marico

Marico Limited

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2011

(Rs. Lac)

Quarter ended March 31 Unaudited 2011	Quarter ended March 31 Unaudited 2010	Particulars	Year ended March 31 Audited 2011	Year ended March 31 Audited 2010
74,734.80	60,225.57	**1. Net Sales / Income from Operations (Note 10)**	312,831.04	266,075.61
		2. Expenditure		
(12,682.62)	(3,170.59)	a. (Increase) / decrease in stock in trade and work in progress	(10,952.63)	(1,634.67)
45,210.53	23,894.17	b. Consumption of raw materials	144,034.33	104,942.04
6,459.86	5,339.98	c. Consumption of Packing Materials	27,054.11	21,605.82
607.77	396.93	d. Purchase of traded goods	1,657.48	1,246.49
6,253.79	4,366.30	e. Employees cost	23,036.98	19,012.53
6,719.31	8,923.87	f. Advertisement & Sales Promotion	34,597.83	35,111.67
3,017.29	1,570.03	g. Depreciation, amortisation and impairment (Notes 9,12 and 14)	7,079.86	6,006.44
14,290.37	11,982.40	h. Other expenditure	52,424.09	48,277.58
69,876.30	53,303.09	**i. Total**	278,932.05	234,567.90
4,858.50	6,922.48	**3 Profit from Operations, before Interest & Exceptional Items (1-2)**	33,898.99	31,507.71
933.44	530.38	4 Other Income	2,787.59	1,826.44
5,791.94	7,452.86	**5 Profit before Interest & Exceptional Items (3+4)**	36,686.58	33,334.15
1,816.58	503.74	6 Interest	3,933.43	2,568.43
3,975.36	6,949.12	**7 Profit after Interest but before Exceptional Items (5-6)**	32,753.15	30,765.72
7,551.33	(573.80)	8 Exceptional items (Net) (Note 7,8,11 and 13)	4,890.51	(978.95)
11,526.69	6,375.32	**9 Profit before Tax (7+8)**	37,643.66	29,786.77
4,283.37	1,172.11	10 Tax expense	8,498.85	6,432.45
7,243.32	5,203.21	**11 Net Profit from Ordinary Activities after Tax (9-10)**	29,144.81	23,354.32
-	-	12 Extraordinary item (net of tax)	-	-
7,243.32	5,203.21	**13 Net Profit for the period before Minority Interest (11-12)**	29,144.81	23,354.32
81.75	88.68	14 Minority Interest	500.94	187.05
7,161.57	5,114.53	**15 Net Profit for the period (13-14)**	28,643.87	23,167.27
6,144.00	6,093.26	16 Paid-up Equity Share Capital (Face Value Re.1 per share)	6,144.00	6,093.26
		17 Reserves excluding Revaluation Reserves	85,403.03	59,303.10
		18 Earnings Per Share (EPS)		
		EPS before Extraordinary items for the period / year		
1.17	0.84	(a) Basic	4.68	3.80
1.16	0.84	(b) Diluted	4.65	3.79
		EPS after Extraordinary items for the period / year		
1.17	0.84	(a) Basic	4.68	3.80
1.16	0.84	(b) Diluted	4.65	3.79
		19 Public shareholding		
228,023,030	222,549,180	- Number of shares	228,023,030	222,549,180
37.11	36.52	- Percentage of shareholding	37.11	36.52
		20 Promoters & Promoter Group Shareholding		
		(a) Pledged / Encumbered		
400,000	400,000	- Number of Shares	400,000	400,000
0.10	0.10	- Percentage of Shares (as a % of total shareholding of promoters and promoter group)	0.10	0.10
0.07	0.07	- Percentage of Shares (as a % of total share capital of the company)	0.07	0.07
		(b) Non-encumbered		
385,976,520	386,376,520	- Number of Shares	385,976,520	386,376,520
99.90	99.90	- Percentage of Shares (as a % of total shareholding of promoters and promoter group)	99.90	99.90
62.82	63.41	- Percentage of Shares (as a % of total share capital of the company)	62.82	63.41

