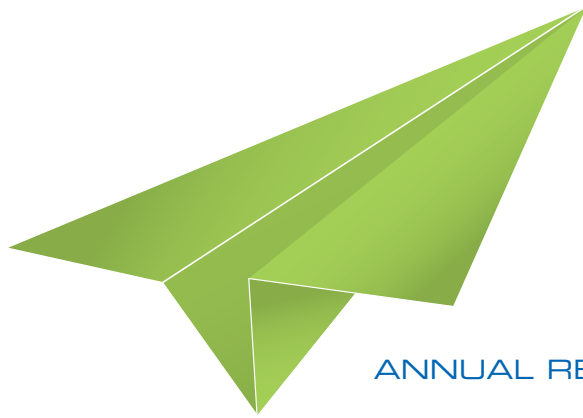




Annual Report 2014

MAKE A
DIFFERENCE

Marico Bangladesh Limited



ANNUAL REPORT 2014

WELCOME TO MARICO BANGLADESH LIMITED

We are one of the leading FMCG companies in the beauty and wellness space of Bangladesh. Committed to making a difference in all we do, we touch the lives of 1 out of every 2 Bangladeshis through our wide array of brands.

Useful Link

Find more information online:

marico.com/Bangladesh

- Explore our History
- Download our Annual Report
- Get to know our Brands



TABLE OF CONTENTS

BUSINESS OVERVIEW	
4	Corporate Information
5	About Us: Quick Read
6-7	Financial Highlights
8-9	FY2013-14 at a Glance
10-11	Board of Directors
12-13	Our Leadership Team
14-16	Our Values
FY2013-14 IN REVIEW	
18-19	Chairman's Letter to Shareholders
20-29	Management Discussion & Analysis
32-34	Our Share
36-38	Glimpse into Marico Bangladesh Limited
41-42	Winning Through Consumers
45-48	Director's Report
50-66	Corporate Governance Report
AUDITED FINANCIAL STATEMENTS	
69	Auditor's Report
70	Statement of Financial Position
71	Statement of Comprehensive Income
72	Statement of Changes in Equity
73	Statement of Cash Flows
74-93	Notes to the Financial Statements
NOTICE TO OUR SHAREHOLDERS	
94	Notice of 14 th Annual General Meeting
95	Attendance Slip and Proxy Form

CORPORATE

INFORMATION

BOARD OF DIRECTORS

Mr. Saugata Gupta	Chairman
Mr. B. Sridhar	Director
Mr. Rohit Jaiswal	Director
Mr. Vivek Karve	Director
Mr. Aditya Shome	Managing Director
Mr. Ghulam Mostafa	Independent Director
Mrs. Rupali Chowdhury	Independent Director

MANAGEMENT TEAM

Mr. Aditya Shome	Managing Director
Mr. Ayyub Khan	Director-Sales
Mr. Aditya Singh	Director-Marketing
Mr. Iqbal Chowdhury	Director-Finance
Mr. Sidhartha Das	Director-HR
Mr. Md. Nazim Uddin	Head-Supply Chain
Mr. Md. Saiful Alam	Head-Manufacturing

COMPANY SECRETARY

Mr. Iqbal Chowdhury

REGISTERED & CORPORATE OFFICE

House-1, Road-1, Sector-1, Uttara, Dhaka-1230.
Telephone : +880 2 8931202, Fax : +880 2 8932322

DATE OF INCORPORATION

September 6, 1999

OUR FACTORIES

Factory 1:

Mouchak, Kaliakoir, Gazipur

Factory 2:

Shirchala, Mahona Bhabanipur, Gazipur

AUDITORS

A. Qasem & Co.

LEGAL ADVISOR

Corporate Counsel

PRINCIPAL BANKERS

Standard Chartered Bank
HSBC
Citibank N.A
BRAC Bank Ltd.



STOCK INFORMATION

Dhaka Stock Exchange
Chittagong Stock Exchange
Stock Code : MARICO
ISIN : BD0481MRICO6
Sector : Pharmaceuticals & Chemicals

INVESTOR RELATIONS

Telephone : +880 2 8931202 Ext: 100
Fax : +880 2 8932322
Email: info@maricobangladesh.net

WEBSITES

www.marico.com/bangladesh

ABOUT US

QUICK READ

Our unwavering commitment to excellence – coupled with our growing portfolio of brands – helps us to deliver consistent results for all our stakeholders.

Our Roots

Marico Bangladesh Limited is a subsidiary of a leading Indian consumer products company, Marico Limited. Founded in 1990 by the incumbent Group Chairman Harsh Mariwala, Marico has expanded its presence in 25 countries across Asia and Africa – with a growing portfolio of brands that have become trusted household names for quality.



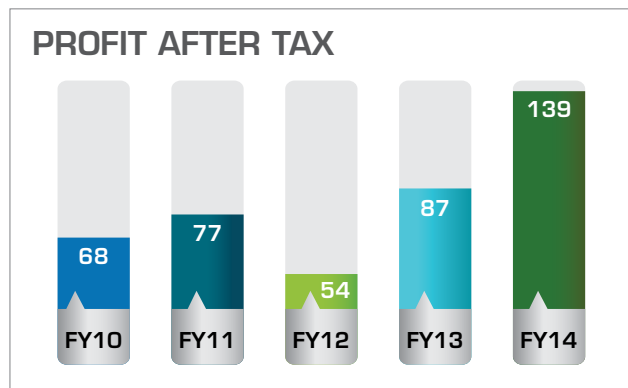
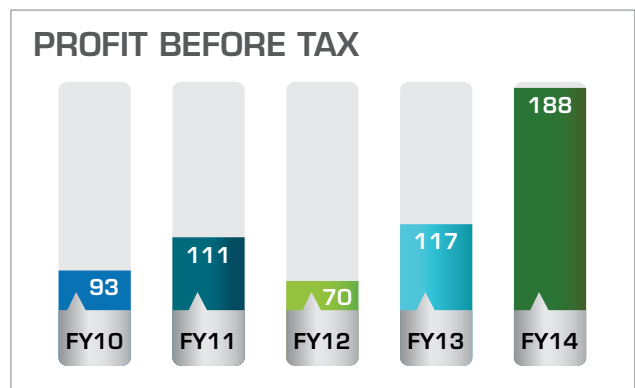
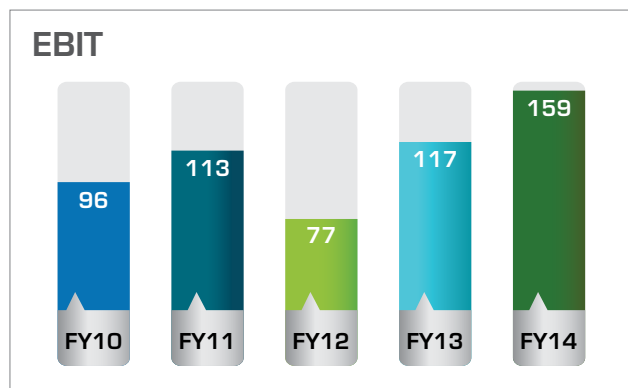
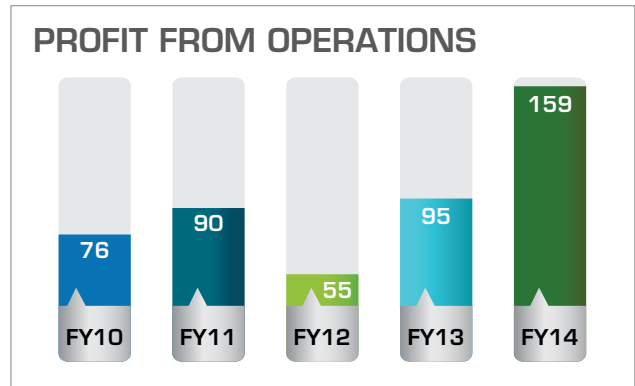
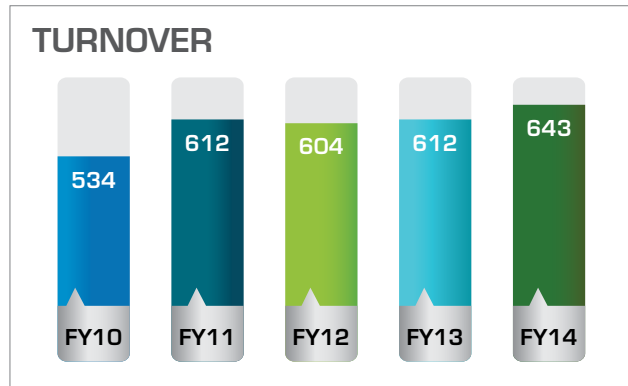
CATEGORY	POWER BRANDS
Pure Coconut Oil (PCNO)	Parachute
Value Added Hair Oil (VAHO)	Nihar Naturals Shanti Badam Amla, Parachute Advanced Enriched Hair Oil, Parachute Advanced Beliphool, Parachute Advanced Cooling Hair Oil, Nihar Naturals Almond Hair Oil.
Hair Dye	HairCode, HairCode Active, HairCode Keshkala
Hair Serum	Livon
Edible Oil	Saffola Active
Male Grooming (Deo)	Set Wet



*CAGR is calculated for the period between October 1, 2009 to March 31, 2014.

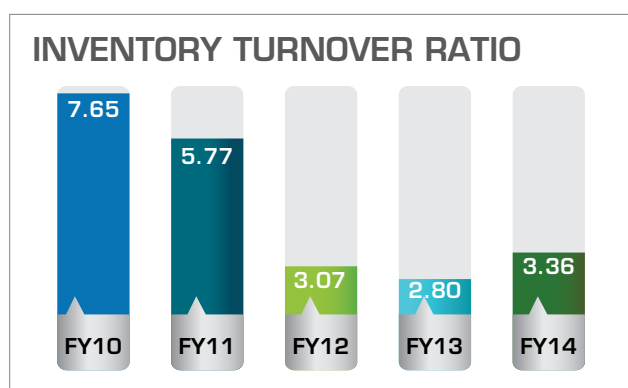
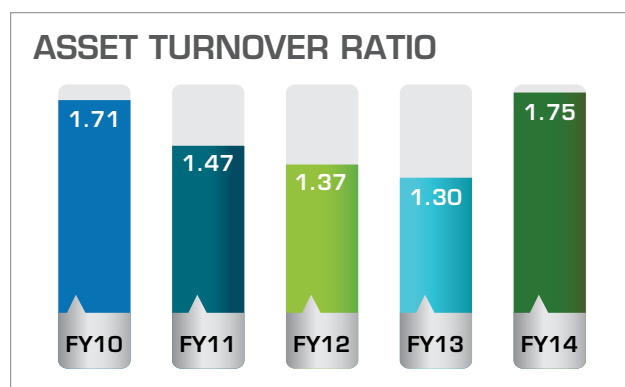
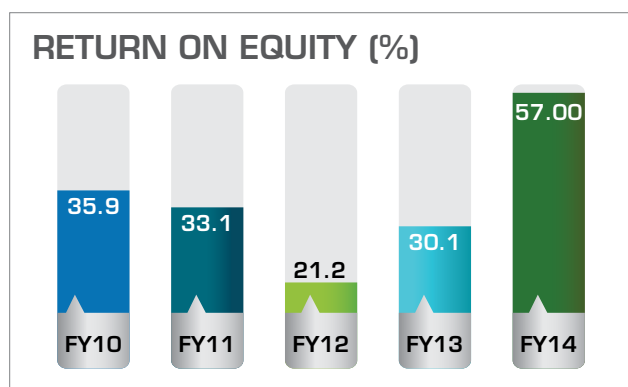
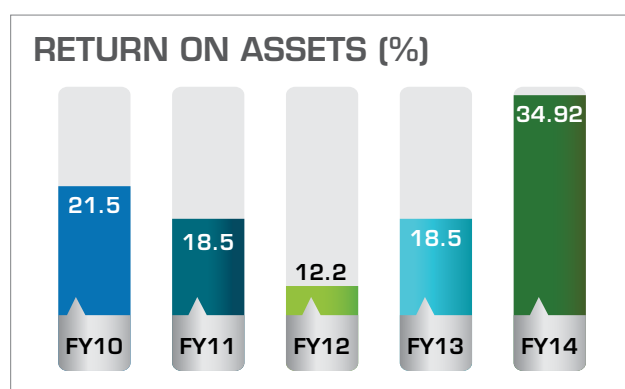
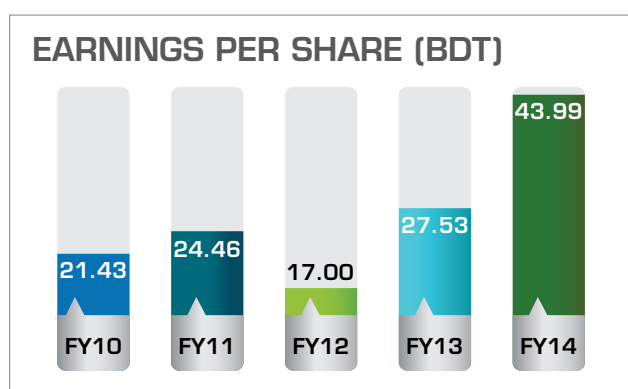
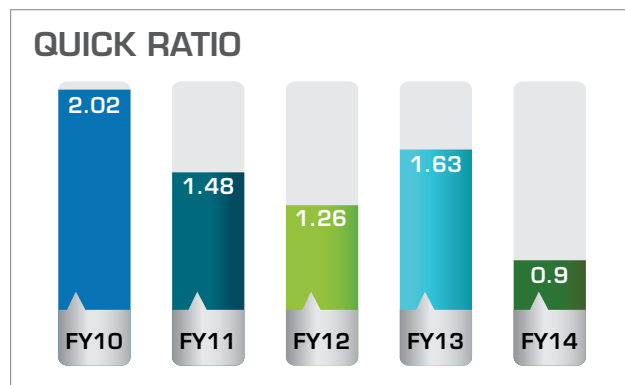
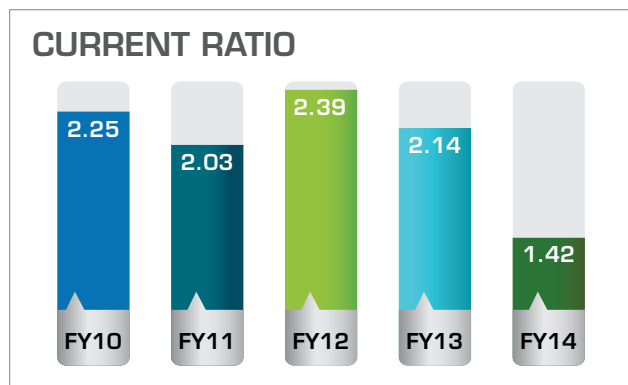
FIVE YEARS' PERFORMANCE HIGHLIGHTS

All figures are in BDT Crore



KEY

RATIOS



AT A GLANCE



Q1 (April to June'13)

Launch of Livon

We introduced Livon Silky Potion – a post-wash hair serum with a unique CutiSoft formula that detangles hair, leaving it smooth and soft. The post-launch consumer reception was satisfactory, thereby reflecting positively on the brand's prospects.

Dividend Declaration

Following Q1 earnings disclosure, our Board of Directors announced 150 percent interim cash dividend for shareholders.

Q2 (July to September'13)

VAHO's Ascent to Market Leadership

We became the No. 1 player in the Value Added Hair Oil (VAHO) segment and maintained our leadership for two consecutive months. With consistent performance over several years, our ever-expanding VAHO portfolio has emerged as a key driver of growth and diversification for our business.

Completion of "Ek Jug"

Parachute Coconut Oil, our flagship brand – celebrated its 12th year anniversary amid a jubilant marketing campaign. Parachute, which continues to hold leadership position in the branded coconut oil market, was the recipient of the "Best Brand" award in 2012 from Bangladesh Brand Forum and Nielsen.

Bullish Performance at the Bourse

Our stock reached its highest ever level (BDT 914) on September 12. Bullish momentum of our stock continued throughout Q2, resulting in impressive 74 percent increase in that period.

Dividend Declaration

Following Q2 earnings disclosure, our Board of Directors declared 200 percent cash dividend for shareholders.



