# MARICO LIMITED

**PART I** (Rs. in Lacs)

**STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2013.**

| Particulars | Quarter ended | | | Year ended |
|---|---|---|---|---|
| | June 30, 2013 (Unaudited) | March 31, 2013 (Unaudited) (Note 12) | June 30, 2012 (Unaudited) | March 31, 2013 (Audited) |
| **1 Income from operations (Note 5)** | | | | |
| a. Net Sales / Income from Operations (Net of excise duty) | 137,966.11 | 99,725.57 | 126,720.75 | 458,434.93 |
| b. Other operating income | 270.62 | 133.59 | 311.97 | 1,184.02 |
| **Total income from operations (net)** | **138,236.73** | **99,859.16** | **127,032.72** | **459,618.95** |
| **2. Expenses** | | | | |
| a. Cost of materials consumed | 56,728.88 | 53,123.17 | 56,507.11 | 222,079.47 |
| b. Purchases of stock-in-trade | 2,972.26 | 1,678.93 | 5,137.40 | 11,659.62 |
| c. Changes in inventories of finished goods, work-in-progress and stock-in-trade (Increase) / decrease | 7,403.85 | (10,704.32) | 3,048.71 | (12,746.05) |
| d. Employee benefits expenses | 10,581.08 | 9,867.65 | 9,473.85 | 38,055.29 |
| e. Depreciation and amortization expense (Note 9 (a)) | 2,060.65 | 2,533.12 | 1,932.80 | 8,662.36 |
| f. Advertisement & Sales Promotion | 17,613.81 | 12,567.85 | 15,585.28 | 59,793.78 |
| g. Other expenses | 19,968.05 | 21,297.43 | 18,582.72 | 78,197.16 |
| **Total Expenses** | **117,328.58** | **90,363.83** | **110,267.87** | **405,701.63** |
| **3 Profit from operations before other income, finance costs and Exceptional Items (1-2)** | **20,908.15** | **9,495.33** | **16,764.85** | **53,917.32** |
| 4 Other Income | 1,394.51 | 1,016.77 | 1,191.77 | 3,752.84 |
| **5 Profit from ordinary activities before finance costs and Exceptional Items (3+4)** | **22,302.66** | **10,512.10** | **17,956.62** | **57,670.16** |
| 6 Finance costs | 1,209.34 | 1,126.46 | 1,351.94 | 5,802.63 |
| **7 Profit from ordinary activities after finance costs but before Exceptional Items (5-6)** | **21,093.32** | **9,385.64** | **16,604.68** | **51,867.53** |
| 8 Exceptional items (Note 9) | 242.85 | 3,320.60 | - | 3,320.60 |
| **9 Profit from ordinary activities before Tax (7+8) (Note 5)** | **21,336.17** | **12,706.24** | **16,604.68** | **55,188.13** |
| 10 Tax expense (net of MAT credit entitlement) | 5,124.79 | 4,057.25 | 4,026.36 | 14,619.03 |
| **11 Net Profit from ordinary activities after Tax (9-10) (Note 5)** | **16,211.38** | **8,648.99** | **12,578.32** | **40,569.10** |
| 12 Extraordinary item (net of tax) | - | - | - | - |
| **13 Net Profit for the period / year (11-12)** | **16,211.38** | **8,648.99** | **12,578.32** | **40,569.10** |
| 14 Share of profit / (loss) of associates | - | - | - | - |
| 15 Minority Interest | 438.76 | 262.69 | 194.82 | 982.63 |
| **16 Net Profit after taxes, minority interest and share of profit / (loss) of associates (13±14-15)** | **15,772.62** | **8,386.30** | **12,383.50** | **39,586.47** |
| 17 Paid-up Equity Share Capital (Note 11) (Face Value Re. 1 per share) | 6,448.23 | 6,447.72 | 6,445.22 | 6,447.72 |
| 18 Reserves excluding Revaluation Reserves (as per Balance Sheet) | | | | 191,704.32 |
| **19 Earnings Per Share (EPS)** | | | | |
| i EPS before Extraordinary items for the period / year | | | | |
| (a) Basic | 2.45 | 1.30 | 1.97 | 6.18 |
| (b) Diluted | 2.45 | 1.30 | 1.96 | 6.17 |
| ii EPS after Extraordinary items for the period / year | | | | |
| (a) Basic | 2.45 | 1.30 | 1.97 | 6.18 |
| (b) Diluted | 2.45 | 1.30 | 1.96 | 6.17 |