Quarter ended March 31 Unaudited 2011	Quarter ended March 31 Unaudited 2010	Particulars	Year ended March 31 Audited 2011	Year ended March 31 Audited 2010
		1. Segment Revenue (Note 5)		
71,363.33	55,687.51	(a) Consumer Products	292,038.29	247,504.00
3,371.47	4,538.06	(b) Others	20,792.75	18,571.61
74,734.80	60,225.57	**Sub - total**	312,831.04	266,075.61
-	-	Less: Inter Segment revenue	-	-
74,734.80	60,225.57	**Net Sales / Income from Operations**	312,831.04	266,075.61
		2. Segment Result (Note 5)		
		(Profit before Interest and Tax and exceptional items)		
8,862.11	7,783.66	(a) Consumer Products	38,069.98	33,790.50
(3,700.60)	(726.40)	(b) Others	(3,249.00)	(1,812.16)
5,161.51	7,057.25	**Sub - total**	34,820.98	31,978.34
1,356.57	182.55	Less: Interest (net)	2,312.43	1,461.38
170.43	74.36	Add: Un-allocable income (net of other un-allocable expense)	244.61	248.76
81.75	88.68	Less: Minority Interest	500.94	187.05
3,893.62	6,860.38	**Total Profit after Minority Interest before Tax and Exceptional Items**	32,252.22	30,578.67
		3. Capital Employed (Segment Assets - Segment Liabilities) (Note 5)		
115,165.04	68,029.91	(a) Consumer Products	115,165.04	68,029.91
22,795.05	14,685.27	(b) Others	22,795.05	14,685.27
(46,411.25)	(17,318.82)	Add: Unallocated Capital Employed	(46,411.25)	(17,318.82)
91,548.84	65,396.36		91,548.84	65,396.36

Statement of Assets and Liabilities - Marico Limited

(Rs. Lac)

Particulars	As at March 31	
	2011	2010
Sources of Funds:		
Shareholders' Funds		
Share Capital	6,144.00	6,093.26
Reserves and Surplus	81,169.28	51,074.71
	87,313.28	**57,167.97**
Loan Funds	**55,248.10**	**37,691.77**
Total	**142,561.38**	**94,859.74**
Application of Funds:		
Fixed Assets (Net)	**26,815.91**	**23,992.87**
Investments	**47,035.23**	**20,911.98**
Deferred Tax Asset (Net)	**2,654.49**	**5,850.23**
Current Assets, Loans and Advances		
Inventories	45,421.96	36,990.13
Sundry Debtors	12,389.39	9,450.63
Cash and Bank Balances	1,817.72	1,122.32
Loans and Advances	32,465.56	25,416.59
	92,094.63	**72,979.67**
Less: Current Liabilities and Provisions		
Current Liabilities	22,842.49	22,651.47
Provisions	3,196.40	6,223.54
	26,038.89	**28,875.01**
Net Current Assets	**66,055.74**	**44,104.66**
Total	**142,561.37**	**94,859.74**

MARICO LIMITED

FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2011 (Standalone) (Rs. Lac)