Q3 (October to December '13)

Successful Run of Phase-01 of “Stylish Hair of the Campus”

We completed the first phase of Parachute Beliphool Lite “Stylish Hair of the Campus” – a nationwide contest of college-going girls in various co-curricular activities, like dance, drama and ramp walk. The first season was met with enormous popularity, reaching out to more than 200,000 girls across 192 girls’ colleges throughout the country.

Launch of Saffola Active

We made renewed foray into the edible oil market of Bangladesh with the launch of Saffola Active, a healthy cooking oil made from rice bran oil and soybean oil. Saffola Active is now locally manufactured.

Celebration of Quality Week

We celebrated Quality Week from 25th to 29th November '13 to reinforce and promote our focus on quality. The overwhelming response and participation of our members was a true reflection of our continuous drive to improve performance standards and capability building for long-term success of our business.

Launch of Set Wet

We ventured into the male grooming market with the roll-out of Set Wet Deo Range. The deodorants – which are available in three fragrances “Adventurer”, “Sexy” and “Cool” – cater to the needs of the young urban men.

Dividend Declaration

Following Q3 earnings announcement, our Board of Directors declared a special cash dividend of 500 percent to celebrate the completion of 12th anniversary (“Ek Jug”) of Parachute’s journey in Bangladesh and the continued support of our shareholders.

Q4 (January to March '14)

Re-launch of Nihar Naturals

We introduced “Nihar Naturals Shanti Badam Amla Hair Oil”, building on the existing popularity of ‘Nihar’ and further enhancing our product offering through an improved value proposition. The re-launch was met with highly positive consumer response.

Re-launch of Parachute Advanced Beliphool

Parachute Advanced Beliphool was re-launched in a more attractive packaging with improved formulation based on key consumer insights. The pack has been already placed in the market and has been

acknowledged with positive response from consumers.

Launch of HairCode Keshkala

We extended our hair dye product line with the launch of HairCode Keshkala, a liquid hair dye. HairCode - together with its faster-acting variant HairCode Active – holds leadership position in the powdered hair dye category, and the introduction of Keshkala is expected to further augment our market share in the overall hair dye market.

Another Record at the Bourse

Unprecedented bullish run of our stock in Dhaka Stock Exchange resulted in its highest-ever price level (BDT 1,229.9) on March 9. We were one of the best performing stocks in Dhaka Stock Exchange in FY2013-14.

Final Dividend Recommendation

Following Q4 earnings disclosure, our Board of Directors recommended another 50 percent cash dividend, thereby taking the total dividend declaration for FY2013-14 to 900 percent.



BOARD OF DIRECTORS



SAUGATA GUPTA

Chairman

Saugata Gupta is the Chairman of Marico Bangladesh Limited since 2013. He is the Managing Director, Marico Limited and leads the Company's operations in India and the International markets. Saugata joined Marico Limited in January 2004 as Head of Marketing.

In the year 2007, he was elevated to become the CEO of the Company's India business. In April 2013, Marico restructured its Consumer Product Business (CPB) in India and International Business Group (IBG) under Saugata's leadership as the CEO of Marico Limited, the unified FMCG business. In March 2014, Saugata was appointed as the Managing Director of the Company. Prior to joining Marico, Saugata was Chief of Marketing and Group Sales at ICICI Prudential and was part of the start up team that was instrumental in establishing ICICI Prudential as the largest private sector Insurance firm in the country. Saugata started his career with Cadbury's where he spent 9 years in various roles in Sales and Marketing. His last role was Marketing Manager - Chocolates.

Saugata has 21 years of experience primarily in FMCG sector. He has an engineering degree from IIT Kharagpur and a Management degree from IIM Bangalore.

B. SRIDHAR

Director

Sridhar brings with him 19 years of experience and currently heads Marico's International Units comprising of Marico Bangladesh Limited, EM SEANS, Marico Middle East & Rest of Africa. He is responsible for delivery of top line and bottom line of the above mentioned units. He has led Sales, Business Finance and Supply Chain for Marico's India business in the past where he was responsible for developing and deploying the strategic road map for the above mentioned functions. Before joining Marico, he was associated with companies like Tata Steel and Pepsi. Sridhar holds a B-Tech in Electronics from IT BHU and a MBA from XLRI Jamshedpur.



VIVEK KARVE

Director

In April 2014, Vivek became the CFO of Marico Ltd. (India), with his role covering Corporate Finance, Business Finance and Commercial for Marico Group. Vivek joined Marico in 2000, as a Manager in Corporate Finance.

Vivek is a Chartered Accountant (1994), a Cost Accountant (1993) and a B. Com. from the University of Bombay (1991). He has more than 19 years of experience in Finance, Banking, and IT across four organizations - Marico, Siemens Information Systems, ICICI and P&G.





ROHIT JAISWAL

Director

Rohit Jaiswal is currently the Regional Head- Marico Middle East & North Africa. He was the Managing Director of Marico Bangladesh Limited till April 23, 2013.

Rohit is a commerce graduate (a University topper & Gold Medalist) and holds his management degree from Indian Institute of Management –Bangalore. He has over 14 years of experience in Customer Management & Marketing. Rohit brings with him years of rich experience in the consumer goods industry with specialization in Trade Marketing & Customer Management.

ADITYA SHOME

Managing Director

Aditya Shome is appointed as Managing Director of Marico Bangladesh Limited from April 23, 2013. Prior to that, he was the CFO and Executive Director of Marico Bangladesh Limited.

Prior to joining Bangladesh, Aditya was the Head of Finance (MENA) & Country Guardian (Egypt Operations) in Marico Limited & has held management positions in diverse manufacturing companies; petrochemicals, FMCG and engineering products. He qualified Cost and Works Management Accountancy from ICWA in India.



GHULAM MOSTAFA

Independent Director

Mr. Ghulam Mostafa is the Independent Director since 31st December, 2009. Mr. Mostafa is the Managing Director of Kallol Group of Companies. His group of companies is in the business of manufacturing, marketing and distribution of FMCG & Food products. He was awarded CIP status three times and highest VAT payer in business category twice by the NBR.

RUPALI CHOWDHURY

Independent Director

Mrs. Rupali Chowdhury is the Independent Director since 31st December, 2009. Mrs. Chowdhury is also the Managing Director of Berger Paints Bangladesh Limited and Chairman & Managing Director of Jenson & Nicholson (Bangladesh) Limited. She did her MBA from IBA and Bachelor in Chemistry from Chittagong University. She is involved with different trade bodies including FICCI wherein she is the President. She brings with her a rich experience of managing various functions at Berger Paints.



OUR

LEADERSHIP TEAM

1

2

3

4



5

6



1. Mr. Sidhartha Das

Director – Human Resources

2. Mr. Ipsit Chakrabarti

Director – Sales (till May, 2014)

3. Mr. Aditya Shome

Managing Director

4. Mr. Md. Nazim Uddin

Head – Supply Chain & NPD

5. Mr. Md. Saiful Alam

Head – Manufacturing

6. Mr. Iqbal Chowdhury

Director – Finance & CORA

MAKE A

DIFFERENCE

Our mission –articulated by the simple yet powerful phrase “Make a Difference” – guides our conduct towards all our stakeholders.



MEMBERS

At Marico Bangladesh Limited, we do not have employees but members who are constantly given opportunities to maximize their true potential to “make a difference”. An empowering work culture characterized by independent decision making is our hallmark.

In FY2013-14, Marico Bangladesh Limited adopted “Maricognize: Say Wow, Say it Now”, an online social recognition platform, which allows members to receive kudos from their peers and supervisors for jobs well done. Such meaningful recognition drives engagement and productivity in our workplace.

ASSOCIATES

We believe in forging win-win partnerships with all our associates – suppliers, third-party manufacturers and distributors – in order to deliver sustainable, profitable growth for our business. It is also a strategic imperative that we invest in the capability enhancement of our associates in order to position ourselves for future growth.

In FY2013-14, we ramped up our efforts to provide direct support to our distributors and their salesmen through training and merchandising in an effort to augment their sales capacity. Such efforts reflect our underlying philosophy: we grow alongside our distributors and other associates.



CONSUMERS

Consumers are at the center of everything we do. Our brands’ key value proposition lies in making a big difference to the way our consumers look and feel. For this very reason, we are constantly endeavoring to create brands that adapt to the changing lifestyle needs of consumers.

In FY2013-14, we introduced 5 brands– Livon, Saffola Active, Set Wet, HairCode Keshkala and Nihar Naturals Shanti Badam Amla - in Bangladesh to meet the varied demands of different target segments. Such a balanced portfolio makes us excellently positioned to enrich the lives of our consumers and create a lasting impact.





INVESTORS

Our unwavering search for growth and investment in sustainability results in long-term value creation for our investors. Our strong corporate governance – coupled with open and transparent processes – ensures strong accountability to our shareholders.

In FY2013-14, Marico Bangladesh turned out to be one of the best performing stocks from consumer goods sector in Dhaka Stock Exchange and Chittagong Stock Exchange – further reinforcing our belief that when we make a difference, even our investors notice us.

SOCIETY

We want to emerge as one of the most active corporate citizens of Bangladesh and contribute to the communities around us. Over the years, we have strengthened our focus to drive social change through our products and Corporate Social Responsibility (CSR) initiatives.

In FY2013-14, as part of our CSR program, we handed over a pick-up van to Airport Police Station, Dhaka in order to extend our support to improve the law and order situation around the airport locality.



THINK
CONSUMER

Consumer-Centric

TO

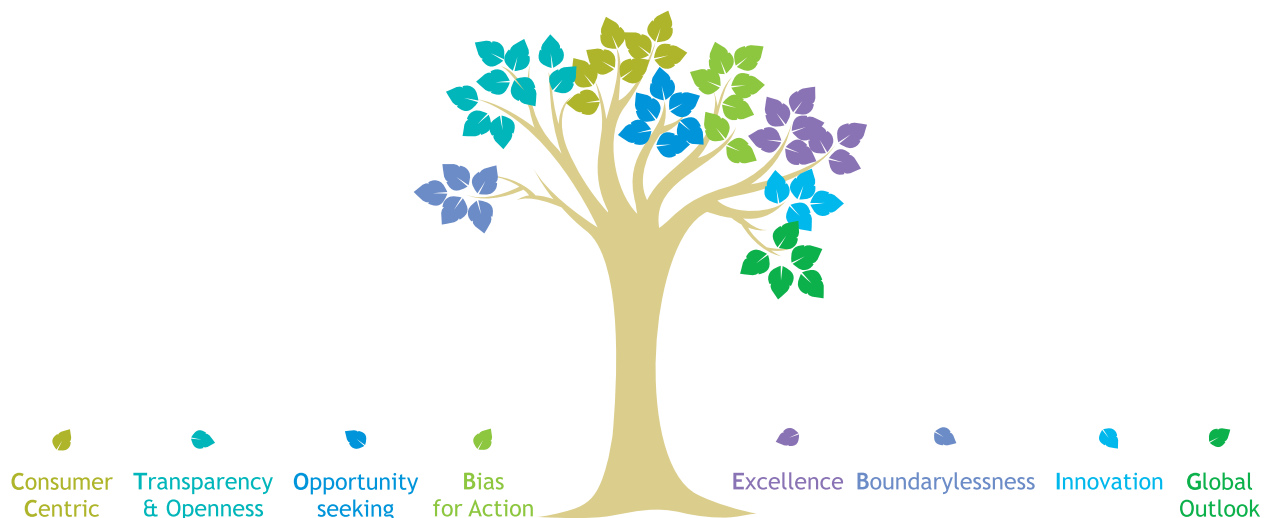
Transparency & Openness | Opportunity-seeking

BE

Bias for Action | Excellence

BIG

Boundarylessness | Innovation | Global Outlook





CHANGE IS OUR CHANCE TO GET BETTER

In FY2013-14, we stayed true to our strategic imperative of adopting change to create growth opportunities for today... and tomorrow.

CHAIRMAN'S LETTER TO

SHAREHOLDERS

f The year delivered on its promise of *change* but **our best years still lie ahead** **;**

In FY2013-14, we struck a fine balance between “staying the course” towards strong financial performance and “embracing change” to position ourselves for future. Our relentless drive to differentiate ourselves in the market place will continue to bring value for our consumers and shareholders alike.

Saugata Gupta
Chairman



Dear Shareholders,

We are pleased to report that FY2013-14 was another successful and accomplished year for Marico Bangladesh Limited. Your Company ended the year with a 5 percent growth in turnover while delivering an impressive growth of 60 percent in net profits.

The numbers don't paint the entire picture. This was the same year when unprecedented challenges for us, along with the rest of the FMCG sector, surfaced in light of the turbulent political climate and accompanying economic slowdown. Supply chain disruptions, stemming from political unrest, and subdued consumer demand were the hallmarks of this year. Yet the fact that your Company could sustain its performance despite the macroeconomic headwinds sends strong signals for what it is capable of delivering in future.

During the year, we celebrated 12 years ("ek jug") of our operations in Bangladesh. The important milestone offered us the perfect occasion to adopt a new strategic direction that will position us to lead into the future. Throughout the year, we have made significant progress on our strategic agenda of growth and transformation. This was evident by the slew of new products (*Livon, Saffola Active, Nihar Naturals Shanti Badam Amla, HairCode Keshkala and Set Wet*) that we rolled out in this financial year in our effort to create a wider but focused portfolio. The new additions to our portfolio enable us to straddle across categories which will open future channels of growth, and to build a sustainable presence in the beauty and wellness space of Bangladesh.

Our flagship brand, Parachute Coconut Oil, has returned back on growth track while maintaining its undisputed leadership position in the coconut oil market of Bangladesh. However, what is more encouraging is that our performance is no longer solely rooted in Parachute. With continued growth and a contribution of over 10 percent to our business turnover, our Value Added Hair Oil (VAHO) portfolio has emerged to be a key source of diversification and growth for our business. We have also continued to lead the powdered hair dye market with our HairCode portfolio.

During the year, we also kicked off several process re-engineering initiatives which strengthen our commitment to quality, have the potential to unlock huge cost savings and create mutually beneficial relationships for all our stakeholders. The results from some of the efforts are already gaining shape. For instance, our Shirirchala factory has recently been recommended for ISO 14001:2004 and OHSAS 18001:2007 certified, reflecting the best practices that we have undertaken to minimize environmental, occupational and safety hazards.

Even though we remain cautious about the short-term macroeconomic outlook, we are committed to delivering on our growth targets over the longer run. We are confident that our continued investments behind our brands and our drive towards operational excellence enable us to continue our growth trajectory and our legacy of driving shareholder value.

Together with our members, I would like to extend my sincere gratitude for your continued confidence in your Company – which was evident by the strong rally of your Company's stock in Dhaka Stock Exchange & Chittagong Stock Exchange throughout the year. I look forward to another exciting year with strong financial performance from Your Company.

I would also like to take this opportunity to thank all our consumers, members, regulators and business associates for their constant encouragement.

I look forward to receiving your continued trust and support.

With warm regards,

Sd/-

Saugata Gupta
Chairman

MANAGING DIRECTOR'S REVIEW

(including Management Discussion
& Analysis)



f We have gained substantial momentum in our journey of **driving change** and **building brands for the future** **;**

FY 2013-14 strengthened our strategic intent to invest for growth and paved the way for a series of organization-wide changes that were essential for advancing our growth agenda. Amid the excitement and the responsibility of spearheading these changes, we have not lost sight of our overarching goal, which is to make sure that we maximize returns for our shareholders over the long run.

