and Borrowing Committee Meeting(s)	
	Held	Attended
Mr. Harsh Mariwala(Chairman & Non – Executive Director)	7	7
Mr. Saugata Gupta (Managing Director & CEO)	7	7
Mr. Rajen Mariwala (Non – Executive Director)	7	7

SECURITIES ISSUE COMMITTEE

Constitution:

The Securities Issue Committee was constituted by the Board of Directors on April 20, 2006 and was reconstituted on November 07, 2014.

The Securities Issue Committee comprises the following Members:

Name of the Members	Designation
Mr. Harsh Mariwala	Member (Chairman & Non – Executive Director)
Mr. Nikhil Khattau	Member (Independent Director)
Mr. Saugata Gupta	Member (Mangaging Director & CEO)
Mr. Rajen Mariwala	Member (Non – Executive Director)
Mr. Vivek Karve	Permanent Invitee (Chief Financial Officer)
Mr. Surender Sharma*	Secretary to the Committee (Head Legal-International Business and Company Secretary)

*Ms. Hemangi Ghag until April 28, 2016

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.

There were no meetings of the Securities Issue Committee during the period from April 1, 2015 to March 31, 2016.

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 reconstituted on November 07, 2014.

The Share Transfer Committee comprises the following Members:

Name of the Members	Designation
Mr. Harsh Mariwala	Member (Chairman & Non – Executive Director)
Mr. Saugata Gupta	Member (Managing Director & CEO)
Mr. Nikhil Khattau	Member (Independent Director)
Mr. Rajen Mariwala	Member (Non – Executive Director)
Mr. Surender Sharma*	Secretary to the Committee (Head Legal- International Business and Company Secretary)
Mr. Vivek Karve	Permanent Invitee (Chief Financial Officer)

*Ms. Hemangi Ghag until April 28, 2016

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 met 7 (Seven) times during the period from April 1, 2015 to March 31, 2016 viz: on April 30, 2015, July 2, 2015, September 3, 2015, October 26, 2015, December 30, 2015, February 8, 2015 and March 18, 2016. The attendance record of the Members at the meetings of the Committee is as under:

Name of the Members	No. of Share Transfer Committee Meeting(s)	
	Held	Attended
Mr. Harsh Mariwala (Chairman & Non – Executive Director)	7	6
Mr. Saugata Gupta (Managing Director & CEO)	7	6
Mr. Nikhil Khattau (Independent Director)	7	3
Mr. Rajen Mariwala (Non – Executive Director)	7	7

IX. GENERAL BODY MEETINGS

(a) & (b): Details of the last three Annual General Meetings

Year	Venue	Date	Time	Nature Of Special Resolutions Passed
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.	1. Amendment to Article of Association of the Company
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.	1. Appointment of following persons as Independent Directors of the Company to hold office for a term of five consecutive years ending March 31, 2019: Mr. Nikhil Khattau Mr. Rajeev Bakshi Mr. Atul Choksey Ms. Hema Ravichandar Mr. B.S.Nagesh Mr. Anand Kripalu
				2. Appointment of Mr. Saugata Gupta as the Managing Director of the Company for a period of 5 years ending March 31, 2019.
				3. Structuring and implementation of Marico MD & CEO Stock Options Plan 2014 ('Marico MD-CEO ESOP 2014').
				4. Increase in the Borrowing powers of the Company.
				5. Issue and offer of Non-Convertible Debentures.
				6. Ratification of remuneration payable to the Cost Auditors of the Company for the financial year ending March 31, 2015.
2015	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	August 5, 2015	9.00 a.m.	1. Ratification of remuneration payable to Cost Auditors of the Company for the financial year ended 31st March, 2016.
				2. Adoption of new set of Articles of Association incorporating the provisions of the Companies Act, 2013 & Rules made thereunder.
				3. Payment of remuneration to Non-Executive Directors not exceeding 3% of the Net Profits of the Company for any financial year.
				4. Approval of Marico Employee Stock Appreciation Rights Plan, 2011 for the employees of the Company.
				5. Approval of Marico Employee Stock Appreciation Rights Plan, 2011 for the employees of the subsidiary company (ies) of the Company.
				6. Authority to the Employee Welfare Trust for Secondary Acquisition for implementation of the Marico Employee Stock Appreciation Rights Plan, 2011.
				7. Approval for making provision of money by the Company to the Employee Welfare Trust for purchase of the shares of the Company for the implementation of Marico Employee Stock Appreciation Rights Plan, 2011.

(c) Resolutions passed through postal ballot & details of voting pattern:

During the year, two Special Resolutions were passed by the Shareholders of the Company through postal ballot viz:

(i) Reclassification of the authorised share capital and consequent alteration of Clause V of the Memorandum of Association of the Company; and

(ii) Capitalisation of securities premium and free reserves of the Company for issuance of Bonus shares in the ratio of one new equity share for every equity share held by the Member.

Details of the voting pattern are as under:

Description of Resolution	Votes in favour of the Resolution		Votes against the resolution	
	No. of Votes	% of Votes in favour	No. of Votes	% of Valid Votes against
Reclassification of the authorised share capital and consequent alteration of Clause V of the Memorandum of Association of the Company	51,01,64,244	99.9996	1,863	0.0004
Capitalisation of securities premium and free reserves for issue of Bonus share in the ratio of one new equity shares for every equity share held by the Members	51,01,64,564	99.9995	2,602	0.0005

(d) The Company appointed Mr. Makarand Joshi of M/s. Makarand Joshi & Co., Practising Company Secretaries, as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

(e) During the conduct of the postal ballot, the Company had in terms of Clause 35B of the Listing Agreement provided e-voting facility to its shareholders to cast their votes electronically through the CDSL e-voting platform. Postal ballot forms and business reply envelopes were sent to shareholders to enable them to cast their vote in writing on the postal ballot. The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules. The scrutinizer submitted his report to the Chairman, after completion of the scrutiny and the results of voting by Postal Ballot were then announced by the Managing Director & CEO of the Company. The voting results were sent to the Stock Exchanges and displayed on the Company's website. The date of declaration of the results by the Company is deemed to be the date of passing of the resolutions.

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 under applicable regulations of the SEBI Regulations

The Company has complied with mandatory requirements under applicable regulations of the SEBI Regulations which came into effect from December 1, 2015 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 Board's Report, which is sent annually to all the shareholders of the Company. We have obtained a certificate to this effect from the statutory auditors and the same is given as an annexure to the Board's Report.

The clause further 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 Managing Director & CEO is held by distinct individuals.
- The internal auditors of the Company directly report to the Audit Committee of the Board of Directors.

VIGIL MECHANISM

The vigil mechanism has been explained in detail in the Board's Report.

XI. MATERIAL RELATED PARTY TRANSACTIONS

There were no material related party transactions entered into by the Company during the financial year 2015-16.

XII. WEBLINK

A. Web link of Policy for determining 'material' subsidiaries &

B. Web link of Policy on dealing with related party transactions is: http://marico.com/india/investors/documentation/corporate-governance

XIII. 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 (Navshakti). 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 Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre, for dissemination on their respective websites.

The Management Discussion and Analysis Report forms part of the Annual Report.

XIV. GENERAL SHAREHOLDER INFORMATION

Details of Directors seeking reappointment at the forthcoming Annual General Meeting:

Profile of Mr. Rajen Mariwala

<table>
<tr><td colspan="2">Mr. Rajen Mariwala has done his Masters in Chemical Engineering from Cornell University, USA. He is currently the Managing Director of Eternis Fine Chemicals Limited, formerly known as Hindustan Polyamides & Fibers Limited, a leading exporter of specialty chemicals – specifically chemicals for fragrances and personal care products. He brings with him a rich experience of over 18 years in leading a competitive global business in specialty chemicals.

He has been on the Board of Directors of Marico Limited since July 26, 2005 and the details of his shareholdings in the Company have been disclosed earlier in this Report.</td></tr>
<tr><td colspan="2">Following are the Directorship/Membership details of Mr. Rajen Mariwala:</td></tr>
<tr><td>Directorship in other Companies</td><td>Membership / Chairmanship of Board Committees in other Companies</td></tr>
<tr><td>Kaya Limited</td><td rowspan="7">Nil</td></tr>
<tr><td>Patspin India Limited</td></tr>
<tr><td>Eternis Fine Chemicals Limited (formerly known as Hindustan Polyamides & Fibres Limited)</td></tr>
<tr><td>Arctic Investment & Trading Company Private Limited</td></tr>
<tr><td>Scientific Precision Private Limited</td></tr>
<tr><td>Rajanjali Estates Private Limited</td></tr>
<tr><td>Mariwala Estates Private Limited</td></tr>
</table>

Annual General Meeting

Date	:	Friday, August 5, 2016
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 400 051
Book Closure dates	:	Saturday, July 30, 2016 to Friday, August 5, 2016, both days inclusive
Interim Dividends Payment Date	:	December 1, 2015 (1st Interim Dividend), February 29, 2016 (2nd Interim Dividend), March 30, 2016 (3rd Interim Dividend)

Financial calendar

Financial Year : April 1 - March 31

For the year ended March 31, 2016, results were announced on

- First quarter : August 5, 2015
- Half year : November 4, 2015
- Third quarter : January 30, 2016
- Annual : April 29, 2016

Tentative Schedule for declaration of financial results during the financial year 2016-17

- First quarter : August 5, 2016
- Half year : October 28, 2016
- Third quarter : January 30, 2017
- Annual : April 28, 2017

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	: INE 196A01026
Company Identification Number (CIN)	: L15140MH1988PLC049208

The Company hereby confirms that it has made the payment of Annual Listing Fees for the FY 2016-2017 to BSE Limited and The National Stock Exchange of India Limited.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF)

Pursuant to section 205A of the erstwhile Companies Act, 1956, unclaimed balance of the dividends lying in the dividend accounts in respect of the dividend declared till April 22, 2009. 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 with the Company.

Financial Year	Type of Dividend	Rate (%)	Date of Declaration	Due Date for transfer to IEPF
2009-10	1st Interim Dividend	30	28/10/2009	03/12/2016
	2nd Interim Dividend	36	28/04/2010	03/06/2017
2010-11	1st Interim Dividend	30	26/10/2010	01/12/2017
	2nd Interim Dividend	36	02/05/2011	07/06/2018
2011-12	1st Interim Dividend	30	04/11/2011	10/12/2018
	2nd Interim Dividend	40	03/05/2012	08/06/2019
2012-13	1st Interim Dividend	50	02/11/2012	07/12/2019
	2nd Interim Dividend	50	30/04/2013	05/06/2020
2013-14	1st Interim Dividend	75	29/10/2013	04/12/2020
	2nd Interim Dividend	100	31/01/2014	08/03/2021
	3rd Interim Dividend	175	25/03/2014	30/04/2021
2014-15	1st Interim Dividend	100	07/11/2014	13/12/2021
	2nd Interim Dividend	150	03/02/2015	11/03/2022
2015-16	1st Interim Dividend	175	04/11/2015	10/12/2022
	2nd Interim Dividend	150	30/01/2016	08/03/2023
	3rd Interim Dividend	100	10/03/2016	17/04/2023

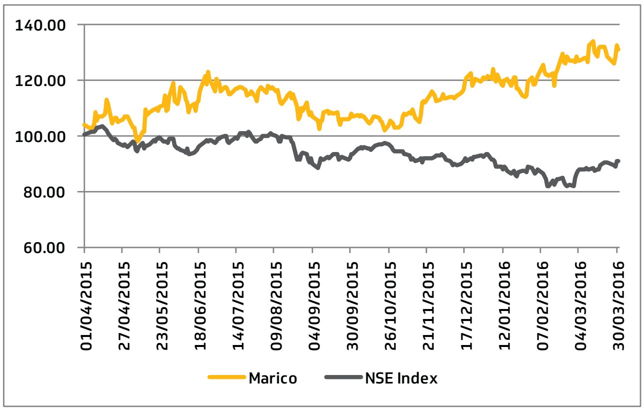
The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules). The objective of the IEPF Rules is to help the shareholders ascertain Status of the unclaimed amounts and overcome the problem due to misplacement of intimation thereof by post etc. The Company has uploaded the information in respect of the Unclaimed Dividends in respect of the Financial years 2007 - 2008 up to 2015 - 2016 on the website of the IEPF viz. www.iepf.gov.in and under 'Investor Section' on the website of the Company viz. www.marico.com.

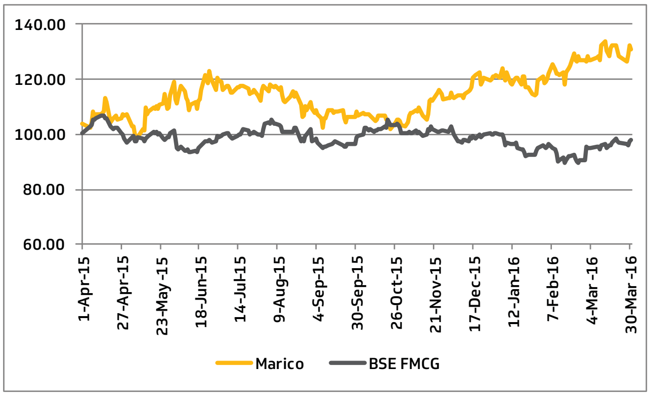
Market Price Data

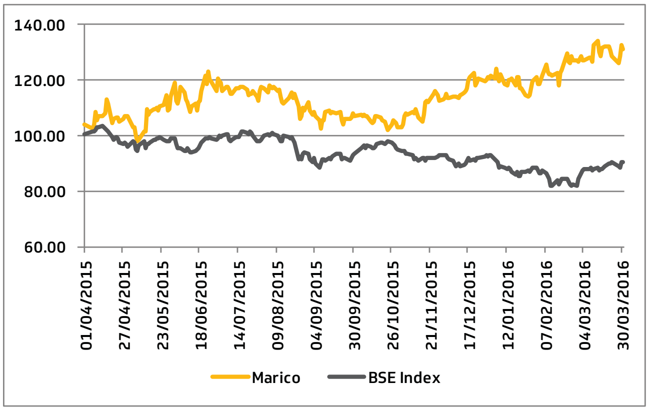
	Bombay Stock Exchange Limited (BSE) (In ₹)		National Stock Exchange (NSE) (In ₹)	
Month				
	High	Low	High	Low
Apr-15	429	381.4	428.4	381.3
May-15	456	365	455.95	360
Jun-15	466.3	401.35	467	400.2
Jul-15	453.25	417	454.1	417.05
Aug-15	457	383.6	457	382
Sep-15	415.05	381	414.5	380.3
Oct-15	408.45	381	409	381.15
Nov-15	437.9	379	438	378.6
Dec-15*	468.4	217	468.6	216.65
Jan-16	233.4	207.55	233.8	207.3
Feb-16	246	215.9	246	215.6
Mar-16	252.4	235	252.9	234.4

*The data w.e.f December, 2015 reflects the position post listing of Bonus Equity Shares by the Company in the ratio of 1:1. The High and Low in price in the month of December, 2015 is not comparable as the Low is reflective of ex-bonus price.

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, genearally within 21 days.
Registrar & Transfer Agents	:	M/s Link Intime India Pvt Limited (Unit: Marico Ltd.) C -13 Pannalal Silk Mills Compound, LBS Road, Bhandup (West), Mumbai 400 078

Distribution of Shareholding as on March 31, 2016:

No. of Equity Shares held	No. of Share holders	% of Share holders	No. of Shares held	% of Share holding
1- 500	41,505	80.61	48,72,689	0.38
501-1000	3,800	7.38	30,69,340	0.24
1001 -2000	2,219	4.31	36,85,887	0.29
2001-3000	621	1.21	16,08,926	0.12
3001-4000	650	1.26	24,79,148	0.19
4001- 5000	256	0.50	11,93,334	0.09
5001-10000	1,063	2.06	81,04,059	0.63
10001 & above	1,374	2.67	1,26,51,57,815	98.06
Total	**51,488**	**100**	**1,29,01,71,198**	**100**

Categories of Shareholding as on March 31, 2016

Dematerialization of Shares and Liquidity	:	As on March 31, 2016, 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, Baddi, Paldhi, Paonta Sahib, Dehradun and Guwahati

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, 2016, **101** complaints were received from the shareholders as per the details given below.

Nature of Complaint	Received	Resolved
Non-Receipt of Dividend	19	19
Non-Receipt of Shares Certificates	39	39
Others (e.g. non-receipt of Annual Report etc.)	43	43
Total	**101**	**101**

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, Santa Cruz (East), Mumbai 400 098
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 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 29, 2016

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

We hereby certify that:

(a) We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2016 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 Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thank you.

Yours truly,

For **Marico Limited**

Saugata Gupta
Managing Director & CEO

Place: Mumbai

Date: April 29, 2016

For **Marico Limited**

Vivek Karve
Chief Financial Officer

Place: Mumbai

Date: April 29, 2016

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, for the year ended March 31, 2016 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

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, 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.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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 No: 46061

Place: Mumbai
Date: April 29, 2016

FINANCIAL STATEMENTS

Consolidated Auditors' Report

Independent Auditors' Report

To the Members of Marico Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Marico Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entity; (refer Note 3 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2016, 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 prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entity 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 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 Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its jointly controlled entity respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

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

4. 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 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph

8 of the Other Matters paragraph below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group and its jointly controlled entity as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

8. We did not audit the financial statements of 7 subsidiaries, one firm and one jointly controlled entity whose financial statements reflect total assets of ₹ 570.54 crore and net assets of ₹ 140.02 crore as at March 31, 2016, total revenue of ₹ 1,283.20 crore, net profit of ₹ 136.75 crore and net cash inflows amounting to ₹ 64.44 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and its jointly controlled entity and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and the jointly controlled entity is based solely on the reports of the other auditors.

9. We did not audit the financial statements of 5 subsidiaries whose financial statements reflect total assets of ₹6.88 crore and net assets of ₹ 5.80 crore as at March 31, 2016, net loss of ₹ 4.10 crore and net cash inflows amounting to ₹ 1.69 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and the jointly controlled entity, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

10. As required by Section143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid Consolidated Financial Statements.

(b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiary included in the Group and the jointly controlled entity incorporated in India including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiary included in the Group and the jointly controlled entity incorporated in India including relevant records relating to the preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid Consolidated 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 of the Holding Company as on March 31, 2016 taken on record by the Board of

Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and the jointly controlled entity incorporated in India, none of the directors of the Group companies and the jointly controlled entity incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary and the jointly controlled entity incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated Financial Statements disclose the impact, if any, of pending litigations as at March 31, 2016 on the consolidated financial position of the Group and the jointly controlled entity– Refer Note 32 to the Consolidated Financial Statements.

ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31,2016 – Refer (a) Note 40 to the Consolidated Financial Statements.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company and the jointly controlled entity incorporated in India during the year ended March 31, 2016.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Uday Shah
Partner
Membership Number: 46061

Place: Mumbai
Date: April 29, 2016

Annexure A to Auditors' Report

Referred to in Paragraph 10(f) of the Independent Auditors' Report of even date to the members of Marico Limited on the Consolidated Financial Statements for the year ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Marico Limited (hereinafter referred to as "the Holding Company") and its subsidiary company and the jointly controlled entity, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary company and the jointly controlled entity, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on, "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting.

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiary company and the jointly controlled entity, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to a jointly controlled entity which is a company incorporated in India, is based on the corresponding reports of the auditors of such entity incorporated in India. Our opinion is not qualified in respect of this matter.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Uday Shah
Partner
Membership Number: 46061

Place: Mumbai
Date: April 29, 2016

Consolidated Balance Sheet
as at March 31, 2016

(₹ in Crore)

Particulars		Note	As at March 31, 2016	As at March 31, 2015
I.	**Equity and Liabilities**			
	Shareholders' Fund			
	Share Capital	4	**129.02**	64.50
	Reserves and Surplus	5	**1,967.82**	1,760.28
			2,096.84	**1,824.78**
	Minority Interest		**14.32**	**13.65**
	Non-current Liabilities			
	Long-term borrowings	6	**0.41**	168.74
	Deferred tax liabilities	7	**10.16**	12.32
	Long-term provisions	8	**11.47**	8.65
			22.04	**189.71**
	Current Liabilities			
	Short-term borrowings	9	**152.79**	165.43
	Trade payables	10	**669.02**	564.32
	Other current liabilities	11	**375.07**	276.53
	Short-term provisions	12	**103.25**	95.30
			1,300.13	1,101.58
	Total		**3,433.33**	**3,129.72**
II.	**Assets**			
	Non-current Assets			
	Fixed assets			
	Tangible assets	13 (A) and (C)	**524.34**	556.67
	Intangible assets	13 (B) and (D)	**21.50**	30.10
	Capital work-in-progress		**36.72**	3.03
			582.56	589.80
	Goodwill on consolidation	14	**497.96**	489.15
	Non-current investments	15	**69.43**	46.75
	Deferred tax assets	16	**10.28**	4.44
	Long-term loans and advances	17	**100.36**	50.63
	Other non-current assets	18	**58.17**	120.77
			1,318.76	**1,301.54**
	Current Assets			
	Current investments	19	**346.96**	237.05
	Inventories	20	**925.80**	994.71
	Trade receivables	21	**252.42**	176.75
	Cash and bank balances	22	**309.72**	204.94
	Short-term loans and advances	23	**249.02**	179.13
	Other current assets	24	**30.65**	35.60
			2,114.57	1,828.18
	Total		**3,433.33**	**3,129.72**

The Company and nature of its operations	1
Summary of significant accounting policies	2

The notes are an integral part of these consolidated 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 29, 2016

For and on behalf of the Board of Directors

HARSH MARIWALA
Chairman
[DIN 00210342]

SAUGATA GUPTA
Managing Director and CEO
[DIN 05251806]

VIVEK KARVE
Chief Financial Officer

SURENDER SHARMA
Company Secretary
[Membership No.A13435]

Place: Mumbai
Date: April 29, 2016

Consolidated Statement of Profit and Loss

for the year ended March 31, 2016

(₹ in Crore)

Particulars	Note	Year ended March 31, 2016	2015
Revenue			
Revenue from operations (Gross)	25	6,139.17	5,741.23
Less : Excise duty		7.13	8.25
Revenue from operations (Net)		6,132.04	5,732.98
Other income	26	93.37	58.89
Total Revenue		**6,225.41**	**5,791.87**
Expenses			
Cost of materials consumed	27 (A)	2,887.41	3,118.88
Purchases of stock-in-trade	27 (B)	114.21	109.69
Changes in inventories of finished goods, work-in-progress and stock-in-trade - (increase) / decrease	27 (C)	59.78	(109.53)
Employee benefits expenses	28	363.91	325.14
Finance costs	29	20.26	22.95
Depreciation, amortisation and impairment	30	101.84	84.34
Other expenses	31	1,644.25	1,418.75
Total Expenses		**5,191.66**	**4,970.22**
Profit Before Tax		**1,033.75**	**821.65**
Tax Expense:			
Current Tax		249.55	203.47
Less: MAT credit utilisation		56.53	34.78
Net current tax		306.08	238.25
Deferred tax		(8.95)	(1.48)
		297.13	**236.77**
Profit after tax and before Minority interest		736.62	584.88
Less: Minority interest		11.84	11.43
Profit for the year		**724.78**	**573.45**
Earnings per equity share (Nominal value per share ₹ 1 (₹1))	41		
Basic (Refer note 4(e))		₹ 5.62	₹ 4.45
Diluted (Refer note 4(e))		₹ 5.61	₹ 4.44
The Company and nature of its operations	1		
Summary of significant accounting policies	2		

The notes are an integral part of these consolidated 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 29, 2016

For and on behalf of the Board of Directors

HARSH MARIWALA
Chairman
[DIN 00210342]

SAUGATA GUPTA
Managing Director and CEO
[DIN 05251806]

VIVEK KARVE
Chief Financial Officer

SURENDER SHARMA
Company Secretary
[Membership No.A13435]

Place: Mumbai
Date: April 29, 2016

Consolidated Cash Flow Statement

For the year ended March 31, 2016

(₹ in Crore)

	Particulars	Year ended March 31, 2016	2015
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	PROFIT BEFORE TAX	**1,033.75**	**821.65**
	Adjustments for:		
	Depreciation, amortisation and impairment	**101.84**	84.34
	Finance costs	**20.26**	22.95
	Interest income	**(33.80)**	(19.06)
	(Profit) / loss on sale of assets (net)	**(9.54)**	1.73
	Profit on sale of current investments (net)	**(2.05)**	(14.49)
	Profit on divestment of business	**(9.62)**	-
	Dividend income on current investments	**(25.59)**	(11.95)
	Employees stock option charge	**3.80**	3.27
	Stock appreciation rights expenses	**3.33**	6.96
	Excess Provision no longer required written back	**(4.97)**	(4.31)
	Provision for doubtful debts, advances, deposits and others	**1.39**	0.26
		45.05	69.70
	Operating profit before working capital changes	**1,078.80**	891.35
	Adjustments for:		
	(Increase)/ decrease in inventories	**66.12**	(198.47)
	(Increase)/ decrease in trade receivables	**(76.67)**	46.18
	(Increase)/ decrease in loans and advances, other current and non-current assets and other bank balances	**(123.21)**	21.11
	Increase/(decrease) in trade payables and other current and non-current liabilities and provisions	**133.69**	114.32
	Changes in working capital	**(0.07)**	(16.86)
	Cash generated from Operations	**1,078.73**	874.49
	Taxes paid (net of refunds)	**(246.17)**	(209.65)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	**832.56**	**664.84**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets	**(100.74)**	(59.06)
	Sale of fixed assets	**14.92**	0.99
	Effect of translation differences on fixed assets	**0.18**	0.22
	(Purchase) / Sale of investments (net)	**(117.89)**	40.99
	Consideration towards acquisition of minority interest in International Consumer Products Corporation	**-**	(161.32)
	Effect of translation differences on Goodwill on Consolidation	**(8.81)**	-
	Inter-corporate deposits placed	**(52.50)**	(45.00)
	Consideration received on divestment of business	**14.38**	-
	(Advance to) / Refund received from WEOMA Trust	**(38.40)**	8.15
	Funds paid to Related party	**(0.22)**	1.70
	Dividend income received from current investment	**25.59**	11.95
	Interest received	**27.83**	22.19
	NET CASH OUTFLOW FROM INVESTING ACTIVITIES	**(235.66)**	**(179.19)**

Consolidated Cash Flow Statement

For the year ended March 31, 2016

(₹ in Crore)

	Particulars	Year ended March 31, 2016	2015
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issuance of Share capital (ESOP) after adjusting share issue expenses	**0.51**	0.60
	Issue / (redemption) of debentures	**–**	(43.65)
	Other borrowings (repaid) / taken (net)	**(46.35)**	(225.50)
	Increase / (decrease) in Minority interest	**(11.10)**	(33.57)
	Finance charges paid	**(20.44)**	(23.30)
	Equity dividend paid (inclusive of dividend distribution tax)	**(502.47)**	(300.05)
	NET CASH (OUTFLOW) / INFLOW FROM FINANCING ACTIVITIES	**(579.85)**	**(625.47)**
D	**Effect of exchange difference on translation of foreign currency cash and cash equivalents**	**(1.43)**	**(6.96)**
E	**NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C+D)**	**15.62**	**(146.78)**
F	**Cash and cash equivalents - opening balance (as at April 1) (Refer note 22)**	**77.39**	**224.17**
	Less: Cash and bank balances adjusted upon divestment of business.	**4.22**	–
G	**Cash and cash equivalents - closing balance (as at March 31) (Refer note 22)**	**88.79**	**77.39**

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 29, 2016

For and on behalf of the Board of Directors

HARSH MARIWALA
Chairman
[DIN 00210342]

SAUGATA GUPTA
Managing Director and CEO
[DIN 05251806]

VIVEK KARVE
Chief Financial Officer

SURENDER SHARMA
Company Secretary
[Membership No.A13435]

Place: Mumbai
Date: April 29, 2016

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

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, Parachute Advansed, Nihar, Nihar Naturals, Saffola, Hair & Care, Revive, Mediker, Livon, Set-wet and Code 10 etc. Marico's international portfolio includes brands such as Fiancée, Hair Code, Caivil, Hercules, Black Chic, Ingwe, X-men, 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 twelve (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, its subsidiaries and jointly controlled entity 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 transactions and resulting unrealised profits / losses as per Accounting Standard (AS 21) "Consolidated Financial Statements". The results of subsidiary companies 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 recognized 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.

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

(v) Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – "Financial Reporting of Interests in Joint Ventures" notified by Companies (Accounting Standards) Rules, 2006.

(vi) 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 First In First Out basis instead of weighted average basis. These inventories represent 0.28% (0.06%) 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 or net realizable value and 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.

However 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	3 to 5

(ii) Extra shift depreciation is provided on "Plant" basis.

(iii) 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:

Assets	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

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

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

(v) Leasehold land is amortized over the primary period of the lease.

(vi) Fixtures in leasehold premises are amortized over the period of the lease.

(vii) 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 recognized 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-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 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. In case of Marico Middle East FZE and Marico Malaysia Sdn. Bhd. costs of inventories are ascertained on First In First Out basis 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

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

(k) 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 recognized 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 the services.

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

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

(vi) Dividend income is recognized 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 recognized 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 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 recognized in the Statement of Profit and Loss in the year in which they arise.

