



Marico Limited

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2009

Quarter ended December 31		Particulars	(Rs. Lac)			SEGMENT - WISE			(Rs. Lac)		
2009	2008		Nine months ended December 31		Previous accounting year ended March 31, 2009 (Audited)	Year ended March 31, (Audited)	Quarter ended December 31		Nine months ended December 31		
			2009	2008	(Audited)	2009	2009	2008	2009	2008	
66,956.92	62,101.15	1. Net Sales / Income from Operations	205,850.04	182,246.62	238,842.15						
		2. Expenditure				222,014.69	62,471.45	57,777.96			
1,670.02	4,699.08	a. (Increase) / decrease in stock in trade and work in progress	1,535.92	(2,149.91)	(3,717.48)	16,827.46	4,485.47	4,323.19			
24,091.59	24,364.40	b. Consumption of raw materials	80,653.69	85,851.53	111,738.41	238,842.15	66,956.92	62,101.15			
5,429.39	4,938.94	c. Consumption of Packing Materials	16,265.84	15,001.08	18,683.66	-	-	-			
483.55	224.61	d. Purchase of traded goods	849.56	572.37	1,082.10	238,842.15	66,956.92	62,101.15			
4,739.58	4,078.31	e. Employees cost	14,646.23	12,291.47	16,573.85						
8,557.81	6,330.70	f. Advertisement & Sales Promotion	26,187.80	18,799.37	24,942.21						
1,657.22	975.40	g. Depreciation, amortisation and impairment (Note 7)	4,436.41	2,538.01	3,580.31	28,558.53	8,920.66	7,404.83			
12,107.25	9,550.98	h. Other expenditure (Note 6)	36,689.36	29,010.78	39,139.04	(1,115.16)	(481.27)	(159.01)			
58,736.41	55,162.42	i. Total	181,264.81	161,914.70	212,022.10	27,443.37	8,439.39	7,245.82			
8,220.51	6,938.73	3 Profit from Operations, before Interest & Exceptional Items (1-2)	24,585.23	20,331.92	26,820.05	3,004.58	374.66	678.10			
562.69	431.81	4 Other Income	1,296.06	907.50	1,220.24						
8,783.20	7,370.54	5 Profit before Interest & Exceptional Items (3+4)	25,881.29	21,239.42	28,040.29	28.17	78.33	(0.01)			
640.14	802.82	6 Interest	2,064.69	2,721.95	3,573.33	(0.71)	91.88	0.99			
8,143.06	6,567.72	7 Profit after Interest but before Exceptional Items (5-6)	23,816.60	18,517.47	24,466.96						
-	-	8 Exceptional Items (Notes 8 and 9)	(405.15)	-	(1,503.16)	24,467.67	8,051.18	6,566.72			
8,143.06	6,567.72	9 Profit before Tax (7+8)	23,411.45	18,517.47	22,963.80						
1,831.19	1,477.67	10 Tax expense	5,260.34	4,083.05	4,092.94						
6,311.87	5,090.05	11 Net Profit from Ordinary Activities after Tax (9-10)	18,151.11	14,434.42	18,870.86						
-	-	12 Extraordinary item (net of tax)	-	-	-	52,164.41	56,939.74	56,761.21			
6,311.87	5,090.05	13 Net Profit for the period before Minority Interest (11-12)	18,151.11	14,434.42	18,870.86	14,357.16	15,412.67	13,704.66			
91.88	0.99	14 Minority Interest (Note 10)	98.37	3.54	(0.71)	(21,172.61)	(9,157.41)	(27,234.83)			
6,219.99	5,089.06	15 Net Profit for the period (13-14)	18,052.74	14,430.88	18,871.57						
6,092.59	6,090.00	16 Paid-up Equity Share Capital (Face Value Rs.1 per share)	6,092.59	6,090.00	6,090.00	45,348.96	63,195.00	43,231.04			
		17 Reserves excluding Revaluation Reserves			39,258.96						
		18 Earnings Per Share (EPS)									
1.02	0.84	(a) Basic and diluted EPS before Extraordinary items for the period	2.98	2.37	3.10						
1.02	0.84	(b) Basic and diluted EPS after Extraordinary items for the period	2.98	2.37	3.10						
222,482,680	222,593,480	19 Public shareholding	222,482,680	222,593,480	222,443,480						
36.52	36.55	- Number of shares	36.52	36.55	36.53						
		- Percentage of shareholding									
		20 Promoters & Promoter Group Shareholding									
		(a) Pledged / Encumbered									
		- Number of Shares									
		- Percentage of Shares (as a % of total shareholding of promoters and promoter group)									
		- Percentage of Shares (as a % of total share capital of the company)									
		(b) Non-encumbered									
386,776,520	386,406,520	- Number of Shares	386,776,520	386,406,520	386,556,520						
100	100	- Percentage of Shares (as a % of total shareholding of promoters and promoter group)	100	100	100						
63.48	63.45	- Percentage of Shares (as a % of total share capital of the company)	63.48	63.45	63.47						