Aditya Shome
Managing Director

Dear Shareholders,

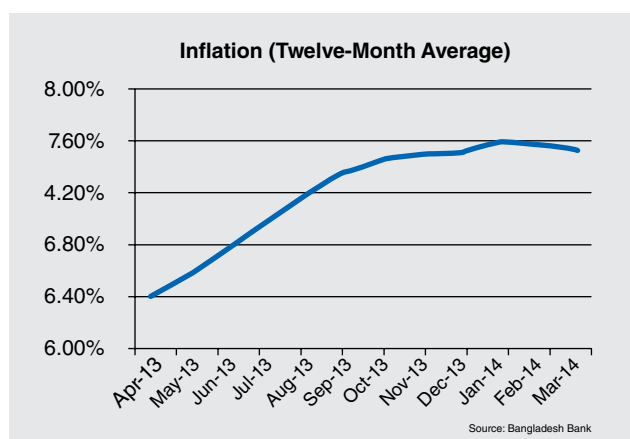
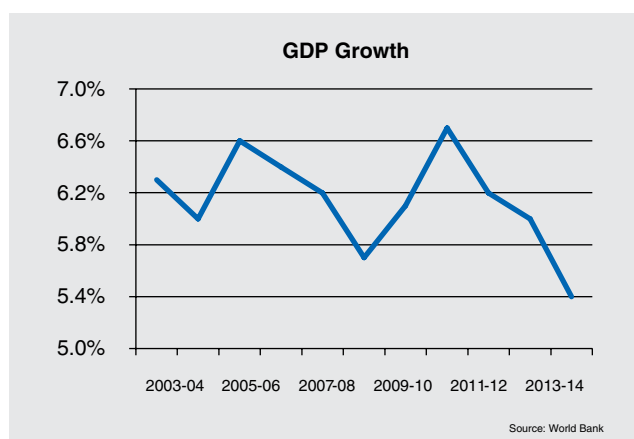
In the years to come, we will remember FY2013-14 as a pivotal year in Marico Bangladesh's history. Indeed, it was the year when we started materializing our strategic vision of creating "growth opportunities for tomorrow". On one hand, we have significantly stepped up our investments in brand building and explored categories that will open new channels of growth. On the other hand, we have revisited our operating model and built organizational capabilities that will help us to deliver on our growth potential.

From a financial stand point, the impressive bottom-line growth of past year – despite the challenges posed by a volatile macroeconomic environment – exhibited the resilience of our strategy and provided a strong base to advance our growth agenda.

The following management discussion & analysis (prepared in line with the requirements of Section 184 of The Companies Act, 1994, BSEC Notifications, Listing Regulations of Dhaka Stock Exchange and Chittagong Stock Exchange) will provide detailed insights into our business environment, key management interventions, and operational and financial performance for the period between April, 2013 and March, 2014. In some cases, forward-looking outlook has been presented to support the analysis. It is important to understand that various factors (such as changes in government regulation or competitors' moves) may lead to the deviation of actual results from the forward-looking estimates.

FMCG Industry Performance in a Turbulent Economy

Bangladesh's GDP growth rate has been projected to drop down to 5.4% in Fiscal Year 2013-14 – the lowest in 11 years. The considerable dip in GDP growth rate has been a reminder of the intensely VUCA business landscape in which we operated last year – a landscape marred by volatility, uncertainty, complexity and ambiguity. Disruptions in economic activity – in the form of a prolonged trail of shutdowns and blockades – put renewed challenges for our supply chain and adversely impacted the overall trade sentiment.



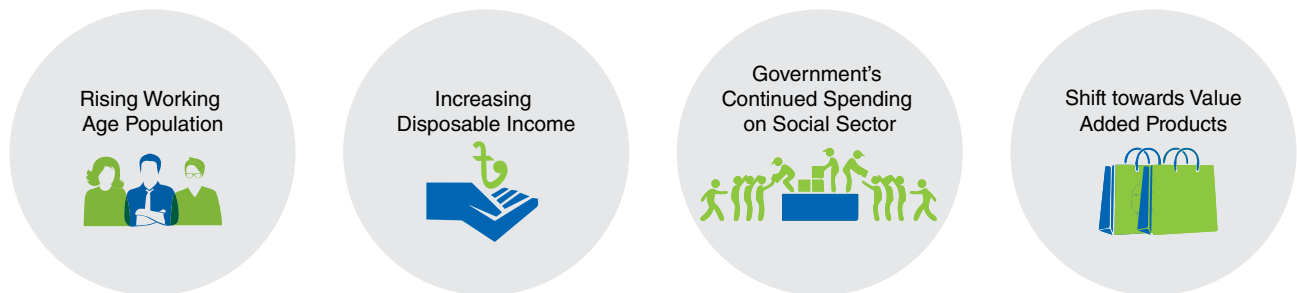
The challenges were further compounded by consumer spending power erosion – which, in turn, was induced by relatively high and sticky inflation levels. By the end of March, 2014, twelve-month average inflation rose to 7.54% - against 6.23% of March, 2013.

Being in the business of marketing and selling consumer goods, we were not immune to this year's adverse macroeconomic scenario that had a negative bearing on the entire FMCG industry. To put this in perspective, each industry player – including us – experienced a loss of 90 man-days due to political disruptions in the past year.

Yet the tough times provided an opportunity for us to test the robustness of our strategy and increase our capability to deal with unpredictable events beyond our control. We believe that the lessons derived from past year have put us in a stronger position than ever before to capture the long-term potential of the FMCG industry of Bangladesh.

Outlook for FMCG Industry

We are highly positive about the long-term performance of the FMCG industry of Bangladesh. Despite this year's temporary setback, we believe that the growth of this industry will rebound in coming years as the key demand drivers for domestic consumption remain intact:



Risks & Risk Management

Like all businesses, Marico Bangladesh Limited too is exposed to risks – which usually arise from events or decisions that are beyond the company's control. We recognize that effective management of these risks is of paramount importance to ensure our business growth. Over the years, we have put processes and practices in place through which we regularly identify and assess risks and take necessary measures to minimize their impact.

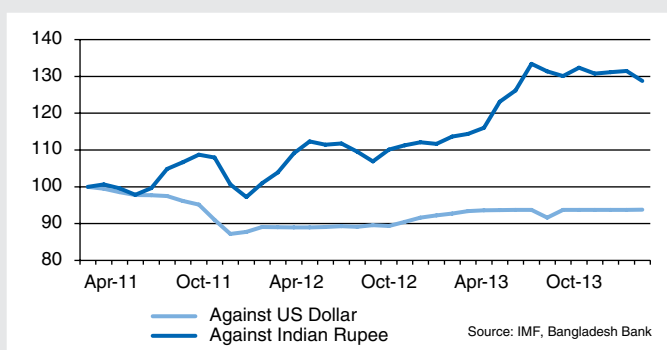
Risk	Risk Mitigation Strategy
------	--------------------------

Exchange Rate Risk

Since our products cater to the domestic market, exchange rate exposure does not affect our revenue stream. However, we have to import raw materials that are priced in foreign currency (most notably, US dollar and Indian rupee). Hence, unfavorable exchange rate movement (and consequent rise in the cost of our imports) can have a negative impact on our operating margin and financial outcome.

Movement of BDT against Relevant Currencies

Indexed Value in BDT Exchange Rate (April 2011 = 100)



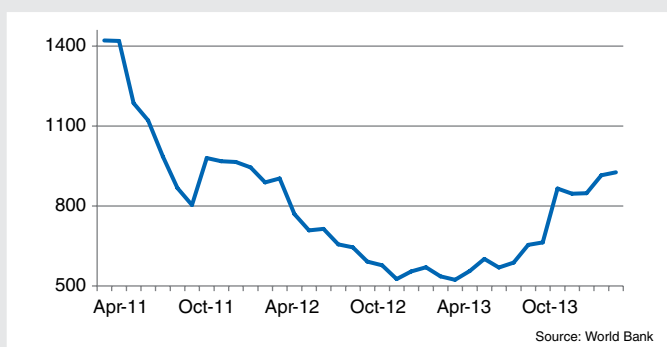
Over the years, we have taken concerted efforts to localize our production and source raw materials from local suppliers wherever possible. To some extent, this strategy has reduced our exchange rate exposure. However, a significant volume of our raw material viz. copra still needs to be imported. Regular forecasting of exchange rate movement and position building on our import volume through optimal exchange rate dynamics is the principal way through which we are trying to reduce our exchange rate risks.

Input Risk

Commodities, especially copra, are attributed for the bulk of our production costs. Copra prices have experienced marked volatility in the past years. Unfavorable movement in the price of copra can have a direct impact on our production costs. At the same time, we are dependent on the adequate supply of copra in the countries from which we import in order to ensure the smooth running of our production.

Movement of Copra Price in the Global Commodity Market

Copra Price (US\$/mt)



We are diversifying the countries from which we import copra and other raw materials to ensure uninterrupted supply. Even though India remains the prime hub from which we import copra, other countries (such as Indonesia, Sri Lanka and the Philippines) are also rapidly growing in importance in our sourcing portfolio. Both quality and price determine the selection of the countries from which we import. Such diversification also provides some cushion against adverse country-specific copra price movements.

Competition Risk

Low start-up capital requirement, simplicity of manufacturing processes and availability of sub-contractors to carry out manufacturing remain the essential characteristics of the FMCG industry of Bangladesh – all of which lead to low entry barriers. For this reason, there are a huge number of both local and multinational players vying for market share in the FMCG industry of Bangladesh.

At the same time, there is a growing unorganized sector in the FMCG industry which competes through fake and counterfeit products and leads to revenue losses for companies in the organized sector.

In FY2013-14, we have ramped up our investments in brand building to grow our market share for both existing and new brands. This – coupled with prudent pricing and distribution tactics – has paved the way for building long-term consumer loyalty.

Un-parallel efforts to curtail the menace of counterfeit through concerted efforts with the help of Regulatory Bodies have been initiated and process of setting up mechanisms to structurally intervene and curb availability of fake, look-alike products in the market is in progress.

Internal Control Systems and their Adequacy

We have a well-established and comprehensive internal control structure across the value chain to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition that transactions are authorized, 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 organization 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

While Ernst & Young LLP, a global Chartered Accountant Firm practicing in India, has been carrying out internal audits for us for the last couple of years, we also have MS Hossain Farhad & Co., a local Chartered Accountant Firm as our Internal Auditors. The work of internal auditors is coordinated by an internal team at Marico Bangladesh Limited. This team is headed by Mr. Prasad Shinde, Head of Internal Audit. This combination of an internal team at MBL and expertise of a professional firm ensures independence as well as effective value addition.

Internal audits are undertaken on a continuous basis, covering various areas across the value chain like manufacturing, operations, sales and distribution, marketing and finance. Reports of the internal auditors are regularly reviewed by the management and Audit Committee and corrective action is initiated to strengthen the controls and enhance the effectiveness of the existing systems.

Segment Performance

Parachute

Despite a slowdown in coconut oil market growth caused by the political unrest, our flagship brand - Parachute Coconut Oil – posted a moderate turnover growth in FY2013-14. The growth – coming in after a moderation of performance in previous 2 years – resulted from a dual-pronged marketing approach that aims to drive consumption from existing consumers while encouraging loose oil users to upgrade to branded coconut oil.

Parachute continues to be the clear market leader in the coconut oil segment and has witnessed steady gains in market share over the past years. In FY2013-14, Parachute Coconut Oil completed its 12th anniversary (“ek jug”) in Bangladesh. The important milestone offered us the opportunity to reflect on the extraordinary brand equity that Parachute has built over the years and to extend our appreciation to our consumers for their strong show of confidence in Parachute.



Value Added Hair Oils (VAHO)

In FY2013-14, our Value Added Hair Oil portfolio (comprising of Parachute Advanced Enriched Hair Oil, Parachute Advanced Beliphool, Parachute Advanced Cooling Hair Oil and Nihar Naturals Shanti Badam Amla Hair Oil) continued its momentum, posting a firm turnover growth. An environment characterized by rising inflation and political instability tends to hit discretionary spending and curb down consumers' appetite for new, value-added products. Hence, a continuation of the momentum of our VAHO portfolio in this year (albeit at a moderate pace) sends promising signals for its future performance.

Over the past years, the company has developed a holistic product line up in its VAHO portfolio to serve consumers' evolving, fragmented needs when it comes to hair nourishment and hair care. With a contribution of over 10 percent to total business turnover, our VAHO portfolio is now an important source of diversification and growth for our business.

In FY2013-14, we re-launched “Nihar Naturals Shanti Badam Amla” with a superior formulation and improved packaging to appeal to the target market and highlight the added nourishment properties of the hair oil. The product – containing a coconut oil base that is blended with amla and almond oil – prevents hair graying and dandruff and reduces hair fall. Supported by a strong visibility drive, the re-launch has helped to build and communicate Nihar's differentiated positioning to consumers while providing an important tailwind to its sales volume.



Hair Dye

We continue to lead the powdered hair dye market with our HairCode portfolio (HairCode Herbal Hair Dye and its faster-acting variant HairCode Active). Backed by strong underlying volume growth, our HairCode portfolio delivered an impressive turnover growth of 13 percent in FY2013-14.

With the introduction of HairCode Keshkala (the latest addition to our HairCode portfolio), we have branched out into the liquid hair dye segment – leveraging the brand equity enjoyed by HairCode. The launch of Keshkala is expected to further augment our position in the hair dye market, helping us to add depth to our range of hair dye solutions to meet consumer needs more comprehensively.



Saffola Active

The launch of Saffola Active in FY2013-14 marked our renewed foray into the edible oil market. With health benefits of blended rice bran and soybean oil, Saffola Active caters to a growing segment of health conscious consumers. Supported by an outreach campaign that aims to educate potential consumers about its health credentials, Saffola Active has been witnessing traction in its sales volume since its launch.

We take pride in being a part of the wellness space of Bangladesh, and the introduction of Saffola Active enhances our journey in this arena. As consumer needs for wellness products continue to evolve, “health” turns from a niche concept to a mainstream reality. Such a trend towards healthy lifestyle poses bright prospects for Saffola Active over the long term.



Livon

In FY2013-14, we have straddled across the hair care category with the launch of Livon, a post-wash hair serum with a unique CutiSoft formula that detangles hair. The launch furthers our objective of moving up the value pyramid and providing a comprehensive basket of offerings for varied hair care needs to enhance the overall consumer experience.



Set Wet

Due to rising image consciousness among men, the male grooming sector presents considerable headroom for growth. The launch of Set Wet Deo Range in FY2013-14 marks the beginning of our efforts to tap into the opportunity offered by the male grooming sector.



Financial Performance

The turnover for FY14 stood at BDT 643 crore, a growth of 5 percent over FY13. The profit after tax stood at BDT 139 crore, a growth of over 60 percent over FY14.

A summary of our cost structure and margins is given below:

Particulars	FY14	FY13
Cost of Goods Sold	51%	64%
Gross Profit	49%	36%
Marketing and S&D Expense	13%	12%
Other Operating Expense	11%	8%
Operating Margin	25%	16%
PBT	29%	19%
PAT	22%	14%

The above percentages are to turnover for the respective years.

Gross margin expands by 1,337 bps

The prices of copra, our key input material, in FY14 have exhibited upward trend in India and other countries from which we import and were considerably higher, on average, than in FY13. However, the continued depreciation of the INR against BDT reduced our overall cost of imports. Moreover, due to position building in copra before the rally, we were not impacted by the upward trend in copra prices till the 3rd quarter. This, along with the substantial cost savings generated through manufacturing efficiency, enabled us to improve the gross profit margin by 1,337 bps.

Net profit margin expands by 736 bps

Part of the gross margin expansion was used to step up our investments behind our brands and organizational capability. During this year, in line with Bangladesh Labor Law (Amendment) 2013, we also had to set aside 5 percent of our profits in a Workers' Profit Participation Fund (WPPF). In light of these developments, there was an overall increase of 736 bps in profit after tax.

More details on our financial results can be found on the section on Financial Statements.

Human Resources

The mission of our HR function is to attract and nurture talent to succeed. The HR function is also the custodian of MBL's culture and governance standards. This year the function took on several initiatives to strengthen the organization culture, build talent capability, connect with members and potential talent and implement new governance standards. The key highlights are outlined below:

Culture Building

We believe that Culture is a key differentiator and a source of competitive advantage. Every year, we take considerable effort to educate members on Marico's core cultural tenets and values to encourage them to live the Marico Values. This is done through Values Workshops, Values Conversations with Leaders and Living the Values booklet.

Maricognize

We strongly believe that “celebrating small wins” is a stepping stone to achieve “big bets”. In January 2014, we took a giant leap to drive a culture of recognition through a unique web-based recognition program “Maricognize”. The program provides a platform for members to connect, inspire and celebrate achievements and contributions. Maricognize has helped increase the frequency of recognition for members, enabling them to feel more engaged at work.



Talent Attraction and Development

Our Talent Value Proposition (TVP) to ‘continuously challenge, enrich, and fulfil the aspirations of Mariconians so that they can maximize their true potential to ‘Make a Difference’ is an anchor for talent acquisition and development processes.