(m) Foreign currency transactions

(i) Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realised 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) 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

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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.

(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 recognized directly in 'Hedge Reserve'. The ineffective portion of the same is recognized immediately in the Statement of Profit and Loss

(v) 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.

(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 Limited 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 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 sufficient 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 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 or 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 recognized 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

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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.

(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 recognized 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.

(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 off 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 recognized 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 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.

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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*
Marico Bangladesh Limited (MBL)	September 6, 1999	Marico Limited	Bangladesh	90 (90)
Marico Middle East FZE (MME)	November 8, 2005	Marico Limited	UAE	100 (100)
Marico Bangladesh Industries Limited (MBLIL)	August 2, 2003	MME	Bangladesh	100 (100)
Egyptian American Company for Investment and Industrial Development SAE (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 Limited	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 (iv) below)	February 18, 2011	Marico Limited	Vietnam	100 (100)
Beaute Cosmetique Societe Par Actions (BCS) (Refer Note (vi) below)	February 18, 2011	ICP	Vietnam	Nil (99)
Thuan Phat Foodstuff Joint Stock company (TPF)	February 18, 2011	ICP	Vietnam	99.99 (99.99)
Marico Consumer Care Limited (MCCL)	April 20, 2012	Marico Limited	India	100 (100)
Halite Personal Care India Private Limited (A Company under Voluntary Liquidation)	May 29, 2012	MCCL	India	Nil (Nil)
Marico Innovation Foundation (MIF) (Refer Note (v) below)	March 15, 2013	Marico Limited	India	N.A. (N.A.)

* Percentage in bracket relate to previous year.

(ii) List of Subsidiary firm:

Name of the Firm	Effective date for acquisition	Holding Company	Country of incorporation	Percentage of ownership interest
MEL Consumer Care & Partners - Wind (Through MELCC)	May 16, 2005	MELCC	Egypt	99 (99)

(iii) List of Jointly Controlled Entity:

Name of the Firm	Effective date for acquisition	Country of incorporation	Percentage of ownership interest
Bellezimo Professionale Products Private Limited (Refer note (vii) below)	October 21, 2015	India	45 (Nil)

(iv) During the previous 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 the Company's shareholding to 100%.

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(v) 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'.

(vi) During the year, International Consumer Product Corporation, a subsidiary of the Company has divested its entire stake in Beaute Cosmetique Societe Par Actions (BCS) on May 14, 2015. Accordingly the financial statements of BCS are consolidated from April 1, 2015 to May 14, 2015. The profit on sale of this divestment amounting to ₹ 9.62 Crore has been included in Other Income in the Statement of Profit and Loss.

(vii) The Company has acquired 45% stake in Bellezimo Professionale Products Private Limited, a jointly controlled entity on October 21, 2015. Accordingly, the financial statement of the entity forms part of consolidated financial result for the year ended March 31, 2016 from the said date.

4. Share capital

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised		
1,500,000,000 (1,150,000,000) equity shares of ₹ 1/- each	**150.00**	115.00
65,000,000 (100,000,000) preference shares of ₹ 10/- each	**65.00**	100.00
Total	**215.00**	**215.00**
Issued, subscribed and paid-up		
1,290,171,198 (644,981,999) equity shares of ₹ 1/- each fully paid-up	**129.02**	64.50
Total	**129.02**	**64.50**

a. Reconciliation of number of shares

Equity Shares :

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number of shares	₹ Crore	Number of shares	₹ Crore
Balance as at the beginning of the year	**644,981,999**	**64.50**	644,872,999	64.49
Add: Shares Issued during the year - ESOP (Refer note (d) below)	**103,600**	**0.01**	109,000	0.01
Add: Bonus Shares issued during the year (Refer note (e) below)	**645,085,599**	**64.51**	-	-
Balance as at the end of the year	**1,290,171,198**	**129.02**	**644,981,999**	**64.50**

b. Rights, preferences and restrictions attached to shares:

Equity Shares: The Company has one class of equity shares having a par value of ₹ 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.

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To Consolidated Financial Statements for the year ended March 31, 2016

c. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company (Refer note (e) below)

Name of Shareholder	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of ₹ 1/- each fully paid-up				
Harsh C Mariwala with Kishore V Mariwala (For Valentine Family Trust)	**146,752,000**	**11.37**	73,376,000	11.38
Harsh C Mariwala with Kishore V Mariwala (For Aquarius Family Trust)	**146,752,000**	**11.37**	73,376,000	11.38
Harsh C Mariwala with Kishore V Mariwala (For Taurus Family Trust)	**146,752,000**	**11.37**	73,376,000	11.38
Harsh C Mariwala with Kishore V Mariwala (For Gemini Family Trust)	**146,752,000**	**11.37**	73,376,000	11.38
First State Investments Services (UK) Ltd (along with Persons acting in concert)	**108,091,457**	**8.38**	31,128,195	4.83
Arisaig Partners (Asia) Pte Ltd A/c Arisaig India Fund Ltd.	**35,169,950**	**2.73**	33,278,269	5.16

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 was administered by the Corporate Governance Committee comprising Independent Directors. The Scheme closed on February 1, 2013.

Marico ESOS 2007	As at March 31, 2016	As at March 31, 2015
Weighted average share price of options exercised	**57.46**	55.40
Number of options granted, exercised, and forfeited		
Balance as at beginning of the year	**103,600**	212,600
Granted during the year	**-**	-
Less : Exercised during the year	**103,600**	109,000
Forfeited / lapsed during the year	**-**	-
Balance as at end of the year	**-**	**103,600**

During the previous year ended March 31, 2015, 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 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 ₹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.

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Marico ESOS 2014	As at March 31, 2016	As at March 31, 2015
Weighted average share price of options exercised	-	-
Number of options granted, exercised, and forfeited		
Balance as at beginning of the year	**300,000**	-
Adjustment on account of bonus issue (Refer note (e) below)	**300,000**	-
Granted during the year	**-**	300,000
Less : Exercised during the year	-	-
Forfeited / lapsed during the year	-	-
Balance as at end of the year	**600,000**	**300,000**

MD CEO ESOP Plan 2014 was approved by the shareholders during the previous 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 Director & 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 ₹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, 2016	As at March 31, 2015
Weighted average share price of options exercised	-	-
Number of options granted, exercised, and forfeited		
Balance as at beginning of the year	**46,600**	-
Adjustment on account of bonus issue (Refer note (e) below)	**46,600**	-
Granted during the year	-	46,600
Less : Exercised during the year	-	-
Forfeited / lapsed during the year	-	-
Balance as at end of the year	**93,200**	**46,600**
Aggregate of all stock options to current paid-up equity share capital (percentage)	**0.05%**	**0.07%**

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To Consolidated Financial Statements for the year ended March 31, 2016

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. (Refer note (e) below)

Particulars	For the year ended March 31,2016	For the year ended March 31,2015
Net Profit after tax as reported (₹ Crore)	724.78	573.45
Add : Stock-based employee compensation expense charged as per 'intrinsic value' method (₹ Crore) (Refer Note 28)	3.80	3.27
Less : Stock-based employee compensation expense as per 'fair value' method (₹ Crore)	3.46	2.97
Adjusted pro-forma (₹ Crore)	725.12	573.75
Basic earnings per share as reported	₹ 5.62	₹ 4.45
Pro-forma basic earnings per share	₹ 5.62	₹ 4.45
Diluted earnings per share as reported	₹ 5.61	₹ 4.44
Pro-forma diluted earnings per share	₹ 5.62	₹ 4.45

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 (%)		-	8.00%	8.00%
	(6.61%)	(7.27%)	(8.00%)	(8.00%)
Expected life of options (years)	-	-	3 years	3 years and 3 months
	(5 years)	(5 years)	(3 years)	(3 years and 3 months)
Expected volatility (%)	-	-	26.62%	23.66%
	(35.32%)	(36.92%)	(26.62%)	(23.66%)
Dividend yield (%)	-	-	3.50%	3.50%
	(1.20%)	(1.20%)	(3.50%)	(3.50%)

e. During the year ended March 31, 2016, the Company has issued 645,085,599 fully paid up bonus equity shares of face value ₹ 1 each in the ratio of 1:1 with record date of December 24, 2015. As a result EPS has been adjusted for reporting as well as for all the comparative periods.

Aggregate number of shares allotted as fully paid up by way of bonus shares	For the year ended March 31,2016	For the year ended March 31,2015
Equity shares allotted as fully paid up bonus shares by capitalization of general reserve	645,085,599	-

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5. Reserves and surplus

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Securities Premium Account		
Balance as at the beginning of the year	407.97	413.15
Add : Receipt on exercise of Employees Stock Options	0.58	0.59
Less: Amount adjusted towards bonus share issue expenses	0.09	-
Less: Premium on redemption of Debentures (net of tax effect of ₹ Nil (Previous year ₹ 2.97 crores))	-	5.77
Balance as at the end of the year	408.46	407.97
Debenture Redemption Reserve		
Balance as at the beginning of the year	-	13.83
Add : Amount transferred from Surplus in the Statement of Profit and Loss	-	11.17
Less: Amount transferred to General Reserve on redemption (Refer note 6 (b))	-	25.00
Balance as at the end of the year	-	-
Employee Stock Options Outstanding Account (Refer note 4 (d))		
Balance as at the beginning of the year	3.27	-
Add : Compensation for options granted during the year	3.80	3.27
Balance as at the end of the year	7.07	3.27
General Reserve		
Balance as at the beginning of the year	363.21	338.21
Less : Transferred to Share Capital on account of issue of bonus shares	64.51	-
Add: Amount transferred from Debenture redemption reserve on redemption	-	25.00
Balance as at the end of the year	298.70	363.21
Hedge Reserve (Refer note 39 (c))		
Balance as at the beginning of the year	(74.97)	(76.30)
Add : Transferred to the Statement of Profit and Loss	65.83	15.65
Less : Adjustments on account of exchange movement	16.33	14.32
Balance as at the end of the year	(25.47)	(74.97)
Foreign Currency Translation Reserve		
Balance as at the beginning of the year	107.39	41.07
Add: Exchange gain/(loss) on translation during the year (Refer Note 2(b)(ii))	(4.05)	66.32
Balance as at the end of the year	103.34	107.39
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	1,677.13	1,289.90
Less : Adjustment pursuant to enactment of Schedule II of Companies Act, 2013 (net of tax effect of ₹ Nil (Previous year ₹ 0.29 crore)) (Refer Note 36)	-	0.54

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To Consolidated Financial Statements for the year ended March 31, 2016

(₹ in Crore)

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
Add : Profit for the year	**724.78**	573.45
Less : Appropriations		
Equity dividend	**435.43**	161.24
Tax on Equity dividend (net of tax on dividend received from Indian and foreign subsidiaries of ₹ 23.22 Crore (Previous year ₹ 18.96 Crore))	**67.04**	13.27
Transfer to Debenture Redemption Reserve	**-**	11.17
Balance as at the end of the year	**1,899.44**	**1,677.13**
Adjustment pursuant to the Scheme of Capital Reduction of MCCL (Refer Note 35)	**(723.72)**	(723.72)
Total	**1,967.82**	**1,760.28**

6. Long-term borrowings

(₹ in Crore)

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
Secured		
Term loan from banks		
- External commercial borrowing from Hongkong Shanghai Banking Corporation	**-**	168.74
Loan carries interest @ LIBOR plus 2.1% (Previous year LIBOR plus 2.1%) and was 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 (Mortgage was only for previous year). The loan was 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		
Unsecured		
From Others	**0.41**	-
Total	**0.41**	**168.74**

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Note:

a) The scheduled maturity of long term borrowings is summarized as under:

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Within one year (Refer note 11 - Current maturities of long term debt)	**178.87**	93.75
After 1 year but within 2 years	**-**	168.74
Total	**178.87**	**262.49**

b) During the previous year, 1,000, Rated, Listed, Unsecured, Zero Coupon redeemable non-convertible debentures of ₹ 100 crores, were redeemed at a premium calculated at the yield of 8.95% p.a. on XIRR basis. (Refer note 5)

7. Deferred tax liabilities

(₹ in Crore)

Particulars		As at March 31, 2016	As at March 31, 2015
Deferred tax assets:			
Provision for doubtful debts / advances that are deducted for tax purposes when written off		**1.68**	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 13 (iii))		**9.41**	12.46
Liabilities / provisions that are deducted for tax purposes when paid		**18.78**	15.43
Other Timing Differences		**1.10**	1.72
	(A)	**30.97**	**30.61**
Deferred tax liability:			
Additional depreciation/amortisation on fixed assets for tax purposes due to higher tax depreciation rates		**41.13**	42.93
	(B)	**41.13**	**42.93**
Total (B-A)		**10.16**	**12.32**

8. Long term provisions

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits:		
Leave entitlement (Refer note 37 (B))	**1.38**	1.20
Gratuity (Refer note 37 (A))	**6.22**	3.91
Long Service award	**1.30**	0.60
Total Provision for Employee Stock Appreciation Rights Scheme	**3.86**	7.19
Less : Accretion in amounts recoverable from the Trust	**1.29**	4.25
Net Provision (Refer notes 40 (b) and 40 (d))	**2.57**	**2.94**
Total	**11.47**	**8.65**

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To Consolidated Financial Statements for the year ended March 31, 2016

9. Short-term borrowings

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Secured		
From banks :		
- Cash credit	**16.72**	8.64
- Export Packing Credit in Rupees (Export Packing Credit is secured by hypothecation of inventory and debtors. It is for a term of two to four months and carry interest rate of bank base rate plus applicable spread less interest subvention of 3%, ranging 5.90% to 6.50% per annum).	**15.00**	-
- Working Capital demand loan (These are loans taken for terms upto twelve months and carry interest rate of LIBOR plus applicable spread ranging from 0.80% to 1.10% per annum (Previous year 0.80% to 0.90%)). (Partially secured by hypothecation of inventory and debtors of Marico Limited)	**14.80**	13.97
	46.52	**22.61**
Unsecured		
- Working capital demand loan (These are loans taken for terms upto twelve months and carried interest rate of LIBOR plus applicable spread ranging from 0.80% to 1.10% per annum (Previous year 0.05% to 2%))	**77.96**	112.61
- Cash credit	**28.31**	30.21
	106.27	**142.82**
Total	**152.79**	**165.43**

10. Trade payables

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Trade Payables	**669.02**	564.32
Total	**669.02**	**564.32**

11. Other current liabilities

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Current maturities of long-term debt (Refer note 6 (a) and 6 (b))	**178.87**	93.75
Payable to related parties	**-**	0.11
Interest accrued but not due on borrowings	**0.13**	0.08
Interest accrued and due on borrowings	**0.79**	1.02
Unclaimed dividend (Refer note below)	**0.44**	0.27
Book overdraft	**12.56**	4.37

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Other payables:		
Provision for contractual liabilities	**65.38**	61.68
Advances from customers	**26.92**	30.12
Statutory dues including provident fund and tax deducted at source	**33.66**	29.05
Forward / derivative contracts payables	**1.81**	1.53
Creditors for capital goods	**5.20**	4.43
Security deposits from customers and others	**0.43**	0.25
Employee benefits payable	**47.14**	48.28
Others	**1.74**	1.59
Total	**375.07**	**276.53**

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

12. Short term provisions

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits:		
Gratuity (Refer note 37 (A))	**3.17**	2.82
Leave entitlement (Refer note 37 (B))	**8.20**	7.53
Total Provision for Employee Stock Appreciation Rights Scheme	**16.05**	14.26
Less : Accretion in amounts recoverable from the Trust	**13.28**	11.26
Net Provision (Refer notes 40 (b) and 40 (d))	**2.77**	**3.00**
Others	**0.40**	0.57
	14.54	**13.92**
Others:		
Income tax - (net of advance tax)	**38.07**	39.13
Disputed indirect taxes (Refer note (a) and (b) below)	**50.64**	42.25
Total	**103.25**	**95.30**

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

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Balance as at the beginning of the year	**42.25**	25.15
Add: Additions during the year	**12.41**	17.60
Less: Amounts used during the year	**4.02**	-
Less: Unused amounts reversed during the year	**-**	0.50
Balance as at the end of the year	**50.64**	**42.25**

Notes To Consolidated Financial Statements for the year ended March 31, 2016

13 Fixed Assets

(A) Tangible assets

(₹ in Crore)

PARTICULARS	GROSSBLOCK					DEPRECIATION/AMORTISATION						IMPAIRMENT					NETBLOCK
	As at April 1, 2015	Acquisition/ Demerger	Additions	Deductions / Adjustments (Refer note (vi) below)	As at March 31, 2016	As at April 1, 2015	Acquisition / Demerger	For the Year	Adjustment	Deductions	As at March 31, 2016	Impairment as at April 1, 2015	Charge / (Reversal) for the year	Adjustment	Deductions	Impairment as at March 31, 2016	As at March 31, 2016
Tangible assets																	
Freehold land	16.60	-	0.14	0.68	**17.42**	-	-	-	-	-	**-**	-	-	-	-	**-**	**17.42**
Leasehold land	35.69	-	-	(0.37)	**35.32**	3.43	-	0.56	-	(0.38)	**3.61**	-	-	-	-	**-**	**31.71**
Buildings (Refer note (i), (ii) and (vii) below)	305.00	-	5.37	(0.79)	**309.58**	44.41	-	14.24	-	(0.35)	**58.30**	-	0.18	-	-	**0.18**	**251.10**
Plant and equipment (Refer note (vii) below)	477.07	-	42.53	(4.79)	**514.81**	227.89	-	59.08	-	(4.98)	**281.99**	18.58	6.14	-	0.21	**24.93**	**207.89**
Furniture and fixtures	24.41	0.01	2.16	(1.98)	**24.60**	14.89	-	2.40	-	(1.86)	**15.43**	-	-	-	-	**-**	**9.17**
Vehicles	6.79	-	0.75	(2.44)	**5.10**	5.67	-	0.63	-	(2.29)	**4.01**	-	-	-	-	**-**	**1.09**
Office equipment	13.76	0.01	5.41	(0.73)	**18.45**	9.00	-	5.73	-	(1.07)	**13.66**	-	0.05	-	-	**0.05**	**4.74**
Leasehold improvements	1.38	-	-	-	**1.38**	0.16	-	-	-	-	**0.16**	-	-	-	-	**-**	**1.22**
TOTAL (A)	**880.70**	**0.02**	**56.36**	**(10.42)**	**926.66**	**305.45**	**-**	**82.64**	**-**	**(10.93)**	**377.16**	**18.58**	**6.37**	**-**	**0.21**	**25.16**	**524.34**

(B) Intangible asset

PARTICULARS	GROSSBLOCK					DEPRECIATION/AMORTISATION						IMPAIRMENT					NETBLOCK
	As at April 1, 2015	Acquisition/ Demerger	Additions	Deductions / Adjustments (Refer note (vi) below)	As at March 31, 2016	As at April 1, 2015	Acquisition / Demerger	For the Year	Adjustment	Deductions	As at March 31, 2016	Impairment as at April 1, 2015	Charge / (Reversal) for the year	Adjustment	Deductions	Impairment as at March 31, 2016	As at March 31, 2016
Intangible assets																	
Trademarks and copyrights (Refer note (iii), (iv) and (v) below)	70.84	-	-	(2.05)	**68.79**	45.60	-	7.73	-	-	**53.33**	1.55	-	-	(0.63)	**0.92**	**14.54**
Other intangibles	0.04	-	-	-	**0.04**	0.04	-	-	-	-	**0.04**	-	-	-	-	**-**	**-**
Computer software	32.47	0.12	4.47	0.06	**37.12**	26.06	0.02	4.07	-	0.01	**30.16**	-	-	-	-	**-**	**6.96**
TOTAL (B)	**103.35**	**0.12**	**4.47**	**(1.99)**	**105.95**	**71.70**	**0.02**	**11.80**	**-**	**0.01**	**83.53**	**1.55**	**-**	**-**	**(0.63)**	**0.92**	**21.50**
Total (A)+(B)	**984.05**	**0.14**	**60.83**	**(12.41)**	**1,032.61**	**377.15**	**0.02**	**94.44**	**-**	**(10.92)**	**460.69**	**20.13**	**6.37**	**-**	**(0.42)**	**26.08**	**545.84**

(i) During the previous year ended March 31, 2015, building of net book value of ₹12.96 Crore (Gross block of ₹ 13.42 Crore and accumulated depreciation of ₹ 0.46 Crore) was reclassified as assets held for disposal.

(ii) During the year ended March 31, 2016, building appearing as asset held for disposal of net book value of ₹ 12.74 Crore (Gross block of ₹ 13.42 Crore less accumulated depreciation of ₹ 0.68 Crore) has been reclassified as Investment property.

(iii) 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 ₹ 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 ₹ 139.06 crore (net adjustment of ₹ 309.09 crore) against the balance in Securities Premium Reserve of ₹ 129.09 crore and Capital Redemption Reserve of ₹ 180 Crore.

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

(v) Trademarks of ₹ 27.83 Crore (₹ 27.65 Crore) are pending registration / recording in name of the Company, in certain countries .

(vi) Deductions / adjustment of Gross block, depreciation and provision for impairment includes translation difference of ₹ 0.18 Crore (`. 0.22 Crore).

(vii) For additional information on assets given on operating lease (Refer note 38(b)).

Notes To Consolidated Financial Statements for the year ended March 31, 2016

13 Fixed Assets

(C) Tangible assets

(₹ in 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	For the Year	Adjustment	Deductions	As at March 31, 2015	Impairment as at April 1, 2014	Charge / (Reversal) for the year	Adjustment	Deductions	Impairment as at March 31, 2015	As at March 31, 2015
Tangible assets																
Freehold land (Refer note (a) below)	16.08	-	-	0.52	**16.60**	-	-	-	-	**-**	-	-	-	-	**-**	**16.60**
Leasehold land	35.60	-	0.17	(0.08)	**35.69**	2.89	0.58	-	(0.04)	**3.43**	-	-	-	-	**-**	**32.26**
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**
Plant and equipment (Refer note (i) below)	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**
Furniture and fixtures	23.26	-	1.62	(0.47)	**24.41**	12.01	3.37	-	(0.49)	**14.89**	-	-	-	-	**-**	**9.52**
Vehicles	6.98	-	0.71	(0.90)	**6.79**	5.43	1.00	-	(0.76)	**5.67**	-	-	-	-	**-**	**1.12**
Office equipment	14.37	-	2.46	(3.07)	**13.76**	8.90	3.14	-	(3.04)	**9.00**	0.03	(0.03)	-	-	**-**	**4.76**
Leasehold improvements	1.38	-	-	-	**1.38**	0.16	-	-	-	**0.16**	-	-	-	-	**-**	**1.22**
TOTAL (C)	**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**

(D) 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	For the Year	Adjustment	Deductions	As at March 31, 2015	Impairment as at April 1, 2014	Charge / (Reversal) for the year	Adjustment	Deductions	Impairment as at March 31, 2015	As at March 31, 2015
Intangible assets																
Trademarks and copyrights (Refer note (e), (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**
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**
TOTAL (D)	**102.02**	**-**	**4.20**	**(2.87)**	**103.35**	**61.90**	**10.57**	**-**	**(0.77)**	**71.70**	**1.66**	**-**	**-**	**(0.11)**	**1.55**	**30.10**
Total (C)+(D)	**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**

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

(b) Gross block of Buildings include ₹ 13.42 Crore (₹ 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 ₹ 6.37 Crore has been reclassified as Building.

(d) During the year ended March 31, 2015, Building of net book value of ₹12.96 Crore (Gross block of ₹ 13.42 Crore and accumulated depreciation of ₹ 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 ₹ 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 ₹ 139.06 Crore (net adjustment of ₹ 309.09 Crore) against the balance in Securities Premium Reserve of ₹ 129.09 Crore and Capital Redemption Reserve of ₹ 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 ₹ 723.72 Crore, was duly approved and given effect to (Refer Note 35).

(g) Trademarks of ₹ 27.65 Crore (₹ 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 ₹ 0.22 Crore (₹ 10.64 Crore).

(i) For additional information on assets given on operating lease refer note 38(b).

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

14. Goodwill on consolidation

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Balance as at the beginning of the year	**489.15**	254.25
Add : Adjustment on acquisition / divestment / foreign currency fluctuation (Refer Note 3 (iv))	**8.81**	234.90
Balance as at the end of the year	**497.96**	**489.15**

15. Non current investments

(₹ in Crore)

	Particulars	As at March 31, 2016	As at March 31, 2015
A	**Non-trade investments** (valued at cost unless stated otherwise)		
	Investment Property (at cost less accumulated depreciation and amortisation) [Refer Note 38 (b)]		
	Cost of land use right and building	**32.55**	19.13
	Less : Accumulated depreciation / amortisation	**1.88**	1.14
	Net block	**30.67**	**17.99**
B	**Other Investments :**		
	Investments in Government Securities		
	Unquoted		
	National Savings Certificates (Deposited with the Government authorities)	**0.01**	0.01
	Investments in Bonds		
	Quoted		
	Power Finance Corporation Limited (28,479 (28,479) Secured, Redeemable, Tax free Non-convertible Bonds, 8.20%, face value of ₹ 1,000/- each, redeemable on February 1, 2022).	**2.85**	2.85
	Indian Railway Finance Corporation (21,751 (21,751) Secured, Redeemable, Tax free Non-convertible Bonds, 8.00%, face value of ₹ 1,000/- each, redeemable on February 23, 2022).	**2.18**	2.18
	National Highways Authority of India (24,724 (24,724) Secured, Redeemable, Tax free Non-convertible Bonds, 8.20%, face value of ₹ 1,000/- each, redeemable on January 25, 2022).	**2.47**	2.47
	Rural Electrification Corporation Limited (61,238 (61,238) Secured, Redeemable, Tax free Non-convertible Bonds, 8.12%, face value of ₹ 1,000/- each, redeemable on March 29, 2027).	**6.12**	6.12
	Rural Electrification Corporation Limited (50 (50) Secured, Redeemable, Tax free Non-convertible Bonds, 8.46%, face value of ₹ 1,000,000/- each, redeemable on August 29, 2028).	**5.00**	5.00
	Housing & Urban Development Corporation Ltd (50 (50) Secured, Redeemable, Tax free Non-convertible Bonds, 8.56%, face value of ₹ 1,000,000/- each, redeemable on September 2, 2028).	**5.00**	5.00

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Investments in Mutual Funds		
Quoted		
Reliance Fixed Horizon Fund-XXIX-Series 16-Growth Plan 10,000,000 (Nil) units of ₹ 10 each fully paid	**10.00**	-
Reliance Fixed Horizon Fund-XXVI-Series 2-Growth Plan 1,000,000 (1,000,000) units of ₹ 10 each fully paid	**1.00**	1.00
DHFL Pramerica Fixed Maturity Plan Series 62 - Regular Plan - Growth 4,125,148 (4,125,148) units of ₹ 10 each fully paid	**4.13**	4.13
	38.76	**28.76**
Total	**69.43**	**46.75**
Aggregate amount of quoted investments	**38.75**	28.75
Market value / net asset value of quoted investments	**41.62**	30.60
Aggregate amount of unquoted investments	**30.68**	18.00

16. Deferred tax Assets

(₹ in Crore)

Particulars		As at March 31, 2016	As at March 31, 2015
Liabilities / provisions that are deducted for tax purposes when paid		**10.28**	6.22
Other Timing Differences		**-**	-
	(A)	**10.28**	**6.22**
Deferred tax liability:			
Additional depreciation/amortisation on fixed assets for tax purposes due to higher tax depreciation rates		**-**	1.78
	(B)	**-**	**1.78**
Total (A-B)		**10.28**	**4.44**

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

17 Long-term loans and advances

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good (unless otherwise stated)		
Capital Advances	**18.59**	12.37
Other loans and advances:		
Deposits with public bodies and others		
Considered good	**14.48**	15.22
Considered doubtful	**1.00**	-
	15.48	**15.22**
Less: Provision for doubtful deposits	**1.00**	-
	14.48	**15.22**
Loans to employees	**3.77**	2.16
Prepaid expenses	**0.13**	0.20
Balance with statutory/government authorities	**10.50**	10.74
Advances to vendors	**0.30**	1.42
Loans and advances to Welfare of Mariconians Trust (Refer note 40(c))	**50.59**	8.40
Advance income tax (net of provision)	**2.00**	0.12
Total	**100.36**	**50.63**

18. Other non-current assets

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Fringe benefit tax payments (net of provision)	**0.48**	0.48
MAT credit entitlement	**57.08**	119.02
Long term deposits with banks with maturity period of more than twelve months (Refer note below)	**0.61**	1.27
Total	**58.17**	**120.77**

Note : Long term deposits with banks includes ₹ 0.21 Crore (₹ 0.21 Crore) deposited with sales tax authorities, ₹ 0.40 Crore (₹ 0.49 Crore) held as lien by banks against guarantees issued on behalf of the Company and ₹ Nil Crore (₹ 0.57 Crore) for other earmarked balances.