**PART II**

**SELECT INFORMATION FOR THE QUARTER ENDED JUNE 30, 2013.**

| Particulars | Quarter ended | | | Year ended |
|---|---|---|---|---|
| | June 30, 2013 | March 31, 2013 | June 30, 2012 | March 31, 2013 |
| **A PARTICULARS OF SHAREHOLDING** | | | | |
| **1 Public shareholding** | | | | |
| - Number of shares | 259,754,779 | 259,653,279 | 258,983,479 | 259,653,279 |
| - Percentage of shareholding | 40.28 | 40.27 | 40.18 | 40.27 |
| **2 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 | | | | |
| - Number of Shares | 385,068,520 | 385,118,520 | 385,538,520 | 385,118,520 |
| - Percentage of Shares (as a % of total shareholding of promoters and promoter group) | 100.00 | 100.00 | 100.00 | 100.00 |
| - Percentage of Shares (as a % of total share capital of the company) | 59.72 | 59.73 | 59.82 | 59.73 |

| | PARTICULARS | Quarter Ended June 30, 2013 |
|---|---|---|
| **B** | **INVESTOR COMPLAINTS** | |
| | Pending at the beginning of the quarter | 0 |
| | Received during the quarter | 6 |
| | Disposed of during the quarter | 5 |
| | Remaining unresolved at the end of the quarter | 1 |



# MARICO LIMITED

(Rs. in Lacs)

## STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2013.

| Particulars | Quarter ended | | | Year ended |
|---|---|---|---|---|
| | June 30, 2013 (Unaudited) | March 31, 2013 (Unaudited) (Note 12) | June 30, 2012 (Unaudited) | March 31, 2013 (Audited) |
| **1. Segment Revenue (Note 4)** | | | | |
| (a) Consumer Products | | | | |
| i. Domestic | 100,078.55 | 69,746.66 | 93,419.91 | 325,258.03 |
| ii. International | 29,476.99 | 21,579.55 | 25,550.05 | 100,759.96 |
| | 129,555.54 | 91,326.21 | 118,969.96 | 426,017.99 |
| (b) Skin Care | 8,681.19 | 8,532.95 | 8,062.76 | 33,600.96 |
| **Sub - total** | **138,236.73** | **99,859.16** | **127,032.72** | **459,618.95** |
| Less: Inter Segment revenue | - | - | - | - |
| **Net Sales / Income from Operations** | **138,236.73** | **99,859.16** | **127,032.72** | **459,618.95** |
| **2. Segment Result (Note 4)** | | | | |
| **(Profit before Interest and Tax and exceptional items)** | | | | |
| (a) Consumer Products | | | | |
| i. Domestic | 20,143.63 | 12,646.18 | 18,506.66 | 58,123.37 |
| ii. International | 3,212.84 | 336.94 | 1,706.29 | 6,641.37 |
| | 23,356.47 | 12,983.12 | 20,212.95 | 64,764.74 |
| (b) Skin Care | 306.28 | (160.52) | (725.90) | 75.54 |
| **Sub - total** | **23,662.75** | **12,822.60** | **19,487.05** | **64,840.28** |
| Less: Interest (net) | 373.27 | 451.94 | 768.29 | 3,511.20 |
| Add: Un-allocable income | 224.28 | 269.61 | 583.19 | 1,319.29 |
| Less: Un-allocable expense | (2,420.44) | (3,254.63) | (2,697.27) | (10,780.84) |
| **Total Profit before Tax and Exceptional Items** | **21,093.32** | **9,385.64** | **16,604.68** | **51,867.53** |
| **3. Capital Employed** (Segment Assets - Segment Liabilities) (Note 4) | | | | |
| (a) Consumer Products | | | | |
| i. Domestic | 75,488.81 | 153,088.84 | 136,447.88 | 153,088.84 |
| ii. International | 50,358.22 | 48,526.48 | 58,183.85 | 48,526.48 |
| | 125,847.03 | 201,615.32 | 194,631.73 | 201,615.32 |
| (b) Skin Care | 16,203.78 | 14,155.14 | 17,427.63 | 14,155.14 |
| Add: Unallocated Capital Employed | (5,322.32) | (17,618.42) | (37,259.63) | (17,618.42) |
| | **136,728.49** | **198,152.04** | **174,799.73** | **198,152.04** |

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**Notes to the Marico Limited Consolidated financial results:**

1. The Consolidated un-audited financial results for the quarter ended June 30, 2013 were reviewed by the Audit Committee and approved by the Board of Directors of Marico Limited ("the Company") at their meeting held on August 12, 2013. These consolidated financial results for the quarter ended June 30, 2013 have been subjected to limited review by the statutory auditors of the Company.

2. 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 the 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).

3. The Consolidated financial results for the quarter ended June 30, 2013 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'.

4. The primary reporting of consolidated financial results of Marico is based on two business segments namely "Consumer Products" and "Skin Care". The Company has bifurcated the financial results of its Consumer product business segment into India Business and international Business, by way of providing supplementary information.