- **Talent Acquisition:** We leverage multiple sources to hire talent laterally. We also hire fresh talent from premier technical and business schools of the country – such as Institute of Business Administration, University of Dhaka and Bangladesh University of Engineering and Technology.
- **Performance Management System:** Management by Results (MBR) is our performance management process that aligns individual and team goals with the organizational thrust areas.
- **Talent Development:** Personal Development Planning (PDP) is a career development process, distinct from performance management process. It provides a platform to members to discuss their career aspirations, identify their strengths and development areas and work towards enhancing individual competence. The process also helps in creating a Talent Pipeline and Succession Plan for key roles in our organization.
- **Leadership Development:** We invest in leadership development at front line, middle and senior leadership levels through job rotation, classroom training and coaching.

Code of Conduct

In March 2014, we launched our updated Code of Conduct (CoC), a revision over the earlier CoC that was launched in 2009. A strong need to have an updated CoC was felt in the context of the changing business landscape, social and regulatory environment and the increased size and complexity of our business. The underlying philosophy of this code is to conduct the business in an ethical manner as well as create a work environment that is conducive to members and associates alike, based on our values and beliefs.



Business Outlook

We have taken a proactive stance towards capturing the long-term potential of the FMCG market of Bangladesh. We are confident that this approach will add impetus to our goal of maximizing shareholder value over the long run. Shifts in market dynamics have necessitated a strategic reshaping of our portfolio – we believe that our continued investments in both existing and new brands will catalyze future growth of our business.

Charting a New Course for Sustainable Business Growth

In FY2013-14, we started taking concrete actions towards realizing a new strategic direction that aspires to create and capitalize on “growth opportunities for tomorrow”. A near-term element of this strategic direction eyes rapid growth in turnover (coupled with strong bottom-line performance) through a diversified but focused portfolio. At the same time, we remain committed to developing organizational capabilities and driving operational efficiency to sustain our profit margin. In other words, the new direction will underpin a continuation of strong financial results and sustained, long-term increases in the value of our company.

Sd/-

Aditya Shome
Managing Director

DEEP
CONDITIONING
IN 20
MINUTES

চুলের গভীরে পুষ্টি
মাত্র ২০ মিনিটে!





IT'S TIME FOR A TAKE-OFF

We believe that the series of value additions that we have made to our product portfolio and operating model in FY2013-14 enables us to deliver on our promise of growth in the near future.

OUR SHARE

MBL share price outperformed market

Supported by analyst recommendation, our share showed positive momentum throughout FY2013-14. During this period, our share gained 240 percent, surpassing the 25 percent gain in DSEX, the benchmark index of Dhaka Stock Exchange. We believe that such a strong performance reflects the market's confidence in the positioning of our brands as well as our ability to harness the underlying strength of the consumer goods industry of Bangladesh. Strong quarterly earnings results – coupled with regular quarterly dividends – also provided positive impetus, with our share reaching a new all-time high of BDT 1,229.9 on March 9, 2014.

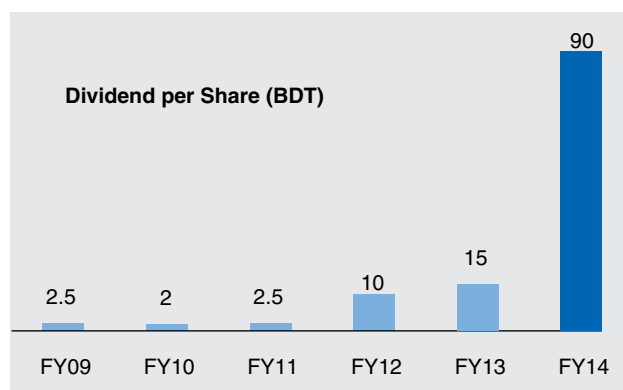
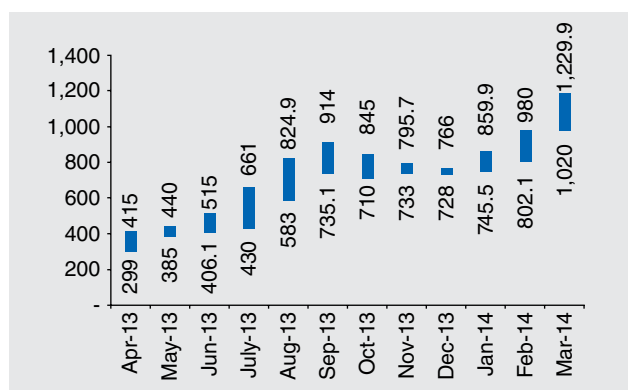
Average daily trading volume soared up

During FY2013-14, the average daily trading volume of our share on Dhaka Stock Exchange remained buoyant at 9,985 shares – more than 3 times the average trading volume (of 3,070 shares) registered in FY2012-13.

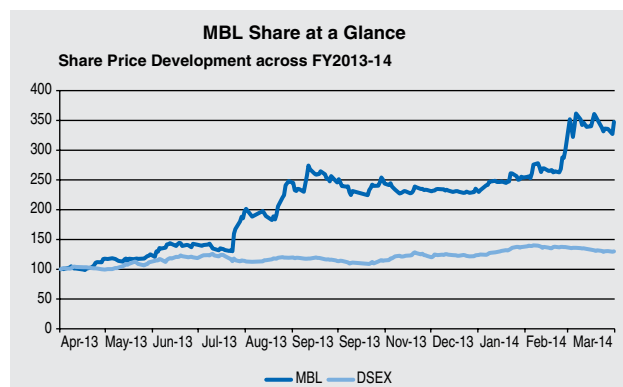
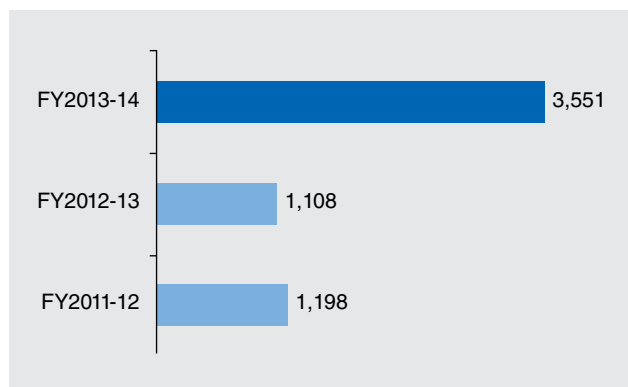
MBL declared record dividends for FY2013-14

Our Board of Directors declared interim cash dividends of 150%, 200% and 500% for Q1, Q2 and Q3 respectively – all of which have been subsequently paid. The Board has now recommended a final cash dividend of 50%. If approved, this will take the total dividend for FY2013-14 to a record-high level of 90%.

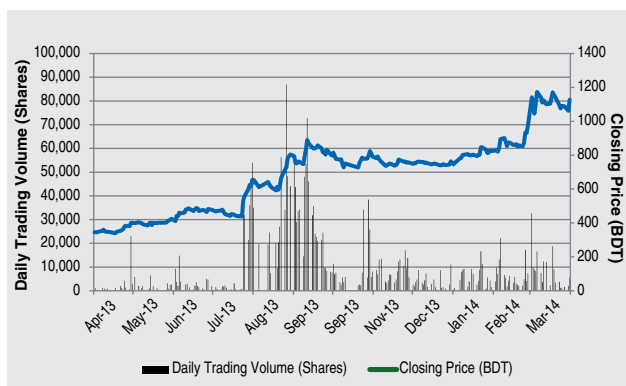
MBL: High and Low Share Prices per Month (BDT)



Market Capitalization at Year-End (BDT crore)



Index: April 1, 2013 = 100



MBL Share: Quick Overview

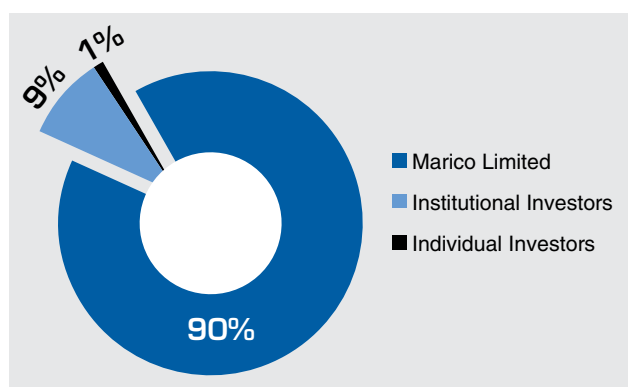
Number of Shares Outstanding	31,500,000
Free Float	10%
Initial Public Offering	August 9, 2009
Stock Exchange	Dhaka Stock Exchange, Chittagong Stock Exchange
Stock Registration Number (ISIN)	BD0481MRICO6
Stock Symbol	MARICO

Share Ratios

		FY2013-14	FY2012-13
Basic Earnings per Share	BDT	43.99	27.53
Cash Generated from Operating Activities per Share	BDT	86	62
Year-End Price	BDT	1,127.3	351.7
Year High	BDT	1,229.9	439.8
Year Low	BDT	299.0	350.5
Dividend per Share	BDT	90	15
Dividend Payout Ratio	%	205	55
Dividend Yield	%	26	4
Shareholders' Equity per Share	BDT	54.16	100.18
Price-Earnings Ratio at Year-End		25.62	12.78
Average Trading Volume per Trading Day	shares	9,985	3,070
Year-End Market Capitalization	BDT crore	3,551	1,108

Shareholding Structure

Based on our share register at March 31, 2014, Marico Bangladesh Limited has 1978 shareholders. 90 percent of our shares are owned by our parent company Marico Limited (India) while the rest are owned by public and institutional investors.



Other Shareholder Disclosures

Shareholders' Category		No. of Shareholders	No. of Shares Held
a) Parent/Subsidiary/Associated Companies and other Related Parties		1	28,350,000
Marico India Ltd., India	Parent Company		
b) Directors, Managing Director and their Spouses			
Saugata Gupta	Director	1	1
B. Sridhar	Director	1	1
Vivek Karve	Director	1	1
Aditya Shome	Director	1	1
Rohit Jaiswal	Director	1	1
c) Top Five Executives			
K. S. Balaji		1	1
d) Shareholders Holding 10% or More Voting Interest (apart from Parent Company)		Nil	Nil

Investor Relations

Extensive information around our financial results, our business outlook and our share is provided on our corporate website at : www.marico.com/Bangladesh/investors. Moreover, in order to provide regular updates on the latest developments surrounding our business and share, we also offer our shareholders and the investor community the opportunity to subscribe to our Analyst Note. Please drop an email at info@maricobangladesh.net if you wish to subscribe to regular email alerts from our Investor Relations team.

হেয়ারকোড

গ্যোকাটিড

হাৰ্ভাল পাউডাৰ হেয়ার কালাৰ



নতুন



মাত্র ১৫ মিনিটে*

এক নতুন আপনি, ন্যাচারালি!

তাইতো, বুলে কলপ দিতে এখন আর ছুটির দিনের অপেক্ষা নয়
বুলে কলপ এখন যেকোনো দিন, যে কোনো সময়।

GLIMPSE INTO

MARICO BANGLADESH LIMITED



13TH ANNUAL GENERAL MEETING



ORGANIZATIONAL COMMUNICATION 2013

At Marico, we do not have employees. Instead, we only have members who are constantly inspired to perform and grow beyond their strengths. Members receive opportunities to take ownership and responsibility for their work. At the same time, we strive to create an inclusive environment where our members thrive and connect, and get first-hand experience to understand how their contribution indeed makes a difference.



POHELA BOISHAKH CELEBRATIONS



VALUES WORKSHOP

All our members enthusiastically participated in Values Workshop to understand the espoused values of our organization and to find ways to put these values into action.

MARICO FOOTBALL MATCH

In 2013, we launched a Sports Club in our organization with the aim of promoting effective member engagement and wellness through sports and other fitness activities. The wide participation of our members in the first intra-organization Football Match organized by this Club was a true reflection of the camaraderie that has become the hallmark of our culture.



ANNUAL SALES & MARKETING CONFERENCE

Our Annual Sales & Marketing Conference helps us to share our critical experiences in the market place in order to harness our ability to win consumers' share of mind.

TRAINING

Our members regularly receive opportunities to take part in training programs in both home and abroad to bridge the skill gap and prepare them for future leadership positions within the company.





CORPORATE SOCIAL RESPONSIBILITY

In 2013, we increased our focus on Corporate Social Responsibility in order to ramp up our contribution towards the communities around us. As part of our CSR activities, we donated a pick-up van to Airport Police Station, Dhaka to help them increase their capacity to maintain law and order in their area.

MBL FAMILY DAY OUT

Every year, we organize a “Family Day” to get the opportunity to know and interact with the families of our members, and to spend quality time together.



EK JUG CELEBRATION

We carried out an organization-wide celebration of the 12th year anniversary of our flagship brand “Parachute”.





পুষ্টি ভরা চুলে,
ইচ্ছেমতো স্টাইল-এ!





OUR BRANDS ARE SUCCESSFULLY ADDRESSING DIFFERENT CONSUMER NEEDS

We have eschewed the “one size fits all” approach when it comes to meeting consumer needs. Our growing brand portfolio enables us to meet consumer needs more precisely.

WINNING THROUGH CONSUMERS

OUR BRAND PORTFOLIO IS EVOLVING WITH CONSUMER NEEDS



We are continuously trying to meet our consumer needs more effectively and to create greater consumer involvement with our brands. Such an effort is reflected by the slew of new products that we launched in this year. We understand that our entry in new categories and the corresponding expansion of our brand portfolio is a strategic imperative for building a sustainable presence in the beauty and wellness space of Bangladesh.

EFFECTIVE COMMUNICATION IS AT THE HEART OF EVERY BRAND STRATEGY

Our brands do not merely fulfill expressed needs of our consumers but also deliver propositions to help guide and inspire them to expand their horizons. In other words, our brands make real difference to our consumers' lives, and we rely on effective and channelized communication to get our brand messages across to our consumers.

WE ARE CONTINUOUSLY INCREASING OUR REACH TO OUR CONSUMERS



Our extensive distribution network reaches out to more than 7.9 outlets across the country (including in far-flung, remote areas). Such a wide reach ensures that our products are readily available in the right outlet at the right value. We have made substantial investment in strengthening our distribution infrastructure to support our growing volumes and larger scale of operations with the ultimate objective of sustaining our brands' competitiveness in the marketplace.

DIGITAL MARKETING

The number of internet users in Bangladesh has crossed the 33 million mark. At present, Bangladesh has around 7 million Facebook users, out of which 78.1 percent belong to the age group 18-34. Moreover, a recent study has shown that Facebook is the most viewed web page on mobile phones in Bangladesh.

These trends help to underscore the increasing need for meaningful online social interaction with consumers as they become more mobile and embrace digital technologies in their lives. In FY14, we increased our focus on leveraging the power of digital and social media platforms to increase our reach to consumers. In particular, Facebook has acted as a backbone in the marketing activities of key new product launches.

SAFFOLA ACTIVE: FRAME YOUR LOVED ONE



“Frame Your Loved One” contest was rolled out in February, 2014 with the tagline “Celebrating a Healthy Life Filled with Love”. The objective of the campaign was to encourage Facebook users to share pictures of their loved ones on the Saffola Active page while, at the same time, making these users aware of the health benefits of Saffola Active. The week-long campaign received favorable response from users.

Connect with us on Facebook:



LIVON BANGLADESH: LOVE YOUR HAIR



The official Facebook page of Livon features an online hair expert called “Lillian” to impart knowledge on hair care and to answer consumers’ queries on keeping hair healthy and nourished. The newly-conceived Facebook page has already achieved more than 8,300 likes and is becoming increasingly popular among its target market (young women).

Connect with us on Facebook:



PARACHUTE ADVANSED BELIPHPOOL STYLISH HAIR OF THE CAMPUS



In the spirit of making a true difference to the lives of our consumers, the “Parachute Advanced Beliphpool Stylish Hair of the Campus” programme was conducted. Our college going audience had dreams and aspirations of making a stamp. Unfortunately, what they lacked was the opportunity. Understanding this, the brand decided to give wings to those dreams and aspirations by providing them a platform to showcase their inherent talent. Thus was born the Parachute Advanced Beliphpool Stylish Hair of the Campus - a talent hunt and showcase on a national scale spanning more than 300 colleges & universities and over 3 lac participants.

Right from the selection of the winners from each round to the final awards, the focus was unwaveringly on providing an opportunity for them to showcase talent, while garnering high PR value for the brand and building awareness and preference for the same.

সাধারণ আমলা তেলের তুলনায়
৫০০% বেশি
ভিটামিন ই[#]-র পুষ্টি!