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19. Current investments

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Non-trade Investments (At lower of cost and fair value)		
Unquoted		
Investments in government or trust securities	5.20	-
Quoted		
Investments in Mutual Funds		
LIC Nomura MF Fixed Maturity Plan Series 77-396 Days-Growth Nil (8,000,000) units of ₹ 10 each fully paid	-	8.00
ICICI Prudential FMP Series 78-95 Days-Plan K-Cumulative 15,000,000 (Nil) units of ₹ 10 each fully paid	15.00	-
Unquoted		
Investments in Mutual Funds		
Axis Treasury Advantage Fund - Growth Nil (50,053) Units of ₹ 1,000 each fully paid	-	7.75
Birla Sunlife Cash Plus -Growth-Regular Nil (190,148) Units of ₹ 100 each fully paid	-	4.26
Birla Sunlife Floating Rate Long Term -Growth-Regular 275,258 (304,582) Units of ₹ 100 each fully paid	5.00	5.10
DHFL Pramerica Low Duration Fund - Growth 10,371,654 (Nil) Units of ₹ 10 each fully paid	21.14	-
DWS Treasury Fund -Cash-Growth Nil (1,001,013) Units of ₹ 100 each fully paid	-	15.01
HDFC Liquid Fund - Growth 16,801 (7,674,464) Units of ₹ 10 each fully paid	5.00	21.15
HDFC Cash Management Fund-Savings Plan-Growth Nil (1,897,404) Units of ₹ 10 each fully paid	-	5.53
HDFC Corporate Debt Opportunities Fund - Regular - Growth 20,803,342 (Nil) Units of ₹ 10 each fully paid	25.00	-
HDFC Banking and PSU Debt Fund-Reg-Growth Nil (1,813,187) Units of ₹ 10 each fully paid	-	2.00
ICICI Prudential Money Market Fund -Regular Plan -Growth Nil (1,036,048) Units of ₹ 100 each fully paid	-	20.01
ICICI Prudential Ultra Short Term - Growth 9,948,137 (Nil) Units of ₹ 10 each fully paid	15.00	-
IDFC Money Manager Fund-Treasury Plan-Growth 8,045,461 (Nil) Units of ₹ 10 each fully paid	19.00	-

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
IDFC Ultra Short Term Fund -Growth-Regular Plan Nil (1,301,391) Units of ₹ 10 each fully paid	-	2.54
Kotak Liquid Scheme Plan A-Growth 18,754 (70,607) Units of ₹ 1,000 each fully paid	5.75	20.01
Kotak Bond (Short Term) - Growth 8,959,674 (Nil) Units of ₹ 10 each fully paid	25.00	-
LIC Nomura Liquid Fund-Growth 38,956 (Nil) Units of ₹ 1,000 each fully paid	10.67	-
L&T Ultra Short Term Fund-Growth Nil (1,011,382) units of ₹ 10 each fully paid	-	2.29
Principal Debt Opportunities Fund Corporate Bond Plan-Regular Plan Growth Nil (47,877) Units of ₹ 1,000 each fully paid	-	10.00
Reliance Liquid Fund-Treasury Plan-Growth 4,696 (76,423) Units of ₹ 1,000 each fully paid	1.73	26.01
Reliance Medium Term Fund-Growth 7,986,353 (Nil) Units of ₹ 10 each fully paid	25.00	-
Reliance Short Term Fund-Growth 5,355,039 (Nil) Units of ₹ 10 each fully paid	15.00	-
Religare Invesco Ultra Short Term Fund-Growth Nil (56,982) Units of ₹ 1,000 each fully paid	-	10.96
Religare Invesco Credit Opportunities Fund-Growth 149,408 (60,034) Units of ₹ 1,000 each fully paid	24.96	9.56
Religare Invesco Medium Term Bond Fund-Growth 70,172 (Nil) Units of ₹ 1,000 each fully paid	10.00	-
SBI Magnum Insta Cash -Reg Plan-Growth 58,764 (64,792) Units of ₹ 1,000 each fully paid	15.00	20.01
Templeton India TMA-SIP-Growth Nil (16,797) Units of ₹ 1,000 each fully paid	-	3.50
SBI Treasury Advantage Fund-Regular Plan-Growth 181,028 (Nil) Units of ₹ 1,000 each fully paid	30.00	-
Baroda Pioneer Treasury Advantage Fund- Plan A-Growth 187,598 (Nil) units of ₹ 1,000 each fully paid	32.50	-
JM Money Manager Fund-Super Plus Plan-Bonus Option-Bonus Units 3,748,072 (3,748,072) units of ₹ 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 ₹ 10 each fully paid	4.43	4.43

Notes

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(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
JP Morgan India Treasury Fund-SIP-Growth	-	20.42
Nil (11,140,952) units of ₹ 10 each fully paid		
JP Morgan India Liquid Fund-SIP-Growth	**2.05**	2.05
1,269,009 (1,269,009) units of ₹ 10 each fully paid		
Birla Sun Life Floating Rate Fund-Short Term Plan-Growth	-	10.26
Nil (551,505) units of ₹ 100 each fully paid		
LIC Nomura MF Liquid Fund - Growth	-	2.42
Nil (9,550) units of ₹ 1,000 each fully paid		
UTI Floating Rate Fund-STP-Growth	**30.75**	-
127,081 (Nil) units of ₹ 1000 each fully paid		
Total	**346.96**	**237.05**

Aggregate amount of quoted investments	**15.00**	8.00
Net asset value of quoted investments	**20.36**	8.79
Aggregate amount of unquoted investments	**331.96**	229.05
Net asset value of unquoted investments	**333.10**	235.56

20. Inventories

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

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Raw materials (includes in-transit: ₹ 71.25 Crore (₹ 10.85 Crore))	**359.24**	367.41
Work-in-progress	**137.21**	128.78
Finished goods (includes in-transit: ₹ 0.33 Crore (₹ Nil))	**323.18**	387.05
Stock-in-trade (Traded goods)	**17.70**	19.80
Stores and spares	**9.48**	8.47
Others:		
Packing materials	**75.20**	77.17
By-products	**3.79**	6.03
Total	**925.80**	**994.71**

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

21. Trade receivables

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	18.10	4.19
Considered doubtful	3.14	3.08
	21.24	7.27
Less: Provision for doubtful debts	3.14	3.08
	18.10	4.19
Outstanding for a period less than six months from the date they are due for payment		
Considered good	234.32	172.56
Considered doubtful	0.25	0.08
	234.57	172.64
Less: Provision for doubtful debts	0.25	0.08
	234.32	172.56
Total	**252.42**	**176.75**

22. Cash and bank balances

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Cash and Cash equivalents:		
Cash on hand	1.45	0.77
Bank balances		
- In current accounts	23.19	28.13
- Cheques on hand	-	0.76
- Demand deposits (less than 3 months maturity)	64.15	47.73
	88.79	77.39
Other bank balances:		
Fixed deposits with maturity more than three months but less than twelve months	220.49	127.28
Unclaimed dividend account	0.44	0.27
Total	**309.72**	**204.94**

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

23. Short-term loans and advances

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good (unless otherwise stated)		
Loans and advances to related parties (Refer note 43 (c))	**0.74**	0.61
Others:		
Advances to vendors and others	**88.29**	73.54
Loans and advances to employees	**4.15**	4.23
Prepaid expenses	**12.59**	10.35
Balances with statutory/government authorities	**14.36**	10.16
Deposits with public bodies and others	**0.42**	0.48
Loans and advances to Welfare of Mariconians Trust (Refer note 40 (c))	**15.97**	19.76
Inter corporate deposits (fixed deposits with Companies / Public Financial Institutions)	**112.50**	60.00
Total	**249.02**	**179.13**

24. Other current assets

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good (unless otherwise stated)		
Interest accrued and not due on loans / deposits	**11.92**	5.95
Insurance claims receivable	**1.95**	0.05
Accrued export incentives	**-**	0.18
Assets held for disposal (Refer note 13 (i) and (ii))	**12.45**	28.71
Others	**4.33**	0.71
Total	**30.65**	**35.60**

25. Revenue from operations

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Sale of products:		
Finished goods *	**5,999.36**	5,609.04
By-product sales	**130.16**	119.49
	6,129.52	**5,728.53**
Less:		
Excise duty	**7.13**	8.25
	6,122.39	**5,720.28**
Other operating revenues:		
Export incentives	**4.86**	6.66
Sale of scrap	**4.79**	6.04
	9.65	**12.70**
Total	**6,132.04**	**5,732.98**

*Including traded goods

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

26. Other income

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest Income:		
On Non current investments	**2.03**	2.17
On loans, deposits, etc.	**31.77**	16.89
	33.80	**19.06**
Dividend Income		
On current investments	**25.59**	11.95
Net gain on sale of current investments	**2.05**	14.49
Other non-operating income:		
Lease rental income	**0.91**	0.64
Profit on sale of assets / business (net)	**19.16**	-
Excess Provision no longer required written back	**4.97**	4.31
Miscellaneous income	**6.89**	8.44
	31.93	**13.39**
Total	**93.37**	**58.89**

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

(₹ in Crore)

	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(A)	**Cost of materials consumed**		
	Raw materials consumed		
	Opening inventories	**367.41**	279.68
	Add : Purchases (net)	**2,379.70**	2,699.87
	Less : Inventories at the end of the year	**359.24**	367.41
	Cost of raw materials consumed during the year	**2,387.87**	**2,612.14**
	Packing materials consumed		
	Opening inventories	**77.17**	77.24
	Add : Purchases (net)	**497.57**	506.67
	Less : Inventories at the end of the year	**75.20**	77.17
	Cost of packing materials consumed during the year	**499.54**	**506.74**
		2,887.41	**3,118.88**
(B)	**Purchases of stock-in-trade**	**114.21**	**109.69**

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

(₹ in Crore)

	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(C)	**Changes in inventories of finished goods, work-in-progress and stock-in-trade - (increase) / decrease**		
	Opening 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 (I)	**541.66**	**432.13**
	Less: Closing inventories		
	Work-in-progress	**137.21**	128.78
	Finished goods	**323.18**	387.05
	By-products	**3.79**	6.03
	Stock-in-trade	**17.70**	19.80
	Total (II)	**481.88**	**541.66**
	(Increase) / decrease in inventories (I-II)	**59.78**	**(109.53)**

28. Employee benefit expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Salaries, wages and bonus	**319.42**	283.21
Contribution to provident and other funds (Refer note 37)	**15.16**	11.65
Employees stock option charge (Refer note 4(d))	**3.80**	3.27
Stock appreciation rights expenses (Refer note 40(d))		
STAR Grant Expenses - Gross	**18.08**	29.50
Less: Accretion in amounts recoverable from the Trust	**14.75**	22.54
	3.33	**6.96**
Staff welfare expenses	**22.20**	20.05
Total	**363.91**	**325.14**

Notes
To Consolidated Financial Statements for the year ended March 31, 2016

29. Finance costs

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest cost		
- Long-term borrowings	**7.13**	8.68
- Short-term borrowings	**2.65**	7.93
Other borrowing costs	**2.06**	0.88
Bank and other financial charges	**2.50**	2.80
Applicable net loss on foreign currency transactions	**5.92**	2.66
Total	**20.26**	**22.95**

30. Depreciation, amortisation and impairment

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Depreciation on tangible assets (Including assets held for sale) (Refer note 2(e) (I))	**84.01**	74.93
Amortisation on intangible assets (Refer note 2(e) (II))	**11.81**	10.57
Amortisation of Investment Property (Refer note 15 (A))	**0.74**	0.24
Impairment loss / (reversal of loss) of capitalised assets	**5.28**	(1.40)
Total	**101.84**	**84.34**

31. Other expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Consumption of stores and spare parts	**18.13**	16.52
Power, fuel and water	**30.97**	31.70
Contract manufacturing charges	**188.43**	197.05
Rent and storage charges	**38.83**	38.41
Repairs to:		
Building	**9.78**	8.18
Machinery	**20.86**	16.85
Others	**4.40**	2.50
Freight, forwarding and distribution expenses	**254.10**	219.26
Advertisement and sales promotion	**786.08**	649.82
Rates and taxes	**42.96**	57.56
Commission to selling agents	**5.60**	5.29
Communication expenses	**9.56**	8.56
Printing and stationery	**2.54**	2.41
Travelling, conveyance and vehicle expenses	**43.23**	42.13
Royalty	**0.25**	0.28

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Insurance	7.83	6.71
Net loss on foreign currency transactions and translation (other than considered as finance cost)	59.38	13.03
Commission to Non-executive directors	1.31	1.29
Provision for doubtful debts and advances (net)	1.33	0.26
Add: Bad debts written off	0.06	-
	1.39	**0.26**
Miscellaneous expenses (Refer note below)	118.62	100.94
Total	**1,644.25**	**1,418.75**

Note:

Miscellaneous expenses includes -

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Labour charges	20.61	17.56
Training and seminar expenses	7.27	5.53
Outside services	21.58	12.52
Legal and professional charges	38.56	36.98
Donation	8.84	7.45
Total	**96.86**	**80.04**

32. Contingent liabilities

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Disputed tax demands / claims:		
Sales tax / VAT	94.01	47.55
Income tax	60.35	47.14
Service tax	0.17	0.17
Customs duty	0.31	0.31
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)	685.50	565.62
Excise duty on By-product	4.67	4.67
Claims against the Company not acknowledged as debts	19.66	18.74
Corporate guarantees given to banks on behalf of Broadcast Audience Research Council (BARC)	0.60	0.60
Amount outstanding towards Letters of Credit	-	41.60

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

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 ₹ 563.73 Crore (₹ 443.85 Crore) for the clearances made after June 3, 2009 (i.e. the date of issue of Board circular) till March 31, 2016 and ₹ 121.77 Crore (₹ 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:

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**59.80**	14.60
Total	**59.80**	**14.60**

34. The consolidated financial statements for the year ended March 31, 2016 comprise the audited financial statements of Marico Limited, Marico Bangladesh Limited, Marico Middle East FZE, Marico South Africa (Pty) Limited, Marico Egypt Industries Company, MEL Consumer Care & Partners - Wind, International Consumer Products Corporation, Thuan Phat Foodstuff Joint Stock Company, Marico Consumer Care Limited and Bellezimo Professionale Products Private Limited (effective from October 21, 2015) and unaudited financial statements of MBL Industries Limited, Marico South Africa Consumer Care (Pty) Limited, Marico Malaysia Sdn. Bhd., MEL Consumer Care SAE, Egyptian American Company for Investment and Industrial Development SAE and Beauté Cosmétique Societé Par Actions (up to May 14, 2015) which have been approved by the respective Board of Directors of these companies.

35. During the 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 ₹ 723.72 Crore, were adjusted against the Share capital to the extent of ₹ 53.96 Crore and securities premium to the extent of ₹ 669.76 Crore. Consequently, in the consolidated financial statements of Marico, intangible assets to the extent of ₹ 723.72 Crore were adjusted against Reserves and Surplus. (Refer note 5)

36. “During the previous year ended March 31, 2015, pursuant to Schedule II of Companies Act, 2013 (“Schedule”) becoming effective April 1, 2014, the Company had applied the useful life of assets as prescribed in the Schedule or the estimated useful life, whichever is lower, for ascertaining the depreciation expense.

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 ₹ 0.83 Crore] ₹ 0.54 Crore (net of tax effect of ₹ 0.29 Crore) had been adjusted in the opening balance of retained earnings. (Refer note 5)”

37. 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:

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

A. Defined Benefit plan:

(₹ in Crore)

I. Actuarial assumptions :	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Discount rate	7.72%	7.89%	3.18% - 11.00%	4.75% - 12.50%
Rate of return on Plan assets*	8.80%	8.75%	0 - 8.80%	0 - 7.89%
Future salary rise**	10%	10%	5 - 14.40%	5 - 12%
Attrition rate	17%	17%	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.)

(₹ in Crore)

II. Changes in defined benefit obligations:	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Liability at the beginning of the year	82.31	81.83	23.22	18.36
Interest cost	7.20	6.75	1.65	1.45
Current service cost	6.72	6.02	2.46	2.40
Employee contribution	9.40	8.21	-	-
Liability Transferred in	2.82	2.99	-	-
Liability Transferred out	(3.33)	(4.15)	-	-
Benefits paid	(10.70)	(19.34)	(2.63)	(1.53)
Actuarial (gain)/loss on obligations (Due to change in financial obligation)	-	-	1.90	1.62
Actuarial (gain)/loss on obligations (Due to Experience)	-	-	1.37	0.92
Liability at the end of the year	**94.42**	**82.31**	**27.98**	**23.22**

(₹ in Crore)

III. Change in fair value of plan assets :	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Fair value of plan assets at the beginning of the year	85.80	82.59	15.06	13.14
Expected return on plan assets	7.20	6.75	1.19	1.14
Contributions	16.12	14.24	3.25	1.26
Transfer from other Company	2.82	2.99	-	-
Transfer to other Company	(3.33)	(4.15)	-	-
Benefits paid	(10.84)	(19.34)	(2.17)	(1.21)
Actuarial gain/(loss) on plan assets	0.82	2.72	(0.03)	0.73
Fair value of plan assets at the end of the year	**98.59**	**85.80**	**17.30**	**15.06**

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

(₹ in Crore)

IV. Actual return on plan assets :	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Expected return on plan assets	7.20	6.75	1.19	1.14
Actuarial gain/(loss) on plan assets	0.82	2.72	(0.03)	0.73
Actual return on plan assets	**8.02**	**9.47**	**1.16**	**1.87**

(₹ in Crore)

V. Amount recognized in the Balance Sheet	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Liability at the end of the year	-	-	27.98	23.22
Fair value of plan assets at the end of the year	98.59	85.80	17.30	15.06
Present value of benefit obligation as at the end of the period	(94.42)	(82.31)	-	-
Difference	4.17	3.49	10.68	8.16
Unrecognized past service Cost	(4.17)	(3.49)	1.29	1.43
(Assets) / Liability recognized in the Balance Sheet	**-**	**-**	**9.39**	**6.73**

(₹ in Crore)

VI. Percentage of each category of plan assets to total fair value of plan assets.	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Insurance managed funds	-	-	100.00%	96.60%
Special deposit scheme, Fixed deposit scheme and others	-	-	-	3.40%
Central Government securities	24.72%	23.34%	-	-
State loan/State government Guaranteed Securities	15.43%	17.86%	-	-
Public Sector Units	43.94%	46.68%	-	-
Private Sector Units	7.92%	7.57%	-	-
Equity/Insurance Managed Funds	3.68%	-	-	-
Others	4.31%	4.55%	-	-
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

(₹ in Crore)

VII. Expenses recognized in the Statement of Profit and Loss :	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Current service cost	6.72	6.02	2.46	2.40
Interest cost	7.20	6.75	1.65	1.45
Expected return on plan assets	(7.20)	(6.75)	(1.19)	(1.14)
Net actuarial (gain)/loss to be recognized	-	-	1.40	0.19
(Income) / Expense recognized in the Statement of Profit and Loss	**6.72**	**6.02**	**4.32**	**2.90**

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

(₹ in Crore)

VIII. Balance Sheet reconciliation	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Opening net liability	-	-	6.73	3.80
(Income) / Expense as above	6.72	6.02	4.32	2.90
Employer's contribution	(6.72)	(6.02)	(3.25)	(1.26)
Unrecognized past service Cost	-	-	1.59	1.29
Closing net liability	**-**	**-**	**9.39**	**6.73**

(₹ in Crore)

IX. Experience Adjustments	Gratuity	
	March 31, 2016	March 31, 2015
On Plan liability (gain) / loss	1.19	1.46
On plan asset (loss) / gain	1.16	0.13

As per actuarial valuation report, expected employer's contribution in next year is ₹ 5.07 Crore (₹ 3.65 Crore) for gratuity and ₹ 9.57 Crore (₹ 8.31 Crore) for provident fund.

B. Privileged leave (Compensated absence for employees):

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

(₹ in Crore)

Particulars	March 31, 2016	March 31, 2015
Opening balance of compensated absences (a)	8.73	6.78
Present value of compensated absences (As per actuarial valuation) as at the year end (b)	9.58	8.73
(Excess)/ Unfunded liability of Compensated Absences recognized in the Statement of Profit and Loss for the year (a-b)	0.85	1.95

The privileged leave liability is not funded.

C. Defined contribution plan:

The Company has recognized ₹ 8.57 Crore (₹ 7.42 Crore) towards contribution to provident fund, ₹ 0.15 Crore (₹ 0.22 Crore) towards contribution to superannuation fund and ₹ 0.05 Crore (₹ 0.08 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.

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

38.

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.

(₹ in Crore)

Particulars	March 31, 2016	March 31, 2015
Lease rental payments recognized in the Statement of Profit and Loss.	33.57	33.45
In respect of assets taken on non cancellable operating lease:		
Lease obligations		
Future minimum lease rental payments payable		
- not later than one year	24.21	18.86
- later than one year but not later than five years	55.01	25.00
- later than five years	20.91	0.16
Total	100.13	44.02

B. Additional information on assets given on lease: (Refer Note 13 (vii))

(₹ in Crore)

Particulars	March 31, 2016	March 31, 2015
Lease rental income recognized in the Statement of Profit and Loss.	0.91	0.64

(₹ in 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,	
	2016	2015	2016	2015	2016	2015	2016	2015
Plant and equipment	–	1.90	–	0.01	–	1.74	–	0.16
Investment Property (Refer note 15 (A))	32.55	19.13	0.74	0.24	1.88	1.14	30.67	17.99

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

39. Derivative transactions –

a. **The total derivative instruments outstanding as on year end March 31, 2016 are Plain Forwards, Plain Vanilla Put Option, Cross currency swap and Interest rate swap:**

Particulars	March 31, 2016			March 31, 2015	
	Currency	Notional Amount in Foreign Currency	Equivalent Amount in ₹ Crore at the year end *	Notional Amount in Foreign Currency	Equivalent Amount in ₹ Crore at the year end *
Forward contracts outstanding					
Exports:	USD	185,000	1.23	-	-
Foreign currency loans	USD	8,000,000	53.00	-	-
Imports	USD	6,356,480	42.11	3,789,550	23.68
Imports	AUD	951,400	4.83	243,100	1.16
Imports	EUR	-	-	480,000	3.22
Options Contracts outstanding					
Imports	USD	1,920,031	12.72	3,321,040	20.76
Foreign currency loans	USD	8,000,000	53.00	-	-
Imports	AUD	951,400	4.83	574,600	2.73

* Converted into the exchange rate at the respective year end.

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

Particulars	March 31, 2016			March 31, 2015	
	Currency	Amount in Foreign Currency	Fair Value	Amount in Foreign Currency	Fair Value
Forward contracts	USD	6,541,480	43.60	3,789,550	23.84
Forward contracts	AUD	951,400	4.95	243,100	1.16
Forward contracts	EUR	-	-	480,000	3.22
Options contract	AUD	951,400	0.45	574,600	0.10
Options contract	USD	9,920,031	2.05	3,321,040	0.40

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, 2016			March 31, 2015	
	Currency	Amount in Foreign Currency	Fair Value	Amount in Foreign Currency	Fair Value
Borrowings in Foreign currency	USD	13,500,000	0.39	21,000,000	1.17

The Cash flows are expected to occur and impact the Statement of Profit and Loss within the period of 1 year (Previous year: 2 years).

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

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

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

Particulars	March 31, 2016			March 31, 2015	
	Currency	Amount in Foreign Currency	Equivalent Amount in (₹ Crore) at the year end*	Amount in Foreign Currency	Equivalent Amount in (₹ Crore) at the year end*
a. Amount receivable in foreign currency on account of following :					
- Export of goods	AED	**4,988**	**0.01**	4,988	0.01
	CAD	**37,610**	**0.19**	-	-
	EUR	**268,292**	**2.02**	-	-
	GBP	**(82)**	**(0.01)**	-	-
	USD	**9,146,400**	**60.59**	7,551,212	47.19
- Others	USD	-	-	85,243	0.53
b. Amount (payable) /receivable in foreign currency on account of following :					
(i) Import of goods and services	BDT	**(1,200,000)**	**(0.10)**	-	-
	EUR	**10,897**	**0.08**	(95,857)	(0.65)
	GBP	**(106,942)**	**(1.02)**	(158,871)	(1.49)
	THB	**-**	**-**	(10,117)	(0.01)
	USD	**(6,901,953)**	**(45.72)**	(10,010,824)	(62.57)
	LKR	**(1,382,474)**	**(0.06)**	-	-
	SGD	**121**	**0.01**	(643)	(0.01)
(ii) Capital imports	CHF	**680**	**0.01**	680	0.01
	USD	**-**	**-**	(139,418)	(0.87)
	EUR	**12,529**	**0.09**	320,000	2.16
	GBP	**26,013**	**0.25**	800	0.01
(iii) Loan payables *	USD	**(19,174,399)**	**(127.03)**	(18,803,136)	(117.51)
c. Bank balances	USD	**1,331,953**	**8.82**	414,031	2.59
	IDR	**46,172,498**	**0.02**	6,823,414	0.01
	GBP	**1,429**	**0.01**	5,290	0.05
	EUR	**249,201**	**1.88**	(5,447)	(0.04)
	VND	**254,298**	**0.01**	254,298	0.01

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

Particulars	March 31, 2016			March 31, 2015	
	Currency	Amount in Foreign Currency	Equivalent Amount in (₹ Crore) at the year end*	Amount in Foreign Currency	Equivalent Amount in (₹ Crore) at the year end*
d. Other receivable / (payable)	USD	**(7,911,430)**	**(52.41)**	134,133	0.84
	GBP	**(8,400)**	**(0.08)**	-	-
	AED	**7,662**	**0.01**	2,382	0.01
	BDT	**66,720**	**0.01**	(370)	(0.01)
	SGD	**740**	**0.01**	3,940	0.02
	IDR	**(103,763,166)**	**(0.05)**	(280,018,679)	(0.13)
	ARS	**6,633**	**0.01**	16,500	0.01
	AUD	**(204)**	**(0.01)**	2,000	0.01
	EUR	**2,091**	**0.02**	2,276	0.02
	THB	**-**	**-**	752,128	0.14
e. Cash on hand	USD	**60,746**	**0.40**	6,274	0.04
	EUR	**100,075**	**0.75**	4,933	0.03
	GBP	**1,500**	**0.01**	1,190	0.01

* Converted into the exchange rate at the respective year end.

Excludes Loans payable of ₹ 178.87 Crore [USD 27,000,000] (₹ 262.49 Crore [USD 42,000,000]) 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 1 year (Previous year : 2 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 ₹ 25.47 Crore as at March 31, 2016 (₹ 74.97 Crores as at March 31, 2015) 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 recognized in the Statement of Profit and Loss on occurrence of the underlying transactions or forecast revenue.

Notes To Consolidated Financial Statements for the year ended March 31, 2016

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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 formulae as defined in the Plan. There are schemes under each Plan with different vesting periods. Scheme I, II and III have 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 certain conditions. The Plan is administered by Corporate Governance Committee comprising independent directors.

b) Details of Star Scheme:

Particulars	STAR II				STAR III				STAR IV				STAR V						STAR VI	
Grant Date	December 1, 2011		December 1, 2012		December 1, 2012		December 2, 2013		December 2, 2013		August 5, 2015		August 5, 2015		November 4, 2015		December 1, 2015		December 1, 2015	
Grant Price (₹)	148.53		213.91		213.91		208.96		104.48		104.48		217.46		197.61		203.63		203.63	
Vesting Date	November 30, 2014		November 30, 2014		November 30, 2015		November 30, 2015		November 30, 2016		November 30, 2016		November 30, 2017		November 30, 2017		November 30, 2017		November 30, 2018	
	As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31	
	2016	2015	**2016**	2015	**2016**	2015	2016	2015	**2016***	2015	**2016***	2015	**2016***	2015	**2016***	2015	**2016***	2015	**2016***	2015
Number of grants outstanding at the beginning of the year	-	620,600	-	151,200	**897,600**	1,074,200	184,100	202,300	**1,823,200**	1,057,600	-	-	-	-	-	-	-	-	-	-
Add : Granted during the year	-	-	-	-	-	-	-	-	-	-	**555,400**	-	**1,521,600**	-	**156,200**	-	**5,400**	-	**1,723,800**	-
Less : Forfeited during the year	-	71,100	-	62,700	**197,200**	176,600	29,900	18,200	**408,600**	146,000	**126,000**	-	**161,600**	-	-	-	-	-	**21,600**	-
Less : Exercised during the year	-	549,500	-	88,500	**700,400**	-	154,200	-	-	-	-	-	-	-	-	-	-	-	-	-
Number of grants at the end of the year	-	-	-	-	-	897,600	-	184,100	**1,414,600**	911,600	**429,400**	-	**1,360,000**	-	**156,200**	-	**5,400**	-	**1,702,200**	-

*Numbers are adjusted for 1:1 bonus issued in December 2015 wherever required .