Quarter ended March 31		Particulars	Year ended March 31	
Unaudited 2011	**Unaudited 2010**		**Audited 2011**	**Audited 2010**
62,106.62	**45,840.15**	**1. Net Sales / Income from Operations**	**235,371.13**	**203,085.30**
		2. Expenditure		
(9,258.39)	(2,628.70)	a. (Increase) / decrease in stock in trade and work in progress	(7,409.67)	(1,148.10)
34,677.04	19,166.94	b. Consumption of raw materials	109,633.23	83,059.64
6,101.73	4,332.44	c. Consumption of Packing Materials	21,267.61	16,640.49
4,736.82	2,369.32	d. Purchase of traded goods	10,684.66	8,546.39
2,461.06	2,514.88	e. Employees cost	10,822.32	10,311.34
4,133.39	5,201.97	f. Advertisement & Sales Promotion	21,365.07	22,165.28
821.64	754.39	g. Depreciation, amortization and impairment (Note 6)	2,763.04	2,520.75
9,645.20	7,418.44	h. Other expenditure	34,177.05	31,452.14
53,318.49	**39,129.68**	**i. Total**	**203,303.31**	**173,547.93**
8,788.13	**6,710.47**	**3 Profit from Operations, before Interest & Exceptional Items (1-2)**	**32,067.82**	**29,537.37**
637.49	736.00	4 Other Income	1,833.07	1,549.74
9,425.62	**7,446.47**	**5 Profit before Interest & Exceptional Items (3+4)**	**33,900.89**	**31,087.11**
1,563.89	357.83	6 Interest	2,992.10	1,829.89
7,861.73	**7,088.64**	**7 Profit after Interest but before Exceptional Items (5-6)**	**30,908.79**	**29,257.22**
9,207.36	-	8 Exceptional items (Net) (Notes 4, 5 and 7)	6,546.54	-
17,069.09	**7,088.64**	**9 Profit before Tax (7+8)**	**37,455.33**	**29,257.22**
3,888.52	1,048.04	10 Tax expense	5,922.07	5,755.34
13,180.57	**6,040.60**	**11 Net Profit from Ordinary Activities after Tax (9-10)**	**31,533.26**	**23,501.88**
-	-	12 Extraordinary item (net of tax)	-	-
13,180.57	**6,040.60**	**13 Net Profit for the period / year (11-12)**	**31,533.26**	**23,501.88**
6,144.00	6,093.26	**14 Paid-up Equity Share Capital (Face value Re.1 per share)**	6,144.00	6,093.26
		15 Reserves excluding Revaluation Reserves (as per balance sheet)	81,169.28	51,074.71
		16 Earnings Per Share (EPS) Not Annualised		
		EPS before Extraordinary items for the period / year		
2.15	0.99	(a) Basic	5.15	3.86
2.14	0.99	(b) Diluted	5.12	3.84
		EPS after Extraordinary items for the period / year		
2.15	0.99	(a) Basic	5.15	3.86
2.14	0.99	(b) Diluted	5.12	3.84
8,000.00	3,000.00	**17 Paid-up Debt Capital**	8,000.00	3,000.00
3,167.00	1,500.00	**18 Debenture Redemption Reserve**	3,167.00	1,500.00
		19 Ratios (Note 10):		
		a. Debt Equity Ratio	0.63	0.66
		b. Debt Service Coverage Ratio (DSCR)	4.60	18.11
		c. Interest Service Coverage Ratio (ISCR)	19.56	22.13
		20 Public Shareholding		
228,023,030	222,549,180	- Number of Shares	228,023,030	222,549,180
37.11	36.52	'- Percentage of Shareholding	37.11	36.52
		21 Promoters & Promoter Group Shareholding		
		(a) Pledged / Encumbered		
400,000	400,000	- Number of Shares	400,000	400,000
0.10	0.10	- Percentage of Shares (as a % of total shareholding of promoters and promoter group)	0.10	0.10
0.07	0.07	- Percentage of Shares (as a % of total share capital of the company)	0.07	0.07
		(b) Non-encumbered		
385,976,520	386,376,520	- Number of Shares	385,976,520	386,376,520
99.90	99.90	- Percentage of Shares (as a % of total shareholding of promoters and promoter group)	99.90	99.90
62.82	63.41	- Percentage of Shares (as a % of total share capital of the company)	62.82	63.41

Statement of Assets and Liabilities - Consolidated Financials

(Rs. Lac)

Particulars	As at March 31	
	2011	2010
Sources of Funds:		
Shareholders' Funds		
Share Capital	6,144.00	6,093.26
Reserves and Surplus	85,404.85	59,303.10
	91,548.85	**65,396.36**
Minority Interest	**2,187.77**	1,253.55
Loan Funds	**77,182.24**	**44,587.47**
Total	**170,918.86**	**111,237.38**
Application of Funds:		
Goodwill on Consolidation	**39,759.63**	**8,502.78**
Fixed Assets (Net)	**48,974.12**	**39,966.38**
Investments	**8,915.75**	**8,270.85**
Deferred Tax Asset (Net)	**3,011.39**	**6,163.17**
Current Assets, Loans and Advances		
Inventories	60,113.18	44,481.21
Sundry Debtors	18,797.71	15,068.61
Cash and Bank Balances	21,309.39	11,146.25
Loans and Advances	20,606.43	18,999.82
	120,826.71	**89,695.89**
Less: Current Liabilities and Provisions		
Current Liabilities	44,046.01	33,685.95
Provisions	6,522.74	7,675.74
	50,568.75	**41,361.69**
Net Current Assets	**70,257.96**	**48,334.20**
Total	**170,918.85**	**111,237.38**

16. Stock Options have been granted up to March 31, 2011 to certain eligible employees pursuant to the "Marico Employees' Stock Options Scheme 2007" ("the Scheme"). In all, 11,376,300 options were granted up to March 31, 2011 of which 3,588,700 options have been forfeited and 5,399,550 options have been exercised. During the quarter and year ended March 31, 2011, pursuant to the exercise of the stock options, the Company has allotted 103,400 and 5,073,850 equity shares of Re. 1 each, respectively, to employees resulting in increase in paid up share capital by Rs. 5,073,850 As on March 31, 2011, 2,388,050 options were outstanding.