Notes to Consolidated Financial Results:

1. The Consolidated un-audited financial statements for both, the quarter and the nine months, ended December 31, 2009 were reviewed by the Audit Committee at its meeting held on January 28, 2010. These were approved by the Board of Directors of Marico Limited ("the Company") at its meeting held on January 28, 2010.
2. The Consolidated Financial statements 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.
3. The Consolidated financial results for the quarter and nine months ended December 31, 2009 comprise Marico Limited ("the Company"), Kaya Limited, Marico Bangladesh Limited, MBL Industries Limited, Marico Middle East FZE, Kaya Middle East FZE, Marico South Africa Consumer Care (Pty) Limited, Marico South Africa (Pty) Limited, CPF International (Pty) Limited, MEL Consumer Care SAE, Egyptian American Investment & Industrial Development Company SAE, Marico Egypt For Industries Company (SAE) (erstwhile Pyramid for Modern Industries), Wind CO, Marico Malaysia Sdn. Bhd. (with effect from December 4, 2009; also refer note 5 below) and Sundari LLC (up to June 8, 2009). All the aforesaid entities are collectively called 'Marico'.
4. The primary reporting of Marico is based on two business segments namely Consumer Products and Others which comprises Skin Care and Global Ayurvedics (up to June 8, 2009).
5. During the quarter, Marico Malaysia Sdn. Bhd., a wholly owned subsidiary of Marico Middle East FZE, completed the acquisition of brand Code 10 and associated intellectual property rights from Colgate-Palmolive Company (Colgate). The effective date of this acquisition is December 31, 2009. The un-audited financial statements of Marico Malaysia Sdn. Bhd. for the period starting from December 4, 2009 and ended on December 31, 2009 have been consolidated with that of Marico Limited.
6. The Company manufactures and markets pure coconut oil (CNO) under the brands Parachute, Nihar and Oil of Malabar. Such CNO is a 100 % natural product and meets all standards of edible oil as given in the Prevention of Food Adulteration Act. For the purpose of Excise, CNO is classified as a vegetable oil under Chapter 15 and attracts excise at nil rate. Although in the past the Central Excise Department ("Department") has attempted to classify CNO as hair oil by issuing show cause notices to some of the Company's job workers, the Company's stand has been vindicated by the decisions of Appellate Tribunal benches, confirming that CNO is not hair oil but a vegetable oil. Some of these decisions are being contested by the Excise Department in the Honourable Supreme Court.
On June 3, 2009, however, the Central Board of Excise & Customs (CBEC) issued a circular whereunder it classified coconut oil packed in container size up to 200 ml as hair oil, chargeable to excise duty. The Department has, at some locations, asked the Company / some of its job workers to clear coconut oil packs up to 200 ml. on or after June 3, 2009, only on payment of excise duty and issued show cause notices (including for periods prior to June 3, 2009). As the Circular and consequent actions by the Department are contrary to the classification under excise tariff and Appellate Tribunal decisions, the Company / its job workers have filed writ petitions with the Honourable High Courts of Mumbai (Goa bench) and Kerala challenging the validity of the Department's actions. The Honorable High Court of Mumbai has, in the interim, allowed dispatches of coconut oil in packs up to 200 ml without payment of excise duty based on the security of bank guarantees / surety bonds as applicable. The petition filed with the Honorable High Court of Mumbai is pending final disposal. The Honorable Kerala High Court has disposed of the petition with a direction that the excise authorities, cannot call upon the Company to pay excise duty on clearances of coconut oil packs up to 200 ml. till the disposal of the appeals filed by the Department before the Supreme Court. Pending outcome of the aforesaid matters, the Company has been, as a matter of abundant caution, making provisions towards the excise duty that may have to be paid on the dispatches of coconut oil in packs up to 200 ml. on or after June 3, 2009 and has accordingly made a provision of Rs. 1,100.00 Lac (included under the head "Other expenditure") for the quarter ended December 31, 2009. Such provision for the nine months ending December 31, 2009 aggregates Rs. 2,820.00 Lac.