Particulars	STAR II				STAR III				STAR IV				STAR V						STAR VI	
	As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015
Total Provision	-	-	-	-	-	12.08	-	2.18	**15.33**	7.19	**0.72**	-	**1.86**	-	**0.21**	-	**0.01**	-	**1.78**	-
Less: Accretion in amounts recoverable from the Trust (Also refer note (c) and (d) below)	-	-	-	-	-	9.93	-	1.33	**12.73**	4.25	**0.55**	-	**0.82**	-	**0.07**	-	**0.01**	-	**0.40**	-
Net Provision	-	-	-	-	-	2.15	-	0.85	**2.60**	2.94	**0.17**	-	**1.05**	-	**0.14**	-	-	-	**1.37**	-
Classified as long-term	-	-	-	-	-	-	-	-	-	2.94	-	-	**1.05**	-	**0.14**	-	-	-	**1.37**	-
Classified as short-term	-	-	-	-	-	2.15	-	0.85	**2.60**	-	**0.17**	-	-	-	-	-	-	-	-	-

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 ₹ 66.56 Crore (₹ 28.16 Crore) to the Trust for purchase of the Company's shares under the Plan, of which ₹ 50.59 Crore (₹ 8.40 Crore) is included under "Long term loans and advances" (Refer Note 17) and ₹ 15.97 Crore (₹ 19.76 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 and interest thereon (on loan advanced after April 1, 2013), 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 ₹ 3.33 Crore (₹ 6.96 Crore) is charged in the Statement of Profit and Loss (Refer Note 28). The Company has made total provision of ₹ 5.33 Crore (₹ 5.94 Crore), of which ₹ 2.57 Crore (₹ 2.94 Crore) is classified as "Long term provisions" (Refer Note 8) and ₹ 2.77 Crore (₹ 3 Crore) under "Short term provisions" (Refer Note 12).

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

41 Earnings per share: (Refer note 4 (e))

Particulars	As at March 31, 2016	As at March 31, 2015
Profit for the year as per the Statement of Profit and Loss/ Profit available to equity shareholders (₹ Crore)	**724.78**	573.45
Equity shares outstanding as at the year end	**1,290,171,198**	644,981,999
Weighted average number of equity shares used as denominator for calculating basic earnings per share	**1,290,164,173**	1,290,067,598
Weighted average number of equity shares used as denominator for calculating diluted earnings per share	**1,290,854,382**	1,290,760,798
Nominal value per equity share	**₹ 1**	₹ 1
Basic earnings per equity share	**₹ 5.62**	**₹ 4.45**
***Diluted earnings per equity share**	**₹ 5.61**	**₹ 4.44**

*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	As at March 31, 2016	As at March 31, 2015
Number of shares considered as basic weighted average shares outstanding	**1,290,164,173**	1,290,067,598
Add: Effect of dilutive stock options	**690,209**	693,200
Number of shares considered as weighted average shares and potential shares outstanding	**1,290,854,382**	1,290,760,798

42 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 and Vietnam.

(₹ in Crore)

Particulars	India		International		Total	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Revenue	**4,849.23**	4,534.75	**1,282.80**	1,198.23	**6,132.04**	5,732.98
Carrying amount of assets	**1,736.89**	1,592.72	**377.89**	399.81	**2,114.78**	1,992.53
Capital expenditure	**82.61**	40.13	**13.52**	11.37	**96.13**	51.50

Notes
To Consolidated Financial Statements for the year ended March 31, 2016

43 Related Party disclosures

a) Name of related parties and nature of relationship:

i) Subsidiary companies (Refer note 3 (v))

Marico Innovation Foundation

ii) Individual holding directly / indirectly an interest in voting power & their relatives (where transactions have taken place) - Significant Influence

Mr. Harsh Mariwala, Chairman & Non Executive Director

Mr. Rishabh Mariwala, son of Mr.Harsh Mariwala

iii) Key management personnel (KMP):

Mr. Saugata Gupta, Managing Director & CEO

iv) Others - Entities in which above (ii) has significant influence and transactions have taken place:

Marico Kaya Enterprises Limited (upto April 18, 2015)

Kaya Limited

Kaya Middle East FZE

b) Transactions during the year

(₹ in Crore)

Particulars	KMP (Referred in (a) (iii) above)		Subsidiary (Referred in (a) (i) above)		Others (Referred in (a) (ii) and (iv) above)	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Remuneration / Professional Fees	8.06	6.34	-	-	6.36	7.36
Mr.Saugata Gupta (Incentive considered on payment basis)	8.06	6.34	-	-	-	-
Mr.Saugata Gupta (693,200 ESOPs Granted during the previous year Refer Note 4 (d) and (e))	-	-	-	-	-	-
Mr.Harsh Mariwala (Incentive considered on payment basis in previous year)	-	-	-	-	6.35	7.35
Others	-	-	-	-	0.01	0.01
Expenses paid on behalf of related parties	-	-	-	-	1.24	1.64
Kaya Limited	-	-	-	-	1.06	1.27
Marico Kaya Enterprises Limited	-	-	-	-	0.18	0.17
Others	-	-	-	-	-	0.20
Purchase of Fixed Assets	-	-	-	-	-	0.01
Kaya Limited	-	-	-	-	-	0.01
Sale of goods	-	-	-	-	0.24	0.19
Kaya Limited	-	-	-	-	0.24	0.19
Lease Rental Income	-	-	-	-	0.72	0.64
Kaya Limited	-	-	-	-	0.71	0.61
Others	-	-	-	-	0.01	0.03

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

(₹ in Crore)

Particulars	KMP (Referred in (a) (iii) above)		Subsidiary (Referred in (a) (i) above)		Others (Referred in (a) (ii) and (iv) above)	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Loans and Advances Recovered	-	-	-	-	1.99	3.88
Kaya Limited	-	-	-	-	1.64	3.31
Marico Kaya Enterprises Limited	-	-	-	-	0.05	0.51
Others	-	-	-	-	0.30	0.06
Donation Given	-	-	2.15	0.44	-	-
Marico Innovation Foundation	-	-	2.15	0.44	-	-
Expenses paid by related parties on behalf of Marico Limited	-	-	-	-	0.23	0.22
Kaya Middle East FZE	-	-	-	-	0.23	0.22
Deposit taken	-	-	-	-	0.10	-
Kaya Limited	-	-	-	-	0.10	-
Coporate Guarantee Discharged	-	-	-	-	-	8.00
Kaya Limited	-	-	-	-	-	8.00

c) Balances as at the year end

(₹ in 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, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Dues payable	-	-	-	-	-	0.11
Kaya Middle East FZE	-	-	-	-	-	0.11
Security Deposit payable	-	-	-	-	0.10	-
Kaya Limited	-	-	-	-	0.10	-
Short term loans and advances	-	-	-	-	0.74	0.61
Kaya Limited	-	-	-	-	0.74	0.60
Others	-	-	-	-	-	0.01
Trade Receivable	-	-	-	-	0.12	-
Kaya Limited	-	-	-	-	0.12	-

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

44 Additional Disclosure

Particulars	Net Assets i.e. total assets minus total liabilities				Share in profit or loss			
	As a % of consolidated net assets		Amount ₹ Crore		As a % of consolidated profit or loss		Amount ₹ Crore	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Parent:								
Marico Limited	**123.89%**	128.39%	2,597.70	2,342.88	**95.28%**	93.21%	**701.85**	545.14
Subsidiaries:								
- Indian:								
Marico Consumer Care Limited	**1.31%**	1.81%	27.38	33.01	**0.58%**	0.95%	**4.24**	5.53
- Foreign:								
Marico Bangladesh Limited	**6.89%**	7.53%	144.39	137.49	**16.09%**	18.12%	**118.50**	105.97
Marico Bangladesh Industries Limited	**0.01%**	0.12%	0.25	2.13	**0.01%**	0.03%	**0.04**	0.19
Marico Middle East	**(7.59%)**	(7.83%)	(159.15)	(142.87)	**(1.03%)**	(1.31%)	**(7.61)**	(7.64)
MEL Consumer Care	**(0.52%)**	(0.54%)	(10.88)	(9.86)	**(0.30%)**	(0.21%)	**(2.18)**	(1.24)
Pyramid for Modern Industries	**4.36%**	5.36%	91.45	97.77	**0.44%**	1.34%	**3.27**	7.84
Egyptian American Company for Investment and Industrial Development SAE	**(0.49%)**	(0.52%)	(10.35)	(9.54)	**(0.26%)**	(0.16%)	**(1.92)**	(0.92)
Marico South Africa Consumer Care	**2.14%**	2.82%	44.87	51.52	**-**	-	**-**	-
Marico South Africa	**1.62%**	1.99%	33.91	36.40	**0.32%**	0.61%	**2.36**	3.55
MEL Consumer Care & Partners - Wind	**(1.50%)**	(1.60%)	(31.42)	(29.20)	**(0.76%)**	(2.53%)	**(5.58)**	(14.78)
Marico Malaysia Sdn Bhd	**0.01%**	0.02%	0.25	0.30	**(0.01%)**	(0.34%)	**(0.06)**	(2.00)
International Consumer Product Corporation	**3.42%**	1.22%	71.63	22.21	**5.56%**	7.71%	**40.97**	45.12
Beaute Cosmetique Societe Par Actions	**-**	0.46%	-	8.36	**(0.13%)**	(0.12%)	**(0.93)**	(0.72)
Thuan Phat Foodstuff Joint Stock Company	**0.64%**	0.75%	13.43	13.60	**(0.07%)**	0.38%	**(0.49)**	2.23
Jointly Controlled Entity:								
- Indian:								
Bellezimo Professionale Products Private Limited	**0.01%**	-	0.23	-	**(0.07%)**	-	**(0.53)**	-
Sub Total			**2,813.69**	**2,554.20**			**851.94**	**688.27**

Notes

To Consolidated Financial Statements for the year ended March 31, 2016

Particulars	Net Assets i.e. total assets minus total liabilities				Share in profit or loss			
	As a % of consolidated net assets		Amount ₹ Crore		As a % of consolidated profit or loss		Amount ₹ Crore	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Intercompany Elimination and Consolidation Adjustments	**(34.19%)**	(39.97%)	(716.85)	(729.42)	**(15.66%)**	(17.68%)	**(115.32)**	(103.39)
Grand Total:			**2,096.84**	**1,824.78**			**736.62**	**584.88**
Minority Interest in all subsidiaries	**0.68%**	0.75%	14.32	13.65	**1.61%**	1.95%	**11.84**	11.43

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 mentioned in statement of the notes 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 29, 2016

For and on behalf of the Board of Directors

HARSH MARIWALA
Chairman
[DIN 00210342]

SAUGATA GUPTA
Managing Director and CEO
[DIN 05251806]

VIVEK KARVE
Chief Financial Officer

SURENDER SHARMA
Company Secretary
[Membership No.A13435]

Place: Mumbai
Date: April 29, 2016

Form AOC - 1

Statement containing salient features of the financials statements of subsidiaries
Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014

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, 2016	31.50	139.37	346.68	175.81	139.82	733.93	192.41	51.01	141.41	141.75	90%
		Rs.	0.845		26.62	117.77	292.95	148.56	118.15	620.17	162.59	43.10	119.49	119.78	
2	MBL Industries Limited	BDT		September 30, 2015	0.10	0.20	3.33	3.03	0.00	0.00	0.32	0.12	0.20	2.40	100%
		Rs.	0.845		0.08	0.17	2.82	2.56	0.00	0.00	0.27	0.10	0.17	2.03	
3	Marico Consumer Care Limited	Rs.	N.A.	March 31, 2016	20.66	6.72	27.74	0.36	24.81	7.24	6.43	2.19	4.24	9.87	100%
		Rs.	1.000		20.66	6.72	27.74	0.36	24.81	7.24	6.43	2.19	4.24	9.87	
4	Marico Middle East FZE	AED		March 31, 2016	2.20	-11.02	4.06	12.88	0.00	16.73	-0.43	0.00	-0.43	0.00	100%
		Rs.	18.037		39.68	-198.83	73.17	232.32	0.00	301.83	-7.71	0.00	-7.71	0.00	
5	MEL Consumer Care SAE	EGP		March 31, 2016	0.03	-1.48	8.27	9.73	0.00	0.00	-0.26	0.00	-0.26	0.00	100%
		Rs.	7.465		0.19	-11.06	61.75	72.63	0.00	0.00	-1.94	0.00	-1.94	0.00	
6	Egyptian Americal Investment and Industrial Development Company	EGP		December 31, 2015	0.69	-1.86	0.62	1.79	0.00	0.00	-0.14	0.04	-0.10	0.00	100%
		Rs.	7.465		5.14	-13.87	4.66	13.38	0.00	0.00	-1.08	0.31	-0.77	0.00	
7	Marico South Africa Consumer Care (Pty) Limited	ZAR		March 31, 2016	6.01	4.00	10.31	0.31	0.00	0.00	0.00	0.00	0.00	0.00	100%
		Rs.	4.486		26.94	17.93	46.26	1.39	0.00	0.00	0.00	0.00	0.00	0.00	
8	Marico South Africa (Pty) Limited	ZAR		March 31, 2016	5.48	2.07	10.54	2.98	0.00	20.00	0.69	0.20	0.49	0.00	100%
		Rs.	4.486		24.60	9.31	47.28	13.37	0.00	89.70	3.11	0.90	2.21	0.00	
9	Marico Egypt Industries Company	EGP		December 31, 2015	1.23	11.15	16.24	3.85	3.22	10.75	0.70	0.11	0.59	0.00	100%
		Rs.	7.465		9.17	83.27	121.21	28.77	24.04	80.24	5.22	0.81	4.41	0.00	
10	Marico Malaysia Sdn. Bhd	MYR		March 31, 2016	1.77	-1.75	0.03	0.01	0.00	0.00	-0.00	0.00	-0.00	0.00	100%
		Rs.	16.989		30.00	-29.76	0.49	0.25	0.00	0.01	-0.06	0.00	-0.06	0.00	
11	International Consumer Products Corporation	VND		March 31, 2016	11,217.76	10,330.11	39,033.99	17,486.12	341.56	105,902.84	16,481.38	2,592.40	13,888.98	0.00	100%
		Rs.	0.00297		33.32	30.68	115.93	51.93	1.01	314.53	48.95	7.70	41.25	0.00	
12	Thuan Phat Foodstuff Joint stock Company	VND		March 31, 2016	3,140.00	1,382.80	6,253.35	1,730.55	0.00	13,747.05	-167.68	-2.11	-165.57	0.00	99.99%
		Rs.	0.00297		9.33	4.11	18.57	5.14	0.00	40.83	-0.50	-0.01	-0.49	0.00	
13	Marico Innovation Foundation	Rs.	N.A.	March 31, 2016	0.00	-0.15	0.41	0.56	0.00	1.57	-0.06	0.00	-0.06	0.00	100%
		Rs.	1.000		0.00	-0.15	0.41	0.56	0.00	1.57	-0.06	0.00	-0.06	0.00	

Notes:

1) % of Shareholding includes direct and indirect holding through subsidiary.
2) The amounts given in the table above are from the annual accounts made for the respective financial year end for each of the companies.
3) 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, 2016
4) There are no subsidiaries which are yet to commence operations. 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. Further, International Consumer Product Corporation a subsidiary of the Company has divested its entire stake in Beaute Cosmetique Societe Par Actions (BCS) on May 14, 2015.
5) 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'.

Part 'B' : Associates & Joint Ventures
Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

(₹ in Crore)

Name of Joint Venture	**Bellezimo Professionale Products Pvt. Ltd.**
1. Latest audited Balance Sheet	March 31, 2016
2.Shares of Joint Venture held by the company on the year end	
- Number	0.14
- Amount of Investment In Associates/Joint Venture	1.35
- Extend of Holding	45%
3.Description of how there is significant influence	Joint venture agreement
4.Reason why the joint venture is not consolidated	Not Applicable
5.Networth attributable to shareholding as per latest audited Balance Sheet	0.22
6.Profit/Loss for the year	
i. Considered in consolidation	(0.53)
ii. Not Considered in consolidation	(1.31)

Note: a) Refer note 3(iii) of the consolidated financial statements for information on joint venture

1. Names of Associates or joint ventures which are yet to commence operations- Nil

2. Names of Associates or joint ventures which have been liquidated or sold during the year.- Nil

For and On behalf of Board of Directors

Harsh Mariwala	**Chairman and Non-Executive Director**
Saugata Gupta	**Managing Director and CEO**
Vivek Karve	**Chief Financial Officer**
Surender Sharma	**Head Legal-International Business & Company Secretary**

Place : Mumbai
Date : April 29, 2016

Independent Auditors' Report

To the Members of Marico Limited

Report on the Standalone 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, 2016, 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 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 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.

Auditors' 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 auditors' 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. 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.

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, 2016, 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, 2016', 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 B 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, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' 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, 2016 on its financial position in its standalone financial statements – Refer Note 29.

ii. The Company has made provision as at March 31,2016, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 37.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Uday Shah
Partner
Membership Number: 46061

Place: Mumbai
Date: April 29, 2016

Annexure 'A' to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Marico Limited on the standalone financial statements for the year ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Marico Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and

that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Uday Shah
Partner
Membership Number: 46061

Place: Mumbai
Date: April 29, 2016

Annexure 'B' to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Marico Limited on the standalone financial statements as of and for the year ended March 31, 2016.

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.

(c) The title deeds of immovable properties, as disclosed in Note 12 on fixed assets to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory including stocks with third parties have been conducted at reasonable intervals by the Management during the year. Further in respect of inventory lying with third parties, these have also substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013.

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. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its certain products. We have broadly reviewed the same, 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, 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, the particulars of dues of income tax, sales tax, value added tax, service tax, duty of customs and duty of excise, as at March 31, 2016 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Crores)	Period to which the amount relates	Forum where the dispute is pending
The Central sales Tax Act and Local Sales Tax / value added tax	Sales tax including interest and penalty as applicable	2.94	Various years	Additional Commissioner - Sales Tax Appeals
		0.84	Various years	Deputy Commissioner - Sales Tax Appeals
		10.3	Various years	Joint Commissioner sales tax (Appeals)
		4.15	Various years	Sales Tax Tribunal
		0.11	Various years	High Court
		0.01	1999-2000	Supreme Court
The Indian Customs Act, 1962	Redemption fine and penalty	0.03	2002-2004	Customs Excise and Service Tax Appellate Tribunal

Name of the statute	Nature of dues	Amount (₹ in Crores)	Period to which the amount relates	Forum where the dispute is pending
The Indian Customs Act, 1962	Customs duty	0.01	2008	Assistant Commissioner of Customs
The Central Excise Act, 1964	Excise duty	4.67	June 2010 to March 2014	Customs Excise and Service Tax Appellate Tribunal
The Finance Act, 1994	Service tax	0.17	2005-10	Commissioner of Customs, Central Excise and Service tax.
Income Tax Act, 1961	Income tax	9.61	Assessment year 2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income tax	11.87	Assessment year 2010-11	Commissioner of Income Tax (Appeals)

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date. The Company has not issued any debentures.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company

x. 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 by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Uday Shah
Partner
Membership Number: 4606

Place: Mumbai
Date: April 29, 2016

Balance Sheet

as at March 31, 2016

(₹ in Crore)

Particulars		Note	As at March 31, 2016	As at March 31, 2015
I.	**Equity and Liabilities**			
	Shareholders' Fund			
	Share Capital	3	**129.02**	64.50
	Reserves and Surplus	4	**2,468.66**	2,278.39
			2,597.68	**2,342.89**
	Non-current Liabilities			
	Long-term borrowings	5	**-**	168.74
	Deferred tax liabilities (Net)	6	**9.17**	12.25
	Long-term provisions	7	**2.14**	1.70
			11.31	**182.69**
	Current Liabilities			
	Short-term borrowings	8	**25.83**	8.64
	Trade payables	9		
	- Total outstanding dues of Micro enterprises and small enterprises		**16.08**	7.33
	- Total outstanding dues of creditors other than Micro enterprises and small enterprises		**467.44**	397.05
	Other current liabilities	10	**314.11**	233.38
	Short-term provisions	11	**60.19**	59.08
			883.65	**705.48**
	Total		**3,492.64**	**3,231.06**
II.	**Assets**			
	Non-current Assets			
	Fixed assets			
	Tangible assets	12 (A) and (C)	**436.18**	458.00
	Intangible assets	12 (B) and (D)	**17.95**	23.56
	Capital work-in-progress		**36.54**	2.07
			490.67	**483.63**
	Non-current investments	13	**1,152.74**	1,128.86
	Long-term loans and advances	14	**110.06**	69.19
	Other non-current assets	15	**58.13**	120.67
			1,811.60	**1,802.35**
	Current Assets			
	Current investments	16	**337.98**	206.18
	Inventories	17	**767.56**	791.59
	Trade receivables	18	**192.10**	130.55
	Cash and bank balances	19	**134.54**	96.97
	Short-term loans and advances	20	**221.71**	170.32
	Other current assets	21	**27.15**	33.10
			1,681.04	**1,428.71**
	Total		**3,492.64**	**3,231.06**

The Company and nature of its operations	1	
Summary of significant accounting policies	2	

The accompanying 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 29, 2016

For and on behalf of the Board of Directors

HARSH MARIWALA
Chairman
[DIN 00210342]

SAUGATA GUPTA
Managing Director and CEO
[DIN 05251806]

VIVEK KARVE
Chief Financial Officer

SURENDER SHARMA
Company Secretary
[Membership No.A13435]

Place: Mumbai
Date: April 29, 2016

Statement of Profit and Loss

for the year ended March 31, 2016

(₹ in Crore)

Particulars	Note	Year ended March 31, 2016	2015
Revenue:			
Revenue from operations (Gross)	22	**4,954.50**	**4,689.45**
Less : Excise duty		**7.13**	8.25
Revenue from operations (Net)		**4,947.37**	**4,681.20**
Other income	23	**190.86**	140.80
Total Revenue		**5,138.23**	**4,822.00**
Expenses:			
Cost of materials consumed	24 (A)	**2,478.34**	2,675.89
Purchases of stock-in-trade	24 (B)	**79.95**	134.71
Changes in inventories of finished goods, work-in-progress and stock-in-trade - (increase) / decrease	24 (C)	**37.06**	(94.87)
Employee benefits expenses	25	**217.35**	197.17
Finance costs	26	**14.78**	16.97
Depreciation, amortisation and impairment	27	**74.25**	54.75
Other expenses	28	**1,292.40**	1,106.34
Total Expenses		**4,194.13**	**4,090.96**
Profit Before Tax		**944.10**	**731.04**
Tax Expense:			
Current Tax		**188.79**	151.30
MAT credit utilisation		**56.53**	34.78
Net current tax		**245.32**	**186.08**
Deferred tax		**(3.08)**	(0.21)
		242.24	**185.87**
Profit for the year		**701.86**	**545.17**
Earnings per equity share (Nominal value per share ₹ 1 (₹1))	38		
Basic (Refer note 3(e))		**₹ 5.44**	₹ 4.23
Diluted (Refer note 3(e))		**₹ 5.44**	₹ 4.23
The Company and nature of its operations	1		
Summary of significant accounting policies	2		

The accompanying 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 29, 2016

For and on behalf of the Board of Directors

HARSH MARIWALA
Chairman
[DIN 00210342]

SAUGATA GUPTA
Managing Director and CEO
[DIN 05251806]

VIVEK KARVE
Chief Financial Officer

SURENDER SHARMA
Company Secretary
[Membership No.A13435]

Place: Mumbai
Date: April 29, 2016

Cash Flow Statement

For the year ended March 31, 2016

(₹ in Crore)

	Particulars	For the year ended March 31, 2016	2015
A	CASH FLOW FROM OPERATING ACTIVITIES		
	PROFIT BEFORE TAX	944.10	731.04
	Adjustments for:		
	Depreciation, amortisation and impairment	74.25	54.75
	Finance costs	14.78	16.97
	Interest income	(20.03)	(7.54)
	Loss / (Profit) on sale of assets - (net)	(9.13)	1.45
	(Profit) / Loss on sale of current investments (net)	(1.94)	(12.28)
	Dividend income on current investments	(139.16)	(105.85)
	Employees stock option charge/ (reversal)	3.79	3.27
	Excess Provision no longer required written back	(4.97)	(4.32)
	Stock appreciation rights expenses	0.63	2.22
	Provision for doubtful debts, advances, deposits and others	1.96	0.25
		(79.82)	(51.08)
	Operating profit before working capital changes	864.28	679.96
	Adjustments for:		
	(Increase)/ decrease in inventories	24.03	(127.63)
	(Increase)/ decrease in trade receivables	(61.63)	17.65
	(Increase)/ decrease in loans and advances, other current and non-current assets and other bank balances	(65.45)	(4.05)
	Increase/(decrease) in current liabilities and provisions	88.38	137.59
	Changes in working capital	(14.67)	23.56
	Cash generated from Operations	849.61	703.52
	Taxes paid (net of refunds)	(192.88)	(151.47)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	656.73	552.05
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets	(84.68)	(63.78)
	Sale of fixed assets	13.51	0.26
	Purchase of investments	(139.85)	(181.69)
	Sale of investments	-	225.48
	Investment in Jointly Controlled Entity	(1.35)	-
	Inter-corporate deposits placed (Net)	(32.50)	(45.00)
	(Advance to) / Refund received from WEOMA Trust	(38.40)	8.15
	Loans and advances repaid by related parties	(1.17)	4.48
	Dividend income received from current investment	139.16	105.85
	Interest received	15.12	5.83
	NET CASH (OUTFLOW)/ INFLOW FROM INVESTING ACTIVITIES	(130.16)	59.58

Cash Flow Statement

For the year ended March 31, 2016

(₹ in Crore)

	Particulars	For the year ended March 31, 2016	2015
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issuance of Share capital (net of Share issue expenses)	**0.51**	0.60
	Issue / (redemption) of debentures	**-**	(43.65)
	Other borrowings (repaid) / taken (net)	**(16.93)**	(264.50)
	Finance charges paid	**(15.04)**	(17.29)
	Equity dividend paid (inclusive of dividend distribution tax)	**(500.86)**	(287.31)
	NET CASH (OUTFLOW) / INFLOW FROM FINANCING ACTIVITIES	**(532.32)**	**(612.15)**
D	**NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)**	**(5.75)**	**(0.52)**
E	Cash and cash equivalents - opening balance (as at April 1) (Refer note 19)	**14.95**	15.47
F	**Cash and cash equivalents - closing balance (as at March 31) (Refer note 19)**	**9.20**	**14.95**

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.

3 The Notes referred to above form an integral part of the 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 29, 2016

For and on behalf of the Board of Directors

HARSH MARIWALA
Chairman
[DIN 00210342]

SAUGATA GUPTA
Managing Director and CEO
[DIN 05251806]

VIVEK KARVE
Chief Financial Officer

SURENDER SHARMA
Company Secretary
[Membership No.A13435]

Place: Mumbai
Date: April 29, 2016

Notes

To Financial Statements for the year ended March 31, 2016

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, Parachute Advansed, Nihar, Nihar Naturals, Saffola, Hair & Care, Revive, Mediker, Livon, Set-wet and Code 10 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 or net realizable value and 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 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.

However based on the technical evaluation, the useful life considered for

Notes

To Financial Statements for the year ended March 31, 2016

the following items is 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	3 to 5

(ii) Extra shift depreciation is provided on "Plant" basis.

(iii) Assets individually costing ₹ 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 amortized 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 agreements.

(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, it includes appropriate production overheads and in case of finished goods, it includes appropriate production overheads and excise duty, wherever applicable.

Notes

To Financial Statements for the year ended March 31, 2016

(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 recognized 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.

Notes

To Financial Statements for the year ended March 31, 2016

(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 sufficient 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 sufficient 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 or 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

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To Financial Statements for the year ended March 31, 2016

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 recognized 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.

(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 off 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.

Notes

To Financial Statements for the year ended March 31, 2016

3. Share capital

(₹in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised		
1,500,000,000 (1,150,000,000) equity shares of ₹ 1/- each	**150.00**	115.00
65,000,000 (100,000,000) preference shares of ₹ 10/- each	**65.00**	100.00
Total	**215.00**	**215.00**
Issued, subscribed and paid-up		
1,290,171,198 (644,981,999) equity shares of ₹ 1/- each fully paid-up (Refer note (e) below)	**129.02**	64.50
Total	**129.02**	**64.50**

a. Reconciliation of number of shares

Equity Shares :

Particulars	Number of shares	As at March 31 2016 (₹ in Crore)	Number of shares	As at March 31, 2015 (₹ in Crore)
Balance as at the beginning of the year	644,981,999	**64.50**	644,872,999	64.49
Add: Shares Issued during the year - ESOP (Refer note (d) below)	103,600	**0.01**	109,000	0.01
Add: Bonus Shares issued during the year (Refer note (e) below)	645,085,599	**64.51**	-	-
Balance as at the end of the year	**1,290,171,198**	**129.02**	**644,981,999**	**64.50**

b. Rights, preferences and restrictions attached to shares:

Equity Shares: The Company has one class of equity shares having a par value of ₹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.

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To Financial Statements for the year ended March 31, 2016

c. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company (Refer note (e) below)

Name of Shareholder	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of ₹ 1/- each fully paid-up				
Harsh C Mariwala with Kishore V Mariwala (For Valentine Family Trust)	146,752,000	**11.37**	73,376,000	11.38
Harsh C Mariwala with Kishore V Mariwala (For Aquarius Family Trust)	146,752,000	**11.37**	73,376,000	11.38
Harsh C Mariwala with Kishore V Mariwala (For Taurus Family Trust)	146,752,000	**11.37**	73,376,000	11.38
Harsh C Mariwala with Kishore V Mariwala (For Gemini Family Trust)	146,752,000	**11.37**	73,376,000	11.38
First State Investments Services (UK) Ltd (along with Persons acting in concert)	108,091,457	**8.38**	31,128,195	4.83
Arisaig Partners (Asia) Pte Ltd A/c Arisaig India Fund Ltd.	35,169,950	**2.73**	33,278,269	5.16

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.