17. a. During the quarter, the Company issued 10.05% Rated Taxable Unsecured Redeemable Non-convertible Debentures of face value of Rs. 10 Lac each aggregating to Rs. 5,000.00 Lac. These debentures have been listed on the National Stock Exchange after the Balance Sheet date but prior to approval of the Financial Statements by the Board.
b. The 8.25% Rated Taxable Secured Redeemable Non-convertible Debentures of Face Value Rs. 10 Lac each issued in the previous year, aggregating to Rs. 3,000.00 Lac are secured against first pari passu charge over land and building to the extent of asset cover of 1.91 times.

18. At its meeting held on May 02, 2011, the Board of Directors of Marico Limited declared a second interim dividend of 36% (Re.0.36 per share of Re. 1 each) on paid up equity capital of Rs. 6,143.99 Lac. The dividend shall be paid to those shareholders whose names appear in the Register of Members as on May 9, 2011.

19. There were no investor complaints pending at the beginning of the quarter. 1 investor complaint was received and resolved during the quarter. There were no complaints lying unresolved as at March 31, 2011.

20. Previous quarter / period figures have been regrouped / restated wherever necessary.

21. These Financial Results and other related useful information are available on Marico's website - http://www.marico.com

Place : Mumbai

Date : May 02, 2011

Harsh C. Mariwala
Chairman & Managing Director

Marico (BSE: 531642, NSE: "MARICO") is one of India's leading Consumer Products & Services Group, in the global beauty and wellness space. During 2010-11, Marico recorded a turnover of Rs. 31.3 billion (~USD 695mn) through its products and services sold in India and 25 other countries in Asia and Africa. Marico touches the lives of 1 out of every 4 Indians, through its portfolio of brands such as Parachute, Parachute Advansed, Saffola, Hair & Care, Nihar, Mediker, Revive and Manjal. The international portfolio contributes to 23% of the Group's revenue, with brands like Parachute, Parachute Advansed, HairCode, Fiancee, Aromatic, Caivil, Hercules, BlackChic, Ingwe, Code 10, X-Men, L'Ovite and Thuan Phat. Marico is also present in the Skin Care Solutions segment through Kaya Skin Clinics in India, Middle East and Bangladesh and Derma Rx in Singapore.

At Marico, we believe in transforming the lives of our stakeholders be it our consumers, members, associates or shareholders, by helping them maximise their true potential. This truly articulates the Mariconian spirit – to 'be more. every day'TM. Marico's focus on sustainable profitable growth is manifest through its consistent financial performance – a CAGR of 22% in Turnover and 27% in Profits over the past 5 years

Marico has also won several prestigious awards viz.

- Marico (Kanjikode) won the IMC Ramkrishna Bajaj National Quality Award (RBNQA) 2010 (Certificate of Merit), in the manufacturing category.
- Marico (Kanjikode) was conferred with the Kerala State Safety Award 2010 in the food product category.
- Marico (Kanjikode) was conferred with the Kerala State Energy Conservation Commendation Award 2010, in the large scale energy consumers category.
- Marico was awarded the prestigious 'Rajiv Gandhi National Quality Commendation Certificate 2009' in the large scale manufacturing industry - food & drug category.
- 'Food Supply Chain Innovative Company of the Year' Award for our Supply Chain Transformation Project at the KPMG –Supply Chain Leadership Council Food, Retail, Logistics and Packaging Awards 2010.
- Nasscom CNBC TV18 - IT User Award 2010, for excellence in IT application, in the manufacturing category.

At Marico, we believe in transforming the lives of our stakeholders be it our consumers, members, associates or shareholders, by helping them maximise their true potential. This truly articulates the Mariconian spirit – to 'be more. every day'TM.

Marico's focus on sustainable profitable growth is manifest through its consistent financial performance – a CAGR of 22% in Turnover and 27% in Profits over the past 5 years. Marico has successfully achieved several consecutive quarters of y-o-y growth- 46 for Profits and 42 for Sales.