নতুন



আরও বেশি পুষ্টি! আরও বেশি শক্তি!



CHALLENGES HAVE MADE US STRONGER AND MORE DETERMINED

We are not afraid to leap over any obstacle that comes our way. Instead, challenges provide us with the right opportunity to test the resilience of our strategies, and overcoming these challenges gives our work new direction.

DIRECTORS' REPORT

To the Members

Your Board of Directors ('Board') is pleased to present the Fifth Annual Report of your Company, Marico Bangladesh Limited, for the year ended March 31, 2014 ('the year under review', 'the year' or 'FY14') after being listed on the stock exchanges.

In line with the requirements of the compliance with section 184 of the Companies Act 1994, Stock Exchanges regulations and Bangladesh Securities & Exchange Commission Order No.SEC/CMRRCD/2006-158/134/Admin/44 dated August 7, 2012, your Company has been presenting directors' report. This discussion therefore covers the financial results and other developments during April 2013 – March 2014 in respect to Marico Bangladesh Limited's business in Bangladesh.

Prime Business Activities of Your Company

The prime business activities of the company continued to be manufacturing and marketing of Fast Moving Consumer Goods ('FMCG'). The Company is the manufacturer and marketer of well-known brands such as Parachute, Parachute Advanced Enriched Hair Oil, Parachute Advanced Beliphool, Parachute Advanced Cooling Hair Oil, HairCode, HairCode Active, HairCode Keshkala, Nihar, Saffola Active, Livon and Set Wet.

Launching of New Products

During FY2013-14, your Company has launched the following new products – Livon, Saffola Active, HairCode Keshkala, Nihar Naturals Shanti Badam Amla and Set Wet. These products are expected to create new sources of growth for your Company.

Related Party Transaction

Related parties with the Company for the financial (FY14) were Marico Limited, the parent company, and Marico Middle East FZE and International Consumer Products Corporation, being subsidiaries of the parent company. Details of the transactions with related parties have been enclosed under Note 23 of the financial statements.

Directors' Declaration as to Financial Statements

The Statement of the Directors' Responsibilities and Management's Report on Internal Control over Financial Reporting for financial statements are given on page 48 of this report to Directors' Report Annexure-1 and 2.

Corporate Governance Compliance Statement

As part of its Code of Conduct, MBL always strives to follow higher standard of Governance practices which derived from both internal policies and regulatory framework. In accordance with Bangladesh Securities and Exchange Commission's Notification No-SEC/CMRRCD/2006-158/134/Admin/44 dated August 7, 2012, the Directors are pleased to confirm the following:

- a) The financial statements together with the notes thereof have been drawn up in conformity with the Companies Act 1994 and Bangladesh Securities and Exchange Rules 1987. These statements present fairly the Company's state of affairs, the results of its operations cash flow and changes in equity.
- b) Proper books of account of the Company have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.
- d) International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.
- e) The systems of internal controls are sound and have been effectively implemented and monitored.
- f) There are no significant doubts about the Company's ability to continue as a going concern.
- g) The significant deviations from last year in operating results of the Company have been highlighted in the report and reasons thereof have been explained.
- h) The key operating and financial data for the last five years are annexed.

Further, a Certificate of Compliance required under SEC Guidelines, as provided by M/s. Al-Muqtadir Associates, Chartered Secretaries, is also annexed to this report. Also Corporate Governance Statement is appended in the Annual Report as per SEC Regulation.

MANAGEMENT DISCUSSION AND ANALYSIS

An Annexure to this Report contains a detailed Management Discussion and Analysis, which, inter alia, covers the following:

- Industry Performance

- Risks and Risk Management
- Internal Control Systems and their Adequacy
- Segment Performance
- Financial Performance
- Human Resources
- Business Outlook

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

Directors of the Company

Restructuring in Board of Directors during the year

I. Mr. Milind Sarwate has resigned from the parent company of Marico Bangladesh Limited – i.e. Marico Limited, India, and hence has automatically ceased to be on the Board of the Company w.e.f February 27, 2014.

II. Mr. Vivek Karve has been appointed as Additional Director of the company w.e.f. February 27, 2014 till the ensuing Annual General Meeting (AGM) of the Company.

Directors' retirement and proposed for re-election

Mr. Rohit Jaiswal will retire at the ensuing AGM to be held on August 19, 2014. The Board of Directors has recommended for his re-appointment at the ensuing AGM.

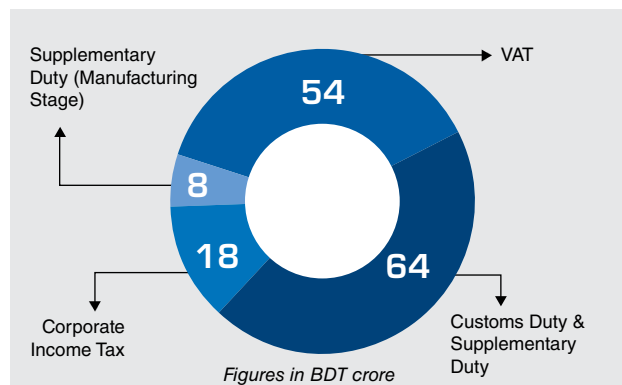
Results of operation

Financial Year Ended Mar 31, 2014 (FY14)

Tk. in Crore Except Per Share Amounts	FY14	FY13
Turnover	643	612
Net Earnings	139	87
Net Earnings Per Share	43.99	27.53
Dividends per Share	90	15
Operating Cash Flow per share	85.84	62.47
Return on Assets	34.92%	18.50%
Return on Equity	57.00%	30.12%

Contribution to National Exchequer

During the reporting period, your company paid Tk. 144 Crore to the National Exchequer in the form of Corporate Income Tax, Customs Duties, Supplementary Duties and VAT.



Distribution to Equity Shareholders

Dividend Trend

The Company has declared the following dividends from the time of its listing on the stock exchanges;

In FY 2008-09, 25% cash dividend

In FY 2009-11 (18 months period), a total of 45% (20% & 25%) cash dividend

In FY 2011-12, 100% interim cash dividend which was considered as final dividend

In FY 2012-13, 100% interim cash dividend and 50% final dividend

In FY 2013-14, 850% interim cash dividend and 50% final dividend

Declaration of Interim Cash Dividends

The Board has declared interim cash dividends of 150%, 200% and 500% for Q1, Q2 and Q3 respectively – all of which have been subsequently paid.

Final Dividend for FY14

The Board of Directors has recommended a final cash dividend of 50% on an equity share Tk. 10. In aggregate, the Board has declared cash dividend of 900% including interim dividend for the financial year 2013-14.

Reserves

The total reserves of the company stood Tk. 139 Crore, details of which are shown in the Statement of Financial Position, as share premium and retained earnings to the financial statements.

Events subsequent to the Statement of Financial Position

For the year ended 31 March 2014, the Board of Directors recommended final cash dividend @ 50% per share at 81st board meeting held on 27 April 2014.

Apart from that, there are no other events identified after the statement of financial position date which might be material.

Shareholder Information & Substantial Shareholders

The distribution of shareholding and market value of shares is given on page 32.

Statutory Auditors

M/s. A. Qasem & Co., Chartered Accountants and Statutory Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility for re-appointment.

Acknowledgement

The Board takes this opportunity to express their heartfelt thanks to all stakeholders - such as employees, customers, consumers, banks and financial institutions, regulatory bodies, auditors, BSEC, DSE, CSE, CDBL, Business Associates and finally the shareholders - for their immense support and contribution towards the success of the Company.

On behalf of Board of Directors

Sd/-

Aditya Shome
Managing Director

ANNEXURE TO THE DIRECTORS' REPORT

Directors' Responsibilities for Financial Statements

The directors of the company are responsible for the integrity and accuracy of the financial statements. The board believes that the financial statements for the year ended on March 31, 2014 have been prepared in conformity with Bangladesh Accounting Standard (BAS), BFRS/IFRS, Companies Act, 1994, BSEC guidelines, Stock Exchanges Listing Regulations appropriate in the circumstances. In preparing the financial statements, management with the consultation of the board makes informed judgments and estimates where necessary to reflect the expected effects of events and transactions that have not been completed. The Company's disclosure controls and procedures ensure that material information required to be disclosed is recorded, processed, summarized and communicated to management and reported within the required time periods. In meeting its responsibility for the reliability of the financial statements, management relies on a system of internal accounting control. This system is designed to provide reasonable assurance that assets are safeguarded and transactions are executed in accordance with the management's authorization and recorded properly to permit the preparation of financial statements in accordance with BAS/BFRS/IFRS. The design of this system recognizes that errors or irregularities may occur and that estimates and judgments are required to assess the relative cost and expected benefits of the controls. Directors believe that the Company's internal accounting controls provide reasonable assurance that errors or irregularities that could be material to the financial statements are prevented or would be detected within a timely period. The Audit Committee of the Board of Directors, which is composed solely of independent directors, is responsible for overseeing the Company's financial reporting process. The Audit Committee meets with management and sees the report of the Company's internal auditors periodically to review the work

of each and to monitor the discharge by each of its responsibilities. The independent auditors are engaged to express an opinion on the Company's financial statements and on the Company's internal control over financial reporting. Their opinions are based on procedures that they believe to be sufficient to provide reasonable assurance that the financial statements contain no material errors and that the Company's internal controls are effective.

On behalf of the Board

Sd/-

Aditya Shome

Managing Director

Management's Report on Internal Control over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. With the participation of the Chief Financial Officer and Head of Internal Audit, management conducted an evaluation of the effectiveness of internal control over financial reporting based on the framework and the criteria established in Internal Control – Integrated Framework, issued by the Audit Committee. Based on this evaluation, management has concluded that internal control over financial reporting was effective as of March 31, 2014. The Company's auditor, A. Qasem & Co, Chartered Accountants, statutory auditors enlisted with The Institute of Chartered Accountants of Bangladesh (ICAB), has issued an audit report on the financial statements.

Sd/-

Prasad Shinde

Head of Internal Audit



শশশ... পাকা বুল...
কেউ বুঝবেই না!

নতুন হেয়ারকোড কেশ কালায় আছে
নারিকেল তেলের পুষ্টি সাথে ৪টি হারবাল
উপাদানের ঞ্ণ। তাহঁতো মাসে পর পর
৩ বার ব্যবহারেই পাকা বুল করবে
ন্যাচারালি কালো।



হেয়ারকোড
কেশ কালো

—আমেল বেসড লিফট হার্বাল হেয়ার ডাই—



ন্যাচারাল কালার, সাথে নারিকেল তেলের পুষ্টি

CORPORATE GOVERNANCE REPORT

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

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

- Compliance with SEC Corporate Governance Guideline Notification
- Board of Directors
- Chief Financial Officer, Head of Internal Audit and Company Secretary
- Audit Committee
- External/Statutory Auditors:
- Remuneration Policy of the Company for Members of the Board
- General Body Meetings
- Means of Communication
- General Shareholder Information
- Corporate Governance Compliance Certificate

Compliance with SEC Corporate Governance Guideline Notification

MBL follows amended Bangladesh Securities & Exchange Commission Corporate Governance guideline issued on August 7, 2012 vide notification no-SEC/CMRRCD/2006-158/134/Admin/44:

Board of Directors:

- MBL's Board of Directors consists of 7 (seven) members including the Managing Director.
- Among the members of Board of Directors, two are Non-shareholding Non-Executive Independent Directors (NEID). These two independent directors were appointed on December 31, 2009 and subsequently re-appointed in 2012. Their term will end in 2015.
- Amongst these independent directors, Mr. Ghulam Mostafa is the Chairman and Managing Director of Kollol Group of Companies and Mrs. Rupali Chowdhury is the Managing Director of Berger Paints Bangladesh Limited. Both the directors are renowned and have vast experiences in corporate arena.

- The Chairman of MBL's Board of Directors is Mr. Saugata Gupta and The Managing Director of the company is, Mr. Aditya Shome.
- The Directors' Report has been enclosed with the annual report.

Chief Financial Officer, Head of Internal Audit and Company Secretary:

- Mr. Mohammad Iqbal Chowdhury is the Chief Financial Officer and acting Company Secretary of the Company and Mr. Prasad Shinde is the Head of Internal Audit.

Audit Committee:

- The Board of Directors has constituted an Audit Committee as a sub-committee of the Board.
- There are 3 (three) members in the Committee (excluding Secretary).
- The Committee assists the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business.
- One of the independent directors, Mrs. Rupali Chowdhury is the Chairman of the Committee. The members of the Committee are appointed by and report to Board of Directors.
- All members of the Committee have sound financial knowledge and background.
- The report from the Audit Committee has been annexed with this report at page 66

External/Statutory Auditors:

- M/s. A. Qasem & Co is acting as statutory auditors. They are not involved with any other services of the Company.

Reporting and Compliance of Corporate Governance:

- The Company obtained a certificate from practicing chartered secretary, M/s. Al-Muqtadir Associates. The copy of the report has been annexed with the annual report.
- Status of Compliance with Bangladesh Securities and Exchange Commission's Notification SEC/CMRRCD/2006-158/134/Admin/44 dated 7th August, 2012 The checklist is attached hereunder:-

SI No.	Compliance Requirements	Compliance status		Remarks
		Complied	Not complied	
1	BOARD OF DIRECTORS			
1.1	Board's Size: The number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty):	√		
1.2	Independent directors			
1.2 (i)	At least one fifth (1/5)	√		
1.2 (ii) a)	Does not hold any or holds less than one percent (1%) shares	√		
1.2 (ii) b)	Is not a sponsor of the company and not connected with any sponsor, director or shareholder who holds 1% or more shares	√		
1.2 (ii) c)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	√		
1.2 (ii) d)	Not a member, director or officer of any stock exchange	√		
1.2 (ii) e)	Not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market	√		
1.2 (ii) f)	Not a partner or executive or was not a partner or an executive during the preceding 3 years of any statutory audit firm	√		
1.2 (ii) g)	Is not an independent director in more than 3 listed companies	√		
1.2 (ii) h)	Has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution	√		
1.2 (ii) i)	Has not been convicted for a criminal offence involving moral turpitude	√		
1.2 (iii)	Nominated by the board of directors and approved by the shareholders in the AGM	√		
1.2 (iv)	The post cannot remain vacant for more than 90 (ninety) days	√		
1.2 (v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded	√		
1.2 (vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 term only	√		

SI No.	Compliance Requirements	Compliance status		Remarks
		Complied	Not complied	
1.3	Qualification of Independent Director (ID):			
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√		
1.3 (ii)	The person should be a Business Leader/ Corporate Leader/Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, and Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/professional experiences.	√		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of Commission.	√		
1.4	Chairman of the Board and Chief Executive Officer: The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	√		
1.5	The Directors' Report to the Shareholders			
1.5 (i)	Industry outlook and possible future developments in the industry	√		
1.5 (ii)	Segment-wise or product-wise performance	√		
1.5 (iii)	Risks and concerns	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss	√		
1.5 (vi)	Basis for related party transactions	√		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments	√		

SI No.	Compliance Requirements	Compliance status		Remarks
		Complied	Not complied	
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc			NA
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements, the management shall explain about the variance on their Annual Report.	√		
1.5 (x)	Remuneration to directors including independent directors	√		
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1.5 (xii)	Proper books of account of the issuer company have been maintained.	√		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1.5 (xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	√		
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	√		

SI No.	Compliance Requirements	Compliance status		Remarks
		Complied	Not complied	
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.			NA
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	√		
1.5 (xxi)	The pattern of shareholding shall be reported to disclose aggregate number of shares (along with name wise details where stated below) held by:	√		
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details)	√		
1.5 (xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details)	√		
1.5 (xxi) c)	Executives;	√		
1.5 (xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	√		
1.5 (xxii)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:-	√		
1.5 (xxii) a)	a brief resume of the director	√		
1.5 (xxii) b)	nature of his/her expertise in specific functional areas	√		
1.5 (xxii) c)	names of companies in which the person also holds the directorship and the membership of committees of the board	√		
2	CHIEF FINANCIAL OFFICER, HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY :			
2.1	Appointment: The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	Head of Internal Audit	CFO is holding position of CS for the time being till new CS is being recruited.	