Particulars	As at March 31, 2016	As at March 31, 2015
Marico ESOS 2007		
Weighted average share price of options exercised	**57.46**	55.40
Number of options granted, exercised, and forfeited		
Balance as at beginning of the year	**103,600**	212,600
Granted during the year	**-**	-
Less : Exercised during the year (prior to bonus issue, refer Note (e))	**103,600**	109,000
Forfeited / lapsed during the year	**-**	-
Balance as at end of the year	**-**	**103,600**

During the year ended March 31, 2015, 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 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 ₹ 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.

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To Financial Statements for the year ended March 31, 2016

Particulars	As at March 31, 2016	As at March 31, 2015
Marico ESOS 2014		
Weighted average share price of options exercised	-	-
Number of options granted, exercised, and forfeited	-	-
Balance as at beginning of the year	300,000	-
Adjustment on account of bonus issue (Refer note (e) below)	300,000	-
Granted during the year	-	300,000
Less : Exercised during the year	-	-
Forfeited / lapsed during the year	-	-
Balance as at end of the year	**600,000**	**300,000**

MD CEO ESOP Plan 2014 was approved by the shareholders during the previous 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 ₹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.

Particulars	As at March 31, 2016	As at March 31, 2015
MD CEO ESOP Plan 2014		
Weighted average share price of options exercised	-	-
Number of options granted, exercised, and forfeited		
Balance as at beginning of the year	46,600	-
Adjustment on account of bonus issue (Refer note (e) below)	46,600	-
Granted during the year	-	46,600
Less : Exercised during the year	-	-
Forfeited / lapsed during the year	-	-
Balance as at end of the year	**93,200**	**46,600**
Aggregate of all stock options to current paid-up equity share capital (percentage)	**0.05%**	**0.07%**

Notes

To Financial Statements for the year ended March 31, 2016

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, Basic and Diluted earnings per share as reported would have increased to the pro-forma amounts as indicated. (Refer note (e) below)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Net Profit after tax as reported (₹ Crore)	**701.86**	545.17
Add : Stock-based employee compensation expense charged as per 'intrinsic value' method (₹ Crore) (Refer Note 25)	**3.79**	3.27
Less : Stock-based employee compensation expense as per 'fair value' method (₹ Crore)	**3.46**	2.97
Adjusted pro-forma (₹ Crore)	**702.19**	545.47
Basic earnings per share as reported	**₹ 5.44**	₹ 4.23
Pro-forma basic earnings per share	**₹ 5.44**	₹ 4.22
Diluted earnings per share as reported	**₹ 5.44**	₹ 4.23
Pro-forma diluted earnings per share	**₹ 5.44**	₹ 4.22

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 (%)	**-**	-	**8.00%**	8.00%
	(6.61%)	(7.27%)	**(8.00%)**	(8.00%)
Expected life of options (years)	**-**	-	**3 years**	3 years and 3 months
	(5 years)	(5 years)	**(3 years)**	(3 years and 3 months)
Expected volatility (%)	**-**	-	**26.62%**	23.66%
	(35.32%)	(36.92%)	**(26.62%)**	(23.66%)
Dividend yield (%)	**-**	-	**3.50%**	3.50%
	(1.20%)	(1.20%)	**(3.50%)**	(3.50%)

e. During the year ended March 31, 2016, the Company has issued 645,085,599 fully paid-up bonus equity shares of face value ₹ 1 each in the ratio of 1:1 with record date of December 24, 2015. As a result EPS has been adjusted for reporting as well as for all the comparative periods.

Aggregate number of shares allotted as fully paid-up by way of bonus shares	For the year ended March 31, 2016	For the year ended March 31, 2015
Equity shares allotted as fully paid up bonus shares by capitalization of general reserve	**645,085,599**	–

Notes

To Financial Statements for the year ended March 31, 2016

4. Reserves and surplus

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Securities Premium Account		
Balance as at the beginning of the year	**234.49**	239.67
Add : Receipt on exercise of Employees stock options	**0.58**	0.59
Less: Amount adjusted towards bonus share issue expenses	**0.09**	-
Less: Premium on redemption of Debentures (net of tax effect of ₹ Nil (Previous year ₹ 2.97 crores))	**-**	5.77
Balance as at the end of the year	**234.98**	**234.49**
Debenture Redemption Reserve		
Balance as at the beginning of the year	**-**	13.83
Add : Amount transferred from Surplus in the Statement of Profit and Loss	**-**	11.17
Less: Amount transferred to General Reserve on redemption (Refer note 5 (b))	**-**	25.00
Balance as at the end of the year	**-**	-
Employee Stock Options Outstanding Account (Refer note 3 (d))		
Balance as at the beginning of the year	**3.27**	-
Add : Compensation for options granted	**3.79**	3.27
Balance as at the end of the year	**7.06**	**3.27**
General Reserve		
Balance as at the beginning of the year	**362.48**	337.48
Less : Transferred to Share Capital on account of issue of bonus shares (Refer note 3 (e))	**64.51**	-
Add : Amount transferred from Debenture Redemption Reserve on redemption	**-**	25.00
Balance as at the end of the year	**297.97**	**362.48**
Hedge Reserve (Refer note 37 (c))		
Balance as at the beginning of the year	**(74.97)**	(76.30)
Add : Transferred to the Statement of Profit and Loss	**65.83**	16.81
Less : Adjustments on account of exchange movement	**16.33**	15.48
Balance as at the end of the year	**(25.47)**	**(74.97)**
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	**1,753.12**	1,394.17

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To Financial Statements for the year ended March 31, 2016

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Less : Adjustment pursuant to enactment of Schedule II of Companies Act 2013 (net of tax effect of ₹ Nil (Previous year ₹ 0.29 crore)) (Refer Note 35)	-	0.54
Add : Profit for the year	701.86	545.17
Less: Appropriations :		
Equity dividend	435.43	161.24
Tax on Equity dividend (net of tax on dividend received from Indian and foreign subsidiaries of ₹ 23.22 Crore (Previous year ₹ 18.96 Crore))	65.43	13.27
Transfer to Debenture Redemption Reserve	-	11.17
Balance as at the end of the year	**1,954.12**	**1,753.12**
Total	**2,468.66**	**2,278.39**

5. Long-term borrowings

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Secured		
Term loan from banks		
External commercial borrowing from The Hongkong and Shanghai Banking Corporation Limited Loan carries interest @ LIBOR plus 2.1% (Previous year LIBOR plus 2.1%) and was 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 (Mortgage was only for previous year).	-	168.74
The loan was 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**

Notes

To Financial Statements for the year ended March 31, 2016

Note:

a) The scheduled maturity of long term borrowings is summarized as under:

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Within one year (Refer note 10 - Current maturities of long term debt)	**178.87**	93.75
After 1 year but within 2 years	**-**	168.74
Total	**178.87**	**262.49**

b) During the previous year, 1,000, Rated, Listed, Unsecured, Zero Coupon redeemable non-convertible debentures of ₹ 100 crores, were redeemed at a premium calculated at the yield of 8.95% p.a. on XIRR basis. (Refer Note 4)

6. Deferred tax liabilities (net)

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Deferred Tax assets:		
Provision for doubtful debts / advances that are deducted for tax purposes when written off	**1.68**	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(iii))	**9.41**	12.46
Liabilities / provisions that are deducted for tax purposes when paid	**18.78**	15.43
Other timing Differences	**1.10**	1.72
Deferred Tax assets (A)	**30.97**	**30.61**
Deferred tax liability:		
Additional depreciation/amortisation on fixed assets for tax purposes due to higher tax depreciation rates.	**40.14**	42.86
Deferred tax liability (B)	**40.14**	**42.86**
Total (B-A)	**9.17**	**12.25**

7. Long term provisions

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Total Provision for Employee Stock Appreciation Rights Scheme	**3.43**	5.95
Less : Accretion in amounts recoverable from the Trust	**1.29**	4.25
Net Provision (Refer notes 41 (b) and 41 (d))	**2.14**	1.70
Total	**2.14**	**1.70**

Notes

To Financial Statements for the year ended March 31, 2016

8. Short-term borrowings

(₹ in Crore)

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
Secured		
From banks :		
- Cash credit	**10.83**	8.64
- Export Packing credit	**15.00**	-
(Export Packing Credit is secured by hypothecation of inventory and debtors. (It is for a term of two to four months and carries interest rate of bank base rate plus applicable spread less interest subvention of 3%, ranging 5.9% to 6.50% per annum)).		
Total	**25.83**	**8.64**

9. Trade payables

(₹ in Crore)

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
Trade Payables (Refer note below)	**483.52**	404.38
Total	**483.52**	**404.38**

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:

(₹ in Crore)

Particulars	**As at March 31, 2016**	**As at March 31, 2015**
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	**16.01**	7.31
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	**0.06**	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**	**0.01**
Total	**16.08**	**7.33**

Notes

To Financial Statements for the year ended March 31, 2016

10. Other current liabilities

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Current maturities of long- term debt (Refer note 5 (a))	**178.87**	93.75
Payable to related parties	**1.26**	1.17
Interest accrued but not due on borrowings	**0.75**	1.02
Unclaimed dividend (Refer note below)	**0.44**	0.27
Other Payables :		
Provision for contractual liabilities	**60.03**	57.78
Advance from customers	**17.83**	26.09
Statutory dues, including provident fund and tax deducted at source	**20.69**	17.29
Forward/derivative contracts payables	**1.81**	1.53
Creditors for capital goods	**3.14**	4.28
Security deposits from customers and others	**0.43**	0.21
Employee benefits payable	**28.57**	29.75
Others	**0.29**	0.24
Total	**314.11**	**233.38**

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

11. Short term provisions

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits:		
Gratuity (Refer note 42 (A))	**2.68**	2.60
Leave entitlement (Refer note 42(B))	**6.71**	6.02
Total Provision for Employee Stock Appreciation Rights Scheme	**13.44**	11.81
Less : Accretion in amounts recoverable from the Trust	**13.28**	11.26
Net Provision (Refer notes 41 (b) and 41 (d))	**0.16**	**0.55**
Income tax - (previous year net of advance tax and other tax payments ₹ 705.42 Crore)	**-**	7.66
Disputed indirect taxes (Refer notes (a) and (b) below)	**50.64**	42.25
Total	**60.19**	**59.08**

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:

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Balance as at the beginning of the year	**42.25**	25.15
Add: Additions during the year	**12.41**	17.60
Less: Amount used during the year	**4.02**	–
Less: Unused amounts reversed during the year	**-**	0.50
Balance as at the end of the year	**50.64**	**42.25**

Notes To Financial Statements for the year ended March 31, 2016

12 Fixed Assets

(A) Tangible assets

(₹ in Crore)

PARTICULARS	GROSSBLOCK					DEPRECIATION/AMORTISATION					IMPAIRMENT				NET BLOCK
	As at April 1, 2015	Additions	Deductions	Adjustments	As at March 31, 2016	As at April 1, 2015	For the Year	Deductions	Adjustments	As at March 31, 2016	As at April 1, 2015	Charge / (Reversal) for the year	Adjustment	As at March 31, 2016	As at March 31, 2016
Tangible assets															
Freehold land	1.72	-	-	0.14	**1.86**	-	-	-	0.02	**0.02**	-	-	-	-	**1.84**
Leasehold land	28.48	-	-	(0.14)	**28.34**	2.55	0.39	-	(0.02)	**2.92**	-	-	-	-	**25.42**
Buildings (Refer notes (i), (ii) and (iv) below)	254.13	2.60	0.88	-	**255.85**	24.67	8.08	0.34	-	**32.41**	-	0.18	-	**0.18**	**223.26**
Plant and equipment (Refer note (iv) below)	374.33	37.36	4.00	-	**407.69**	173.78	43.33	3.23	-	**213.88**	11.98	6.46	-	**18.44**	**175.37**
Furniture and fixtures	15.41	0.45	0.56	0.43	**15.73**	7.16	1.64	0.55	0.03	**8.28**	-	-	-	-	**7.45**
Vehicles	1.33	-	0.99	-	**0.34**	1.07	0.07	0.99	-	**0.15**	-	-	-	-	**0.19**
Office equipment	8.61	3.89	0.52	-	**11.98**	5.85	4.60	0.51	-	**9.94**	-	0.05	-	**0.05**	**1.99**
Leasehold improvements	1.38	-	-	(0.43)	**0.95**	0.33	-	-	(0.03)	**0.30**	-	-	-	-	**0.65**
TOTAL (A)	**685.39**	**44.30**	**6.95**	**-**	**722.74**	**215.41**	**58.11**	**5.62**	**-**	**267.90**	**11.98**	**6.69**	**-**	**18.67**	**436.18**

(B) Intangible asset

PARTICULARS	GROSSBLOCK					DEPRECIATION/AMORTISATION					IMPAIRMENT				NET BLOCK
	As at April 1, 2015	Additions	Deductions	Adjustments	As at March 31, 2016	As at April 1, 2015	For the Year	Deductions	Adjustments	As at March 31, 2016	As at April 1, 2015	Charge / (Reversal) for the year	Adjustment	As at March 31, 2016	As at March 31, 2016
Intangible assets															
Trademarks and copyrights (Refer note (iii) below)	40.99	-	-	-	**40.99**	22.43	5.43	-	-	**27.86**	-	-	-	-	**13.13**
Computer software	26.57	3.26	0.01	-	**29.82**	21.57	3.44	0.01	-	**25.00**	-	-	-	-	**4.82**
Total (B)	**67.56**	**3.26**	**0.01**	**-**	**70.81**	**44.00**	**8.87**	**0.01**	**-**	**52.86**	**-**	**-**	**-**	**-**	**17.95**
Total (A)+(B)	**752.95**	**47.56**	**6.96**	**-**	**793.55**	**259.41**	**66.98**	**5.63**	**-**	**320.76**	**11.98**	**6.69**	**-**	**18.67**	**454.13**

(i) During the previous year ended March 31, 2015, building of net book value of ₹12.96 Crore (Gross block of ₹ 13.42 Crore and accumulated depreciation of ₹ 0.46 Crore) was reclassified as assets held for disposal.

(ii) During the year ended March 31, 2016, building appearing as asset held for disposal of net book value of ₹ 12.74 Crore (Gross block of ₹ 13.42 Crore less accumulated depreciation of ₹ 0.68 Crore) has been reclassified as Investment property.

(iii) 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 ₹ 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 ₹ 139.06 crore (net adjustment of ₹ 309.09 crore) against the balance in Securities Premium Reserve of ₹ 129.09 crore and Capital Redemption Reserve of ₹ 180 Crore.

(iv) For additional information on assets given on operating lease (Refer note 36 (b)).

Notes to Financial Statements

12 Fixed Assets

(C) Tangible assets

(₹ in Crore)

PARTICULARS	GROSSBLOCK					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	Adjustments	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
Tangible assets															
Freehold land	1.72	-	-	-	**1.72**	-	-	-	-	**-**	-	-	-	**-**	**1.72**
Leasehold land	28.48	-	-	-	**28.48**	2.14	0.41	-	-	**2.55**	-	-	-	**-**	**25.93**
Buildings (Refer notes (i), (ii), (iii), (iv) and (vi) 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**
Plant and equipment (Refer note (vi) 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**
Furniture and fixtures	14.39	1.12	0.10	-	**15.41**	5.21	2.05	0.10	-	**7.16**	-	-	-	**-**	**8.25**
Vehicles	1.27	0.26	0.20	-	**1.33**	1.12	0.15	0.20	-	**1.07**	-	-	-	**-**	**0.26**
Office equipment	10.68	0.82	2.89	-	**8.61**	6.47	2.24	2.86	-	**5.85**	0.03	(0.03)	-	**-**	**2.76**
Leasehold improvements	1.38	-	-	-	**1.38**	0.16	0.17	-	-	**0.33**	-	-	-	**-**	**1.05**
Total (C)	**675.36**	**36.51**	**13.06**	**(13.42)**	**685.39**	**176.72**	**50.94**	**11.35**	**(0.90)**	**215.41**	**15.40**	**(3.36)**	**-**	**11.98**	**458.00**

(D) Intangible asset

PARTICULARS	GROSSBLOCK					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	Adjustments	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
Intangible assets															
Trademarks and copyrights (Refer note (v) below)	24.14	16.85	-	-	**40.99**	17.50	4.93	-	-	**22.43**	-	-	-	**-**	**18.56**
Computer software	23.02	3.61	0.06	-	**26.57**	18.76	2.87	0.06	-	**21.57**	-	-	-	**-**	**5.00**
Total (D)	**47.16**	**20.46**	**0.06**	**-**	**67.56**	**36.26**	**7.80**	**0.06**	**-**	**44.00**	**-**	**-**	**-**	**-**	**23.56**
Total (C)+(D)	**722.52**	**56.97**	**13.12**	**(13.42)**	**752.95**	**212.98**	**58.74**	**11.41**	**(0.90)**	**259.41**	**15.40**	**(3.36)**	**-**	**11.98**	**481.56**

(i) During the year ended March 31, 2014, Freehold land of cost of ₹ 0.77 Crore and building of net book value of ₹15.50 (Gross block of ₹ 22.96 Crore and accumulated depreciation of ₹ 7.46 Crore) was reclassified as assets held for disposal.

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

(iii) During the year ended March 31, 2014, building appearing in Investment property of net book value of ₹ 6.37 Crore (Gross block of ₹ 6.47 Crore less accumulated depreciation of ₹ 0.10 Crore) was reclassified as office building.

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

(v) 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 ₹ 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 ₹ 139.06 crore (net adjustment of ₹ 309.09 crore) against the balance in Securities Premium Reserve of ₹ 129.09 crore and Capital Redemption Reserve of ₹ 180 Crore.

(vi) For assets given on lease refer note 36 (b).

Notes
To Financial Statements for the year ended March 31, 2016

13. Non current investments

(₹ in Crore)

	Particulars	As at March 31, 2016	As at March 31, 2015
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	25.78	12.36
	Less: Amortised upto previous year	1.06	0.40
	Less: Amortisation during the year	0.43	0.20
	Net block	24.29	11.76
B	**Long term Trade investments** (valued at cost unless stated otherwise)		
	Investments in equity instruments :		
	Investment in Subsidiaries		
	Quoted		
	Marico Bangladesh Limited 28,350,000 (28,350,000) equity shares of Bangladesh taka 10 each fully paid (Quoted on Dhaka Stock exchange and Chittagong Stock exchange).	0.86	0.86
	Unquoted		
	Marico Middle East FZE (wholly owned) 22 (22) equity share of UAE dirham 1,000,000 (1,000,000) fully paid	27.99	27.99
	Marico South Africa Consumer Care (Pty) Limited (wholly owned) 1,247 (1,247) equity shares of SA Rand 1.00 fully paid	59.81	59.81
	International Consumer Products Corporation (Wholly owned with effect from December 10, 2014) (Refer note (a) below) 9,535,495 (9,535,495) equity shares of VND 10,000 fully paid	254.98	254.98
	Marico Consumer Care Limited (wholly owned) 20,660,830 (20,660,830) equity shares of ₹ 10 each fully paid	745.70	745.70
	Investment in Joint Venture		
	Unquoted		
	Bellezimo Professionale Products Private Limited (Jointly controlled entity with effect from October 21, 2015) (Refer note (b) below) 1,350,000 (Nil) equity shares of ₹ 10 each fully paid	1.35	-
		1,090.69	1,089.34
C	**Other Investments (Non Trade):**		
	Investments in Government Securities		
	Unquoted		
	National Savings Certificates (Deposited with the Government authorities)	0.01	0.01

Notes

To Financial Statements for the year ended March 31, 2016

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Investment in Bonds		
Quoted		
Power Finance Corporation Limited 28,479 (28,479) Secured, Redeemable, Tax free Non-convertible Bonds, 8.20% , face value of ₹ 1,000/- each, redeemable on February 1, 2022.	2.85	2.85
Indian Railway Finance Corporation 21,751 (21,751) Secured, Redeemable, Tax free Non-convertible Bonds , 8.00% , face value of ₹ 1,000/- each, redeemable on February 23, 2022.	2.18	2.18
National Highways Authority of India 24,724 (24,724) Secured, Redeemable, Tax free Non-convertible Bonds , 8.20% , face value of ₹ 1,000/- each, redeemable on January 25, 2022.	2.47	2.47
Rural Electrification Corporation Limited 61,238 (61,238) Secured, Redeemable, Tax free Non-convertible Bonds , 8.12% , face value of ₹ 1,000/- each, redeemable on March 29, 2027.	6.12	6.12
Rural Electrification Corporation Limited 50 (50) Secured, Redeemable, Tax free Non-convertible Bonds , 8.46% , face value of ₹ 1,000,000/- each, redeemable on August 29, 2028.	5.00	5.00
Housing & Urban Development Corporation Ltd 50 (50) Secured, Redeemable, Tax free Non-convertible Bonds , 8.56% , face value of ₹ 1,000,000/- each, redeemable on September 2, 2028.	5.00	5.00
Investments in Mutual Funds		
Quoted		
Reliance Fixed Horizon Fund-XXIX-Series 16-Growth Plan 10,000,000 (Nil) units of ₹ 10 each fully paid	10.00	-
DHFL Pramerica Fixed Maturity Plan Series 62 - Regular Plan - Growth 4,125,148 (4,125,148) units of ₹ 10 each fully paid	4.13	4.13
	37.76	**27.76**
Total	**1,152.74**	**1,128.86**
Aggregate amount of quoted investments	38.62	28.61
Market value / net asset value of quoted investments	3,131.69	3,308.12
Aggregate amount of unquoted investments	1,114.12	1,100.26

Notes :

a) During the previous year ended March 31, 2015, International Consumer Product Corporation, a subsidiary of the Company in Vietnam had bought back its shares resulting into increase in the percentage of Company's shareholding to 100%.

b) During the year ended March 31, 2016, the Company has acquired 45% stake in Bellezimo Professionale Products Private Limited, a jointly controlled entity.

Notes

To Financial Statements for the year ended March 31, 2016

14 Long-term loans and advances

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good (unless otherwise stated)		
Capital Advances	**14.70**	12.06
Loans to Subsidiaries (Refer note 40 (III) and note (a) below)	**-**	1.55
Advances to Subsidiaries (Refer note 40 (III))		
Considered good	**15.78**	19.51
Considered doubtful	**0.82**	-
	16.60	19.51
Less: Provision for doubtful advances	**0.82**	-
	15.78	**19.51**
Other loans and advances :		
Deposits with public bodies and others		
Considered good	**12.72**	13.20
Considered doubtful	**1.00**	-
	13.72	13.20
Less: Provision for doubtful deposits	**1.00**	-
	12.72	**13.20**
Advance Income tax - (net of provision for Taxes ₹ 896.45 Crore)	**1.87**	-
Loans to employees	**3.77**	3.58
Prepaid expenses	**0.13**	0.15
Balance with statutory / government authorities	**10.50**	10.74
Loans and advances to Welfare of Mariconians Trust (Refer note 41 (c))	**50.59**	8.40
Total	**110.06**	**69.19**

Note:

a) The above loan was given to a subsidiary for various operational requirement and acquisition of brands and carries interest rate of Prime Lending Rate published by South African Reserve Bank. The said loan is repayable within a period of one year from March 31, 2016 and has been disclosed as short term loans and advances.

15. Other non-current assets

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Fringe benefit tax payments (net of provision)	**0.48**	0.48
MAT credit entitlement	**57.08**	119.02
Long term deposits with banks with maturity period of more than twelve months (Refer note below)	**0.57**	1.17
Total	**58.13**	**120.67**

Note: Long term deposits with banks include ₹ 0.21 Crore (₹ 0.21 Crore) deposited with sales tax authorities, ₹ 0.36 Crore (₹ 0.39 Crore) held as lien by banks against guarantees issued on behalf of the Company and ₹ Nil (₹ 0.57 Crore) for other earmarked balances.

Notes

To Financial Statements for the year ended March 31, 2016

16. Current investments

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Non-trade investments (At lower of cost and fair value)		
Quoted		
Investments in Mutual Funds		
LIC Nomura MF Fixed Maturity Plan Series 77-396 Days-Growth Nil (8,000,000) units of ₹ 10 each fully paid	-	8.00
ICICI Prudential FMP Series 78-95 Days-Plan K-Cumulative 15,000,000 (Nil) units of ₹ 10 each fully paid	15.00	-
Unquoted		
Investments in Mutual Funds		
Axis Treasury Advantage Fund - Growth Nil (50,053) Units of ₹ 1,000 each fully paid	-	7.75
Birla Sunlife Cash Plus -Growth-Regular Nil (190,148) Units of ₹ 100 each fully paid	-	4.26
Birla Sunlife Floating Rate Long Term -Growth-Regular 275,258 (304,582) Units of ₹ 100 each fully paid	5.00	5.10
DHFL Pramerica Low Duration Fund - Growth 10,371,654 (Nil) Units of ₹ 10 each fully paid	21.14	-
DWS Treasury Fund -Cash-Growth Nil (1,001,013) Units of ₹ 100 each fully paid	-	15.01
HDFC Liquid Fund - Growth 16,801(3,990,799) Units of ₹ 1000 each fully paid	5.00	11.00
HDFC Cash Management Fund-Savings Plan-Growth Nil (1,897,404) Units of ₹ 10 each fully paid	-	5.53
HDFC Corporate Debt Opportunities Fund - Regular - Growth 20,803,342 (Nil) Units of ₹ 10 each fully paid	25.00	-
HDFC Banking and PSU Debt Fund-Reg-Growth Nil (1,813,187) Units of ₹ 10 each fully paid	-	2.00
ICICI Prudential Money Market Fund -Regular Plan -Growth Nil (1,036,048) Units of ₹ 100 each fully paid	-	20.01
ICICI Prudential Ultra Short Term - Growth 9,948,137 (Nil) Units of ₹ 10 each fully paid	15.00	-
IDFC Money Manager Fund-Treasury Plan-Growth 8,045,461 (Nil) Units of ₹ 10 each fully paid	19.00	-

Notes
To Financial Statements for the year ended March 31, 2016

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
IDFC Ultra Short Term Fund -Growth-Regular Plan Nil (1,301,391) Units of ₹ 10 each fully paid	-	2.54
Kotak Liquid Scheme Plan A-Growth 18,754 (70,607) Units of ₹ 1,000 each fully paid	5.75	20.01
Kotak Bond (Short Term) - Growth 8,959,674 (Nil) Units of ₹ 10 each fully paid	25.00	-
LIC Nomura Liquid Fund-Growth 38,956 (Nil) Units of ₹ 1000 each fully paid	10.67	-
L&T Ultra Short Term Fund-Growth Nil (1,011,382) units of ₹ 10 each fully paid	-	2.29
Principal Debt Opportunities Fund Corporate Bond Plan-Regular Plan Growth Nil (47,877) Units of ₹ 1,000 each fully paid	-	10.00
Reliance Liquid Fund-Treasury Plan-Growth Nil (58,818) Units of ₹ 1,000 each fully paid	-	20.02
Reliance Medium Term Fund-Growth 7,986,353 (Nil) Units of ₹ 10 each fully paid	25.00	-
Reliance Short Term Fund-Growth 5,355,039 (Nil) Units of ₹ 10 each fully paid	15.00	-
Religare Invesco Ultra Short Term Fund-Growth Nil (56,982) Units of ₹ 1,000 each fully paid	-	10.96
Religare Invesco Credit Opportunities Fund-Growth 149,408 (60,034) Units of ₹ 1,000 each fully paid	24.96	9.56
Religare Invesco Medium Term Bond Fund-Growth 70,172 (Nil) Units of ₹ 1,000 each fully paid	10.00	-
SBI Magnum Insta Cash -Reg Plan-Growth 58,764 (64,792) Units of ₹ 1,000 each fully paid	15.00	20.01
Templeton India TMA-SIP-Growth Nil (16,797) Units of ₹ 1,000 each fully paid	-	3.50
SBI Treasury Advantage Fund-Regular Plan-Growth 181,028 (Nil) Units of ₹ 1,000 each fully paid	30.00	-
Baroda Pioneer Treasury Advantage Fund- Plan A-Growth 187,598 (Nil) units of ₹ 1,000 each fully paid	32.50	-
JM Money Manager Fund-Super Plus Plan-Bonus Option-Bonus Units 3,748,072 (3,748,072) units of ₹ 10 each fully paid	3.78	3.78

Notes

To Financial Statements for the year ended March 31, 2016

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
JM Money Manager Fund-Super Plan-Bonus Option-Bonus Units	**4.43**	4.43
4,524,192 (4,524,192) units of ₹ 10 each fully paid		
JP Morgan India Treasury Fund-SIP-Growth	**-**	20.42
Nil (11,140,952) units of ₹ 10 each fully paid		
UTI Floating Rate Fund-STP-Growth	**30.75**	-
127,081 (Nil) units of ₹ 1,000 each fully paid		
Total	**337.98**	**206.18**

Aggregate amount of quoted investments	**15.00**	8.00
Net asset value of quoted investments	**15.17**	8.79
Aggregate amount of unquoted investments	**322.98**	198.19
Net asset value of unquoted investments	**328.89**	204.42

17. Inventories

(Refer note 2 (h) for basis of valuation)

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Raw materials (includes goods in transit ₹ 49.37 Crore (Previous year ₹ Nil))	**264.09**	247.39
Work-in-progress	**120.03**	107.20
Finished goods	**300.53**	346.30
Stock - in - trade (Traded goods)	**14.68**	16.40
Stores and spares	**8.10**	7.30
Others :		
Packing materials	**56.97**	61.44
By-products	**3.16**	5.56
Total	**767.56**	**791.59**

Notes

To Financial Statements for the year ended March 31, 2016

18. Trade receivables

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	**3.44**	4.18
Considered doubtful	**2.97**	2.89
	6.41	**7.07**
Less: Provision for doubtful debts	**2.97**	2.89
	3.44	**4.18**
Outstanding for a period less than six months from the date they are due for payment		
Considered good	**188.66**	126.37
Considered doubtful	**-**	-
	188.66	**126.37**
Total	**192.10**	**130.55**

Refer note 40 (III) for amounts receivable from subsidiaries

19. Cash and bank balances

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Cash and cash equivalents :		
Cash on hand	**0.17**	0.18
Cheques on hand	**-**	0.76
Bank balances in current accounts	**9.03**	14.01
	9.20	**14.95**
Other bank balances :		
Fixed deposits with maturity more than three months but less than twelve months	**121.50**	75.00
Unclaimed dividend account	**0.44**	0.27
Demand deposits with maturity upto three months	**3.40**	6.75
Total	**134.54**	**96.97**

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To Financial Statements for the year ended March 31, 2016

20. Short-term loans and advances

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good (unless otherwise stated)		
Loans to Subsidiaries (Refer note 40 (III) and note (a) below)	1.34	3.89
Advances to Subsidiaries (Refer note 40 (III))	18.75	10.57
	20.09	14.46
Others :		
Loans and advances to Welfare of Mariconians Trust (Refer note 41 (c))	15.97	19.76
Advances to vendors and others	72.17	59.22
Loans and advances to employees	2.53	2.10
Prepaid expenses	9.97	8.25
Deposits/Balances with Government authorities/Others	8.48	6.53
Inter corporate deposits (fixed deposits with Companies / Public Financial Institutions)	92.50	60.00
	201.62	155.86
Total	**221.71**	**170.32**

Note:

a) The above loan was given to a subsidiary for various operational requirement and acquisition of brands and carries interest rate of Prime Lending Rate published by South African Reserve Bank. The said loan is repayable within a period of one year from March 31, 2016 and has been disclosed as short term loans and advances.