5. On January 7, 2013, the Board of Directors of Marico Limited approved a Scheme of Arrangement for demerger of the business undertaking of Kaya ("Kaya Business") with effect from appointed date, April 1, 2013 ('the Scheme') subject to all regulatory and statutory approvals. The Scheme envisages the de-merger of Kaya Business into a new Company, "Marico Kaya Enterprises Limited ('MaKE')", which was incorporated on January 19, 2013 for the purpose. As a consideration, the shareholders of Marico Limited as on the record date shall be issued 1 share of MaKE with a face value of Rs. 10 each for every 50 shares of Marico with a face value of Re. 1 each. Consequently, the shareholding structure of MaKE will mirror the shareholding structure of Marico Limited.

   On July 30, 2013, as directed by the Hon'ble High Court of judicature at Mumbai, a meeting of the shareholders of Marico Limited was convened. At this meeting, the shareholders have approved the proposed scheme of de-merger. The Company will now apply to the Bombay High Court for its final approval to the scheme.

   Kaya business relates to the skin care segment and comprises the results of Kaya Limited, Kaya Middle East FZE, Derma-Rx International Aesthetics Pte. Ltd, The Drx Clinic Pte Ltd, The DRx Medispa Pte. Ltd, DRx Investments Pte. Ltd. And Drx Aesthetics sdn. Bhd.

   Given below are the results of the Kaya Business included in the Consolidated Financial Results for each of the periods represented:



(Rs. in Lacs)

| Particulars | Quarter ended | | | Year ended |
|---|---|---|---|---|
| | June 30, 2013 | March 31, 2013 | June 30, 2012 | March 31, 2013 |
| Net Sales / Income from Operations | 8,681.19 | 8,532.95 | 8,062.76 | 33,600.96 |
| Profit from ordinary activities before tax | 339.93 | (2,650.18) | (967.44) | (3,311.77) |
| Profit from ordinary activities after tax | 217.13 | (2,682.67) | (1,093.89) | (3,704.14) |

6. The Company, on May 29, 2012, concluded the effective acquisition of the personal care business of Paras Pharmaceuticals Limited ("PPL") through Marico Consumer Care Limited ("MCCL"), a wholly owned subsidiary of the Company. As a result, the consolidated financial results for the quarter ended June 30, 2012 included the performance of this business only for a part of the quarter while the consolidated financial results for the quarter ended June 30, 2013 include the performance of this business for the entire quarter.

7. The Honourable Bombay High Court vide its order dated June 21, 2013 has approved the Scheme of Capital Reduction pertaining to Marico Consumer Care Limited (MCCL) (a wholly owned subsidiary) for adjustment of intangible assets aggregating Rs. 72,371.98 lacs, against the Share Capital and Securities Premium.

8. Pursuant to the Announcement of the Institute of Chartered Accountants of India's ("ICAI") "Accounting for Derivatives" on encouraging the early adoption of Accounting Standard 30 ("AS 30"), "Financial Instruments: Recognition and Measurement", the Company had, commencing from the year ended March 31, 2009, decided on early adoption of AS 30 to the extent it does not conflict with existing mandatory accounting standards and other authoritative pronouncements, Company Law and other regulatory requirements. Accordingly, the net unrealised gain/ (loss) of Rs. (7,971.08) lacs as at June 30, 2013 [Rs. (5,249.45) lacs as at March 31, 2013 and Rs. (6,305.64) lacs as at June 30, 2012] in respect of outstanding derivative instruments and foreign currency loans at the period end which qualify for hedge accounting, stands in the 'Hedge Reserve', which would be recognised in the Statement of Profit and Loss on occurrence of the underlying transactions or forecast revenue.



9. "Exceptional Items" for the quarter and year ended March 31, 2013 comprised the following.

(Rs. In Lacs)

| | Quarter ended | Quarter and year ended |
|---|---|---|
| | **June 30, 2013** | **March 31, 2013** |
| Surplus on change in method of depreciation (Refer note (a) below) | NIL | 3,745.05 |
| Impairment loss relating to Kaya Skin Clinics in India / Middle East (Refer note (b) below) | NIL | (1,745.97) |
| Reversal of impairment loss on "Fiancee" trademark (Refer note (c) below ) | NIL | 905.25 |
| Profit on distribution of assets by Halite to MCCL on voluntary liquidation (Refer note (d) below) | NIL | 591.33 |
| (Incremental provision) / Reversal towards contingent consideration relating to DRx entity- Singapore | 242.85 | (175.06) |
| **Total** | **242.85** | **3,320.60** |

a) Effective January 1, 2013, the Company has retrospectively changed its method of providing depreciation on Factory Building and Plant & Machinery from the 'Written Down Value Method' to 'Straight Line Method' at the rates prescribed in Schedule XIV to the Companies Act, 1956. This change results in a more appropriate presentation and will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits flow to the Company. Accordingly, the Company has recognised the surplus of Rs. 3,745.05 lacs arising from this retrospective change during quarter ended March 31, 2013.

