

Q1FY07 (Quarter ended June 30, 2006)

Group Turnover	Rs. 373 Cr.	Up 38%
Net Profit	Rs. 30 Cr.	Up 46%
First Interim dividend	13.5%	

PROFIT GROWTH SUSTAINED

ALL-ROUND GROWTH IN TURNOVER

Marico turned in a robust performance in the April-June quarter of FY07. During Q1FY07, the Marico Group recorded a top line of Rs 372.8 crore, a growth of 38% over Q1FY06. This was achieved by all-round strong growth- in domestic and international consumer product businesses, the skin care solutions business of Kaya and the spa products business of Sundari. The growth has been derived almost entirely through franchise expansion without any significant increase in consumer prices.

Profit Before Tax (PBT) during the quarter at Rs 41.4 crore increased by 72% on a YoY basis. Profit after tax (PAT) increased by 46% from Rs. 20.8 crore in Q1FY06 to Rs. 30.3 crore in Q1FY07.

The company has thus kept its course on its journey of sustainable profitable growth.

Q1 FY07 is in Y-o-Y growth terms, the:

- 23rd consecutive Quarter of growth in Turnover and
- 27th consecutive Quarter of growth in Profits

The Board of Marico Limited, at its meeting held on July 25, 2006, declared a interim dividend of 13.5% on its equity share capital of Rs. 58 Crore. Q1 FY07 is now the 22nd consecutive quarter of dividend distribution.

Marico's Investor Relations efforts are co-ordinated by

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Sustained Growth in Focus Brands

Q1FY07 was a fruitful quarter for Marico's Consumer Products business. Sales grew by 37% over Q1FY06, led by an organic revenue growth of 23% in the Focus Brands portfolio. (Inorganic growth which too was good related to the brands Nihar, Manjal, Camelia and Aromatic that Marico acquired during the course of FY06). Marico has also been nurturing the skin care services business of Kaya and the skin care spa products business of Sundari. Together with these, the growth in focus brands during Q1FY07 was 25% YOY. During the quarter, other than acquisitions made in the last year, the focus brands turnover comprised 79% of the Group turnover as against 77% in Q1FY06.

Domestic FMCG Business

In the Domestic market, the flagship brand, Parachute Coconut Oil, continued to have a good run. Volume sales of Parachute in rigid packs in Q1FY07 grew by 12% over Q1FY06. The focus segment of the Hair Care range (Parachute Jasmine, Shanti Amla Badam, and Hair & Care being the key elements) grew by 23% in volume (excluding Nihar). In the Premium Refined Oils market, Saffola, the company's second flagship, grew its franchise by 14% in volumes.

Nihar is now well integrated into the business. In both the categories of pure coconut oil as well as perfumed hair oils, the brand has grown over the previous year, when it was being operated by Hindustan Lever Limited.

International FMCG Business

During Q1FY07 Marico's International FMCG business grew by 56% over the corresponding quarter in the previous year with a turnover of Rs 36.5 crore for the quarter.

In the Gulf region, Parachute Hair Cream continued its good performance. Aided by the campaign featuring the popular actress and TV star Zainab, Parachute Hair Cream has now emerged as the market leader in the UAE with a market share of 29% in May 2006. The response in the Kingdom of Saudi Arabia and other Gulf markets has also been encouraging.

Parachute coconut oil continues to be the leader in the category. Marico's hair oils and Parachute Hamaam Zait Cream too have begun expanding their franchise in the region.

In Bangladesh, Parachute Coconut Oil continues to dominate the category with over 55% market share (June 2006). It has enhanced its reach to over 3 lac retail outlets. The soaps acquired in FY06 are now well integrated in the system contributing to sales of about Taka 6 crore during the quarter. Marico will continue to focus on market expansion in coconut oil and increasing market share in the soaps segments through Camelia and Aromatic.