21. Other current assets

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good (unless otherwise stated)		
Interest accrued and not due on loans / deposits (receivable from subsidiary ₹ 0.04 Crore (₹ 0.14 Crore))	8.42	3.51
Insurance claims receivable	1.95	0.05
Accrued export incentives	-	0.18
Assets held for disposal (Refer note 12 (i) and (ii))	12.45	28.71
Others	4.33	0.65
Total	**27.15**	**33.10**

Notes

To Financial Statements for the year ended March 31, 2016

22. Revenue from operations

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Sale of products:		
Finished goods	4,704.93	4,393.73
Traded goods	129.19	182.82
By-product sales	111.20	101.28
	4,945.32	4,677.83
Less: Excise duty	7.13	8.25
	4,938.19	4,669.58
Other operating revenues:		
Export incentives	4.82	6.34
Sale of scrap	4.36	5.28
	9.18	11.62
Total	**4,947.37**	**4,681.20**

A. Details of Sales (Finished goods)

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Edible oils	2,992.90	2,897.13
Hair oils	1,282.31	1,100.22
Personal care	283.59	280.98
Others	146.13	115.40
Total	**4,704.93**	**4,393.73**

B. Details of Sales (Traded goods)

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Oil seeds (Copra)	8.14	65.19
Personal care	86.13	82.03
Others	34.92	35.60
Total	**129.19**	**182.82**

Notes

To Financial Statements for the year ended March 31, 2016

23. Other income

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest Income		
On Non current investments	2.03	2.17
On loans, deposits, etc.	18.00	5.37
	20.03	7.54
Dividend Income		
On current investments	25.10	10.98
On Non current investments (from subsidiaries)	114.06	94.87
	139.16	105.85
Net gain on sale of current investments	1.94	12.28
Other non-operating income :		
Lease rental income	0.91	0.64
Royalty income	10.10	7.15
Profit on sale of assets (net)	9.13	-
Excess Provision no longer required written back	4.97	4.32
Miscellaneous income	4.62	3.02
Total	**190.86**	**140.80**

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

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(A) Cost of materials consumed (Refer notes (a) and (c) below)		
Raw materials consumed		
Opening Inventories	247.39	215.96
Add : Purchases (net)	2,088.98	2,295.58
Less : Inventories at the end of the year	264.09	247.39
Cost of raw materials consumed during the year	2,072.28	2,264.15
Packing materials consumed		
Opening Inventories	61.44	60.98
Add : Purchases (net)	401.59	412.20
Less : Inventories at the end of the year	56.97	61.44
Cost of packing materials consumed during the year	406.06	411.74
Total	2,478.34	2,675.89

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To Financial Statements for the year ended March 31, 2016

(₹ in Crore)

	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(B)	**Purchases of Stock-in-trade** (refer note (b) below)	**79.95**	**134.71**
(C)	**Changes in inventories of finished goods, work-in-progress and stock-in-trade - (increase) / decrease**		
	Opening 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 (I)	**475.46**	**380.59**
	Less: Closing inventories		
	Work-in-progress	**120.03**	107.20
	Finished goods	**300.53**	346.30
	By-products	**3.16**	5.56
	Stock-in-trade	**14.68**	16.40
	Total (II)	**438.40**	**475.46**
	(Increase) / decrease in inventories (I-II)	**37.06**	**(94.87)**

a. Details of Raw materials consumed

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Oil seeds (Copra and Kardi seeds)	**936.75**	983.95
Raw oils (other than Copra and Kardi seeds)	**717.43**	795.97
Others	**418.10**	484.23
Total	**2,072.28**	**2,264.15**

b. Details of Purchases of Stock-in-trade

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Oil seeds (Copra)	**7.05**	63.25
Personal care	**48.96**	52.43
Others	**23.94**	19.03
Total	**79.95**	**134.71**

Notes

To Financial Statements for the year ended March 31, 2016

c. Value of imported and indigenous Raw materials consumed

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	(₹in Crore)	%	(₹ in Crore)	%
Imported	**253.41**	**12.23**	258.28	11.41
Indigeneous	**1,818.87**	**87.77**	2,005.87	88.59
Total	**2,072.28**	**100.00**	**2,264.15**	**100.00**

25. Employee benefit expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Salaries, wages and bonus	**188.74**	170.03
Contribution to provident and other funds (Refer note 42)	**12.30**	10.46
Employees stock option charge (Refer note 3 (d))	**3.79**	3.27
Stock appreciation rights expenses (Refer note 41 (d))		
STAR Grant Expenses	**15.38**	24.76
Less: Accretion in amounts recoverable from the Trust	**14.75**	22.54
	0.63	**2.22**
Staff welfare expenses	**11.89**	11.19
Total	**217.35**	**197.17**

26. Finance costs

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest on:		
Long term borrowings	**7.13**	8.68
Short term borrowings	**0.24**	3.97
Other borrowing costs	**0.19**	0.17
Bank and other financial charges	**1.30**	1.49
Applicable net loss on foreign currency transactions and translation	**5.92**	2.66
Total	**14.78**	**16.97**

Notes

To Financial Statements for the year ended March 31, 2016

27. Depreciation, amortisation and impairment (Refer note 35)

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Depreciation on tangible assets (Including assets held for sale) (Refer note 2(d) (I))	**58.26**	50.11
Amortisation on intangible assets (Refer note 2(d) (II))	**8.87**	7.80
Impairment loss / (reversal of loss) of capitalised assets	**6.69**	(3.36)
Amortisation of Investment Property (Refer note 13 (A))	**0.43**	0.20
Total	**74.25**	**54.75**

28. Other Expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Consumption of stores and spare parts (refer note (a) below)	**15.91**	13.45
Power, fuel and water	**28.31**	29.11
Contract manufacturing charges	**168.36**	151.84
Rent and storage charges	**27.43**	25.76
Repairs to:		
Building	**8.69**	7.17
Machinery	**19.31**	15.37
Others	**2.25**	1.37
Freight, forwarding and distribution expenses	**197.06**	186.83
Advertisement and sales promotion	**579.40**	480.52
Rates and taxes (net)	**42.97**	57.61
Commission to selling agents	**2.52**	1.92
Communication expenses	**7.26**	6.70
Printing and stationery	**1.53**	1.62
Travelling, conveyance and vehicle expenses	**24.99**	26.57
Royalty	**5.30**	5.55
Insurance	**6.23**	5.15
Payments to the auditor as:		
- Statutory audit fees (including Limited Review)	**1.09**	0.96
- for other services as statutory auditors	**0.12**	0.12
- for reimbursement of expenses	**0.02**	0.02
Net loss on foreign currency transactions and translation (Refer note (b) below)	**56.02**	9.72
Commission to Non-executive directors	**1.31**	1.29
Provision for doubtful Loans and advances	**0.82**	-
Provision for doubtful debts and advances	**1.08**	0.25
Bad debts / advances written off	**0.06**	-
Miscellaneous expenses (Refer note (c) below)	**94.36**	77.44
Total	**1,292.40**	**1,106.34**

a) There is no consumption of imported stores and spares during the current year and the previous year.

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To Financial Statements for the year ended March 31, 2016

b) Net loss on foreign currency transactions and translation is other than as considered in finance cost.

c) Miscellaneous expenses include :

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Labour charges	13.37	11.20
Training & seminar expenses	5.21	4.78
Outside services	19.38	10.92
Legal & professional charges	33.91	30.18
Donation	7.59	6.80
Loss on sale of assets (net)	-	1.45

29. Contingent liabilities

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Disputed tax demands / claims :		
Sales tax	22.58	14.67
Income tax	47.14	47.14
Customs duty	0.31	0.31
Agricultural produce marketing cess	9.69	9.69
Employees state insurance corporation	0.18	0.18
Excise duty on subcontractors	0.54	0.54
Service Tax	0.17	0.17
Excise duty on CNO dispatches (Refer note below)	685.50	565.62
Excise duty on By-Product	4.67	4.67
Claims against the Company not acknowledged as debts.	0.08	0.14
Corporate guarantees given to banks on behalf of Broadcast Audience Research Council (BARC)	0.60	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 year end - ₹ 120.90 Crore (₹ 119.95 Crore)) These SBLC are given for working capital requirement and are generally renewed every year.	139.78	131.87
Letter of credit	-	31.84

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

Notes

To Financial Statements for the year ended March 31, 2016

Contingent Asset". The possible obligation of ₹ 563.73 Crore (₹ 443.85 Crore) for the clearances made after June 3, 2009 (i.e. the date of issue of Board circular) till March 31, 2016 and ₹ 121.77 Crore (₹ 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

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	12.02	11.83
Total	**12.02**	**11.83**

31. CIF value of imports

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Raw materials	207.38	155.85
Packing materials	1.58	1.09
Capital goods	1.31	3.56
Stock - in - trade (Traded goods)	12.24	3.99
Total	**222.51**	**164.49**

32. Expenditure in foreign currency

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Travelling and other expenses	0.75	0.85
Advertisement and sales promotion	11.88	14.86
Interest on other loans	7.13	8.77
Employee benefit expenses	2.45	1.99
Miscellaneous expenses	1.59	1.85
Total	**23.80**	**28.32**

Notes

To Financial Statements for the year ended March 31, 2016

33. Earnings in foreign currency

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
FOB value of exports	**174.94**	207.09
Royalty	**10.10**	7.15
Dividend	**105.80**	94.87
Interest	**0.31**	0.71
Miscellaneous Income	**2.13**	0.68
Total	**293.28**	**310.50**

34. Research and Development expenses aggregating to ₹ 6.93 Crore for food and edible items and ₹ 18.11 Crore for others have been included under the relevant heads in the Statement of Profit and Loss (Previous year aggregating ₹ 19.19 Crore). Further Capital expenditure pertaining to this of ₹ 0.05 Crore for food and edible items and ₹ 2.38 Crore for others have been incurred during the year (Previous year aggregating to ₹ 0.55 Crore).

35. During the previous year ended March 31, 2015, pursuant to Schedule II of Companies Act, 2013 ("Schedule") becoming effective from April 1, 2014, the Company had applied the useful life of assets as prescribed in the Schedule or the estimated useful life, whichever is lower, for ascertaining the depreciation expense.

In case of assets which had completed their useful life as at April 1, 2014, [the carrying value (net of residual value) of which amounted to ₹ 0.83 Crore] ₹ 0.54 Crore (net of tax effect of ₹ 0.29 Crore) was 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.

(₹ in Crore)

Particulars	March 31, 2016	March 31, 2015
Lease rental payments recognized in the Statement of Profit and Loss.	**23.44**	**22.33**
In respect of assets taken on non-cancellable operating lease:		
Lease obligations		
Future minimum lease rental payments		
- not later than one year	**20.44**	12.45
- later than one year but not later than five years	**49.87**	19.93
- later than five years	**20.68**	0.06
Total	**90.99**	**32.44**

Notes

To Financial Statements for the year ended March 31, 2016

B. Additional information on assets given on lease: (Refer Note 12 (iv))

(₹ in Crore)

Particulars	March 31, 2016	March 31, 2015
Lease rental Income recognized in the Statement of Profit and Loss.	**0.91**	0.64

(₹ in 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,	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
Plant and equipment	**-**	1.90	**-**	0.01	**-**	1.74	**-**	0.16
Investment Property (Refer Note 13 (A))	**25.78**	12.36	**0.43**	0.20	**1.49**	0.60	**24.29**	11.76

37. Derivative transactions –

a. The total derivative instruments outstanding as on year end March 31, 2016 are Plain Forwards, Plain Vanilla Put Option, Cross currency swap and Interest rate swap:

Particulars	Currency	March 31, 2016		March 31, 2015	
		Notional Amount in Foreign Currency	Equivalent Amount in ₹ Crore at the year end *	Notional Amount in Foreign currency	Equivalent Amount in ₹ Crore at the year end *
Forward contracts outstanding					
Exports:	USD	**18,578,685**	**123.08**	1,195,570	7.47
Foreign currency loans	USD	**8,000,000**	**53.00**	-	-
Imports	USD	**6,651,164**	**44.06**	3,789,550	23.68
Imports	AUD	**951,400**	**4.83**	243,100	1.16
Imports	EUR	**-**	**-**	480,000	3.22
Loan to subsidiary:	ZAR	**2,999,500**	**1.34**	10,559,500	5.44
Options Contracts outstanding					
Exports	USD	**273,000**	**1.81**	4,373,000	27.33
Imports	USD	**1,920,031**	**12.72**	3,321,040	20.76
Foreign currency loans	USD	**8,000,000**	**53.00**	-	-
Imports	AUD	**951,400**	**4.83**	574,600	2.73

* Converted into the exchange rate at the respective year end.

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To Financial Statements for the year ended March 31, 2016

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

Particulars	March 31, 2016			March 31, 2015	
	Currency	Amount in Foreign Currency	Fair Value (₹ in Crore)	Amount in Foreign Currency	Fair Value (₹ in Crore)
Forward contracts	USD	**25,229,849**	**171.10**	4,985,120	31.16
Forward contracts	AUD	**951,400**	**4.95**	243,100	1.16
Forward contracts	EUR	**-**	**-**	480,000	3.22
Options contract	AUD	**951,400**	**0.45**	574,600	0.10
Options contract	USD	**10,193,031**	**2.05**	7,694,040	0.48

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

(₹ in Crore)

Particulars	March 31, 2016			March 31, 2015	
	Currency	Amount in Foreign Currency	Fair Value (₹ in Crore)	Amount in Foreign Currency	Fair Value (₹ in Crore)
Borrowings in Foreign currency	USD	**13,500,000**	**0.39**	21,000,000	1.17

The Cash flows are expected to occur and impact the Statement of Profit and Loss within the period of 1 year. (Previous year: 2 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, 2016		March 31, 2015	
		Amount in Foreign Currency	Equivalent Amount in Crore at the year end*	Amount in Foreign Currency	Equivalent Amount in Crore at the year end*
a. Amount (payable) /receivable in foreign currency on account of following :					
(i) Foreign currency Creditors for import of goods and services	BDT	**(1,200,000)**	**(0.10)**	-	-
	EUR	**272**	**0.01**	(13,850)	(0.09)
	USD	**-**	**-**	1,865,047	11.66
	LKR	**(1,382,474)**	**(0.06)**	-	-
	GBP	**(103,417)**	**(0.98)**	(158,871)	(1.47)
	SGD	**121**	**0.01**	(643)	(0.01)
(ii) Foreign currency Creditors for capital imports	CHF	**680**	**0.01**	680	0.01
	GBP	**26,013**	**0.25**	800	0.01
	EUR	**12,529**	**0.09**	320,000	2.15
	USD	**-**	**-**	124,664	0.78

Notes
To Financial Statements for the year ended March 31, 2016

Particulars		March 31, 2016		March 31, 2015	
	Currency	Amount in Foreign Currency	Equivalent Amount in Crore at the year end*	Amount in Foreign Currency	Equivalent Amount in Crore at the year end*
(iii) Foreign currency Debtors for export of goods	AED	**4,988**	**0.01**	4,988	0.01
	CAD	**37,610**	**0.19**	-	-
	EUR	**156,222**	**1.18**	-	-
	GBP	**(82)**	**(0.01)**	-	-
	USD	**-**	**-**	184,083	1.15
b. Bank balances	USD	**4,603**	**0.03**	4,928	0.03
	VND	**254,298**	**0.01**	254,298	0.01
c. Other receivable/ (payable)	BDT	**66,720**	**0.01**	(370)	(0.01)
	USD	**40,537**	**0.27**	58,887	0.37
	ARS	**6,633**	**0.01**	16,500	0.01
	EUR	**2,091**	**0.02**	1,000	0.01
	AED	**7,662**	**0.01**	2,382	0.01
	SGD	**740**	**0.01**	3,940	0.02
	AUD	**(204)**	**(0.01)**	2,000	0.01
d. Loans and Advances to Subsidiaries including interest accrued	AED	**2,090,572**	**3.77**	653,653	1.11
	BDT	**145,540,244**	**12.30**	188,436,081	15.13
	USD	**2,741,655**	**18.16**	2,036,189	12.73
	EGP	**658,217**	**0.49**	617,735	0.51

* Converted into the exchange rate at the respective year end.

Excludes Loans payable of ₹ 178.87 Crore [USD 27,000,000] (₹ 262.49 Crore [USD 42,000,000]) 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 1 year (Previous year: 2 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 ₹ 25.47 Crore as at March 31, 2016 (₹ 74.97 Crores as at March 31, 2015) 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 recognized in the Statement of Profit and Loss on occurrence of the underlying transactions or forecast revenue.

Notes

To Financial Statements for the year ended March 31, 2016

38. Earnings per share: (Refer note 3 (e))

Particulars	March 31, 2016	March 31, 2015
Profit for the year as per the Statement of Profit and Loss/ Profit available to equity shareholders (₹ Crore)	**701.86**	**545.17**
Equity shares outstanding as at the year end	**1,290,171,198**	644,981,999
Weighted average number of equity shares used as denominator for calculating basic earnings per share	**1,290,164,173**	1,290,067,598
Weighted average number of equity shares used as denominator for calculating diluted earnings per share	**1,290,854,382**	1,290,760,798
Nominal value per equity share	**₹ 1**	₹ 1
Basic earnings per equity share	**₹ 5.44**	**₹ 4.23**
***Diluted earnings per equity share**	**₹ 5.44**	**₹ 4.23**

*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, 2016	March 31, 2015
Number of shares considered as basic weighted average shares outstanding	**1,290,164,173**	1,290,067,598
Add: Effect of dilutive stock options	**690,209**	693,200
Number of shares considered as weighted average shares and potential shares outstanding	**1,290,854,382**	1,290,760,798

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.

Notes

To Financial Statements for the year ended March 31, 2016

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 Limited	Bangladesh	90 (90)
Marico Middle East FZE (MME)	November 8, 2005	Marico Limited	UAE	100 (100)
Marico Bangladesh Industries Limited (MBLIL)	August 2, 2003	MME	Bangladesh	100 (100)
Egyptian American Company for Investment and Industrial Development SAE (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 Limited	South Africa	100 (100)
Marico South Africa (Pty) Limited (MSA)	November 1, 2007	MSACC	South Africa	100 (100)
International Consumer Products Corporation (ICP)	February 18, 2011	Marico Limited	Vietnam	100 (100)
Beaute Cosmetique Societe Par Actions (BCS) (Refer Note (ii) below)	February 18, 2011	ICP	Vietnam	Nil (99)
Thuan Phat Foodstuff Joint Stock company (TPF)	February 18, 2011	ICP	Vietnam	99.99 (99.99)
Marico Consumer Care Limited	April 20, 2012	Marico Limited	India	100 (100)
Halite Personal Care Private Limited (A Company under Voluntary Liquidation) (MCCL)	May 29, 2012	MCCL	India	Nil (Nil)
Marico Innovation Foundation (Refer Note (i) below) (MIF)	March 15, 2013	Marico Limited	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.

ii) During the year ended March 31, 2016, International Consumer Product Corporation a subsidiary of the Company divested its entire stake in Beaute Cosmetique Societe Par Actions (BCS) on May 14, 2015.

b) Subsidiary firm:

MEL Consumer Care & Partners - Wind (Through MELCC)

Notes

To Financial Statements for the year ended March 31, 2016

c) Jointly Controlled Entity:

Bellezimo Professionale Products Private Limited (Refer note 44)

d) Key management personnel (KMP):

Mr.Saugata Gupta, Managing Director & CEO

e) Individual holding directly / indirectly an interest in voting power & their relatives (where transactions have taken place) - Significant Influence:

Mr.Harsh Mariwala, Chairman & Non Executive Director

Mr.Rishabh Mariwala, son of Mr.Harsh Mariwala

f) Others - Entities in which above (e) has significant influence and transactions have taken place:

Marico Kaya Enterprises Limited (upto April 18, 2015)

Kaya Limited

Kaya Middle East FZE

II) Transactions during the year

(₹ in Crore)

Particulars	Subsidiaries & Joint Venture (Referred in I (a), (b) and (c) above)		KMP (Referred in I (d) above)		Others (Referred in I (e) and (f) above)	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Sale of goods	**98.57**	**146.43**	**-**	**-**	**0.24**	**0.19**
Marico Bangladesh Limited	16.98	72.85	-	-	-	-
Marico Middle East FZE	79.03	70.97	-	-	-	-
Others	2.55	2.61	-	-	0.24	0.19
Purchase of goods	**6.59**	**4.18**	**-**	**-**	**-**	**-**
International Consumer Products Corporation	6.54	3.04	-	-	-	-
MEL Consumer Care & Partners - Wind	0.05	1.14	-	-	-	-
Royalty income	**10.10**	**7.15**	**-**	**-**	**-**	**-**
Marico Bangladesh limited	5.81	5.54	-	-	-	-
Marico Middle East FZE	3.74	1.09	-	-	-	-
Others	0.55	0.52	-	-	-	-
Dividend income	**114.06**	**94.87**	**-**	**-**	**-**	**-**
Marico Bangladesh limited	105.80	94.87	-	-	-	-
Others	8.26	-	-	-	-	-
Interest income	**0.31**	**0.71**	**-**	**-**	**-**	**-**
Marico South Africa Consumer Care (pty) Limited	0.31	0.71	-	-	-	-
Expenses paid on behalf of Related parties	**12.82**	**8.96**	**-**	**-**	**1.24**	**1.58**
Marico Bangladesh limited	3.62	3.04	-	-	-	-

Notes

To Financial Statements for the year ended March 31, 2016

(₹ in Crore)

Particulars	Subsidiaries & Joint Venture (Referred in I (a), (b) and (c) above)		KMP (Referred in I (d) above)		Others (Referred in I (e) and (f) above)	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Marico Egypt Industries Company	2.36	1.27	-	-	-	-
Marico Middle East FZE	3.84	1.92	-	-	-	-
Kaya Limited	-	-	-	-	1.06	1.27
International Consumer Products Corporation	2.51	1.96	-	-	-	-
Others	0.50	0.77	-	-	0.18	0.31
Expenses paid by Related parties on behalf of Marico Limited	-	**0.13**	-	-	**0.23**	**0.22**
Marico Egypt Industries Company	-	0.10	-	-	-	-
Kaya Middle East FZE	-	-	-	-	0.23	0.22
Others	-	0.03	-	-	-	-
Lease Rental Income	-	-	-	-	**0.72**	**0.64**
Kaya Limited	-	-	-	-	0.72	0.61
Others	-	-	-	-	-	0.03
Royalty Expenses	**5.30**	**5.54**	-	-	-	-
Marico Consumer Care limited	5.30	5.54	-	-	-	-
Claims Settled	-	**0.03**	-	-	-	-
Marico Middle East FZE	-	0.03	-	-	-	-
Remuneration / Professional Fees	-	-	**8.06**	**6.34**	**6.36**	**7.36**
Mr.Saugata Gupta (Incentive considered on payment basis)	-	-	8.06	6.34	-	-
Mr.Saugata Gupta (693,200 ESOPs Granted during the previous year Refer Note 3 (d) and (e))	-	-	-	-	-	-
Mr.Harsh Mariwala (Incentive considered on payment basis in previous year)	-	-	-	-	6.35	7.35
Others	-	-	-	-	0.01	0.01
Loans & Advances Recovered	**23.32**	**19.85**	-	-	**1.94**	**3.88**
Kaya Limited	-	-	-	-	1.64	3.31
Marico Bangladesh limited	11.42	4.37	-	-	-	-
Marico South Africa Consumer Care (pty) Limited	4.07	3.98	-	-	-	-
Marico Egypt Industries Company	1.39	4.32	-	-	-	-
Marico Middle East FZE	3.37	4.45	-	-	-	-
Others	3.07	2.73	-	-	0.30	0.57
Investments made during the year	**1.35**	-	-	-	-	-
Bellezimo Professionale Products Private Limited	1.35	-	-	-	-	-

Notes

To Financial Statements for the year ended March 31, 2016

(₹ in Crore)

Particulars	Subsidiaries & Joint Venture (Referred in I (a), (b) and (c) above)		KMP (Referred in I (d) above)		Others (Referred in I (e) and (f) above)	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Donation Given / CSR Activities	**2.15**	**0.44**	-	-	-	-
Marico Innovation Foundation	2.15	0.44	-	-	-	-
Purchase of Fixed Assets	-	**16.85**	-	-	-	**0.01**
Marico Malaysia Sdn. Bhd.	-	16.85	-	-	-	-
Kaya Limited	-	-	-	-	-	0.01
Stand by Letter of Credit issued to banks	-	**9.37**	-	-	-	-
Marico Middle East FZE	-	9.37	-	-	-	-
Stand by Letter of Credit discharged	-	**11.86**	-	-	-	-
Marico Malaysia Sdn. Bhd.	-	11.86	-	-	-	-
Deposit Taken	-	-	-	-	**0.10**	-
Kaya Limited	-	-	-	-	0.10	-
Provision for doubtful advances	**0.82**	-	-	-	-	-
Marico Bangladesh limited	0.82	-	-	-	-	-
Corporate guarantee discharged	-	-	-	-	-	**8.00**
Kaya Limited	-	-	-	-	-	8.00

III) Balances as at the year end

(₹ in 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, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Investment	**1,090.69**	**1,089.34**	-	-	-	-
International Consumer Products Corporation	254.98	254.98	-	-	-	-
Marico Consumer Care limited	745.70	745.70	-	-	-	-
Others	90.01	88.66	-	-	-	-
Trade payable	**3.69**	**2.12**	-	-	-	-
MEL Consumer Care & Partners - Wind	0.02	0.34	-	-	-	-
International Consumer Products Corporation	3.68	1.79	-	-	-	-
Others	(0.01)	(0.01)	-	-	-	-
Dues Payable	**1.26**	**1.06**	-	-	-	**0.11**
Marico Consumer Care limited	1.26	1.06	-	-	-	-
Others	-	-	-	-	-	0.11
Trade Receivable	**30.20**	**18.29**	-	-	**0.12**	**0.05**
Marico Middle East FZE	20.88	17.25	-	-	-	-

Notes

To Financial Statements for the year ended March 31, 2016

(₹ in 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, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Marico Bangladesh Limited	8.93	-	-	-	-	-
Others	0.39	1.04	-	-	0.12	0.05
Short term loans and advances	**19.36**	**13.91**	-	-	**0.73**	**0.55**
Marico South Africa Consumer Care (pty) Limited	1.34	3.89	-	-	-	-
Marico Bangladesh Limited	5.92	3.73	-	-	-	-
Marico Middle East FZE	6.68	-	-	-	-	-
Others	5.42	6.29	-	-	0.73	0.55
Long term loans and advances	**15.78**	**21.06**	-	-	-	-
Marico South Africa Consumer Care (pty) Limited	-	1.55	-	-	-	-
Marico Bangladesh Limited (net of provision)	15.78	19.51	-	-	-	-
Interest accrued on loans and advances	**0.04**	**0.14**	-	-	-	-
Marico South Africa Consumer Care (pty) Limited	0.04	0.14	-	-	-	-
Security Deposits Taken	-	-	-	-	**0.10**	-
Kaya Limited	-	-	-	-	0.10	-
Stand-by Letter of Credit given to banks	**139.78**	**131.87**	-	-	-	-
Marico Middle East FZE	139.78	131.87	-	-	-	-

IV Disclosure for loans and advances in terms of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Loans and advances in the nature of loans to subsidiaries :

(₹ in Crore)

Particulars	March 31, 2016	March 31, 2015
Loans to subsidiary: Marico South Africa Consumer Care (pty) Limited		
Balance as at the year end	1.34	5.44
Maximum amount outstanding at any time during the year	7.41	11.94

The subsidiaries do not hold any shares in the Company.