Had the previous method of depreciation been followed, depreciation charge for the quarter ended March 31, 2013 and June 30, 2013 would have been higher by Rs. 296.48 lacs and Rs. 244.98 lacs, respectively, and the profit before tax would have been lower by of an equivalent amount.

(b) During the year ended March 31, 2013, the management had, as in the previous year, carried out impairment assessment in respect of Skin business at the clinic level, which the management considers as the relevant cash generating unit. This resulted in an impairment provision of Rs. 1,745.97 lacs, which is shown as Exceptional Items.

(c) During the year ended March 31, 2011, the Company had recognised an impairment loss of Rs. 1,388.05 lacs, towards brand "Fiancee". During the quarter and year ended March 31 2013, the Company has reassessed the value in use and accordingly reversed an impairment loss of Rs. 905.25 lacs.

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(d) The shareholders of Halite vide a special resolution at their extra ordinary general meeting held on January 18, 2013, resolved that the Company be voluntarily liquidated. The shareholders also appointed a liquidator. In view of the liquidation, the liquidator, on March 25, 2013, distributed the assets of Halite (viz. intellectual property rights, cash at bank and tangible fixed assets) to MCCL, being the sole shareholder of Halite. MCCL has taken over assets of Halite at fair values, determined by an independent valuer, as applicable. On distribution, MCCL received assets in excess of its Equity investment in Halite, resulting in profit of Rs. 591.33 lacs, which is shown as an exceptional item.

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

(Rs. In Lacs)

| | Quarter ended June 30, 2013 | Quarter ended March 31, 2013 | Quarter ended June 30, 2012 | Year ended March 31, 2013 |
|---|---|---|---|---|
| Net Sales / Income from Operations | 105,538.53 | 73,133.08 | 97,212.35 | 339,882.53 |
| Profit before tax | 17,592.02 | 14,471.19 | 16,713.51 | 54,198.05 |
| Profit after tax | 13,806.81 | 11,060.51 | 13,335.53 | 42,908.58 |

11. Stock Options were granted up to June 30, 2013 to certain eligible employees of the Company pursuant to the "Marico Employees' Stock Options Scheme 2007" ("the Scheme"). In all, 11,376,300 options were granted up to June 30, 2013 of which 4,702,465 options have been forfeited and 6,411,535 options have been exercised. During the quarter ended June 30, 2013, pursuant to the exercise of the stock options, the Company has allotted 51,500 equity shares of Re. 1 each, to employees resulting in increase in paid-up share capital by Rs. 0.52 lacs and Securities premium reserve by Rs. 28.06 lacs. As on June 30, 2013, 262,300 options were outstanding.

12. The figures for the quarter March 31, 2013 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of relevant financial year.

13. Previous periods / year figures have been regrouped / reclassified to make them comparable with those of current period / year.

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

Place: Mumbai

Date: August 12, 2013

Harsh C. Mariwala

Chairman & Managing Director

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**About Marico:**

Marico (BSE: 531642, NSE: "MARICO") is one of India's leading Consumer Products & Services Group, in the global beauty and wellness space. During 2012-13, Marico recorded a turnover of Rs. 46 billion (USD 836 Million) through its products and services sold in India and about 25 other countries in Asia and Africa.

Marico touches the lives of 1 out of every 3 Indians, through its portfolio of brands such as Parachute, Parachute Advansed, Saffola, Hair & Care, Nihar, Livon, Setwet, Zatak, Mediker, Revive and Manjal. The International Consumer Products portfolio contributes to about 22% of the Group's revenue, with brands like Parachute, HairCode, Fiancée, Caivil, Hercules, Black Chic, Code 10, Ingwe, X-Men, L'Ovite and Thuan Phat.

Marico's focus on sustainable profitable growth is manifest through its consistent financial performance, a CAGR of 19% in Turnover and Profits over the past 5 years.

As part of Marico's Green Initiative your Company wants to make its contribution to save the environment by sending its shareholders the Annual Report and other communication using the electronic medium. Therefore, we request you to update your email addresses with your respective Depository Participant (DP) where you hold your DEMAT accounts. Alternatively, you can mail us at investor@maricoindia.net with your email address, Name, DP ID and Client ID. We thank you for supporting this Green Initiative."

Registered Office: 7th Floor, Grande Palladium, 175 CST Road, Kalina, Santacruz (East), Mumbai - 400098, India.

Email: investor@maricoindia.net.

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