Marico's Growing portfolio

Prototypes and New Launches

In order to generate additional sources of growth in the coming years, Marico as an FMCG company must create a healthy pipeline of new products. To identify scalable marketing and product propositions, Marico has been following a prototyping approach to test a few hypotheses in a low-cost fail-fast model before any decision to scale up is taken. The company has thus introduced a slew of prototypes, in the overall space of beauty and wellness - these may be in contiguous categories or in new ones.

Sparsh

During Q2FY05, the Company commenced its prototype of "Sparsh", an extension of the brand Parachute in the Rs 250 crore Baby Oil segment in Andhra Pradesh. Sparsh is positioned on the long lasting goodness of nature, enriched with "Tulsi" and "Turmeric". Apart from media communication, the brand is being supported through advertorials in the press, visibility and sampling campaigns, doctor detailing and other on-ground initiatives. To help communicate better with its target audience, Sparsh chose popular actress, Simran a mother of newborn herself, to endorse the brand for its South India launch. The success of the communication with Simran, helped to set direction for the national advertising for the brand. Sonali Bendre, a celebrity actress and a recent first-time mother has been signed on for the national launch of the brand. Sparsh was launched nationally in May 2006. Sparsh Baby Soap has also been added to the baby range. The Sparsh Baby Soap has the unique proposition of being 'India's First No-Tears Baby Bar'.

Parachute Therapie

During Q4FY06 Marico entered the premium cosmetic segment with Parachute Therapie - a high-end efficacious hair fall solution. User trials have shown that hair fall reduction is visible in 45 days. The product was born out of intensive in-house company research. The active ingredient is a unique blend of proteins, vitamins, minerals and herbs and comes with the trust of a Parachute guarantee. Parachute Therapie is

currently being prototyped in the city of Mumbai. The market response so far has been good and action standards are likely to be met.

Saffola functional foods - Cholesterol Management Atta Mix

During Q4FY06, Saffola began prototyping its first non-oil extension in functional foods. Saffola Atta Mix is a proprietary food that is completely natural and enriched with the goodness of oats, barley, soya protein and fiber. The atta mix is to be added to flour for making rotis and helps in the management of cholesterol. Saffola Cholesterol Management Atta Mix is being prototyped in Mumbai. Initially distributed only through select modern retail outlets, encouraging results have prompted the company to begin selling through other retail outlets as well.

Parachute Advansed Hair Perfect Moisturiser

During the quarter, the youth product, Parachute Advansed Hair Perfect was added to the pipeline of prototypes. A daily leave-in moisturiser with coconut milk proteins and aloe vera, it helps remove dryness and to make hair shiny-soft. Pro-Vitamin B5 helps to keep hair healthy. The brand is being prototyped in Andhra Pradesh.

A few Brand Stories:

Parachute:

The momentum of a good performance in Parachute continued through this quarter as well. The package of initiatives including micro marketing and surround activities is paying off. During Q1FY07, volumes in Parachute's rigid packs grew by 12% over Q1FY06. In volume market share terms, Parachute (including flexi packs) commands about 50% share (in the 12 months to June '06).

In February 2006, Marico acquired the coconut oil brand, Nihar, from Hindustan Lever Ltd.. This strengthens Marico's leadership position in the category besides enhancing its distribution strength in the East. Nihar adds about 8% points to Marico's share in the coconut oil category. Together with Oil of Malabar, the company now enjoys about 60% volume share in branded coconut oil market.

Saffola:

In the premium ROCP (Refined Oil in Consumer Packs) category, Saffola has built upon its "good for the heart" equity. The brand has adopted a 360 degree approach of reaching out to its consumers - TV, radio and press advertising, in-shop and outdoor promotions, its website www.saffolalife.com and several on ground activities. Many of these campaigns have won awards. At the recently concluded Emvies 2006 (awards for best media strategies and innovations across India) Saffola won 4 awards in the categories of Radio, People's Choice, Best Strategy and Cinema Activation. In a recent survey by Reader's Digest, consumers voted Saffola Gold the Most Trusted Brand in the cooking oil category.

Besides, the recent introduction of Losorb Technology that helps absorb less oil into fried food, has helped Saffola enhance its perception of the thought leader in the segment.