Registered Office: "Rang Sharda", Krishnachandra Marg, Bandra Reclamation, Bandra (West), Mumbai - 400050, India.
Email: milinvrel@maricoindia.net,
Websites: www.marico.com, www.saffolalife.com, www.kayaclinic.com,
www.parachuteadvansed.com, and www.maricoinnovationfoundation.org

Notes to Consolidated financial results:

1. The information presented for the year ended March 31, 2011 is extracted from the audited financial statements for the year ended March 31, 2011. The said financial statements and results for the year ended March 31, 2011 were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 02, 2011.

2. The Company has opted to publish unaudited quarterly and audited consolidated financial results for the year ended March 31, 2011 pursuant to option made available as per clause 41 of the Listing Agreement. The Standalone financial results for the year ended March 31, 2011 were audited by the statutory auditors and are available on the Company's website - http://www.marico.com and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com)

3. The Consolidated financial results are prepared in accordance with the principles and procedures for the preparation and presentation of the Consolidated Financial Statement as set out in the Accounting Standard 21 on Consolidated Financial statements mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006, the provisions of Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India.

4. The Consolidated financial results for the quarter and year ended March 31, 2011 comprise results of Marico Limited and its subsidiaries and step down subsidiaries in India, Bangladesh, UAE, Egypt, South Africa, Malaysia, Singapore and Vietnam. All the aforesaid entities are collectively called 'Marico'.

5. The primary reporting of Marico is based on two business segments namely Consumer Products and Skin Care.

6. a. During the quarter, the Company acquired 85% stake in International Consumer Products Corporation (ICP), a company incorporated in Vietnam. The effective date of this acquisition is February 18, 2011.
b. During Q1 FY11, Derma Rx International Aesthetics Pte. Ltd. was incorporated as a wholly owned subsidiary of Kaya Limited for the acquisition of skin care business of Derma Rx. The effective date of this acquisition is May 25, 2010.
Accordingly, the consolidated financial results for the year ended March 31, 2011 include the financial results of the above-mentioned subsidiaries and their step down subsidiaries from their respective dates of acquisition.

7. During the year ended March 31, 2010, the Company had made a provision of Rs. 2,934.59 Lac towards 75% of possible excise duty obligation which may arise in the event of unfavorable outcome of the matter in respect of coconut oil packed in container size up to 200ml and cleared on and after June 3, 2009, which is being contested by the Company. Based on the facts of the case and the legal opinion obtained in this regard, the Company had made an assessment that the probability of success in the matter is more likely than not. In terms of Accounting Standard (AS) 29 "Provisions, Contingent Liabilities and Contingent Assets", the possible obligation on this account could be in the nature of contingent liabilities, which need not be provided for in the accounts. Pending outcome of the matter, the Company had made the aforesaid provision in the accounts for the year ended March 31, 2010. The Management had, while finalizing financial results for the quarters ended June 30, 2010, September 30, 2010 and December 31, 2010, continued to make provision on the said basis and had provided Rs. 2,660.82 Lac for the first nine months ended December 31, 2010.
The Auditors had qualified their audit report for the year ended March 31, 2010 and limited review reports for the quarters ended June 30, 2010, September 30, 2010 and December 31, 2010, to the effect that the said provisioning was not in accordance with the requirements of AS 29.
As at March 31, 2011, the Company has reviewed the matter again and has taken a legal opinion, which has reaffirmed the earlier assessment that the probability of success in the matter is more likely than not. Considering the continued strength of the Company's case, the Company has, during the quarter ended March 31, 2011, reversed the entire provision of Rs. 2,934.59 Lac and Rs. 2,660.82 Lac made during the year ended March 31, 2010 and during the nine months ended December 31, 2010 respectively, having regard to the fact that the said provision was not in accordance with the requirements of AS 29. The reversal of the provisions pertaining to the nine month period ended December 31, 2010 aggregating Rs. 2,660.82 Lac and the reversal pertaining to the year ended March 31, 2010 aggregating to Rs. 2,934.59 Lac has been included under the head "Exceptional Items" in the Profit and Loss account of the quarter and year ended March 31, 2011 respectively. Further, deferred tax asset of Rs. 1,909.53 Lac created upto December 31, 2010 and Rs. 974.79 Lac during the year ended March 31, 2010 has been reversed and included in the deferred tax charge for the quarter and year ended March 31, 2011. Consequentially,