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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 formulae as defined in the Plan. There are schemes under each Plan with different vesting periods. Scheme I, II and III have 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 certain conditions. The Plan is administered by Corporate Governance Committee comprising independent directors.

b) Details of Star Scheme:

(₹ in Crore)

	STAR II				STAR III				STAR IV				STAR V						STAR VI	
Grant Date	December 1, 2011		December 1, 2012		December 1, 2012		December 2, 2013		December 2, 2013		August 5, 2015		August 5, 2015		November 4, 2015		December 1, 2015		December 1, 2015	
Grant Price (₹)	148.53		213.91		213.91		208.96		104.48		104.48		217.46		197.61		203.63		203.63	
Vesting Date	November 30, 2014		November 30, 2014		November 30, 2015		November 30, 2015		November 30, 2016		November 30, 2016		November 30, 2017		November 30, 2017		November 30, 2017		November 30, 2018	
	As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016***	2015	**2016***	2015	**2016***	2015	**2016***	2015	**2016***	2015	**2016***	2015
Number of grants outstanding at the beginning of the year	-	542,200	-	139,600	**771,600**	938,100	**121,100**	133,600	**1,509,400**	888,200	-	-	-	-	-	-	-	-	-	-
Add : Granted during the year	-	-	-	-	-	-	-	-	-	-	**545,400**	-	**1,236,200**	-	**91,600**	-	**5,400**	-	**1,355,000**	-
Less : Forfeited during the year	-	70,100	-	51,100	**170,800**	166,500	**21,000**	12,500	**334,400**	133,500	**126,000**	-	**145,000**	-	-	-	-	-	**21,600**	-
Less : Exercised during the year	-	472,100	-	88,500	**600,800**	-	**100,100**	-	-	-	-	-	-	-	-	-	-	-	-	-
Number of grants at the end of the year	-	-	-	-	-	771,600	-	121,100	**1,175,000**	754,700	**419,400**	-	**1,091,200**	-	**91,600**	-	**5,400**	-	**1,333,400**	-

* Numbers are adjusted for 1:1 bonus issued in December 2015, wherever required.

(₹ in Crore)

	STAR II				STAR III				STAR IV				STAR V						STAR VI	
	As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31		As at March 31	
	2016	2015	**2016**	2015	**2016**	2015	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015
Total Provision	-	2.56	-	-	-	10.37	-	1.43	**12.73**	5.95	**0.71**	-	**1.66**	-	**0.15**	-	**0.01**	-	**1.61**	-
Less: Accretion in amounts recoverable from the Trust (Also refer note (c) and (d) below)	-	2.53	-		-	9.92	-	1.33	**12.73**	4.25	**0.55**	-	**0.81**	-	**0.07**	-	**0.01**	-	**0.40**	-
Net Provision	-	**0.03**	-	-	-	**0.45**	-	**0.10**	-	**1.70**	**0.16**	-	**0.85**	-	**0.08**	-	_	-	**1.21**	-
Classified as long-term	-	-	-	-	-	-	-	-	-	1.70	-	-	**0.85**	-	**0.08**	-	_	-	**1.21**	-
Classified as short-term	-	0.03	-	-	-	0.45	-	0.10	-	-	**0.16**	-	-	-	-	-	-	-	-	-

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 ₹ 66.56 Crore (₹ 28.16 Crore) to the Trust for purchase of the Company's shares under the Plan, of which ₹ 50.59 Crore (₹ 8.40 Crore) is included under "Long term loans and advances" (Refer Note 14) and ₹ 15.97 Crore (₹ 19.76 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 and interest thereon (on loan advanced after April 1, 2013), 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 ₹ 0.63 Crore (₹ 2.22 Crore) has been charged to the Statement of Profit and Loss. The Company has made total provision of ₹ 2.30 Crore (₹ 2.25 Crore), of which ₹ 2.14 Crore (₹ 1.70 Crore) is classified as "Long term provisions" (Refer Note 7) and ₹ 0.16 Crore (₹ 0.55 Crore) under "Short term provisions" (Refer Note 11).

Notes

To Financial Statements for the year ended March 31, 2016

42 Disclosures in terms of Accounting Standard 15 : "Employee Benefits" :

A. Defined Benefit plan:

I. Actuarial assumptions :	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Discount rate	**7.72%**	7.89%	**7.72%**	7.89%
Rate of return on Plan assets*	**8.80%**	8.75%	**7.72%**	7.89%
Future salary rise**	**10%**	10%	**10%**	10%
Attrition rate	**17%**	17%	**17%**	17%
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.)

(₹ in Crore)

II. Changes in defined benefit obligations:	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Liability at the beginning of the year	**82.31**	81.83	**17.67**	14.40
Interest cost	**7.20**	6.75	**1.39**	1.30
Current service cost	**6.72**	6.02	**1.05**	0.88
Employee contribution	**9.40**	8.21	**-**	-
Liability Transferred in	**2.82**	2.99	**-**	-
Liability Transferred out	**(3.33)**	(4.15)	**-**	-
Benefits paid	**(10.70)**	(19.34)	**(2.17)**	(1.21)
Actuarial (gain)/loss on obligations (Due to change in financial obligation)	**-**	-	**0.14**	0.79
Actuarial (gain)/loss on obligations (Due to Experience)	**-**	-	**1.90**	1.50
Liability at the end of the year	**94.42**	**82.31**	**19.98**	**17.67**

(₹ in Crore)

III. Change in fair value of plan assets :	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Fair value of plan assets at the beginning of the year	**85.80**	82.59	**15.06**	13.14
Expected return on plan assets	**7.20**	6.75	**1.19**	1.14
Contributions	**16.12**	14.24	**3.25**	1.26
Transfer from other Company	**2.82**	2.99	**-**	-
Transfer to other Company	**(3.33)**	(4.15)	**-**	-
Benefits paid	**(10.84)**	(19.34)	**(2.17)**	(1.21)
Actuarial gain/(loss) on plan assets	**0.82**	2.72	**(0.03)**	0.73
Fair value of plan assets at the end of the year	**98.59**	**85.80**	**17.30**	**15.06**

Notes

To Financial Statements for the year ended March 31, 2016

(₹ in Crore)

IV. Actual return on plan assets :	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Expected return on plan assets	7.20	6.75	1.19	1.14
Actuarial gain/(loss) on plan assets	0.82	2.72	(0.03)	0.73
Actual return on plan assets	**8.02**	**9.47**	**1.16**	**1.87**

(₹ in Crore)

V. Amount recognized in the Balance Sheet	Provident Fund		Gratuity				
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Liability at the end of the year	-	-	19.98	17.67	14.40	14.61	11.81
Fair value of plan assets at the end of the year	98.60	85.80	(17.30)	(15.07)	(13.14)	(12.49)	(11.64)
Present value of benefit obligation as at the end of the period	(94.43)	(82.31)	-	-	-	-	-
Difference	4.17	3.49	2.68	2.60	1.26	2.12	0.17
Unrecognized past service Cost	(4.17)	(3.49)	-	-	-	-	-
(Assets) / Liability recognized in the Balance Sheet	**-**	**-**	**2.68**	**2.60**	**1.26**	**2.12**	**0.17**

(₹ in Crore)

VI. Percentage of each category of plan assets to total fair value of plan assets.	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Insurance managed funds	-	-	100.00%	96.60%
Special deposit scheme, Fixed deposit scheme and others	-	-	-	3.40%
Central Government securities	24.72%	23.34%	-	-
State loan/State government Guaranteed Securities	15.43%	17.86%	-	-
Public Sector Units	43.94%	46.68%	-	-
Private Sector Units	7.92%	7.57%	-	-
Equity / Insurance Managed Funds	3.68%	-	-	-
Others	4.31%	4.55%	-	-
Total	**100%**	**100%**	**100%**	**100%**

(₹ in Crore)

VII. Expenses recognized in the Statement Profit and Loss :	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Current service cost	6.72	6.02	1.05	0.88
Interest cost	7.20	6.75	0.21	0.16
Expected return on plan assets	(7.20)	(6.75)	-	-
Net actuarial (gain)/loss to be recognized	-	-	2.07	1.56
(Income) / Expense recognized in the Statement of Profit and Loss	**6.72**	**6.02**	**3.33**	**2.60**

Notes

To Financial Statements for the year ended March 31, 2016

(₹ in Crore)

VIII. Balance Sheet reconciliation	Provident Fund		Gratuity	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Opening net liability	-	-	2.60	1.26
(Income) / Expense as above	6.72	6.02	3.33	2.60
Employers contribution	(6.72)	(6.02)	(3.25)	(1.26)
Closing net liability	-	-	2.68	**2.60**

(₹ in Crore)

IX. Experience Adjustments	Gratuity			
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
On Plan liability (gain) / loss	(0.03)	14.99	14.67	1.33
On plan asset (loss) / gain	1.90	7.33	(8.98)	0.13

As per actuarial valuation report, expected employer's contribution in next year is ₹ 5.07 Crore (₹ 3.65 Crore) for gratuity and ₹ 9.57 Crore (₹ 8.31 Crore) for provident fund.

B. Privileged leave (Compensated absence for employees):

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

(₹ in Crore)

Particulars	March 31, 2016	March 31, 2015
Opening balance of compensated absences (a)	6.02	4.41
Present value of compensated absences (As per actuarial valuation) as at the year end (b)	6.71	6.02
(Excess)/ Unfunded liability of Compensated Absences recognized in the Statement of Profit and Loss for the year (a-b)	(0.69)	(1.61)

The privileged leave liability is not funded.

C. Defined contribution plan :

The Company has recognized ₹ 8.57 Crore (₹ 7.42 Crore) towards contribution to provident fund, ₹ 0.15 Crore (₹ 0.22 Crore) towards contribution to superannuation fund and ₹ 0.05 Crore (₹ 0.08 Crore) towards employee state insurance plan in the Statement of Profit and Loss.

43 Expenses towards Corporate Social Responsibility:

(a) Gross amount required to be spent by the company during the year : ₹ 11.35 Crore (Previous year ₹ 9.5 Crore)

(b) Amount spent during the year : ₹ 10.02 Crore (Previous year ₹ 11.19 Crore) on :

(₹ in Crore)

Particulars	Paid	Yet to be paid	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	10.02	-	10.02

Notes

To Financial Statements for the year ended March 31, 2016

44 Interest in Jointly Controlled Entity:

During the year ended March 31, 2016, the Company has acquired 45% stake in Bellezimo Professionale Products Private Limited, a jointly controlled entity on October 21, 2015. In compliance with Accounting Standard 27 - 'Financial Reporting of Interests in Joint Ventures' - (AS-27) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the Company has direct interest in the following jointly controlled entity:

Amount of Interest based on the Audited Accounts for the year ended March 31, 2016

(₹ in Crore)

Name of the Company	Country of Incorporation	Holding %	Assets	Liabilities	Income	Expenditure	Contingent Liabilities	Capital Commitment
Bellezimo Professionale Products Private Limited	India	45%	0.90	0.68	0.49	1.31	Nil	Nil

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 mentioned in statement of the note 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 29, 2016

For and on behalf of the Board of Directors

HARSH MARIWALA
Chairman
[DIN 00210342]

SAUGATA GUPTA
Managing Director and CEO
[DIN 05251806]

VIVEK KARVE
Chief Financial Officer

SURENDER SHARMA
Company Secretary
[Membership No.A13435]

Place: Mumbai
Date: April 29, 2016

Notice

NOTICE is hereby given that the **Twenty Eighth Annual General Meeting** of Marico Limited will be held on Friday, August 5, 2016 at 9.00 a.m. at the 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, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statement including audited consolidated financial statement of the Company for the financial year ended March 31, 2016 together with the reports of the Board of Directors and Auditors thereon.

2. To confirm the declaration of Interim Dividends of Rs. 1.75, Rs. 1.50 and Re. 1.00 per equity share of Re. 1 each, declared during the financial year ended on March 31, 2016.

3. To appoint a Director in place of Mr. Rajen Mariwala (DIN 00007246), who retires by rotation and being eligible, offers himself for re-appointment.

4. To ratify the appointment of M/s. Price Waterhouse, Chartered Accountants (Firm Registration No. 301112E) as Statutory Auditors of the Company and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139, Section 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, appointment of M/s. Price Waterhouse, Chartered Accountants (Firm Registration No. 301112E) as Statutory Auditors of the Company to hold office from the conclusion of the 28th Annual General Meeting of the Company until the conclusion of the 29th Annual General Meeting of the Company, be and is hereby ratified on such remuneration and terms and conditions as may be decided by the Board of Directors of the Company from time to time."

SPECIAL BUSINESS

5. To ratify the remuneration payable to M/s. Ashwin Solanki & Associates, Cost Accountants (Firm Registration Number 100392), the Cost Auditors of the Company for the financial year ending March 31, 2017 and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the remuneration of Rs. 8,25,000 p.a. (Rupees Eight Lakhs Twenty Five Thousand only), excluding taxes and reimbursement of out of pocket expenses at actual incurred, if any, in connection with the audit to M/s. Ashwin Solanki & Associates, Cost Accountants (Firm Registration Number 100392), as approved by the Board of Directors of the Company for conducting audit of the cost records for the financial year ending March 31, 2017, be and is hereby ratified."

6. To approve the Marico Employee Stock Option Plan 2016 and grant of stock options to the eligible employees of the Company under the Plan and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT:

   Pursuant to:

   a. the provisions of Section 62 and all other provisions applicable, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force ("the Act");

   b. the relevant clauses of the Memorandum and Articles of Association of the Company;

   c. the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations") as amended from time to time read with the Circulars issued thereunder;

   d. the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Regulations");

   e. recommendation made by the Board of Directors of the Company [hereinafter called "the Board" which term shall be deemed to include the Corporate Governance Committee (acting as the Nomination and Remuneration Committee as per section 178 of the Act) thereof or any other Committee which the Board may have constituted or hereinafter constitute from time to time to act as the Compensation Committee for exercise of its powers including the power conferred by this Resolution]; at their meeting held on June 29, 2016; and

f. the provisions of Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder and any rules, circulars, notifications, guidelines and regulations issued by the Reserve Bank of India and any other applicable laws for the time being in force; and

subject to such approvals, consents, permissions and sanctions, as may be required and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Board:

1. the consent of the Company be and is hereby accorded to the Employee Stock Option Plan called the Marico Employee Stock Option Plan 2016 ("Marico ESOP 2016" or "the Plan"), the salient features whereof are furnished in the Explanatory Statement to this Notice, to create, offer and grant such number of stock options ("Options") at such price or prices in one or more tranches, under one or more employee stock option schemes ("Stock Options Issue" or "Issue") under the Plan, exercisable into fully paid-up equity shares of the Company to such permanent employees of the Company including the Managing Director & CEO who may be eligible in accordance with the SBEB Regulations ("the Option Grantees"), as may be determined by the Board, from time to time;

2. the Board be and is hereby authorised to decide from time to time the terms and conditions of the Issue, including but without limitation the following:

    i. the manner in which the Issue is made;

    ii. the period during which the Issue is made;

    iii. the number of tranches in which the Issue is made; and

    iv. generally to govern such Stock Options Issue by implementing various schemes under the Plan in a manner that the grant of the Options under the Plan shall not exceed in the aggregate, 0.6 per cent of the of the issued equity share capital of the Company as on the commencement of the Plan, i.e. August 5, 2016 ("the Commencement Date") (excluding outstanding warrants and conversions) and;

    v. the grant of Options to any single employee shall not exceed 0.15 per cent of the issued equity share capital of the Company as on the Commencement Date in any one single scheme notified under the Plan.

3. the Board be and is hereby further authorized:

    i. to formulate, evolve, decide upon, determine the detailed terms and conditions of various schemes under the Plan, including but not limited to the terms or combination of the terms subject to which the Options are to be granted, the exercise period, the vesting period, the vesting conditions, instances where such Options shall lapse, treatment of lapsed options as the Board may in its absolute discretion think fit;

    ii. to issue and allot fully paid up equity shares upon exercise of the Options from time to time in the manner aforesaid, and such equity shares shall rank *pari-passu* in all respects with the then existing equity shares of the Company;

    iii. to authorize the Chairman & Non – Executive Director of the Company to recommend to the Board the quantum of Options to be granted to the Managing Director & CEO and to authorize the Managing Director & CEO to recommend to the Board the quantum of Options to be granted to the eligible employees of the Company other than the Managing Director & CEO;

    iv. to take necessary steps for listing of the equity shares allotted under the various schemes under the Plan on the stock exchanges where the equity shares of the Company are listed in accordance with the provisions of the SEBI Regulations, SBEB Regulations and other applicable laws and regulations;

    v. to make a fair and reasonable adjustment to the number and other terms and conditions of the Options granted in terms of this Resolution, subject to the applicable laws, in the event of any corporate action(s) including but not limited to rights issue(s), bonus issue(s), merger(s), demerger(s), divestment(s), restructuring etc.;

vi. to adjust in due proportion as the case may be, the number of shares to be allotted and the price to be paid by the Option Grantees in terms of this Resolution, subject to the applicable laws, upon any restructuring involving change in the face value or the paid-up value of equity shares in the Company from its present level of Re. 1 per share, provided that such adjustment shall not affect any other rights or obligations of the Option Grantees; and

vii. to make any modifications, changes, variations, alterations or revisions in the Plan, as it may deem fit, from time to time or to suspend, withdraw or revive the Plan from time to time in conformity with the provisions of the Act, the SBEB Regulations and other applicable laws unless such variation, amendment, modification or alteration is detrimental to the interest of the Option Grantees.

4. for the purpose of giving effect to the forgoing, the Board be and is hereby authorized to do the following for and on behalf of the Company, without being required to specifically seek any further consent or approval of the shareholders of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution:

   a. to seek statutory or such other approvals as may be necessary for the implementation of the Marico ESOP 2016;

   b. to dispose of from time to time, such Options as are not exercised, in such manner, as the Board may deem fit in its absolute discretion;

   c. to enter into and execute all such arrangements as the case may be with any advisors, bankers, depositories, custodians and other intermediaries (the "Agencies") in relation to the Plan and the schemes to be issued thereunder and to remunerate any of the Agencies in any manner including payment of commission, brokerage, fee or payment of their remuneration for their services rendered;

   d. to settle all questions, difficulties or doubts that may arise in relation to formulation and implementation of the schemes at any stage including at the time of listing of the equity shares issued herein;

   e. to do all such acts, deeds, matters and things as the Board may at its discretion deem necessary or desirable for such purpose, including without limitation the drafting, finalization, entering into and execution of any arrangements or agreements; and

   f. to delegate its authority under this Resolution to such personnel of the Company as the Board may deem fit for carrying out tasks as listed above in sub-clause (a) to (e)."

7. To approve the grant of stock options to the eligible employees of the Company's subsidiaries under the Marico Employee Stock Option Plan 2016 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT:

Pursuant to:

a. the provisions of Section 62 and all other provisions applicable, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force ("the Act");

b. the relevant clauses of the Memorandum and Articles of Association of the Company;

c. the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations") as amended from time to time read with the Circulars issued thereunder;

d. the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Regulations");

e. recommendation made by the Board of Directors of the Company [hereinafter called "the Board" which term shall be deemed to include the Corporate Governance Committee (acting as the Nomination and Remuneration Committee as per section 178 of the Act) thereof or any other Committee which the Board may have constituted or hereinafter constitute from time to time to act as the Compensation Committee for the exercise of its powers including the power conferred by this Resolution]; at their meeting held on June 29, 2016; and

f. the provisions of Foreign Exchange Management Act, 1999 and rules & regulations framed thereunder and any rules, circulars, notifications, guidelines and regulations issued by the Reserve Bank of India and any other applicable laws for the time being in force; and

subject to such approvals, consents, permissions and sanctions, as may be required and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Board:

1. the consent of the Company be and is hereby accorded to introduce, offer, issue and allot employee stock options ("Options") under the Marico ESOP 2016 ("the Plan") to the eligible employees of the subsidiaries of the Company, including Executive Directors whether working in India or outside India ("Option Grantees"), except persons who are promoters or belong to the promoter group and Independent Directors, the salient features whereof are furnished in the Explanatory Statement to this Notice at such price or prices in one or more tranches, under one or more employee stock option schemes under the Plan ("Stock Options Issue" or "Issue"), exercisable into fully paid-up equity shares of the Company;

2. the Board be and is hereby authorised to decide from time to time on the terms and conditions of the Issue, including but without limitation the following:

    i. the manner in which the Issue is made;

    ii. the period during which the Issue is made;

    iii. the number of tranches in which the Issue is made; and

    iv. generally to govern such Stock Options Issue by implementing various schemes under the Plan in a manner that the grant of the Options under the Plan including the grant of Options to the eligible employees of the Company shall not exceed in the aggregate, 0.6 per cent of the of the issued equity share capital of the Company as on the commencement of the Plan, i.e. August 5, 2016 ("the Commencement Date") (excluding outstanding warrants and conversions) and the grant of Options to any single employee shall not exceed 0.15 per cent of the issued equity share capital of the Company as on the Commencement Date in any one single Scheme notified under the Plan.

3. the Board be and is hereby further authorized:

    a. to formulate, evolve, decide upon, determine the detailed terms and conditions of various schemes under the Plan, including but not limited to the terms or combination of the terms subject to which the Options are to be granted, the exercise period, the vesting period, the vesting conditions, instances where such Options shall lapse, treatment of lapsed options as the Board may in its absolute discretion think fit;

    b. to issue and allot fully paid up equity shares upon exercise of the Options from time to time in the manner aforesaid, and such equity shares shall rank *pari-passu* in all respects with the then existing equity shares of the Company;

    c. to authorize the Managing Director & CEO of the Company to recommend to the Board the quantum of Options to be granted to the eligible employees of the subsidiaries of the Company;

    d. to take necessary steps for listing of the equity shares allotted under the various schemes under the Plan on the stock exchanges where the equity shares of the Company are listed in accordance with the provisions of the SEBI Regulations, SBEB Regulations and other applicable laws and regulations;

    e. to make a fair and reasonable adjustment to the number and other terms and conditions of the Options granted in terms of this Resolution, subject to the applicable laws, in the event of any corporate action(s) including but not limited to rights issue(s), bonus issue(s), merger(s), demerger(s), divestment(s), restructuring etc.;

f. to adjust in due proportion as the case may be, the number of shares to be allotted and the price to be paid by the Option Grantees in terms of this Resolution, subject to the applicable laws, upon any restructuring involving change in the face value or the paid-up value of equity shares in the Company from its present level of Re. 1 per share, provided that such adjustment shall not affect any other rights or obligations of the Option Grantees; and

g. to make any modifications, changes, variations, alterations or revisions in the Plan, as it may deem fit, from time to time or to suspend, withdraw or revive the Plan from time to time in conformity with the provisions of the Act, the SBEB Regulations and other applicable laws unless such variation, amendment, modification or alteration is detrimental to the interest of the Option Grantees.

4. for the purpose of giving effect to the forgoing, the Board be and is hereby authorized to do the following for and on behalf of the Company, without being required to specifically seek any further consent or approval of the shareholders of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution:

   a. to seek statutory or such other approvals as may be necessary for the implementation of the Marico ESOP 2016;

   b. to dispose of from time to time, such Options as are not exercised, in such manner, as the Board may deem fit in its absolute discretion;

   c. to enter into and execute all such arrangements as the case may be with any advisors, bankers, depositories, custodians and other intermediaries (the "Agencies") in relation to the Plan and the schemes to be issued thereunder and to remunerate any of the Agencies in any manner including payment of commission, brokerage, fee or payment of their remuneration for their services rendered;

   d. to settle all questions, difficulties or doubts that may arise in relation to formulation and implementation of the schemes at any stage including at the time of listing of the equity shares issued herein;

   e. to do all such acts, deeds, matters and things as the Board may at its discretion deem necessary or desirable for such purpose, including without limitation the drafting, finalization, entering into and execution of any arrangements or agreements; and

   f. to delegate its authority under this Resolutions to such personnel of the Company as the Board may deem fit for carrying out tasks as listed above in sub-clause (a) to (e)."

By Order of the Board

Place: Mumbai — For **Marico Limited**

Date: June 29, 2016

Surender Sharma
Company Secretary &
Compliance Officer

Registered Office:
7th Floor, Grande Palladium, 175, CST Road,
Kalina, Santacruz (East), Mumbai 400 098
Tel no.: 022-6648 0480
Fax No.: 022 2650 0159
CIN: L15140MH1988PLC049208
Website: www.marico.com
Email: investor@maricoindia.net

NOTES:

1. A statement pursuant to section 102(1) of the Companies Act, 2013 ("the Act") in respect of the special business under Item Nos. 5 to 7 of the Notice is annexed hereto.

2. Relevant documents referred to in this Notice and the explanatory statement are available for inspection at the Registered Office of the Company during business hours on all working days except Saturdays and Sundays upto the date of the Annual General Meeting ("Meeting") i.e. 5th August, 2016.

3. In terms of Section 152 of the Act, Mr. Rajen Mariwala (DIN 00007246), Director, retires by rotation at the Meeting and being eligible has offered himself for re-appointment. Accordingly, a brief resume of Mr. Mariwala and the information pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India is provided in the Corporate Governance Report forming part of the Annual Report.

4. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

5. The instrument appointing the proxy, in order to be effective, must be deposited at the registered office of the Company, duly completed, signed and stamped not less than **48 HOURS** before the commencement of the Meeting. **Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable. Pursuant to section 105 of the Act, a person shall not act as a proxy for more than 50 (fifty) Members and holding in aggregate not more than 10% (ten percent) of the total share capital of the Company. However, a single person may act as a proxy for a Member holding more than 10% (ten percent) of the total share capital of the Company provided that such person shall not act as a proxy for any other person.**

6. **An instrument appointing proxy is valid only if it is properly stamped as per the applicable law. Blank or incomplete, unstamped or inadequately stamped, undated proxies or proxies upon which the stamps have not been cancelled, will be considered as invalid. If the Company receives multiple proxies for the same holdings of a Member, the proxy which is dated last will be considered as valid. If such multiple proxies are not dated or they bear the same date without specific mention of time, all such proxies shall be considered as invalid.**

7. **The proxy-holder shall prove his identity at the time of attending the Meeting.**

8. **During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with conclusion of the Meeting, a Member can inspect the proxies lodged at any time during business hours of the Company, provided that not less than three days of notice in writing is given to the Company.**

9. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified copy of the Board Resolution in terms of Section 113 of the Act, together with their specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting, to the Company's Registrar and Transfer Agents.

10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

11. Pursuant to Section 91 of the Act, Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 30, 2016 to Friday, August 5, 2016, both days inclusive, for the purpose of the Meeting.

12. The Register of Directors and Key Managerial Personnel and their shareholdings, maintained under Section 170 of the Act, will be available for inspection at the Meeting.

13. The Register of Contracts or Arrangements, in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection at the Meeting.

14. Members who hold shares in demat form are requested to direct any change of address/bank mandate to their respective Depository Participant(s). Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.

15. Members holding shares in physical form are requested to notify/send any change in their address/bank mandate to the Company's Registrar and Transfer Agents at:
    Link Intime India Private Limited,
    C-13, Pannalal Silk Mills Compound,
    LBS Marg, Bhandup (West), Mumbai - 400 078.
    Tel No.: +91 22 2594 6970 Fax No.: +91 22 2594 6969
    E-mail : rnt.helpdesk@linkintime.co.in
    Website: www.linkintime.co.in

Members may also address all other correspondence to the Registrar and Transfer Agents at the address mentioned above.

16. Members are requested to hand over the enclosed Attendance Slip duly signed in with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in demat form are requested to bring their Client ID and DP ID numbers for identification.

17. Members seeking any information or clarification on the Annual Report are requested to send written queries to the Company, at least one week before the date of the Meeting to enable the Company to compile the information and provide replies at the Meeting.

18. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agents.

19. Pursuant to the provisions of Section 72 of the Act read with the Rules made thereunder, Members holding shares in single name may avail the facility of nomination in respect of shares held by them. Members holding shares in physical form may avail this facility by sending a nomination in the prescribed Form No. SH-13 duly filled to the Registrar and Transfer Agents, M/s. Link Intime India Private Limited. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.

20. In terms of Sections 205A read with 205C of the Companies Act, 1956, the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, all dividends declared till April 22, 2009 on equity shares of the Company, which remained unclaimed for a period of seven years, have been transferred to the IEPF established by the Central Government under Section 205C of the Companies Act, 1956. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 5, 2015 (date of last Annual General Meeting) on the website of the Company, 'www.marico.com' and also with the Ministry of Corporate Affairs.

21. Members, who have not yet encashed their dividend warrant(s), for any dividends declared after the aforesaid dividends, are requested to forward their claims to the Registrar and Transfer Agents, M/s. Link Intime India Private Limited or the Company at its registered office address. It may be noted that once the unclaimed dividend is transferred to the IEPF, as above, no claim shall lie against the Company. Members' attention is particularly drawn to the "Corporate Governance" section of the Annual Report in respect of unclaimed dividend.