This matter would be reviewed as at the year end based on further developments that may take place in this regard.
7. "Depreciation, amortization and impairment" for the quarter and the nine months ended December 31, 2009 includes provision for impairment of assets of Rs. 485.51 Lac and Rs. 1342.36 Lac respectively.
8. During the quarter ended June 30, 2009 (Q1 FY10), upon completion of necessary compliances under FEMA regulations, the Company divested its stake in Sundari LLC (Sundari) on June 8, 2009. Sundari ceased to be subsidiary of the Company from the said date. Accordingly, the financial statements of Sundari have been consolidated with that of Marico Limited for the period from April 1, 2009 to June 8, 2009 and debit balance in foreign currency translation reserve of Rs. 363.80 Lac, being cumulative translation adjustments arising on consolidation of Sundari and other translation related adjustments of Rs 167.18 Lac (loss) have been transferred to the Profit and Loss Account. The Loss of Rs.1,424.51 Lac on divestment was recognized during Q1 FY10 and adjusted against withdrawals from the provision of Rs.1,550.16 Lac made in the earlier year towards impairment in the net value of assets of Sundari and the resultant excess provision of Rs 125.84 Lac was written back. The net charge of Rs 405.15 Lac on account of the above has been disclosed as an Exceptional item for nine months ended December 31, 2009.
9. Exceptional items for the year ended March 31, 2009 comprised provision of Rs.1,550.16 Lac made towards impairment in the net value of assets of Sundari.
10. During the quarter ended September 30, 2009, Marico Bangladesh Limited (MBL) completed an Initial Public Offer of 3,150,000 equity shares of Taka 10 each at an issue price of Taka 90 per share (including a premium of Taka 80 each). The shares were allotted on August 28, 2009. With effect from that date, Marico Limited's equity stake in MBL reduced to 90% of MBL's enhanced paid up share capital. For the purpose of consolidation, the minority stake has been calculated in accordance with the prevailing accounting standards.
11. Stock Options have been granted to certain eligible employees pursuant to the "Marico Employees' Stock Options Scheme 2007" ("the Scheme"). In all, 10,315,000 options were granted up to December 31, 2009 of which 2,619,400 options have been forfeited. During the quarter and nine months ended December 31, 2009, pursuant to the exercise of the stock options, the Company has allotted 95,400 and 259,200 equity shares of Re. 1 each respectively to employees resulting in increase in paid up share capital by Rs. 259,200. Consequently, 7,436,400 options are outstanding as on December 31, 2009.
12. The Company has opted to publish consolidated financial results, pursuant to option made available as per clause 41 of the Listing Agreement. The Standalone financial results which were subjected to Limited Review by the statutory auditors 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)
13. There were no investor complaints pending at the beginning of the quarter. 15 investor complaints were received and 15 were resolved during the quarter. There were no complaints lying unresolved as at December 31, 2009.
14. Previous quarter / year figures have been regrouped / restated wherever necessary.
15. These Financial Results and other related useful information are available on Marico's website - <http://www.marico.com>