the possible excise duty obligation of Rs. 8,896.71 Lac for clearances made after June 03, 2009 till March 31, 2011 and Rs. 12,176.56 Lac for clearances made prior to June 03, 2009 has been disclosed as Contingent Liability to the extent of the time horizon covered by show-cause notices issued by the excise department within the normal period of one year (from the date of clearance) under the excise laws.
Had the Company continued to make provisions on the same basis as in the previous quarter, the Profit after Interest but before Exceptional Items for the quarter and year ended March 31, 2011 would have been lower by Rs. 1,077.12 Lac and Rs. 3,737.94 Lac respectively. Further, balances as at March 31, 2011 in deferred tax asset and provisions would have been higher by Rs 2,164.90 Lac and Rs 3,737.94 Lac respectively and balance in Reserve and Surplus would have been lower by Rs.2547.84 Lac.
The Company will continue to review this matter during the coming accounting periods based on the developments on the outcomes in the pending cases and the legal advice that it may receive from time to time.

8. On March 25, 2011, the Company divested its edible oil brand "Sweekar" to Cargill India Private Limited for a consideration of Rs. 5,000.00 Lac. The divestment comprised assignment of trademark, designs, copyrights as also a non-compete agreement and limited period licensing for some of the intellectual rights. The Profit before Tax arising from this divestment aggregating Rs. 5,000.00 Lac has been included under the head "Exceptional Items" in the Profit and Loss Account for the quarter and year ended March 31, 2011.

9. "Depreciation, amortization and impairment" for the quarter ended March 31, 2011 includes net reversal of provision for impairment of assets of Rs.1.74 Lac (previous year charge of Rs. 139.31 Lac) and for the year ended March 31, 2011 includes net additional provision of Rs. 1.81 Lac (previous year charge of Rs. 1,565.72 Lac).

10. The service revenue of Kaya Skin Care business (Kaya Limited and Kaya Middle East FZE) includes packaged services in which the consideration is collected upfront towards services to be availed by the customers over a period of time covered by the package. These advances are non-refundable. However, due to inadequate measuring tools to record actual availment of services by customers against each package, the companies had been recognizing revenue on an estimated basis. During the year, the companies have been able to develop and deploy Point of Sale (POS) software to track the availment of services by customers against these packages and have accordingly refined the said policy so as to better align the recognition of revenue with the services rendered. Accordingly, during the quarter and the year ended March 31, 2011, an incremental amount of Rs.3,132.35 Lac collected upto March 31, 2011 in respect of which services are pending to be rendered as at the year end has been deferred for recognition and is reflected as Advances received from customers under the head "Current Liabilities".
Had these companies not made the said refinement of the accounting estimates, revenue from sale of services and consolidated profit before tax would have been higher by Rs. 3,132.35 Lac and Advances received from customers would have been lower by an equivalent amount. The said change has no cash flow impact (considering the non-refundable nature of the consideration) and only results in changes in timing of amounts recognized as revenue.

11. During the year, Kaya Limited has carried out impairment testing at the clinic level, which is a cash generating unit. While the overall future potential of the business as a whole is promising, for some of the clinics, likely future performance is not adequate to justify and cover the value in use. This resulted in an impairment provision of Rs. 774.21 Lac which is included in "Exceptional Items" in Profit and Loss account.

12. During the quarter, Kaya Limited has reviewed and revised the economic useful life of certain assets at its skin clinics and has depreciated these fixed assets over the balance revised economic useful life resulting in an additional charge of Rs. 309.46 Lac, which is included in "Depreciation, Amortization and Impairment".

13. During the quarter, Marico has recognized impairment of goodwill and intangible assets relating to Fiancée business. Accordingly a provision of Rs. 2,269.86 Lac comprising Rs. 881.81 Lac towards goodwill on consolidation and Rs. 1,388.05 Lac towards Fiancée brand has been made which is included in "Exceptional Items" in the Profit and Loss account.

14. Intangible Assets namely Brands and Intellectual Property Rights represented by Trademarks etc. are owned by certain foreign subsidiaries of the Company. The Management believes that these intangible assets have indefinite useful life. These companies are not amortizing the said assets in accordance with the requirements of the applicable local accounting standards in which their standalone financial statements are prepared.