SI No.	Compliance Requirements	Compliance status		Remarks
		Complied	Not complied	
2.2	Requirement to attend the Board Meetings: The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	√		
3	AUDIT COMMITTEE:			
3(i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	√		
3(ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√		
3(iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		
3.1	Constitution of the Audit Committee			
3.1(i)	The Audit Committee shall be composed of at least 3 (three) members.	√		
3.1(ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	√		
3.1(iii)	All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management experience. Explanation: The term “financially literate” means the ability to read and understand the financial statements like Balance Sheet, Income Statement and Cash Flow Statement and a person will be considered to have accounting or related financial management expertise if he/she possesses professional qualification or Accounting/ Finance graduate with at least 12 years of corporate management/ professional experiences.	√		

SI No.	Compliance Requirements	Compliance status		Remarks
		Complied	Not complied	
3.1(iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.	√		
3.1(v)	The company secretary shall act as the secretary of the Committee.	√		
3.1(vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
3.2	Chairman of the Audit Committee			
3.2(i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	√		
3.2(ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	√		
3.3	Role of Audit Committee	√		
	Role of audit committee shall include the following:-			
3.3(i)	Oversee the financial reporting process.	√		
3.3(ii)	Monitor choice of accounting policies and principles.	√		
3.3(iii)	Monitor Internal Control Risk management process.	√		
3.3(iv)	Oversee hiring and performance of external auditors.	√		
3.3(v)	Review along with the management, the annual financial statements before submission to the board for approval.	√		
3.3(vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	√		

SI No.	Compliance Requirements	Compliance status		Remarks
		Complied	Not complied	
3.3(vii)	Review the adequacy of internal audit function.	√		
3.3(viii)	Review statement of significant related party transactions submitted by the management.	√		
3.3(ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.	√		
3.3(x)	When money is raised through Initial Public Offering (IPO)/ Repeat Public Offering (RPO)/ Rights Issue, the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.	√		
3.4	Reporting of the Audit Committee			
3.4.1	Reporting to the Board of Directors			
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors.	√		
3.4.1(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:	√		
3.4.1(ii) a)	Report on conflicts of interests	√		
3.4.1(ii) b)	Suspected or presumed fraud or irregularity or material defect in the internal control system	√		
3.4.1(ii) c)	Suspected infringement of laws, including securities related laws, rules and regulations	√		
3.4.1(ii) d)	Any other matter which shall be disclosed to the Board of Directors immediately	√		

SI No.	Compliance Requirements	Compliance status		Remarks
		Complied	Not complied	
3.4.2	Reporting to the Authorities: If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	√		
3.5	Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	√		
4	EXTERNAL/STATUTORY AUDITORS: The issuer company should not engage its external/statutory auditors to perform the following services of the company; namely:-	√		
4 (i)	Appraisal or valuation services or fairness opinions.	√		
4 (ii)	Financial information systems design and implementation.	√		
4 (iii)	Book-keeping or other services related to the accounting records or financial statements.	√		
4 (iv)	Broker-dealer services.	√		
4 (v)	Actuarial services.	√		
4 (vi)	Internal audit services.	√		
4 (vii)	Any other service that the Audit Committee determines.	√		

SI No.	Compliance Requirements	Compliance status		Remarks
		Complied	Not complied	
4 (viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	√		
5	SUBSIDIARY COMPANY:			
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.			NA
5 (ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.			NA
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.			NA
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.			NA
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			NA
6	DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO):			
6 (i)	The CEO and CFO shall certify to the Board that:-They have reviewed financial statements for the year and that to the best of their knowledge and belief:	√		
6 (i) a)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√		
6 (i) b)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		

Sl No.	Compliance Requirements	Compliance status		Remarks
		Complied	Not complied	
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	√		
7	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			
7 (i)	The company shall obtain a certificate from a practicing Professional Accountant/ Secretary (Chartered Accountant/Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	√		
7 (ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	√		

Detangle

your dry, frizzy hair!

Livon Silky Potion

Enriched with Vitamin E and CutiSoft™ FORMULA
for Extra Shine, Smooth and Manageable Hair
Anytime, Anywhere!



* Conditions apply



I love my hair

LIVON™

DETANGLING HAIR FLUID

Board of Directors

(i) Composition and categories of Directors:-

Name	Category
Mr. Saugata Gupta	Nominee Director
Mr. Vivek Karve	Nominee Director
Mr. B. Sridhar	Nominee Director
Mr. Rohit Jaiswal	Nominee Director
Mr. Aditya Shome	Managing Director
Mrs. Rupali Chowdhury	Independent Director
Mr. Ghulam Mostafa	Independent Director

(ii) Attendance of each Director at the Board meetings and the last Annual General Meeting:

Six meetings of the Board of Directors were held during the period April 1, 2013 to March 31, 2014. The attendance record of all directors is as under:-

Names of Directors	No. of Board Meetings		Attendance at Last AGM
	Held	Attended	
Saugata Gupta	6	1	Yes
Rohit Jaiswal	6	1	No
Aditya Ajit Kumar Shome	6	6	Yes
B. Sridhar	6	3	Yes
Rupali Chowdhury	6	6	Yes
Md. Ghulam Mustafa	6	4	Yes
Vivek Karve*	Nil	Nil	N/A

Audit Committee

Constitution:

The Audit Committee re-constituted by the Board of Directors at its meeting held on April 27, 2014.

The Audit Committee now comprises the following Members:

Name	Category
Mrs. Rupali Chowdhury	Chairman
Mr. B. Sridhar	Member
Mr. Vivek Karve	Member
Mr. Aditya Shome	Managing Director
Mr. Iqbal Chowdhury	Secretary to the Committee

The Audit Committee reports to the Board of Directors. It usually notifies Board of Directors along with oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible and review internal audit reports findings.

The Committee had 4 meeting during the reporting period April 1, 2013 to March 31, 2014.

Names of Directors	No. of Board Meetings		Attendance at Last AGM
	Held	Attended	
Rupali Chowdhury	4	4	Yes
B. Sridhar	4	2	Yes
Vivek Karve*	N/A	N/A	N/A
Aditya Shome	4	4	Yes

*Mr. Vivek Karve has been inducted in the audit committee on April 27, 2014.

Remuneration Policy of the Company for Members of the Board

Remuneration Policy for Executive Director

The Company's Board presently consists of only one executive director namely Mr. Aditya Shome, Managing Director. Therefore, the remuneration policy for executive directors presently covers only the Managing Director.

The remuneration of the Managing Director is governed by the agreement of his appointment. The remuneration to the MD comprises of two broad terms – Fixed Remuneration and Variable remuneration in the form of performance incentive. The performance incentive is based on internally developed detailed performance related matrix which is verified by the HR department.

Remuneration Policy for Non-Executive Director

Non-Executive Directors and Independent Directors only get sitting fees for Board of Directors' meetings and fees to attend Committee Meetings.

General Body Meetings

Annual General Meetings

YEAR	VENUE	DATE	TIME
2009-10	Mouchak, Kaliakoir, Gazipur Company's Factory Premises	January 19, 2010	11:00 AM
2010-11	Army Golf Club Airport Road, Dhaka	June 6, 2011	11:00 AM
2011-12	Army Golf Club, Airport Road, Dhaka	July 19, 2012	11:00 AM
2012-13	Radisson Blu Airport Road, Dhaka	August 19, 2013	10.30 AM

There was no Special Resolution passed at last General Meetings

Means of Communication

Price sensitive information, quarterly, half-yearly and annual results for Marico Bangladesh Limited are published in two daily newspaper one English and another in Bengali newspaper. The Company circulates analyst notes to investors and stock exchanges quarterly. All official financial results and price sensitive information are communicated by the Company through its corporate website - www.marico.com/bangladesh. The Management Discussion and Analysis Report form part of the Annual Report.

General Shareholders Information

Details of AGM :

AGM–Date, time and Venue	: 10.00 a.m. Tuesday, August 19, 2014 Radisson Blu, Airport Road, Dhaka, Bangladesh.
Financial Year	: April 01, 2013 - March 31, 2014
Record Date	: Tuesday, July 02, 2014
Dividend Paid & Recommended	: Interim Cash Dividend @850% on Face Value Final Cash Dividend @50% on Face Value
Dividend Payment Date	: Paid within 30 days from decision of board meeting for all interim cash dividend and proposed 50% Cash Dividend will be paid within 30 days of approval at AGM
Listing on Stock Exchanges	: Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE)

Listing fees up to December 31, 2014 has been paid.

Stock /Scrip Code	: DSE – MARICO CSE – MARICO
ISIN number	: BD0481MRICO6
Category	: Chemical & Others
Investors' enquiry	: +88(02)8931202, Ext-100 info@maricobangladesh.net http://marico.com/bangladesh

ANNEXURE TO THE CORPORATE GOVERNANCE REPORT



Business Office :
Block : F, Rania Avenue
Apurba Gardenia
House # 530, (5th floor)
Bashundhara R/A, Dhaka - 1229
Bangladesh

Phones : 01730 340 340
01552 108 522
e-mails : akamuqtadir@gmail.com
muqtadir@muqtadirbd.com
URL : www.muqtadirbd.com
VAT Reg : 19041063900

Certificate of Compliance to the Shareholders of Marico Bangladesh Limited *(As required under the BSEC Guidelines)*

We have examined compliance to the BSEC guidelines on Corporate Governance by Marico Bangladesh Limited for the year ended 31st March 2014. These guidelines relate to the Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 7th August 2012 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

Such compliance to the codes of Corporate Governance is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of Corporate Governance. This is a scrutiny and verification only and not an expression of opinion or audit on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations or representations provided to us, we certify that, subject to the remarks and observations as reported in the attached compliance statement, the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned guidelines issued by BSEC.

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

A handwritten signature in blue ink, likely belonging to a representative of Al-Muqtadir Associates.

Dhaka, 5th July 2014

Al-Muqtadir Associates
Chartered Secretaries & Consultants

Be
Devilishly
Desirable!



SETTM
WET
style

Marico Bangladesh Limited

Audited Financial Statements

**as at and for the year ended
31 March 2014**



★ Since 1953 ★

A. Qasem & Co.

Chartered Accountants

Gulshan Pink City

Suites # 01-03, Level : 7, Plot # 15, Road # 103,
Gulshan Avenue, Dhaka - 1212, Bangladesh.

Phone : 880-2-8881824-6

Fax : 880-2-8881822

E-mail : aqasem@aqcbd.com

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MARICO BANGLADESH LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Marico Bangladesh Limited which comprise the statement of financial position as at 31 March 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards 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.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Marico Bangladesh Limited as at 31 March 2014, and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS).

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- (c) the statement of financial position, and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- (d) the expenditure incurred was for the purposes of the Company's business.

Dhaka, 27 April 2014

A. Qasem & Co.

Chartered Accountants

STATEMENT OF FINANCIAL POSITION

A. Qasem & Co.

Chartered Accountants

as at 31 March 2014

		31 March 2014	31 March 2013
	Note	Taka	Taka
Assets			
Property, plant and equipment	4	883,065,876	836,558,863
Capital work in progress		11,148,115	28,157,695
Intangible assets	4	6,017,122	-
Deferred tax assets	5	24,240,760	39,235,721
Non-current assets		924,471,873	903,952,279
Inventories	6	919,281,099	1,021,556,368
Accrued interest		75,131,935	55,018,956
Advances, deposits and prepayments	7	79,841,480	216,454,120
Fixed deposits	8	1,629,069,440	2,014,917,416
Cash and cash equivalents	9	45,713,429	50,833,931
Current assets		2,749,037,383	3,358,780,791
Total assets		3,673,509,256	4,262,733,070
Equity and Liabilities			
Equity			
Share capital	10	315,000,000	315,000,000
Share premium		252,000,000	252,000,000
Retained earnings		1,139,151,102	2,588,543,247
Total equity		1,706,151,102	3,155,543,247
Liabilities			
Provision for gratuity	11	17,691,442	15,956,603
Provision for leave encashment	12	7,816,279	9,404,119
Non-current liabilities		25,507,721	25,360,722
Short term finance		-	38,534,964
Trade and other payables	13	1,488,466,215	883,221,552
Current tax liabilities	14	453,384,218	160,072,585
Current liabilities		1,941,850,433	1,081,829,101
Total liabilities		1,967,358,154	1,107,189,823
Total equity and liabilities		3,673,509,256	4,262,733,070

The annexed notes 1 to 29 form an integral part of these financial statements.


Company Secretary


Director


Managing Director

As per our annexed report of same date.


A. Qasem & Co.
Chartered Accountants

Dhaka, 27 April 2014

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

A. Qasem & Co.

Chartered Accountants

for the year ended 31 March 2014

		31 March 2014	31 March 2013
	Note	Taka	Taka
Revenue	15	6,434,826,084	6,119,893,866
Cost of sales	16	(3,263,927,064)	(3,922,184,161)
Gross profit		3,170,899,020	2,197,709,705
Marketing, selling and distribution expenses	17	(864,459,650)	(754,789,773)
General and administration expenses	18	(722,683,627)	(494,845,683)
Other income	19	3,696,318	58,775,810
Profit from operation		1,587,452,061	1,006,850,059
Net finance income	20	288,455,452	163,140,790
Profit before tax		1,875,907,513	1,169,990,849
Income tax expense	21	(490,299,658)	(302,641,818)
Profit for the year		1,385,607,855	867,349,031
Other comprehensive income		-	-
Total comprehensive income for the year		1,385,607,855	867,349,031
Earnings per share			
Basic earnings per share (par value of Tk 10)	22	43.99	27.53

The annexed notes 1 to 29 form an integral part of these financial statements.


Company Secretary


Director


Managing Director

As per our annexed report of same date.

Dhaka, 27 April 2014


A. Qasem & Co.
Chartered Accountants

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2014

A. Qasem & Co.

Chartered Accountants

	Share capital Taka	Share premium Taka	Retained earnings Taka	Total equity Taka
Balance at 1 April 2012	315,000,000	252,000,000	2,036,194,216	2,603,194,216
Net profit for the year ended 31 March 2013	-	-	867,349,031	867,349,031
Interim dividend for 2012-2013	-	-	(315,000,000)	(315,000,000)
Balance at 31 March 2013	315,000,000	252,000,000	2,588,543,247	3,155,543,247
Balance at 1 April 2013	315,000,000	252,000,000	2,588,543,247	3,155,543,247
Net profit for the year ended 31 March 2014	-	-	1,385,607,855	1,385,607,855
Final dividend for 2012-2013	-	-	(157,500,000)	(157,500,000)
1st Interim dividend for 2013-2014	-	-	(472,500,000)	(472,500,000)
2nd Interim dividend for 2013-2014	-	-	(630,000,000)	(630,000,000)
3rd Interim dividend for 2013-2014	-	-	(1,575,000,000)	(1,575,000,000)
Balance at 31 March 2014	315,000,000	252,000,000	1,139,151,102	1,706,151,102

STATEMENT OF CASH FLOWS

A. Qasem & Co.

Chartered Accountants

for the year ended 31 March 2014

	31 March 2014	31 March 2013
	Taka	Taka
Cash flows from operating activities		
Collection from customers	6,444,865,658	6,151,925,664
Payment to suppliers and operating expenses	(3,828,215,975)	(4,120,154,024)
Net finance (cost)/income	(600,812)	1,478,127
Interest received	269,748,919	137,276,311
Income tax paid	(181,993,063)	(202,614,889)
<i>Net cash from operating activities</i>	2,703,804,727	1,967,911,189
Cash flows from investing activities		
Acquisition of fixed assets	(223,011,335)	(365,771,155)
Disposal of fixed assets	1,773,094	58,869,281
Encashment (Investment) in fixed deposits	385,847,976	(1,404,917,416)
<i>Net cash from/(used in) investing activities</i>	164,609,735	(1,711,819,290)
Cash flows from financing activities		
Dividend paid	(2,835,000,000)	(315,000,000)
Short term finance	(38,534,964)	(61,465,036)
<i>Net cash used in financing activities</i>	(2,873,534,964)	(376,465,036)
Net decrease in cash and cash equivalents	(5,120,502)	(120,373,138)
Opening cash and cash equivalents	50,833,931	171,207,069
Closing cash and cash equivalents	45,713,429	50,833,931

NOTES TO THE FINANCIAL STATEMENTS

A. Qasem & Co.
Chartered Accountants

1 Reporting entity

Marico Bangladesh Limited (MBL) is a listed company incorporated on 6 September 1999 in Bangladesh under the Companies Act 1994. The Company is a subsidiary of Marico Limited, India. Its shares are traded in Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

1.1 Registered office

The address of the Company's registered office is House # 01, Road # 01, Sector # 01, Uttara Model Town, Dhaka-1230.