22. The Company does not give gifts, gift coupons or cash in lieu of gifts to its Members and also does not offer its products at discounted rates. However, the Company is committed to the Members' wealth maximization through superior performance reflected in corporate benefits like dividend and increased market capitalization.

23. Pursuant to Section 101 and Section 136 of the Act read with the relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail addresses either with the Company or with the Depository. Accordingly, the Notice of the Meeting along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent through permitted modes.

24. Members may note that the Notice of the Meeting and the Annual Report 2015-16 will be available on the Company's website www.marico.com and also on the website of CDSL i.e. www.evotingindia.com. The physical copies of the same will also be available at the Company's registered office for inspection during the business hours on working days except Saturdays and Sundays upto the date of the Meeting.

25. Pursuant to Section 108 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a facility is provided to the Members to cast their votes using an electronic voting system from a place other than venue of the Meeting ("remote e-voting") in respect of the resolutions proposed in the accompanying Notice.

26. A facility for voting by Poll or otherwise will also be made available to the Members attending the Meeting and who have not already cast their votes by remote e-voting prior to the Meeting. Members who have cast their votes by remote e-voting prior to the Meeting may attend the Meeting but shall not be entitled to cast their votes at the meeting.

27. **Voting Rights shall be reckoned on the paid-up value of equity shares registered in the name of the Members as on the cut-off date i.e. Friday, July 29, 2016. A person, whose name is recorded in the Register of Members or in the Register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on the cut-off date, i.e. Friday, July 29, 2016, only shall be entitled to avail the facility of remote e-voting/Voting facility provided at the Meeting.**

28. **Voting Results**

    The Scrutinizer shall immediately after the conclusion of voting at the Meeting will first count the votes cast at the meeting and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the Meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a Director authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

29. Once declared, the results along with the consolidated Scrutinizer's report shall be placed on the Company's website www.marico.com and on the website of CDSL www.evotingindia.com. The Company shall also forward the results to BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed.

30. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. **Friday, August 5, 2016**

    Information and other instructions relating to remote e-voting are as under:

31. Members can opt for only one mode of voting i.e. either through remote e-voting or by Voting facility provided at the Meeting. If a Member cast vote by more than one mode, then voting done through remote e-voting shall prevail and the voting through voting facility provided at the Meeting shall be considered as invalid.

32. The Board of Directors of the Company has appointed Mr. Bhumitra V. Dholakia and in his absence, Mr. Nrupang B. Dholakia from Dholakia and Associates LLP, Practising Company Secretaries, from Mumbai, as the Scrutinizer to scrutinize the voting including remote e-voting process in a fair and transparent manner.

33. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") as the agency for providing remote e-voting facility. Instructions for remote e-voting are as under:

    i. The Members should log on to the e-voting website www.evotingindia.com.

    ii. Click on Shareholders.

    iii. Now Enter your User ID:

        a. For CDSL: 16 digits beneficiary ID,

        b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

        c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

    iv. Next enter the Image Verification as displayed and Click on Login.

    v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted earlier for any company, then your existing password is to be used.

    vi. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on the address label in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the number of shares held by you as on the cut-off date in the Dividend Bank data field.

vii. After entering these details appropriately, click on "SUBMIT" tab.

viii. Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

x. Click on the EVSN for Marico Limited.

xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution.

xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote or cast your vote again.

xv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

xvi. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvii. Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xviii. **Note for Non – Individual Members and Custodians**

- o Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- o A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- o After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- o The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- o A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should

be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

34. Any person becoming a Member of the Company after the dispatch of the Notice of the Meeting and holds shares as on the cut-off date i.e. Friday, July 29, 2016 can exercise their voting rights through remote e-voting by following the instructions listed hereinabove or by voting facility provided at the meeting.

35. **The remote e-voting period commences on Monday, August 1, 2016 from 9:00 a.m. IST and ends on Thursday, August 4, 2016 at 5:00 p.m. IST. During this period Members holding shares either in physical form or in dematerialized form, as on Friday, July 29, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.**

36. Route Map showing direction to reach the venue of the 28th Annual General Meeting of the Company is given at the end of this Notice.

By Order of the Board

Place: Mumbai

For **Marico Limited**

Date: June 29, 2016

Surender Sharma
Company Secretary & Compliance Officer

Registered Office:
7th Floor, Grande Palladium, 175, CST Road,
Kalina, Santacruz (East), Mumbai 400 098
Tel no.: 022-6648 0480
Fax No.: 022 2650 0159
CIN: L15140MH1988PLC049208
Website: www.marico.com
Email: investor@maricoindia.net

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 5

The Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, mandate audit of the cost accounting records of the Company in respect of certain products. Accordingly, the Board of Directors, based on the recommendation of the Audit Committee, at its meeting held on April 29, 2016 appointed M/s. Ashwin Solanki & Associates, Cost Accountants (Firm Registration No. 100392) as the Cost Auditors of the Company for the financial year ending March 31, 2017 at a remuneration of Rs. 8,25,000 (Rupees Eight Lacs Twenty Five Thousand only) plus applicable taxes and out of pocket expenses at actual, if any, incurred 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, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, approval of the Members is sought by of Ordinary Resolution set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017 as stated above.

The Board recommends the Ordinary Resolution as set out in Item No.5 of the Notice for the approval of the Members.

No Director, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, in the passing of the said resolution.

Item Nos. 6 & 7

Stock options have long been proven to be an effective tool for providing wealth creation options for employees of the Company as a means to incentivize them for their efforts in ensuring sustainable profitable growth for the Company's Members. The Company, in line with its philosophy of combining employment with ownership had, in the past, used employee stock options under the Marico Employees Stock Option Scheme 2007 as an effective tool to share the benefits of growth with the employees. Further, the Members at the Extra-Ordinary General Meeting held on March 25, 2014 and the Twenty Sixth Annual General Meeting held on July 30, 2014, approved the Marico Employee Stock Option Scheme 2014 and Marico MD & CEO ESOP Plan 2014 respectively ("the Earlier Plans"). The Earlier Plans were aimed at issuing stock options to the Managing Director & CEO of the Company. The Company also has a Stock Appreciation Rights Plan for employees known as the Marico Employee Stock Appreciation Rights Plan, 2011 under which it notifies various schemes to provide cash incentives to the eligible employees of the Company and its subsidiaries, by granting them stock appreciation rights which also acts as a wealth creation tool for the employees.

In line with the aforesaid philosophy, the Company's Board of Directors has recommended the issuance of the employee stock options ("Options") under the Marico Employee Stock Option Plan 2016 ("ESOP 2016") to the eligible employees of the Company including the Managing Director & CEO and the eligible employees of its subsidiaries, whether in India or outside India ("the eligible employees"), in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations") and as may be determined by the Board of Directors ("Board" which includes any Committee thereof). ESOP 2016 aims to promote desired behaviour among employees for meeting the Company's long term objectives and enable retention of employees for desired objectives and duration, through a customized approach.

Under the ESOP 2016, the Board may notify individual schemes. Based on the grade of the eligible employees, a scheme may prescribe a different exercise price, which shall not be lower than the face value of the equity share of the Company. The Board has also proposed an overall ceiling of 0.6 per cent of the issued equity share capital of the Company as on the commencement of the Plan, i.e. August 5, 2016 ("the Commencement Date") (excluding outstanding warrants and conversions) for the maximum number of Options that can be granted under the ESOP 2016. Further, the grant of Options to any single employee shall not exceed 0.15 per cent of the issued equity share capital of the Company as on the Commencement Date in any single scheme notified under the Plan.

As the ESOP 2016 is applicable to the Managing Director & CEO also, the Board of Directors of the Company ("the Board"), at its meeting held on June 29, 2016 had resolved not to grant further options under the existing Marico MD & CEO ESOP Plan 2014 and decided that the same would be closed in accordance with the SBEB Regulations after exercise of vested options. Under scheme I of the Marico MD & CEO ESOP Plan 2014, 46,600 options have been granted to the Managing Director & CEO which stand increased to 93,200 options, due to the issuance of bonus equity shares by the Company during the financial year in the ratio of 1:1. The said options constitute 0.007% of the paid up equity share capital of the Company as on the date of this Notice.

The Board of Directors of the Company, at the aforesaid meeting also nominated and authorised the Corporate Governance Committee there ("CGC" or "the Committee") which functions as the Nomination and Remuneration

Committee as provided under Section 178 of the Companies Act, 2013 ("Act") to act as the Compensation Committee for the purpose of the ESOP 2016.

Accordingly, approval of the Members is being sought for ESOP 2016 and grant of Options to the eligible employees as described herein above. The salient features of ESOP 2016 and various disclosures in terms of the Companies Act, 2013 and SBEB Regulations are stated below:

i. Brief description of ESOP 2016:

ESOP 2016 is a comprehensive Plan to grant Options to the eligible employees of the Company and its subsidiaries as described below, to subscribe to the equity shares of the Company underlying the Options at an exercise price to be determined by the Corporate Governance Committee. Under ESOP 2016, the Corporate Governance Committee may notify individual schemes. Based on the grade of the eligible employees, the scheme may prescribe a different exercise price, which shall not be lower than the face value of the equity share of the Company. The Company shall ensure that the Marico ESOP 2016 and the issue of Options thereunder is in line with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations").

ESOP 2016 proposes to achieve the following objectives:

- Attract, retain and motivate talented and critical employees;
- Encourage employees to align individual performance with the Company objectives; and
- Reward employee performance with ownership.

ii. Total number of stock options to be granted:

The total number of Options to be granted to the eligible employees of the Company and its subsidiaries shall not exceed in the aggregate, 0.6 per cent of the issued equity share capital of the Company as on the commencement of the Plan, i.e. August 5, 2016 ("the Commencement Date") (excluding outstanding warrants and conversions) and Options to be granted to any single employee shall not exceed 0.15 per cent of the issued equity share capital of the Company as on the Commencement Date in any one single scheme notified under the Plan.

Each Option when exercised would be converted into one equity share of face value of Re. 1 (Rupee One only) each fully paid-up. Subject to compliance with the applicable laws, in case of consolidation of shares where the face value of the shares is increased to above Re. 1, the maximum number of shares available for being issued under ESOP 2016 shall stand modified accordingly, so as to ensure that the aggregate cumulative face value (No. of shares X Face value per share) prior to such consolidation remains unchanged after the share consolidation.

In case of any corporate action(s) including but not limited to rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the Options granted. Accordingly, if any additional equity shares are issued by the Company to the to the eligible employees for making such fair and reasonable adjustment, the ceiling of equity shares as stated above shall be deemed to be increased to the extent of such additional equity shares issued. The Corporate Governance Committee shall determine the nature, manner and the extent of the adjustment to be made as a consequence of any corporate action, consolidation etc.

iii. Identification of classes of employees entitled to participate in the Marico ESOP 2016:

The permanent employees, including the Managing Director & CEO of the Company and the permanent employees of the subsidiaries of the Company, whether in India or outside India ("Option Grantees") are the intended beneficiaries under ESOP 2016. However, the following individuals are specifically excluded:

a. a promoter or a person belonging to the Promoter Group of the Company or the subsidiaries;

b. an Independent Director or a Non-Executive Director of the Company or the subsidiaries; and

c. a Director who either by self or through a relative(s) or through any body corporate, directly or indirectly, holds more than 10% of the issued equity share capital of the Company or the subsidiaries.

iv. Requirements of vesting and period of vesting and the maximum period (subject to regulation 18(1) of the SBEB Regulations) within which the Stock Options shall be vested:

The Options granted shall vest so long as the Options Grantees continue to be in the employment of the Company and the subsidiaries of the Company as the case may be. The CGC may, at its discretion, lay down certain performance metrics on the achievement of which the granted Options would vest, the detailed terms and conditions relating to such performance-based vesting and the proportion in which Options granted would vest (subject to the minimum and maximum vesting period as specified below).

The Options would vest not earlier than one year and not later than five years from the date of grant thereof. The exact proportion in which and the exact period over which the Options would vest would be determined by the CGC in the respective individual scheme(s).

v. Exercise price:

The CGC is authorized to determine the exercise price for the Options in accordance with Regulation 17 of the SBEB Regulations, i.e. in conformity with the applicable Guidance Note on Accounting for employee share-based Payments ("Guidance Note") or applicable Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India ("ICAI") from time to time, including the disclosure requirements prescribed therein. However, in any case, the exercise price shall not be less than the face value of the equity shares of the Company.

vi. Exercise period and the process of exercise:

The exercise period would commence from the date of vesting and will expire on completion of such period not exceeding five years from the date of vesting of Options as may be determined by the Corporate Governance Committee in the respective individual scheme(s).

The Options will be exercisable by the Option Grantees by a written application to the Company to exercise the same in such manner, and on execution of such documents, as prescribed in the Plan or as may be additionally prescribed by the Corporate Governance Committee and from time to time. The Options will lapse if not exercised within the specified exercise period.

vii. Appraisal process for determining the eligibility of the employee to Employee Stock Options:

The appraisal process for determining the eligibility of the employees shall be decided by Corporate Governance Committee and will be based on criteria such as grade of the employee, past performance, future potential and such other criteria determined by the Corporate Governance Committee at its sole discretion.

viii. Maximum number of Stock Options to be issued per employee and in aggregate:

As stated in point no. ii above.

ix. Maximum quantum of benefits to be provided per employee under a Scheme:

As stated in point no. ii above.

x. Whether the scheme(s) is to be implemented and administered directly by the company or through a trust:

The scheme(s) to be notified under the ESOP 2016 will be administered directly by the Company.

xi. Whether the scheme(s) involves new issue of shares by the Company or secondary acquisition by the trust or both:

The scheme(s) to be notified under the Marico ESOP 2016 would only involve issue of new equity shares by the Company.

xii. The amount of loan to be provided for implementation ESOP 2016 by the Company to the trust, its tenure, utilization, repayment terms, etc.

Not applicable.

xiii. Maximum percentage of secondary acquisition that can be made by the trust for the purposes of ESOP 2016.

Not applicable.

xiv. A statement to the effect that the company shall conform to the accounting policies specified in Regulation 15 of the SBEB Regulations.

The Company shall comply with the accounting policies specified in the requirements of the applicable Guidance Note or applicable Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India ("ICAI") from time to time, including the disclosure requirements prescribed therein.

Where the existing Guidance Note or Accounting Standard do not prescribe accounting treatment or disclosure requirements for any of the schemes covered under the SBEB Regulations then the Company shall comply with the relevant Accounting Standard as may be prescribed by the ICAI from time to time.

xv. The method which the Company shall use to value its Stock Options:

The Company shall use the fair value method for valuation of the Options. Fair valuation of the Options will be carried out using the Black & Scholes Option Pricing Method. The fair value of the Options shall be the basis for accounting for the ESOP charge in the Company's profit and loss statement.

xvi. Other Terms:

ESOP 2016 does not envisage secondary acquisition of equity shares of the Company.

The Company may vary, modify or alter the terms of ESOP 2016 in compliance with the SBEB Regulations. ESOP 2016 shall continue to be in force until the earlier of the following two events:

a. The termination of ESOP 2016 by the Board in accordance with applicable laws; or

b. The date on which all of the Options available for issuance under ESOP 2016 have been granted, vested and exercised.

The Board recommends the Special Resolutions set out in Item Nos. 6 and 7 of the Notice for the approval of the Members of the Company.

No Director or their relatives (except Managing Director & CEO or his relatives) are in any way, concerned or interested in the passing of the Special Resolutions. The Key Managerial Personnel or their relatives may be deemed to be concerned or interested in the passing of the Special Resolutions to the extent of the Options to be granted to them.

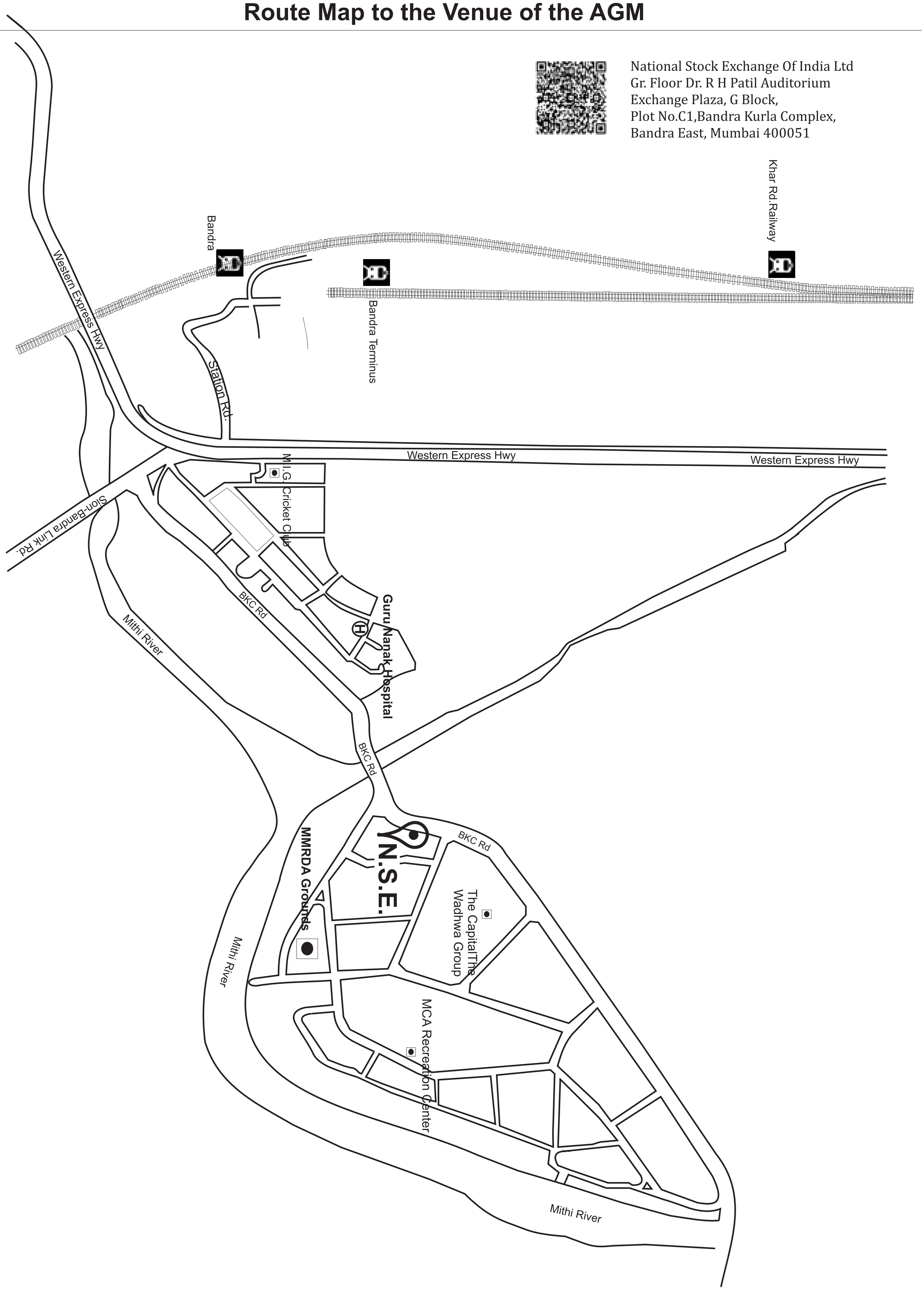
By Order of the Board
For Marico Limited

Surender Sharma
Company Secretary &
Compliance Officer

Place: Mumbai
Date: June 29, 2016

Registered Office:
7th Floor, Grande Palladium, 175, CST Road,
Kalina, Santacruz (East), Mumbai 400 098
Tel no.: 022-6648 0480
Fax No.: 022 2650 0159
CIN: L15140MH1988PLC049208
Website: www.marico.com
Email: investor@maricoindia.net

Route Map to the Venue of the AGM



MARICO LIMITED

CIN: L15140MH1988PLC049208
Reg. Office: 7th Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai – 400 098
Tel No.: (91-22) 6648 0480, Fax No.: (91-22) 2650 0159; Website:www.marico.com • Email:investor@maricoindia.net

FORM NO. MGT -11
PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	:	
Registered address	:	
E-mail ID	:	
Folio No. /DP ID & Client ID*	:	
No. of shares held	:	

* Applicable in case shares are held in electronic form.

I/We, being the holder(s) of ______________________________________ shares of the MARICO LIMITED, hereby appoint:

Name	:	
Address	:	
E-mail ID	:	
	:	**Signature** ______ or failing him/her

Name	:	
Address	:	
E-mail ID	:	
	:	**Signature** ______ or failing him/her

Name	:	
Address	:	
E-mail ID	:	
	:	**Signature** ______

as my / our proxy to attend and vote (on Poll) for me/us and on my/our behalf at the TWENTY EIGHTH ANNUAL GENERAL MEETING of the Company to be held on Friday, August 5, 2016 at 9.00 a.m. at The 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 400 051 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Reso. No.	Description	For	Against
Ordinary Business			
1	Adoption of audited financial statements including audited consolidated financial statements of the Company for the financial year ended March 31, 2016 together with the reports of the Board of Directors and Auditors' thereon		
2	Confirmation of Interim Dividends declared during the financial year ended March 31, 2016.		
3	Re-appointment of Mr. Rajen Mariwala as a Director.		
4	Ratification of the appointment of M/s. Price Waterhouse, Chartered Accountants as the Statutory Auditors of the Company.		
Special Business			
5	Ratification of the remuneration payable to M/s. Ashwin Solanki & Associates, Cost Accountants for the financial year ended March 31, 2017.		
6	Approval of the Marico Employee Stock Option Plan 2016 and granting of stock options to the eligible employees of the Company under the Plan.		
7	Approval of the grant of stock options to the eligible employees of the Company's subsidiaries under the Marico Employee Stock Option Plan 2016.		

Signed this ________________ day of _____________ 2016 **Signature of Member _______________**

Affix Revenue Stamp

_________________________ ___________________________ __________________________

Signature of first proxy holder **Signature of second proxy holder** **Signature of third proxy holder**

Note:

1. **This form in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not later than 48 hours before the commencement of the meeting.**
2. **Please put a 'X' in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.**
3. **A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013 and Secretarial Standards -2 issued by Institute of Company Secretaries of India, a person can act as Proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as Proxy, who shall not act as Proxy for any other Member.**
4. **The Proxy-holder shall prove his identity at the time of attending the Meeting.**

MARICO LIMITED

CIN: L15140MH1988PLC049208
Reg. Office: 7th Floor, Grande Palladium, 175, CST Road, Kalina, Santacruz (East), Mumbai – 400 098
Tel No.: (91-22) 6648 0480, Fax No.: (91-22) 2650 0159; Website:www.marico.com • Email:investor@maricoindia.net

ATTENDANCE SLIP

TWENTY EIGHTH ANNUAL GENERAL MEETING ON FRIDAY, AUGUST 05, 2016 AT 09.00 A.M.

Folio No. / DP ID & Client ID*	
No. of shares held	

* Applicable in case shares are held in electronic form.

I/We certify that I/We am/are registered Member /proxy for the registered Member of the Company.

I/We hereby record my presence at the **TWENTY EIGHTH ANNUAL GENERAL MEETING** of the Company to be held at The 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 at 9.00 a.m. on Friday, August 05, 2016.

____

Member's / Proxy's name in **BLOCK** letters **Signature of Member /Proxy**

Note: Please fill in the attendance slip and hand it over at the entrance of the Meeting hall. Joint Shareholder(s) may obtain additional attendance slip at the venue of the meeting.

Notes

10 Years' Highlights pertain to the financial performance of Marico Consolidated

₹ in Crores

Year ended March 31,	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Income from Operations	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	**6,132.0**
EBITDA	198.7	246.4	304.0	375.1	418.1	484.4	625.8	748.0	870.1	**1,062.5**
Profit before Interest & Tax (PBIT)	156.7	225.1	280.4	333.3	368.5	444.4	576.7	729.0	844.6	**1,054.0**
Profit before Tax	136.0	194.5	244.7	307.7	327.5	402.1	518.7	694.6	821.7	**1,033.8**
Extraordinary / Exceptional items	(14.0)	(10.6)	15.0	9.8	(48.9)	1.8	(33.2)	-	-	**-**
Profit before Tax (PBT)	**150.1**	**205.0**	**229.6**	**299.7**	**371.4**	**395.4**	**542.1**	**675.9**	**810.2**	**1,021.9**
Profit after Tax (PAT)	112.9	169.1	188.7	235.4	286.4	317.1	395.9	485.4	573.5	**724.8**
Cash Profits (Profit after Current Tax + Depreciation + Amortisation)	187.1	220.1	258.4	334.5	400.3	391.6	481.1	573.4	656.3	**817.7**
Economic Value Added	**79.3**	**131.5**	**144.4**	**196.0**	**174.7**	**198.6**	**283.3**	**313.3**	**407.4**	**492.1**
Goodwill on consolidation	45.0	84.2	85.0	85.0	397.6	395.5	395.5	254.3	489.2	**498.0**
Net Fixed Assets	165.4	257.3	311.1	399.7	457.8	501.9	1,422.4	637.8	589.8	**582.6**
Investments	0.0	0.0	13.0	82.7	88.9	295.6	151.6	310.5	283.8	**416.4**
Net Current Assets	117.7	233.0	355.3	483.3	607.5	532.2	674.1	670.7	748.7	**799.2**
Miscellaneous Expenditure	0.1	-	-	-	-	-	-	-	-	**-**
Net Non Current Assets	-	-	-	-	129.9	205.2	250.5	212.6	162.8	**147.1**
Deferred Tax Asset (Net)	115.2	98.2	64.1	61.6	29.9	22.3	-	-	-	**0.1**
Total Capital Employed	**443.3**	**672.7**	**828.5**	**1,112.4**	**1,711.5**	**1,952.7**	**2,894.3**	**2,085.8**	**2,274.2**	**2,443.2**
Equity Share Capital	60.9	60.9	60.9	60.9	61.4	61.5	64.5	64.5	64.5	**129.0**
Reserves	131.5	253.7	392.6	593.0	854.0	1,081.5	1,917.0	1,296.1	1,760.3	**1,967.8**
Net Worth	**192.4**	**314.6**	**453.5**	**654.0**	**915.5**	**1,143.0**	**1,981.5**	**1,360.6**	**1,824.8**	**2,096.9**
Minority interest	0.0	0.1	-	12.5	21.9	24.9	35.1	35.8	13.7	**14.3**
Borrowed Funds	251.0	358.0	375.0	445.9	774.2	784.8	871.9	679.8	427.9	**332.1**
Deferred Tax Liability	-	-	-	-	-	-	5.8	9.6	7.9	**-**
Total Funds Employed	**443.3**	**672.7**	**828.5**	**1,112.4**	**1,711.5**	**1,952.7**	**2,894.3**	**2,085.8**	**2,274.2**	**2,443.2**
EBITDA Margin (%)	12.8	12.9	12.7	14.1	13.3	12.2	13.6	16.0	15.2	**17.3**
Profit before Tax to Turnover (%)	9.6	10.8	9.6	11.3	11.8	9.9	11.8	14.4	14.1	**16.7**
Profit after Tax to Turnover (%)	7.3	8.9	7.9	8.8	9.1	8.0	8.6	10.4	10.0	**11.8**
Return on Net Worth (%)										
(PAT / Average Net Worth $)	49.7	66.7	49.1	42.5	36.5	30.8	25.3	30.1	36.0	**37.0**
Return on Capital Employed										
(PBIT / Average Total Capital Employed @)	35.8	40.3	37.4	34.5	26.1	24.3	23.8	30.4	38.7	**44.7**
Net Cash Flow from Operations per share (₹) (Refer Cash Flow Statement)	3.1	2.3	3.0	3.4	4.0	6.5	6.7	10.2	10.3	**6.5**
Earning per Share (EPS) (₹) (PAT / No. of Equity Shares)	**1.9**	**2.8**	**3.1**	**3.9**	**4.7**	**5.2**	**6.1**	**7.5**	**8.9**	**5.6**
Economic Value Added per share (₹)	1.3	2.2	2.4	3.2	2.8	3.2	4.4	4.9	6.3	**3.8**
Dividend per share (₹)	0.7	0.7	0.7	0.7	0.7	0.7	1.0	3.5	2.5	**3.4**
Debt / Equity	**1.3**	**1.1**	**0.8**	**0.7**	**0.8**	**0.7**	**0.4**	**0.5**	**0.2**	**0.2**
Book Value per share (₹) (Net Worth / No. of Equity Shares)	3.2	5.2	7.4	10.7	14.9	18.6	30.7	21.1	28.3	**16.3**
Sales to Average Capital Employed @	3.3	3.4	3.2	2.7	2.2	2.2	1.9	2.0	2.6	**2.6**
Sales to Average Net Working Capital #	13.8	10.9	8.1	6.3	5.3	7.0	7.6	6.6	8.1	**7.9**

@ 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.
Note 4: FY16 per share numbers are calculated on the post bonus number of shares.

PURPOSE STATEMENT

TO TRANSFORM IN A SUSTAINABLE MANNER, THE LIVES OF THOSE WE TOUCH, BY NURTURING AND EMPOWERING THEM TO MAXIMISE THEIR TRUE POTENTIAL.

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