Under Indian GAAP, under which the Consolidated Financial Statements are prepared, such intangible assets are required to be amortized over a period of 10 years. However, while preparing the Consolidated Financial Statements for the year ended March 31, 2010, the Company had continued the policy adopted by the overseas subsidiaries and accordingly had not amortized these intangible assets.
During the year the Company has reviewed this practice and has decided to amortize these intangible assets over a period of 10 years so as to align the policy with the Indian Accounting Standards. Accordingly, an amount of Rs. 953.11 Lac has been amortized in the consolidated financial results and is included in "Depreciation, Amortization and Impairment".
Had the Company continued to follow the policy of not amortizing such intangible assets as in the previous year, the Depreciation, Amortization and Impairment" for the quarter and year ended March 31, 2011 would have been lower by Rs. 953.11 Lac and the carrying value of the said intangible assets and the profit before tax for the quarter and year ended March 31, 2011 each would have been higher by the said amount.

15. Following are the particulars of the Company (on a standalone basis):

Rupees Lac

Particulars	Year ended March 31		Quarter ended March 31	
	2011	2010	2011	2010
Turnover	235,371.13	203,085.30	62,106.62	45,840.15
Profit Before Tax	37,455.33	29,257.22	17,069.09	7,088.64
Profit After Tax	31,533.26	23,501.88	13,180.57	6,040.60

Notes to Standalone financial results:

1 The information presented for the year ended March 31, 2011 is extracted from the audited financial statements for the year ended March 31, 2011. The said financial statements and results for the year ended March 31, 2011 were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 02, 2011.

2. The Company has only one reportable segment- "Consumer Products"- in terms of Accounting Standard 17 "Segment Reporting" mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006.

3. During the quarter, the Company acquired 85% stake in International Consumer Products Corporation (ICP), a company incorporated in Vietnam. The effective date of this acquisition is February 18, 2011.

4. 4. During the year ended March 31, 2010, the Company had made a provision of Rs. 2,934.59 Lac towards 75% of possible excise duty obligation which may arise in the event of unfavorable outcome of the matter in respect of coconut oil packed in container size up to 200ml and cleared on and after June 3, 2009, which is being contested by the Company. Based on the facts of the case and the legal opinion obtained in this regard, the Company had made an assessment that the probability of success in the matter is more likely than not. In terms of Accounting Standard (AS) 29 "Provisions, Contingent Liabilities and Contingent Assets", the possible obligation on this account could be in the nature of contingent liabilities, which need not be provided for in the accounts. Pending outcome of the matter, the Company had made the aforesaid provision in the accounts for the year ended March 31, 2010. The Management had, while finalizing financial results for the quarters ended June 30, 2010, September 30, 2010 and December 31, 2010, continued to make provision on the said basis and had provided Rs. 2,660.82 Lac for the first nine months ended December 31, 2010.

The Auditors had qualified their audit report for the year ended March 31, 2010 and limited review reports for the quarters ended June 30, 2010, September 30, 2010 and December 31, 2010, to the effect that the said provisioning was not in accordance with the requirements of AS 29.

As at March 31, 2011, the Company has reviewed the matter again and has taken a legal opinion, which has reaffirmed the earlier assessment that the probability of success in the matter is more likely than not. Considering the continued strength of the Company's case, the Company has, during the quarter ended March 31, 2011, reversed the entire provision of Rs. 2,934.59 Lac and Rs. 2,660.82 Lac made during the year ended March 31, 2010 and during the nine months ended December 31, 2010 respectively, having regard to the fact that the said provision was not in accordance with the requirements of AS 29. The reversal of the provisions pertaining to the nine month period ended December 31, 2010 aggregating Rs. 2,660.82 Lac and the reversal pertaining to the year ended March 31, 2010 aggregating to Rs. 2,934.59 Lac has been included under the head "Exceptional Items" in the Profit and Loss account of the quarter and year ended March 31, 2011 respectively. Further, deferred tax asset of Rs. 1,909.53 Lac created upto December 31, 2010 and Rs. 974.79 Lac during the year ended March 31, 2010 has been reversed and included in the deferred tax charge for the quarter and year ended March 31, 2011. Consequentially,

the possible excise duty obligation of Rs. 8,896.71 Lac for clearances made after June 03, 2009 till March 31, 2011 and Rs. 12,176.56 Lac for clearances made prior to June 03, 2009 has been disclosed as Contingent Liability to the extent of the time horizon covered by show-cause notices issued by the excise department within the normal period of one year (from the date of clearance) under the excise laws.