1.2 Nature of business activities

The Company manufactures and markets products under the brands such as Parachute, Nihar, Saffola, HairCode, Livon, Parachute Advanced, Beliphool and Set-wet in Bangladesh. The Company sells its products through its own distribution channels comprising of Sales Depots located in Gazipur, Chittagong, Bogra, Jessore and Comilla. The Company started its commercial operations from 30 January 2000.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

The financial statements were authorised for issue by the Board of Directors in the 81st Board of Directors Meeting held on 27 April 2014.

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention.

2.3 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (BDT), which is the Company's functional currency. All financial information presented in BDT/Taka has been rounded off to the nearest integer.

2.4 Reporting period

The financial statements of the Company covered one year from 1 April 2013 to 31 March 2014.

2.5 Use of estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3 Significant accounting policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these financial statements.

3.1 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency (BDT) at exchange rates at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are re-translated into Bangladesh Taka at the exchange rates ruling at the statement of financial position date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into Bangladesh Taka at the exchange rate ruling at the date of transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

3.2 Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that are directly attributable to the acquisition of the assets.

Parts of an item of property, plant and equipment having different useful lives, are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal to the carrying amount of the property, plant and equipment and is recognised with other income/general and administrative expenses in profit or loss.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Company.

iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in profit or loss on straight line method over the estimated useful lives of each component of an item of property, plant and equipment. Land is not depreciated. Considering the estimated useful lives of the assets the following rates have been applied in current and comparative years:

Assets	Depreciation rate
Plant and machinery	10-33%
Factory equipment	10-33%
Moulds	20-50%
Factory building	10-20%
Laboratory equipment	20-33%
Office equipment	20-50%
Vehicles	20-33%
Computers	20-33%
Furniture & fixtures	20-33%
Office building	10-20%
A.C, refrigerators & water coolers	20-33%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Depreciation is charged from the month of acquisition of property, plant and equipment and no depreciation is charged in the month of disposal.

iv) Impairment

The carrying amounts of the Company's non-financial assets, other than biological assets, investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss and other comprehensive income.

3.3 Intangible assets

Intangible assets have finite useful lives and are stated at cost less accumulated amortisation and any impairment losses. Intangible assets are recognised in accordance with BAS 38 *Intangible assets*. Intangible assets include cost of acquisition of the intellectual property, copyright and other costs incidental to such capital expenditure.

Amortisation

Amortisation is recognised in the income statement on straight line basis over the estimated useful lives of intangible assets from the date they are available for use.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

3.4 Finance income/costs

Finance income comprises interest income on funds invested (including available-for-sale financial assets), dividend income, gains on the disposal of available-for-sale financial assets. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is normally the ex-dividend date.

Finance costs comprise interest expense on borrowings, foreign exchange gain or loss, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities, fair value losses on financial assets at fair value through profit or loss, impairment losses recognised on financial assets (other than trade receivables).

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.5 Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.6 Revenue

Revenue is recognised when the risk and reward of the ownership is transferred to the buyer, recovery of the consideration is probable, the associated cost and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods sold and the amount of revenue can be measured reliably. Transfer of risk and rewards occurs for the sale of goods when the product is delivered along with dispatch documents and invoiced to customers. Revenue from sale of goods is measured at fair value of the consideration received or receivable, net off return and allowance, trade discount, volume rebates exclusive of VAT.

3.7 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average cost method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.8 Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate thereof can be made.

3.9 Employee benefits

i) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit pension plan is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. When the benefits of the plan are improved, the portion of the increased benefit related to past service by employees is recognised in profit and loss on a straight line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in profit and loss.

The Company recognises all expenses and all actuarial gains and losses arising from defined benefit plan in profit and loss.

ii) Short term employee benefits

Short term employee benefit obligations are measured based on undiscounted basis and are expensed as the related service is rendered. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

iii) Workers' profit participation and welfare fund

Provision for workers' profit participation and welfare fund has been made @ 5% of profit as per provision of the Bangladesh Labor Law 2006 in line with changes of the Law in July 2013.

3.10 Contingencies

Contingencies arising from claims, litigations, assessments, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

3.11 Earnings per share

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

3.12 Financial instruments

Non-derivative financial instruments comprise Fixed Deposit Receipts (FDR), cash and cash equivalents, trade creditors, share capital, and interest-bearing borrowings.

Investment in Fixed Deposit Receipts (FDR)

The company has the positive intent and ability to hold FDR to maturity, and as such financial assets are classified as held to maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances. Bank overdrafts that are repayable on demand form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

Trade creditors

Trade creditors are recognised at fair value.

Advances from customers

Advances from customers are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

3.13 Events after the reporting period

Events after statement of financial position date that provide additional information about the Company's positions at the statement of financial position date are reflected in the financial statements. Events after the statement of financial position date that are non-adjusting events are disclosed in the notes when material.

4. Property, plant and equipment

A. Qasem & Co.

Chartered Accountants

Year 2014	Cost				Accumulated depreciation				Carrying value
	As at 1 April 2013	Addition during the year	Disposal / Adjustment during the year	As at 31 March 2014	As at 1 April 2013	Charged for the year	Adjustment for the year	As at 31 March 2014	As at 31 March 2014
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Plant and machinery	442,238,376	103,951,987	35,000	546,155,363	91,763,031	95,563,786	27,223	187,299,594	358,855,769
Freehold land	174,712,066	2,037,893	-	176,749,959	-	-	-	-	176,749,959
Vehicles	41,247,878	-	3,315,700	37,932,178	18,663,178	9,003,123	2,253,010	25,413,291	12,518,887
Factory equipments	3,561,671	590,383	-	4,152,054	2,743,833	817,764	-	3,561,597	590,457
Moulds	37,252,536	26,497,829	1,399,961	62,350,404	16,157,732	13,014,843	1,399,961	27,772,614	34,577,790
Factory building	119,079,789	52,725,086	-	171,804,875	10,822,332	32,004,092	-	42,826,424	128,978,451
Office building	167,473,589	26,436,615	-	193,910,204	27,583,108	21,449,876	-	49,032,984	144,877,220
Laboratory equipments	4,538,319	822,534	-	5,360,853	985,772	1,091,232	-	2,077,004	3,283,849
Office equipments	14,972,758	4,470,697	123,139	19,320,316	11,195,361	3,713,968	67,993	14,841,336	4,478,980
Computers	7,442,995	2,586,418	475,300	9,554,113	5,415,169	1,447,348	440,660	6,421,857	3,132,256
Furniture and fixtures	31,456,984	11,506,333	14,248	42,949,069	25,060,096	5,515,805	13,457	30,562,444	12,386,625
A.C., refrigerators & water coolers	9,431,529	1,174,594	613,050	9,993,073	6,460,015	1,495,599	598,174	7,357,440	2,635,633
Total	1,053,408,490	232,800,369	5,976,398	1,280,232,461	216,849,627	185,117,436	4,800,478	397,166,585	883,065,876
Intangible Assets	-	7,220,547	-	7,220,547	-	1,203,425	-	1,203,425	6,017,122

Year 2013	Cost						Accumulated depreciation			Carrying value
	As at 1 April 2012	Addition during the year	Disposal / Adjustment during the year	As at 31 March 2013	As at 1 April 2012	Charged for the year	Adjustment for the year	As at 31 March 2013		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		
Plant and machinery	170,146,774	353,317,504	81,225,902	442,238,376	121,730,396	51,191,863	81,159,228	91,763,031	350,475,345	
Freehold land	174,712,066	-	-	174,712,066	-	-	-	-	174,712,066	
Vehicles	30,836,326	10,411,552	-	41,247,878	10,859,094	7,804,084	-	18,663,178	22,584,700	
Factory equipments	3,653,071	-	91,400	3,561,671	1,988,038	820,397	64,602	2,743,833	817,838	
Moulds	19,885,048	17,367,488	-	37,252,536	9,559,124	6,598,608	-	16,157,732	21,094,804	
Factory building	2,909,990	116,169,799	-	119,079,789	604,507	10,217,825	-	10,822,332	108,257,457	
Office building	62,193,176	105,280,413	-	167,473,589	19,922,162	7,660,946	-	27,583,108	139,890,481	
Laboratory equipments	1,297,985	3,240,334	-	4,538,319	400,124	585,648	-	985,772	3,552,547	
Office equipments	11,884,363	3,088,395	-	14,972,758	5,218,895	5,976,466	-	11,195,361	3,777,397	
Computers	5,829,160	1,613,835	-	7,442,995	3,974,948	1,440,221	-	5,415,169	2,027,826	
Furniture and fixtures	27,120,084	4,336,900	-	31,456,984	14,038,507	11,021,589	-	25,060,096	6,396,888	
A.C., refrigerator & water coolers	6,853,375	2,898,154	320,000	9,431,529	3,382,767	3,397,248	320,000	6,460,015	2,971,514	
Total	517,321,418	617,724,374	81,637,302	1,053,408,490	191,678,562	106,714,895	81,543,830	216,849,627	836,558,863	
Intangible Assets	23,075,125	-	(23,075,125)	-	23,012,625	62,500	(23,075,125)	-	-	

2014	2013
Taka	Taka

4.1 Depreciation allocated to:

Cost of sales (Note 16.1)	148,625,244	71,405,559
General and administration expenses (Note 18)	36,492,192	35,309,336
	<u>185,117,436</u>	<u>106,714,895</u>

5 Deferred tax assets

Deferred tax (asset)/liability is arrived as follows:

	Carrying value as at 31 March	Tax base as at 31 March	Temporary Difference Taxable/ (deductible)
Year 2014			
Property, plant and equipment	706,312,994	595,254,194	111,058,800
Deferred revenue expense	-	16,572,911	(16,572,911)
Provision for gratuity	(17,691,442)		(17,691,442)
Provision for leave encashment	(7,816,279)		(7,816,279)
Royalty payable	(166,920,632)	-	(166,920,632)
Net deductible temporary difference			<u>(97,942,464)</u>
Income tax rate *			24.75%
Deferred tax asset (A)			<u>(24,240,760)</u>
Year 2013			
Property, plant and equipment	661,503,419	537,232,561	124,270,858
Deferred revenue expense	-	27,621,519	(27,621,519)
Provision for gratuity	(15,956,603)	-	(15,956,603)
Provision for leave encashment	(9,404,119)	-	(9,404,119)
Royalty payable	(229,816,785)	-	(229,816,785)
Net deductible temporary difference			<u>(158,528,168)</u>
Income tax rate *			24.75%
Deferred tax asset (B)			<u>(39,235,721)</u>
Deferred tax expense (A-B)			<u>14,994,961</u>

* The Company has declared more than 20% interim dividend and thus its tax rate is 24.75% for the relevant assessment years.

6 Inventories

	2014 Taka	2013 Taka
Raw materials	524,381,270	553,048,338
Packing materials	44,447,309	53,502,198
Finished goods	219,273,037	283,400,693
Raw materials in transit	131,179,483	131,605,139
	<u>919,281,099</u>	<u>1,021,556,368</u>

7 Advances, deposits and prepayments

Advances:

	2014 Taka	2013 Taka
Loans to employees	8,013,924	10,887,727
Advance for services	43,897,564	40,085,251
Capital goods	468,000	69,218,493
	<u>52,379,488</u>	<u>120,191,471</u>

Deposits:

VAT current account	15,455,200	43,246,741
Supplementary duty	1,687,066	42,288,306
Security deposit	4,726,144	4,726,144
	<u>21,868,410</u>	<u>90,261,191</u>

Prepayments:

Prepaid expenses	5,593,582	6,001,458
	<u>79,841,480</u>	<u>216,454,120</u>

8 Fixed deposits

Fixed deposits with:

BRAC Bank Limited	-	175,804,456
Dhaka Bank Limited	150,000,000	50,000,000
Commercial Bank of Ceylon PLC	500,000,000	300,000,000
IDLC Finance Limited	170,000,000	350,000,000
The Hongkong and Shanghai Banking Corporation Limited	312,516,250	272,354,688
IFIC Bank Limited	-	10,765,029
Prime Bank Limited	100,000,000	50,000,000
State Bank of India	-	240,000,000
Standard Chartered Bank	396,553,190	515,993,243
Southeast Bank Limited	-	50,000,000
	<u>1,629,069,440</u>	<u>2,014,917,416</u>

9 Cash and cash equivalents

Cash on hand	312,711	242,136
Cash at banks:		
Citibank N.A.	14,174,552	19,452,342
Standard Chartered Bank	(7,509,646)	-
Commercial Bank of Ceylon PLC	729,868	73,814
The Hongkong and Shanghai Banking Corporation Limited	13,183,026	15,702,830
Dutch Bangla Bank Limited	133,525	130,239

	2014	2013
	Taka	Taka
BRAC Bank Limited	21,069,659	15,232,570
Prime Bank Limited	80,980	-
Sonali Bank Limited	6,000	-
Islami Bank Bangladesh Limited	3,532,754	-
	45,400,718	50,591,795
	45,713,429	50,833,931

10 Share capital

Authorised

40,000,000 ordinary shares of Tk 10 each

400,000,000 400,000,000

Issued, subscribed and paid up

Issued for cash

41,500,000 41,500,000

Issued for consideration other than cash

273,500,000 273,500,000

315,000,000 315,000,000

10.1 Composition of shareholding

	2014		2013	
	No. of shares	Percentage	No. of shares	Percentage
Marico Limited, India	28,350,000	90%	28,350,000	90%
Other shareholders	3,150,000	10%	3,150,000	10%
	31,500,000	100%	31,500,000	100%

10.2 Classification of shareholders by holding

Holdings	Number of holders		% of total holding	
	2014	2013	2014	2013
Less than 500 shares	1813	2454	0.41	0.62
500 to 5,000 shares	132	130	0.50	0.65
5,001 to 10,000 shares	7	14	0.16	0.32
10,001 to 20,000 shares	6	14	0.25	0.69
20,001 to 30,000 shares	2	3	0.15	0.24
30,001 to 40,000 shares	3	2	0.34	0.22
40,001 to 50,000 shares	3	3	0.45	0.42
50,001 to 100,000 shares	2	2	0.40	0.54
100,001 to 1,000,000 shares	10	8	7.35	6.29
Over 1,000,000 shares	1	1	90.00	90.00
	1979	2631	100.00	100.00

	2014	2013
	Taka	Taka
11 Provision for gratuity		
Opening balance	15,956,603	12,388,093
Add: Provision made during the year	2,639,854	5,564,289
	18,596,457	17,952,382
Less: Paid during the year	(905,015)	(1,995,779)
	17,691,442	15,956,603
12 Provision for leave encashment		
Opening balance	9,404,119	6,419,607
Add: Provision made during the year	762,943	4,529,939
	10,167,062	10,949,546
Less: Paid during the year	(2,350,783)	(1,545,427)
	7,816,279	9,404,119
13 Trade and other payables		
Trade payables		
Marico Limited, India	92,112,892	106,605,619
Marico Middle East FZE	73,232,121	5,607,131
International Consumer Products Corporation	32,203	-
Other trade payables	73,864,899	7,926,099
	239,242,115	120,138,849
Other payables		
Workers' profit participation and welfare fund	98,731,974	-
Royalty and bank guarantee commission	175,814,618	233,038,526
General and technical assistance fees	60,052,215	23,427,653
Advance from customers	58,862,270	48,822,696
Withholding tax and VAT payable	172,003,752	24,312,002
Business promotion expenses	361,288,225	218,037,453
Advertisement expenses	83,089,744	121,467,319
Audit fees	400,000	400,000
Creditors for supplies	29,841,494	10,802,127
Import duty and related charges	69,267,858	19,750,813
Other expenses	139,871,950	63,024,114
	1,249,224,100	763,082,703
	1,488,466,215	883,221,552