Place : Mumbai**Date : January 28, 2010****Harsh C. Mariwala
Chairman & Managing Director**

Marico is a leading Indian Group in Consumer Products & Services in the Global Beauty and Wellness space. Marico's Products and Services in Hair care, Skin Care and Healthy Foods generated a Turnover of about Rs. 23.9 billion (about USD 480 Million) during 2008-09. Marico markets well-known brands such as Parachute, Saffola, Sweekar, Hair & Care, Nihar, Shanti, Mediker, Revive, Manjal, Kaya, Aromatic, Fiancee, HairCode, Caviil and Black Chic. Marico's brands and their extensions occupy leadership positions with significant market shares in most categories- Coconut Oil, Hair Oils, Post wash hair care, Anti-lice Treatment, Premium Refined Edible Oils, niche Fabric Care etc. Marico is present in the Skin Care Solutions segment through Kaya Skin Clinics (100 in India and The Middle East) and its soap franchise (in India and Bangladesh).

Marico's branded products are present in Bangladesh, other SAARC countries, the Middle East, Egypt and South Africa. 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 was rated as one of the most innovative companies by Business Today-Monitor Group Innovation Study in 2008.

Marico has also won various other Awards, such as the following:

- Marico was awarded the NDTV Profit Business Leadership Award 2009 in the FMCG (Personal Hygiene) Category
- Kaya won the 'Most Admired Retailer for Health and Beauty' at the Images Retail Awards
- Kaya won a bronze at the Effie Awards 2009
- Marico won the Greentech Environment Excellence Award 2009 in the Silver Category in FMCG
- Marico won the 'Best in Class' Award (Second highest) for the Large Manufacturing category by the Asia Pacific Quality Organization
- Parachute was ranked 2nd Most Trusted Brand in Bangladesh by The Bangladesh brand forum - an affiliate of the Global Brand Forum, Singapore in 2008
- Parachute was accredited with "Super Brand" Status in UAE and Bangladesh

"Every month, over 70 Million consumer packs from Marico reach approximately 130 Million consumers in about 23 Million households, through a widespread distribution network of more than 2.5 Million outlets in India and overseas.

Marico's focus on sustainable profitable growth is manifest through its consistent financial performance - a CAGR of 24% in Turnover and 28% in Profits over the past 5 years- while setting a record of several consecutive quarters of year on year growth- 41 for Profits and 37 for Sales.

The Marico scrip is listed on the Bombay Stock Exchange (BSE) (Code 531642) & on the National Stock Exchange (NSE) (Code "MARICO").

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Websites: www.marico.com, www.saffolalife.com, www.kayaclinic.com, www.parachuteadvanced.com, and www.maricoinnovationfoundation.org



Marico Limited

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2009 (Standalone)

(Rs. Lac)