During Q1FY07, the Saffola franchise registered a volume growth of 14% over Q1FY06.

Hair Oils

The Company's basket of hair oils showed strong growth during the quarter. As in the past, the company has focused on rigid pack sales of its hair oil portfolio. Marico's hair oils in rigid packs grew 20% in volume (excluding Nihar) over the corresponding quarter in the previous year. Since its relaunch on the "most non-sticky" platform, Hair & Care has been witnessing increased offtakes. More recently, a new campaign to cue a combination of style and nourishment has also met with a positive market response. Its share in the non-sticky hair oils market for the 12 months to June 2006 was about 18%. Shanti Amla was relaunched last year with the added ingredient of badam. The brand has been gradually regaining lost market share, which was at about 10% during Q1FY07. In the perfumed coconut hair oils market, Marico's share was significantly bolstered with the acquisition of Nihar from Hindustan Lever Ltd in February 2006. Meanwhile Parachute Jasmine has also been doing well with its market share in rigid packs at 28% (12 months to June 2006). Together with Nihar, Marico commands 76% of the perfumed coconut oil market (rigid packs share, for Q1FY07).

Parachute After Shower Cream

Parachute After Shower Cream is Marico's first foray into the men's grooming segment. Since its national launch less than a year ago, the brand has reached a market share of 41% in June 2006. Encouraged by its performance, the company has launched an Anti-Dandruff variant as also a sachet pack.

Kaya Skin Clinic

During Q1FY07, Kaya, Marico's skin solution business recorded a turnover of Rs 16.0 crore, a growth of 11% over Q4FY06. Over the last three years, Kaya has followed a pattern of clinic openings followed by some period of stabilization. High importance is attached to ensuring quality of service delivered and uniformity of experience across the entire chain of clinics. In addition, Kaya personnel also undergo refresher training. (In June 2006, Kaya Skin Clinic was featured amongst the Top Day Spas in Dubai by Asia Spa magazine published out of Hong Kong). The quarter therefore saw only one clinic getting added to the Kaya chain. Kaya Skin Clinic now reaches its customers through 43 clinics in India and 3 in the UAE. The Kaya consumer base in India has increased to over 130,000.

Kaya's recent campaigns have focussed on its skin enhancement services and overall skin well-being. This has elicited a high number of enquiries in Mumbai.

This quarter saw the introduction of a new service in prototype format in the Bangalore clinics. 'Intensive Hair Root Therapy' is a solution offered for preventing hair fall. The response has been good and Kaya plans to extend this service to some of the other cities in the country over the next few months.

The company expects Kaya to be PBT positive during the year FY07. For those Kaya clinics, which opened prior to April 05 and have achieved maturity, the growth in Q1FY07 over Q1FY06 has been 26%.

Sundari:

Sundari has shown good growth in Q1FY07 with a 53% growth over Q1FY06. The appointment of new distributors in Spain, Belgium and Canada has contributed to the topline growth. However, we expect the business to remain in the investment phase through FY07.

COST STRUCTURE FOR MARICO GROUP

% to Sales & Services (net of excise)	Q1FY 07	Q1FY 06
Material Cost (Raw + Packaging)	51.6	57.0
Advertising & Sales Promotion (ASP)	13.0	10.0
Personnel Costs	4.7	6.1
Depreciation	3.0	2.4
Other Expenses	15.7	16.1
Operating Costs	88.0	91.6
Net Operating Margin (PBIT)	12.0	8.5
PBDIT margins	15.1	10.9
Gross Margins (PBDIT before ASP)	28.1	20.9

Notes:

1. Margins have been computed without including "Other Income", major components of which are lease rental Rs. 0.10 Cr. (previous year: Rs. 0.10 Cr.), profit on sale of investment Rs. 0.46 Cr. (previous year: Rs. 0.06 Cr), exchange rate gain Rs. 0.46 Cr. (previous year: Rs. 0.0 Cr) and Dividend income of Rs. 0.01 Cr. (previous year: Rs. 0.14 Cr.).
2. Marico has invested part of the incremental margins earned into brand building ASP - both to strengthen established brands and to support new ones.
3. Previous period figures have been regrouped / restated wherever necessary.
4. The detailed Financial Results and other related useful information are available on Marico's website -

http://www.maricoindia.com/ic_latest.htm

CAPITAL UTILIZATION

Over the years, Marico has been maintaining its Return on Capital Employed (ROCE) at levels above 30%. Given below is a snapshot of various capital efficiency ratios for Marico:

Ratio	Q1FY07	Q1FY06
Return on Capital Employed		
- Marico Group	36%	36%
Return on Net Worth - (Group)	44%	37%
Working Capital Ratios (Group)		
- Debtors Turnover (Days)	15	14
- Inventory Turnover (Days)	37	41
- Net Working Capital Turnover (Days)	27	42
Economic Value Added (Group)		
- Rs. Crore	23	16
- % to Capital employed	18%	23%
Debt: Equity (Group)	0.84	0.22
Finance Costs to Turnover (%) (Group)	1.3%	0.3%

BALANCE SHEET - MARICO GROUP

RS. CRORE

	June 30,2006	June 30, 2005
SOURCE OF FUNDS		
Shareholders' Funds	283.4	230.1
Borrowings	217.2	45.1
Deferred Tax Liability	10.4	5.0
TOTAL	511.0	280.2
APPLICATION OF FUNDS		
Deployed in Business		
Net Fixed Assets	381.1	149.3
Current Assets	320.1	239.4
Less: Current Liabilities	214.9	136.8
Net Working Capital	105.2	102.6
OPERATING CAPITAL EMPLOYED	486.3	251.9
Financial Assets	24.7	28.3
TOTAL	511.0	280.2

The Capital Employed as of 30 June 2006 is higher owing largely to the addition of the intangible asset on account of the acquisition of Nihar.

SHAREHOLDER VALUE RELATED POLICIES & PRACTICES

Payout - Distribution of profits to shareholders

Marico's Distribution policy, which aims at sharing Marico's prosperity with its shareholders, through a formal earmarking / disbursement of profits to shareholders, has, in the recent past, been characterized by the following:

1. Payout increasing from year to year and, to the extent feasible.
2. Relentless regular dividend - every quarter reflecting the confidence to sustain Continuous Distribution

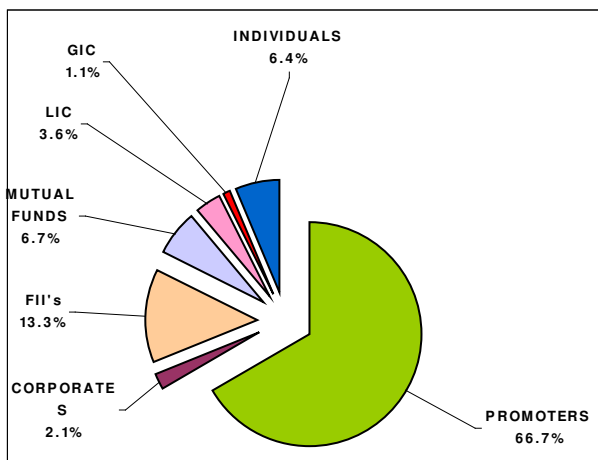
Marico's cash profits have continued to grow and provide a logical support to its practice of declaring a dividend every quarter. The endeavor will be to keep a high payout - around current levels of 45%, subject to financial requirements of its core business.

Dividend declared, Record Dates etc.