	2014	2013
	Taka	Taka
14 Current tax liabilities		
Provision for income tax (Note 14.1)	1,525,985,360	1,080,417,993
Less: Advance income tax (Note 14.2)	(1,072,601,142)	(920,345,408)
	453,384,218	160,072,585
14.1 Provision for income tax		
Opening balance	1,080,417,993	826,822,981
Add: Provision during the year	475,304,697	282,689,572
	1,555,722,690	1,109,512,553
Less: Prior years' adjustment		
Assessment year 2009-2010	-	(49,593,836)
Assessment year 2010-2011	(7,708,957)	54,670,501
Assessment year 2011-2012	(22,028,373)	(34,171,225)
	1,525,985,360	1,080,417,993
14.2 Advance income tax		
Opening balance	920,345,408	717,730,520
Add: Payment made during the year	181,993,064	202,614,888
Less: Adjustment during the year		
Assessment year 2010-2011	(7,708,957)	-
Assessment year 2011-2012	(22,028,373)	-
	1,072,601,142	920,345,408
15 Revenue		
Parachute Coconut Oil	5,618,044,339	5,347,987,702
Value Added Hair Oil (VAHO)	666,651,854	632,310,719
Haircode hair dye	113,578,816	100,176,003
Saffola - Edible oil	6,563,972	10,166,874
Others	29,987,103	29,252,568
	6,434,826,084	6,119,893,866
16 Cost of sales		
Opening stock of finished goods	283,400,693	224,018,376
Cost of goods manufactured (Note 16.1)	3,199,799,408	3,981,566,478
	3,483,200,101	4,205,584,854
Closing stock of finished goods	(219,273,037)	(283,400,693)
	3,263,927,064	3,922,184,161

16.1 Cost of goods manufactured

Materials consumed:

Opening stock of raw and packing materials	738,155,675	1,553,920,542
Purchases during the year	2,871,692,379	2,975,351,454
Closing stock of raw and packing materials	(700,008,062)	(738,155,675)
	<u>2,909,839,992</u>	<u>3,791,116,321</u>

Factory overhead:

Salaries and allowances	29,429,788	23,970,333
Cost of outsourced resources	27,819,855	26,278,865
Power expenses	40,918,650	33,553,640
Warehouse rent	857,969	2,059,949
Loading charges	1,571,887	2,229,200
Repairs and maintenance of plant and machinery	4,096,972	9,341,028
Repairs and maintenance of factory building	169,000	1,549,255
Depreciation (Note 4.1)	148,625,244	71,405,558
Freight inward	22,781,651	10,780,480
LC charges	2,281,836	2,953,425
Communication expenses	711,433	33,305
Entertainment	2,184,811	2,584,412
Licenses and taxes for factory	189,830	106,006
Printing and stationery	673,890	394,849
Security charges	2,409,582	77,417
Travelling and conveyance-Local	5,116,094	3,015,979
Welfare expenses	120,924	116,456
	<u>289,959,416</u>	<u>190,450,157</u>
	<u>3,199,799,408</u>	<u>3,981,566,478</u>

17 Marketing, selling and distribution expenses

Advertisement	529,602,272	410,723,089
Business promotion expenses	149,225,190	222,513,446
Collection charges	3,898,312	5,494,430
Distribution expenses	41,779,046	29,063,702
Entertainment	5,588,621	2,361,990
Free sample	7,249,198	142,747
Freight- outward	53,029,180	53,257,488
Market research expenses	17,672,897	15,825,943
Redistribution expenses	56,414,934	15,406,938
	<u>864,459,650</u>	<u>754,789,773</u>

18 General and administration expenses

	2014	2013
	Taka	Taka
Salaries and allowances	225,439,980	188,859,239
Gratuity	2,639,854	5,564,289
Workers' profit participation and welfare fund	98,731,974	-
Rent expenses	1,267,478	11,785,791
Professional charges	140,227,933	37,411,864
Security charges	1,496,761	1,713,101
Legal charges	1,711,924	6,781,814
Stamp and license fees	2,566,668	1,171,574
Directors' remuneration	24,103,073	31,571,424
Directors' fees	527,916	516,765
Repair and maintenance	13,467,119	15,743,410
Communication expenses	8,126,273	8,405,503
Subscription to trade association	98,850	102,900
Entertainment	9,541,969	6,788,061
Printing and stationery	1,513,441	1,379,547
Vehicle running expenses	12,061,998	11,012,813
Travelling and conveyance-Local	14,523,747	13,603,864
Travelling and conveyance-Foreign	4,417,125	9,281,159
Audit fees	460,000	460,000
Recruitment expenses	554,330	699,430
Insurance premium	10,338,562	4,863,070
Books and periodicals	126,413	200,649
Bank charges	2,886,102	2,427,765
Staff welfare expenses	3,405,571	7,870,106
AGM expenses	1,875,410	1,924,342
Conference and training expenses	7,259,322	11,157,780
Electricity and gas charges	1,883,553	2,062,407
Amortisation (Note 4)	1,203,425	62,500
Royalty	56,970,102	55,265,786
Depreciation (Note 4.1)	36,492,192	35,309,336
Listing fees	140,000	140,000
General and technical assistance fees	36,624,562	20,709,394
	722,683,627	494,845,683

19 Other income

Gain on sale of assets (Note 19.1)	597,174	58,775,810
Rental income	3,099,144	-
	3,696,318	58,775,810

19.1 Gain on sale of assets

Year 2014	Original cost	Accumulated depreciation	Book value	Sale value	Gain on sale of assets
	Taka	Taka	Taka	Taka	Taka
Plant and machinery	35,000	27,223	7,777	-	(7,777)
Vehicles	3,315,700	2,253,010	1,062,690	1,622,400	559,710
Moulds	1,399,961	1,399,961	-	-	-
Office equipments	123,139	67,993	55,146	51,109	(4,037)
Computers	475,300	440,660	34,640	74,000	39,360
Furniture and fixtures	14,248	13,457	791	12,269	11,478
A.C., refrigerator & water coolers	613,050	598,174	14,876	13,316	(1,560)
	<u>5,976,398</u>	<u>4,800,478</u>	<u>1,175,920</u>	<u>1,773,094</u>	<u>597,174</u>

Year 2013	Original cost	Accumulated depreciation	Book value	Sale value	Gain on sale of assets
	Taka	Taka	Taka	Taka	Taka
Plant and machinery	81,225,902	81,159,228	66,674	50,548,032	50,481,358
Factory equipments	91,400	64,602	26,798	55,980	29,182
A.C., refrigerator & water coolers	320,000	320,000	-	265,270	265,270
Intangible assets	23,075,125	23,075,125	-	8,000,000	8,000,000
	<u>104,712,427</u>	<u>104,618,955</u>	<u>93,472</u>	<u>58,869,282</u>	<u>58,775,810</u>

2014	2013
Taka	Taka

20 Net finance income

Interest on fixed deposits	(288,188,080)	(160,905,031)
Interest on call deposits	(1,673,819)	(757,632)
Interest on term loan	-	1,052,483
Interest on overdraft	600,812	1,201,730
Foreign exchange loss/(gain)	805,635	(3,732,340)
	<u>(288,455,452)</u>	<u>(163,140,790)</u>

21 Income tax expense

Current tax expense	475,304,697	253,595,012
Deferred tax expense	14,994,961	49,046,806
	<u>490,299,658</u>	<u>302,641,818</u>

21.1 Reconciliation of effective tax

	2014		2013	
	%	Taka	%	Taka
Profit before tax		1,875,907,513		1,169,990,849
Income tax using the domestic corporate tax rate	24.75%	464,287,110	24.75%	289,572,735
Factors affecting the tax charge for current year				
Non deductible expenses		84,206,232		65,054,159
Deductible expenses		(73,188,645)		(71,937,322)
Previous year adjustment		-		(29,094,560)
Deferred tax expense		14,994,961		49,046,806
Total income tax expenses	26.14%	490,299,658	25.87%	302,641,818

2014	2013
Taka	Taka

22 Earnings per share

22.1 Basic earnings per share

The computation of EPS is given below:

Earnings attributable to ordinary share holders (Net profit after tax)	1,385,607,855	867,349,031
Weighted average number of ordinary shares outstanding during the year	31,500,000	31,500,000
Earnings per share (EPS) in Taka	43.99	27.53

22.2 Diluted earnings per share

Since there is no dilutive factors, diluted earnings per share is not required to be calculated.

23 Related party transactions

During the year the Company carried out a number of transactions with related parties in the normal course of business and on an arm's length basis. The name of related parties, nature of transactions, their total value and closing balance have been set out in accordance with the provisions of BAS 24 *Related party disclosure*:

Name of the related parties	Relationship	Nature of transactions	Transaction Amount	Balance as at 31 March 2014	Balance as at 31 March 2013
Marico Limited, India	Parent company	Purchase of raw materials	949,904,776	92,112,892	106,605,619
		Royalty and bank guarantee commission	56,970,102	175,814,618	233,038,526
		Dividend	2,551,500,000	-	-
		General and technical assistance fee	36,624,562	60,052,215	23,427,653
Marico Middle East FZE	Subsidiary of parent company	Purchase of raw materials	320,856,970	73,232,121	5,607,131
International Consumer products Corporation	Subsidiary of parent company	Purchase of finished goods	94,448	32,203	-

24 Capacity

Major product	Unit of Measure	Budgeted capacity during the year
PCNO	KL	23,400
VAHO	KL	4,800
Copra	Ton	30,500

25 Contingent Liabilities

25.1 L/C amount for import of raw materials which were not received till the reporting date.

	2014 US Dollar	2013 US Dollar
Outstanding L/C	4,238,412	1,547,747

25.2 Contingent liability in respect of Value Added Tax

	2014 Taka	2013 Taka
	69,952,058	64,113,555

These are being vigorously defended by the Company and the directors do not consider it is appropriate to make provision in respect of any of these claims.

26 Financial risk management

26.1 Credit risk

Credit risk is risk of financial loss if a customer or counterpart to a financial instrument fails to meet its contractual obligations which arises principally from the Company's receivables from customers.

The company makes sales on advance basis i.e. it receives advance from customers prior to sale so there is no credit risk due to uncollectibility from the customers. However, the company maintains most of the financial assets with short-term deposits and cash and cash equivalents.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2014	2013
	Taka	Taka
Financial assets		
Accrued interest	75,131,935	55,018,956
Fixed deposits (Note 8)	1,629,069,440	2,014,917,416
Cash and cash equivalents (Note 9)	45,713,429	50,833,931
Total financial assets	1,749,914,804	2,120,770,303

26.2 Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of financial liabilities of the Company as at 31 March 2014:

	Carrying amount	Cash flows	Upto 1 year	Above 1 year to 5 years
	Taka	Taka	Taka	Taka
<u>Exposure of liquidity risk</u>				
Trade and other payables (Note 14)	1,488,466,215	1,488,466,215	1,394,871,551	93,594,664
Total financial liabilities	1,488,466,215	1,488,466,215	1,394,871,551	93,594,664
Surplus of financial assets over financial liabilities	261,448,589			

26.3 Market risk

Market risk is the risk that includes changes in market price, such as foreign exchange rate, interest rates and equity prices that may affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The company's exposure to foreign currency risk at 31 March 2014 are as follows:

	US Dollar
Import of goods and services	5,173,334
Bank balance	90,058
	<u>5,263,391</u>

27 Value of import calculated on CIF Basis

	1 April 2013 to 31 March 2014
	Taka
Raw materials	1,844,819,128
Capital goods	29,823,950
	<u>1,874,643,078</u>

28 General

28.1 The number of employees engaged for the whole period or part thereof who received a total salary of Tk 36,000 p.a. and above was 140 (previous year: 127).

28.2 Comparative figures have been rearranged wherever considered necessary to conform current year's presentation.

29 Subsequent events

For the year ended 31 March 2014 the Board of Directors recommended final cash dividend @ 50% per share at 81st Board of Directors Meeting held on 27 April 2014.

There is no other event identified after the statement of financial position date which might be material.

NOTICE OF THE

14TH ANNUAL GENERAL MEETING

NOTICE is hereby given to all members of Marico Bangladesh Limited that the 14th Annual General Meeting of the members of the Company will be held on Tuesday, August 19, 2014 at 10.00 A.M. at Radisson Blu Water Garden Hotel, Airport Road, Dhaka Cantonment, Dhaka 1206, Bangladesh to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Statement of Financial Position as at March 31, 2014 and the Statement of Profit or Loss and other Comprehensive Income of the Company for the year ended on March 31, 2014 together with the Reports of the Directors and the Auditors.
2. To recommend final cash dividend @ 50% i.e. Tk. 5 per equity share of Taka 10 each for the financial year 2013-14.
3. To confirm interim cash dividend @ 850% i.e. Tk. 85 per equity share of Taka 10 each paid for the financial year 2013-14.
4. To appoint a Director in place of Mr. Rohit Jaiswal who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Vivek Karve, Additional Director who retires and being eligible, offers himself for re-appointment.
6. To re-appoint M/s. A. Qasem & Co., Chartered Accountants, as Statutory Auditors and fix their remuneration for the financial year ending March 31, 2015

NOTES:

1. A member eligible to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. Proxy Form must be affixed with requisite revenue stamp and must be submitted to the Corporate Office of the Company not less than working 48 hours before the time fixed for the Annual General Meeting i.e. not later than August 14, 2014.
2. Change of address, if any, should be notified to the related Depository Participant.
3. Admission to the meeting venue will be on production of the attendance slip attached with the Annual Report.

Place: Dhaka
Date: April 27, 2014

By Order of the Board
For, **MARICO BANGLADESH LIMITED**

Registered & Corporate Office:

Marico Bangladesh Limited
House 1, Road 1, Sector 1
Uttara, Dhaka-1230


Iqbal Chowdhury
Company Secretary



MARICO BANGLADESH LIMITED

Registered & Corporate Office: House-1, Road-1, Sector-1, Uttara, Dhaka-1230, Bangladesh

ATTENDANCE SLIP

FOURTEENTH ANNUAL GENERAL MEETING ON TUESDAY, AUGUST 19, 2014 AT 10:00 A.M.

BO ID																			
-------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares held																			
--------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the **FOURTEENTH ANNUAL GENERAL MEETING** of the Company to be held at Radisson Blu Water Garden Hotel Dhaka, Airport Road, Dhaka Cantonment, Dhaka 1206, Bangladesh at 10:00. A.M Tuesday, August 19, 2014.

Member's / Proxy's name in **BLOCK** letter

Member's / Proxy's signature

Note : Please fill in the attendance slip and hand it over at the entrance of the Meeting Venue.



MARICO BANGLADESH LIMITED

Registered & Corporate Office : House-1, Road-1, Sector-1, Uttara, Dhaka-1230, Bangladesh

PROXY FORM

FOURTEENTH ANNUAL GENERAL MEETING ON TUESDAY, AUGUST 19, 2014 AT 10:00 A.M.

BO ID																			
-------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares held																			
--------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I/We _____ of _____ being a member/members of the above-named Company hereby appoint Mr./Mrs. _____ of _____ as my/our proxy to vote for me/us on my/our behalf at the **FOURTEENTH ANNUAL GENERAL MEETING** of the company to be held at Radisson Blu Water Garden Hotel Dhaka, Airport Road, Dhaka Cantonment, Dhaka 1206, Bangladesh at 10:00 A.M. Tuesday, August 19, 2014 and at any adjournment(s) thereof.

Signed this ___/___/2014



Signature of Proxy _____

Signature of Member _____

Notes:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself.
2. A Proxy need not be a Member.
3. 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 i.e. not later than August 14, 2014.

**Saffola[®]
Active**

একের ভেতর দু'টি
এডিবল অয়েলের
গুণ সমৃদ্ধ



অত্যাধুনিক লোসর্ব টেকনোলজি-এর জন্য রান্না করা খাবার কম পরিমাণ তেল শোষণ করে, যা খাবারে ফ্যাট-এর মাত্রা কম রাখে।



এতে আছে ৫টি এন্টিঅক্সিডেন্ট-এর উপকারিতা যা আপনার হার্ট ও লাইফকে রাখে হেলদি।



আরো আছে ওমেগা ৩, ওরাইজেনল ও ভিটামিন ই- যা ক্ষতিকর কোলেস্টেরল কমাতে সাহায্য করে।

তাই আজই আপনার পরিবারের
সুস্বাস্থ্যের জন্য ব্যবহার করুন
সাফোলা এ্যাকটিভ




**Healthy Heart
Healthy Life**



marico

Marico Bangladesh Limited
House No. 01, Road No. 01
Sector No. 01, Uttara, Dhaka 1230
Tel: +88 (02) 8931202
Fax: +88 (02) 8932322
www.marico.com/bangladesh