Quarter ended December 31		Particulars	Nine Months ended December 31		Year ended March 31, (Audited)
2009	2008		2009	2008	2009
50,539.44	50,261.24	1. Net Sales / Income from Operations	157,245.15	149,232.97	192,184.75
		2. Expenditure			
1,660.35	5,237.27	a. (Increase) / decrease in stock in trade and work in progress	1,480.60	(1,335.32)	(2,778.68)
19,243.54	20,100.74	b. Consumption of raw materials	63,498.52	74,472.81	95,323.92
4,127.91	4,186.26	c. Consumption of Packing Materials	12,308.05	13,031.42	16,897.06
1,337.15	1,387.02	d. Purchase of traded goods	6,177.07	3,807.01	5,006.86
2,570.34	2,041.27	e. Employees cost	7,796.46	6,153.40	8,417.80
5,366.56	4,046.40	f. Advertisement & Sales Promotion	16,963.31	13,484.99	16,955.75
528.49	463.47	g. Depreciation, amortization and impairment (Note 4)	1,766.36	1,237.11	1,702.74
7,970.43	5,934.03	h. Other expenditure (Note 3)	24,427.88	19,908.05	26,891.60
42,804.77	43,396.46	i. Total	134,418.25	130,759.47	168,417.05
7,734.67	6,864.78	3 Profit from Operations, before Interest & Exceptional Items (1-2)	22,826.90	18,473.50	23,767.70
322.73	164.19	4 Other Income	813.74	588.48	1,013.78
8,057.40	7,028.97	5 Profit before Interest & Exceptional Items (3+4)	23,640.64	19,061.98	24,781.48
440.07	650.68	6 Interest	1,472.06	2,343.54	2,891.83
7,617.33	6,378.29	7 Profit after Interest but before Exceptional Items (5-6)	22,168.58	16,718.44	21,889.65
-	-	8 Exceptional items (Notes 5 and 6)	-	-	(4,786.48)
7,617.33	6,378.29	9 Profit before Tax (7+8)	22,168.58	16,718.44	17,103.17
1,488.40	1,206.59	10 Tax expense	4,707.30	3,165.26	2,890.83
6,128.93	5,171.70	11 Net Profit from Ordinary Activities after Tax (9-10)	17,461.28	13,553.18	14,212.34
-	-	12 Extraordinary item (net of tax)	-	-	-
6,128.93	5,171.70	13 Net Profit for the period / year (11-12)	17,461.28	13,553.18	14,212.34
6,092.59	6,090.00	14 Paid-up Equity Share Capital (Face value Re.1 per share)	6,092.59	6,090.00	6,090.00
-	-	15 Reserves excluding Revaluation Reserves (as per balance sheet) of previous accounting year	-	-	30,681.62
-	-	16 Earnings Per Share (EPS) Not Annualised			
1.01	0.85	(a) Basic and diluted EPS before Extraordinary items for the period / year	2.87	2.23	2.33
1.01	0.85	(b) Basic and diluted EPS after Extraordinary items for the period / year	2.87	2.23	2.33
222,482,680	222,593,480	17 Public Shareholding			
36.52	36.55	- Number of Shares	222,482,680	222,593,480	222,443,480
		- Percentage of Shareholding	36.52	36.55	36.53
-	-	18 Promoters & Promoter Group Shareholding			
		(a) Pledged / Encumbered			
		- Number of Shares	-	-	-
		- Percentage of Shares (as a % of total shareholding of promoters and promoter group)	-	-	-
		- Percentage of Shares (as a % of total share capital of the company)	-	-	-
		(b) Non-encumbered			
386,776,520	386,406,520	- Number of Shares	386,776,520	386,406,520	386,556,520
100	100	- Percentage of Shares (as a % of total shareholding of promoters and promoter group)	100	100	100
63.48	63.45	- Percentage of Shares (as a % of total share capital of the company)	63.48	63.45	63.47

Notes to Standalone Financial Results:

1. The standalone un-audited financial statements for both, the quarter and the nine months, ended December 31, 2009 were reviewed by the Audit Committee at its meeting held on January 28, 2010. These were approved by the Board of Directors of Marico Limited ("the Company") at its meeting held on January 28, 2010. These financial results have been subjected to a limited review by the statutory auditors of the Company.
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. The Company manufactures and markets pure coconut oil (CNO) under the brands Parachute, Nihar and Oil of Malabar. Such CNO is a 100 % natural product and meets all standards of edible oil as given in the Prevention of Food Adulteration Act. For the purpose of Excise, CNO is classified as a vegetable oil under Chapter 15 and attracts excise at nil rate. Although in the past the Central Excise Department ("Department") has attempted to classify CNO as hair oil by issuing show cause notices to some of the Company's job workers, the Company's stand has been vindicated by the decisions of Appellate Tribunal benches, confirming that CNO is not hair oil but a vegetable oil. Some of these decisions are being contested by the Excise Department in the Honourable Supreme Court.