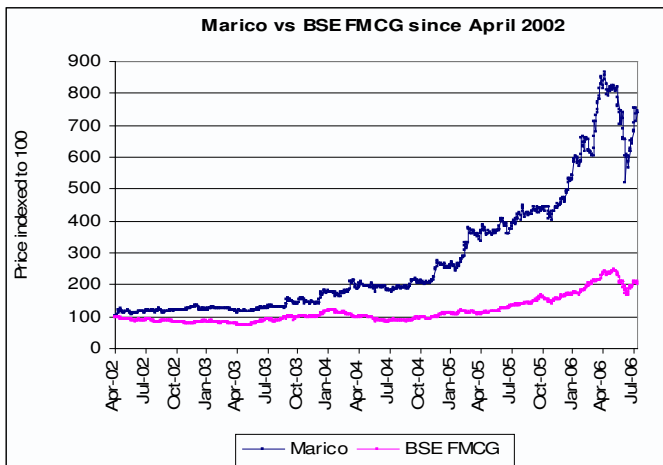
At its meeting held on July 25, 2006 the Board has now declared an interim equity dividend of 13.5%, the Record Date being July 31, 2006.

SHAREHOLDING PATTERN

The shareholding pattern as on June 30, 2006 is as given in the graph below.



SHARE PERFORMANCE ON STOCK EXCHANGES



- Marico's long term performance on the exchange vis-à-vis its peer group is depicted in the graph alongside.
- Marico's market capitalization moved from Rs. 1,439 crore as on June 30, 2005 to Rs. 2,610 crore as on June 30, 2006. The average daily volume on BSE and NSE during Q1FY07 was about 60,935 shares.

OUTLOOK

Marico had issued an outlook in April 2006. The company maintains the same view.

During FY06, Marico's revenues grew by 14% over the previous year to reach Rs 1144 crore. In achieving a CAGR of 13% topline growth over the last 5 years, Marico's strategies have been built around the pivot of sustainable profitable growth. Consequently, its PAT has recorded a CAGR of 15% during the same period. This growth is built on a foundation of strong brands, an unshakeable consumer franchise and a committed management.

Over the next 3 to 5 years, the Company aims to increase the trajectory of its growth.

- In categories where Marico holds a leadership position, it will focus on growing the category. This would include the coconut oil market both in India and in Bangladesh as well as the niche premium refined oil segment through Saffola.
- In the hair oils segment, where Marico is a number 2, the focus will be on increasing market shares. Improved consumer insight through frequent consumer interactions and innovativeness in delivering products and solutions to meet consumer needs would ensure this.
- In the recent past, the company has introduced a number of prototypes. It would continue to invest in new products, creating a pipeline of new product ideas through prototypes in India and abroad in its chosen areas of Beauty and Wellness.
- While continuing to maintain the growth momentum in the current territories of its International Business, the company will explore expansion into new geographies as well.
- Kaya has established a presence in 16 cities in India and 2 in the Gulf. Over the next few years, Marico would look at taking Kaya to several more locations.
- During FY06, the Group made four acquisitions, two in India and two in Bangladesh. Marico will continue to be open to other acquisitions in the space of Beauty and Wellness.

While targeting a robust topline growth, Marico will continue to realign its portfolio in favour of focus brands. Sweekar, for instance, may remain on "float". This increases the challenge of growing at the pace the company has set for itself as a target.

Growth in the focused portfolio would help in bringing sustainability to the company's margin profile. FY06 witnessed a robust growth in Marico's operating margins. This was contributed towards in large measure by significantly higher margins in Parachute. The company will therefore have to sustain this for a few more quarters with an appropriate pricing strategy to suit the competitive landscape. As a market leader, the brand would also play its role of market expansion. The new products that Marico prototypes and rolls out are expected to earn higher margins eventually. In the near term however, gross profits from the established brands would have to be ploughed back into supporting and nurturing these. In Kaya, the company will target a breakeven on the brand in FY07 although it would be some time before it recovers its accumulated losses. The Sundari business is not expected to break even in the immediate future.

With the scope of Marico's international business increasing, the company is faced with the challenge of managing its foreign exchange exposure. This is particularly true of the business in Bangladesh, where the Taka continues to depreciate against the US Dollar.

In recent years the company has had a low effective tax rate, close to the Minimum Alternative Tax (MAT) rate. As the 80IB tax benefit period gets exhausted at some of its plants, the effective tax rate for Marico is expected to rise gradually over the next 3 to 4 years. However, with measures that the company may put in place, it is expected that the effective tax rate can be contained within 20%.