Had the Company continued to make provisions on the same basis as in the previous quarter, the Profit after Interest but before Exceptional Items for the quarter and year ended March 31, 2011 would have been lower by Rs. 1,077.12 Lac and Rs. 3,737.94 Lac respectively. Further, balances as at March 31, 2011 in deferred tax asset and provisions would have been higher by Rs 2,164.90 Lac and Rs 3,737.94 Lac respectively and balance in Reserve and Surplus would have been lower by Rs.2547.84 Lac.

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

5. On March 25, 2011, the Company divested its edible oil brand "Sweekar" to Cargill India Private Limited for a consideration of Rs. 5,000.00.Lac. The divestment comprised assignment of trademark, designs, copyrights as also a non-compete agreement and limited period licensing for some of the intellectual rights. The Profit before Tax arising from this divestment aggregating Rs. 5,000.00 Lac has been included under the head "Exceptional Items" in the Profit and Loss Account for the quarter and year ended March 31, 2011.

6. "Depreciation, amortization and impairment" for the quarter ended March 31, 2011 includes net reversal of provision for impairment of assets of Rs.1.74 Lac (previous year charge of Rs. 108.57 Lac) and for the year ended March 31, 2011 includes net additional provision of Rs. 1.81 Lac (previous year charge of Rs. 498.05 Lac).

7. "Exceptional Items" for the quarter and year ended March 31, 2011 includes provision for Impairment of brand "Fiancée" of Rs. 1388.05 Lac (refer Note 13 under the audited consolidated financial results for the year ended March 31, 2011).

8. Stock Options have been granted up to March 31, 2011 to certain eligible employees pursuant to the "Marico Employees' Stock Options Scheme 2007" ("the Scheme"). In all, 11,376,300 options were granted up to March 31, 2011 of which 3,588,700 options have been forfeited and 5,399,550 options have been exercised. During the quarter and year ended March 31, 2011, pursuant to the exercise of the stock options, the Company has allotted 103,400 and 5,073,850 equity shares of Re. 1 each, respectively, to employees resulting in increase in paid up share capital by Rs. 5,073,850. As on March 31, 2011, 2,388,050 options were outstanding.

9. a. During the quarter, the Company issued 10.05% Rated Taxable Unsecured Redeemable Non-convertible Debentures of face value of Rs. 10 Lac each aggregating to Rs. 5,000.00 Lac. These debentures have been listed on the National Stock Exchange after the Balance Sheet date but prior to approval of the Financial Statements by the Board.

b.The 8.25% Rated Taxable Secured Redeemable Non-convertible Debentures of Face Value Rs. 10 Lac each issued in the previous year, aggregating to Rs. 3,000.00 Lac are secured against first pari passu charge over land and building to the extent of asset cover of 1.91 times.

10. Ratios in respect of the Listed Secured / Unsecured Non-Convertible Debentures of Rs.8,000.00 Lac issued by the Company have been computed as follows –

a. Debt Equity Ratio = Total Debt / Shareholders' Funds

b. DSCR = (Profit after Tax + Interest on Long Term Loans + Depreciation, amortization and impairment) / (Interest on Long Term Loans + Principal Repayments of Long Term Loans)

c. ISCR = (Profit before Depreciation, amortization and impairment, Interest and Tax) / Total Interest Expense

11. At its meeting held on May 02, 2011, the Board of Directors of Marico Limited declared a second interim dividend of 36% (Re.0.36 per share of Re. 1 each) on paid up equity capital of Rs. 6,143.99 Lac. The dividend shall be paid to those shareholders whose names appear in the Register of Members as on May 9, 2011.

12. There were no investor complaints pending at the beginning of the quarter. 1 investor complaint was received and resolved during the quarter. There were no complaints lying unresolved as at March 31, 2011.

13. Previous quarter / period figures have been regrouped / restated wherever necessary.

14. These Financial Results and other related useful information are available on Marico's website - http://www.marico.com

Place : Mumbai
Date : May 02, 2011

Harsh C. Mariwala
Chairman & Managing Director