On June 3, 2009, however, the Central Board of Excise & Customs (CBEC) issued a circular whereunder it classified coconut oil packed in container size up to 200 ml as hair oil, chargeable to excise duty. The Department has, at some locations, asked the Company / some of its job workers to clear coconut oil packs up to 200 ml. on or after June 3, 2009, only on payment of excise duty and issued show cause notices (including for periods prior to June 3, 2009). As the Circular and consequent actions by the Department are contrary to the classification under excise tariff and Appellate Tribunal decisions, the Company / its job workers have filed writ petitions with the Honourable High Courts of Mumbai (Goa bench) and Kerala challenging the validity of the Department's actions. The Honourable High Court of Mumbai has, in the interim, allowed dispatches of coconut oil in packs up to 200 ml without payment of excise duty based on the security of bank guarantees / surety bonds as applicable.

The petition filed with the Honorable High Court of Mumbai is pending final disposal. The Honorable Kerala High Court has disposed of the petition with a direction that the excise authorities, cannot call upon the Company to pay excise duty on clearances of coconut oil packs up to 200 ml. till the disposal of the appeals filed by the Department before the Supreme Court.

Pending outcome of the aforesaid matters, the Company has been, as a matter of abundant caution, making provisions towards the excise duty that may have to be paid on the dispatches of coconut oil in packs up to 200 ml. on or after June 3, 2009 and has accordingly made a provision of Rs. 1,100.00 Lac (included under the head "Other expenditure") for the quarter ended December 31, 2009. Such provision for the nine months ended December 31, 2009 aggregates Rs. 2,820.00 Lac.

This matter would be reviewed as at the year end based on further developments that may take place in this regard.

4. "Depreciation, amortization and impairment" for the quarter and the nine months ended December 31, 2009 includes provision for impairment of assets of Rs. 33.76 Lac and Rs. 423.25 Lac respectively.
5. During the quarter ended June 30, 2009 (Q1 FY10), upon completion of necessary compliances under FEMA regulations, the Company divested its stake in Sundari LLC (Sundari) on June 8, 2009. Sundari ceased to be subsidiary of the Company from the said date. Accordingly, the loss on sale of investment of Rs.604.65 Lac was recognized during Q1 FY10 and adjusted against withdrawals from the provision of Rs. 604.65 Lac made in earlier years towards diminution in the value of the said investments. Consequently, there is no impact on the financial results for Q3 FY10 and for the nine months ended December 31, 2009.
6. Exceptional items for the year ended March 31, 2009 comprised write-off of non-recoverable advances of Rs.4,786.48 Lac (including interest thereon) given to Sundari LLC.
7. During the quarter, the Company made further equity investments in Marico Middle East FZE (MME), its wholly owned subsidiary. MME made equity investments in its wholly owned subsidiary Marico Malaysia Sdn. Bhd., which was incorporated during the current quarter.
8. Stock Options have been granted to certain eligible employees pursuant to the "Marico Employees' Stock Options Scheme 2007" ("the Scheme"). In all, 10,315,000 options were granted up to December 31, 2009 of which 2,619,400 options have been forfeited. During the quarter and nine months ended December 31, 2009, pursuant to the exercise of the stock options, the Company has allotted 95,400 and 259,200 equity shares of Re. 1 each respectively to employees resulting in increase in paid up share capital by Rs. 259,200. Consequently, 7,436,400 options are outstanding as on December 31, 2009.
9. There were no investor complaints pending at the beginning of the quarter. 15 investor complaints were received and 15 were resolved during the quarter. There were no complaints lying unresolved as at December 31, 2009.
10. Previous quarter / year figures have been regrouped / restated wherever necessary.
11. These Financial Results and other related useful information are available on Marico's website - <http://www.marico.com>

Place : Mumbai

Date : January 28, 2010

Harsh C. Mariwala
Chairman & Managing Director