CONTENTS OF THE UPDATE

This update covers the following:

1. Financial results and other developments during Q1FY07 for the Marico Group - Marico Limited and its subsidiaries / joint ventures - Marico Bangladesh Limited (MBL), MBL Industries Ltd. (MBLIL), Kaya Skin Care Limited, Marico Middle East FZE, Kaya Middle East FZE and Sundari LLC. (The Marico Group is referred to as “Marico” or “Group” or “Marico group” in this update, while “the Company” denotes a reference to Marico Limited.)
2. A Profile containing basic/historical information on Marico.

We recommend that readers refer to the Marico Group financials to get a better appreciation of the business performance. A copy of the latest Annual Audited Financial Results of Marico Limited as also that of the Group are available on Marico’s website -

http://www.maricoindia.com/AnnReportDir/Consol_Annual_Report2005-06.pdf

DISCLOSURE OF INFORMATION, COMMUNICATION WITH INVESTORS / ANALYSTS / FINANCIAL COMMUNITY

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

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

All the aforesaid information is also available on Marico’s Website: [HTTP://WWW.MARICOINDIA.COM/](http://www.maricoindia.com/)

In view of this, information contained in such updates is made public and does not therefore constitute unpublished price sensitive information under the SEBI (Prohibition of Insider Trading) Regulations, 1992.

Marico typically holds a general meeting with investors, analysts and other members of the financial community once a year, in April, apart from periodic meetings/ conference calls, from time to time, with individual members of the financial community.

A Profile giving Basic / Historical Information

Marico is a leading Indian Group in Consumer Products and Services in the Global Beauty and Wellness space. Marico's Products and Services in Hair care, Skin Care and Healthy Foods generated during 2005-06 a Turnover of about Rs.11.5 billion (USD 250 Million). Marico markets well-known brands such as Parachute, Saffola, Sweekar, Hair & Care, Nihar, Shanti, Mediker, Revive, Kaya, Sundari and Aromatic. Marico's brands and their extensions occupy leadership positions with significant market shares in most categories- Coconut Oil, Hair Oils, Anti-lice Treatment, Premium Refined Edible Oils, Fabric Care etc. Marico is present in the Skin Care Services segment through Kaya Skin Clinics (46 in India and the UAE), the Sundari range of Spa skin care products (in the USA & other countries) and also through a recently acquired nascent soap franchise (in India and Bangladesh).

Marico's branded products are also present in Bangladesh, other SAARC countries and the Middle East. The Overseas Sales franchise of Marico's Consumer Products (whether as exports from India or as local operations in a foreign country) is one of the largest amongst Indian Companies and is entirely in branded products and services.

Marico has leveraged its core sources of competitive advantage viz. Branding, Distribution, Cost Management, Innovation and Technology to set up a fast growing franchise of new products and services - their share in turnover has moved up from 3% in FY00 to over 16% in FY06.

Marico's own manufacturing facilities are located at Goa, Kanjikode, Jalgaon, Saswad, Pondicherry, Dehradun and Daman and supported by subcontracting units. Marico's wholly owned subsidiary, Marico Bangladesh Limited, has its manufacturing facility at Mouchak, near Gazipur in Bangladesh.

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

Brands	Category	Indicative Market Share range	Rank
Parachute, Oil Of Malabar, Nihar	Coconut Oil	59-60	1
Hair Oil (Hair & Care, Parachute Jasmine, Parachute Advanced, Shanti Badam Amla, Nihar)	Hair Oils	17-19	2
Mediker	Anti Lice Treatment	96 - 100	1
Saffola & Sweekar	High Margin Refined Oils in Consumer Packs	13-14	3
Sil	Jams	7-8	2
Revive	Fabric Starch	~ 100	1

Source: A.C.Nielsen Urban Retail Market Research and Company Sources

Marico's frontline brands have shown remarkable resilience against competition - refer the market share statistics given below:

Brands	Category	1992 (%)	Now (%)
Parachute, Oil Of Malabar, Nihar	Coconut Oil	48-49	59-60
Saffola & Sweekar	High Margin Refined Oils in Consumer Packs	5-6	13-14
Hair Oil (Hair & Care, Parachute Jasmine, Parachute Advanced, Shanti Badam Amla, Nihar)	Hair Oils	-	17-19

Source: A.C.Nielsen Urban Retail Market Research and Company Sources

Marico's Parachute and Saffola are among India's top 100 most trusted brands as per the survey carried out by Brand Equity (The Economic Times) in December 2005 - Parachute ranks 29th while Saffola ranks 93rd. Parachute continues to be the world's largest packaged Coconut Oil Brand.

Marico has consistently sought to broadbase its brand basket. The new products dealt in by the Company during last 5 years have now assumed a critical mass and contribute over 16 % to the group business. In the process, Marico's dependence on

Parachute has consistently been reducing. From a share in the range of 70% - 75% in early 90's, Parachute today contributes about 40% - 45% to the top line of Marico. Its share in profits too has come down.

Reach

Marico procures one out of every twenty coconuts produced in India and 3 nuts per coconut tree in India. Marico sells 7 over Crore (70 Mio) packs to around 13 Crore (130 Mio) people every month. Marico's products reach around 2.3 Crore (23 Mio) households through over 17 Lac (1.7 Mio) retail outlets serviced by its nation-wide distribution network comprising 4 Regional offices, 30 carrying & forwarding agents (CFAs) and about 3500 distributors and stockists. Marico's distribution network covers almost every Indian town with population over 20,000. Marico has partially leveraged its network through a distribution alliance with Indo Nissin Foods Ltd. (Top Ramen- Curry, Cup O' Noodles). The table below provides an indicative summary of Marico's Distribution Network in India.

	Urban	Rural
Sales Territories	135	35
Towns Covered ('000's)	3.2	11.0
Distributors	850	0
Super Distributors	0	115
Stockists	0	2,600
Retail Outlets - Reach ('000's)	1100	650

In Bangladesh, Marico reaches about 300,000 outlets.

Skin Care Services and Global Spa Products :

In recent years, Marico entered the skin care solutions business through Kaya Skin Clinics offering a range of highly effective and safe services based on cosmetic dermatological procedures and products. Services offered at Kaya use US FDA approved technology and have been specifically customized for Indian skin. In-clinic dermatologists recommend a personalized series of treatments. The chain of Kaya clinics (all company owned) is now 46 strong, spread across 16 cities in India and 2 in UAE. Its customer base is now 130,000.

In FY03, Marico acquired a controlling stake in Sundari LLC. The focus of Sundari is the spa market in the USA and other parts of the world. The spa products market is estimated to be about US\$ 2 billion.

Financial Highlights

Marico has maintained a steady top line and bottom line growth over past decade with a consistently healthy Return on Capital Employed (ROCE) of over 30%.

Particulars (Rs. Crore)	FY02	FY03	FY04	FY05	FY06	CAGR%
Sales & Services	696	775	888	1007	1,144	13%
Profit before Tax	58	64	65	74	98	14%
Net Profit (PAT)	50	56	59	70	87	15%
Earning per share-Annualised (Rs.) *	9	10	10	12	15	14%
Book value per share (Rs.) *	34	34	32	39	45	7%
Net Worth	197	193	184	217	261	7%
ROCE %	32	31	32	33	28	

* For a meaningful comparison of EPS and Book Value, the numbers for the previous years have been re-computed based on the enhanced equity share capital of Rs.58 Crore.

Business Model and Organization

Marico's business model is based on focused growth across all its brands and territories driven by continuously improving value propositions to consumers, market expansion and widening of retail reach. Marico aims to be the leader in each of the businesses; by heightened sensitivity to consumer needs, setting new standards in the delivery and quality of products and services through processes of continuous learning and improvement. The model ensures that Marico is present in unique / ethnic Indian Product or Services categories where typical MNCs would not be strong. Therefore, Marico does not, unlike many other Indian FMCG Companies, get caught in MNC cross fires.