

July 2, 2021

The Secretary,  
Listing Department,  
BSE Limited,  
1<sup>st</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400001  
Scrip Code: 531642

The Manager,  
Listing Department,  
The National Stock Exchange of India Limited,  
Exchange Plaza, C-1 Block G,  
Bandra Kurla Complex, Bandra (East),  
Mumbai – 400051  
Scrip Symbol: MARICO

**Subject: Quarterly Update – Q1 FY2021-22**

Dear Sir/Madam,

Please find enclosed an update on the operating performance and demand trends witnessed during the quarter ended June 30, 2021. The same will also be made available on the website of the Company shortly.

This will be followed by a detailed Information Update once the Board of Directors of the Company approves the un-audited consolidated and standalone financial results for the quarter ended June 30, 2021, on July 30, 2021.

Thank you.

Yours faithfully,

For **Marico Limited**

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by HEMANGI  
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GHAG Date: 2021.07.02  
11:47:35 +05'30'

**Hemangi Ghag**  
**Company Secretary & Compliance Officer**

Encl.: As above



## Quarterly Update: Q1 FY22

*This update seeks to provide an overall summary of the operating performance and demand trends witnessed in the quarter ended 30<sup>th</sup> June, 2021. A detailed Information Update will follow this once the Board approves the financial results for Q1 FY22.*

Healthy momentum in demand witnessed in March sustained for the first three weeks of April, until the second COVID surge in India hit alarming levels and led to the resumption of lockdown-like curbs in various states. The impact on public health was more severe this time around, as the pandemic also reached the rural pockets of the country. However, the impact on business was lesser than the first wave witnessed last year, as supply chains were evolved enough to cope with localized and staggered lockdowns and retail stores were also allowed to operate for limited number of hours during the day. Demand in South and West India, which are relatively higher salience regions for the Company, was particularly slower due to heavier caseloads and extended lockdown restrictions. As COVID positivity rates subsequently dropped to pre-second wave levels, overall demand has been trending better since early June.

The India business delivered 30% plus revenue growth, backed by a robust double-digit volume growth. A marginal correction of the historical revenue skew from Q1 towards the previous quarter (Q4FY21) is imputed into this quarter's performance. **Parachute Coconut Oil** delivered ahead of medium term expectations. **Saffola Edible Oils** posted low double-digit volume growth, despite a high base. **Value Added Hair Oils** recovered smartly across the entire franchise, albeit on a low base, which was due to billing constraints during most of April last year. The **Foods** portfolio revenue more than doubled year-on-year with the Oats franchise continuing its strong run and recent launches scaling up well in line with medium term expectations. **Premium Personal Care** (constitutes less than 5% of domestic revenues) also recovered sharply over last year, but ended below pre-COVID levels.

The International business posted constant currency growth in the low 20's on the back of sustained momentum in Bangladesh and broad based recovery across other markets.

As key input costs started easing after peaking at the start of this quarter, gross and operating margins should see significant sequential improvement in Q1 and thereafter trend towards medium term expectations. However, operating margin in the quarter will drop sharply on a year-on-year basis, given the exceptionally high base (due to rationalisation of A&P spends and other overheads in the base quarter) and the arithmetic (high denominator) effect of significant pricing-led growth. Owing to the above, the Company expects muted bottom line growth in the quarter.

We are seeing improving demand trends, as the second wave appears to be receding and the vaccination drive is progressing steadily. While there are apprehensions of a third wave, the Company is adequately prepared to tackle any disruptions in the business environment resulting from the same, given a large majority of our own members and all extended third party resources have received the first dose of vaccination.

The Company maintains its aspiration of delivering sustainable and profitable volume-led growth over the medium term, enabled by the strengthening brand equity of its core franchises and new engines of growth reaching critical mass.

## **About Marico:**

Marico (BSE: 531642, NSE: "MARICO") is one of India's leading consumer products companies in the global beauty and wellness space. During FY 2020-21, Marico recorded a turnover of about INR 80.5 billion (USD 1.1 billion) through its products sold in India and chosen markets in Asia and Africa.

Marico touches the lives of 1 out of every 3 Indians, through its portfolio of brands such as Parachute, Saffola, Saffola FITTIFY Gourmet, Saffola ImmuniVeda, Saffola Arogyam, Saffola Mealmaker, Hair & Care, Parachute Advansed, Nihar Naturals, Mediker, Kaya Youth O2, Coco Soul, Revive, Set Wet, Livon, Veggie Clean, KeepSafe, Travel Protect, House Protect and Beardo. The International consumer products portfolio contributes to about 23% of the Group's revenue, with brands like Parachute, Parachute Advansed, HairCode, Fiancée, Caivil, Hercules, Black Chic, Code 10, Ingwe, X-Men, Mediker SafeLife, Thuan Phat and Isoplus.

### **Marico Limited**

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### Websites:

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