

May 12, 2026

The Secretary,
Listing Department,
BSE Limited,
1st 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

Sub: Transcript of the earnings conference call

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, copy of transcript of the earnings conference call held on Tuesday, May 5, 2026 on the audited financial results and operations of the Company for the quarter and financial year ended March 31, 2026, is enclosed.

The said transcript is also available on the Company's website at
https://marico.com/investorspdf/Marico_Limited_Q4FY26_Earnings_Call_Transcript.pdf.

This is for your information and records.

Thank you.

Yours faithfully,
For **Marico Limited**

Vinay M A
Company Secretary & Compliance Officer

Encl.: As above



**“Marico Limited
Q4FY26 Earnings Conference Call”**

May 05, 2026

**MANAGEMENT: MR. SAUGATA GUPTA – MD & CEO, MARICO LIMITED
MR. PAWAN AGRAWAL – GROUP CFO & CEO-
INTERNATIONAL BUSINESS, MARICO LIMITED**

Moderator:

Ladies and gentlemen, good day, and welcome to the Marico Limited Q4 FY '26 Earnings Conference Call. We have with us today the senior management team of Marico Limited, Mr. Saugata Gupta, MD and CEO; and Mr. Pawan Agrawal, Group CFO and CEO, International Business.

As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone.

Before we get started, I would like to remind you that the Q&A session is only for the institutional investors and analysts. And therefore, if there is anybody else who is not an institutional investor or analyst, but would like to ask questions, please directly reach out to the Marico Investor Relations team.

I now hand the conference over to Mr. Saugata Gupta. Thank you, and over to you, sir.

Saugata Gupta:

Hi, everyone, and good evening to all those who have joined the call. With FY '26 having concluded, I will begin with a brief overview of the operating environment, after which I will take you through our performance and strategic priorities going forward.

During the quarter, demand sentiment remained broadly stable, supported by benign inflation, improving rural sentiment and favorable policy stimulus. These are further aided by the enhanced affordability following the GST rate rationalization implemented during the financial year. We are optimistic of a gradual improvement in consumption trends in the quarters ahead, supported by these factors. However, the onset and progression of monsoon as well as the inflationary impact of the West Asia crisis will remain a key monitorable.

I will now move to our performance. FY '26 marked a year of strong execution in a tough operating environment. Volume growth in India business, constant currency growth in International business and consolidated revenue of Marico reached multi-year highs. The India business continued its improving volume growth trajectory during the quarter. Offtakes remained robust with more than 95% of the portfolio gaining or sustaining market share and over 90% maintaining or improving penetration on a MAT basis. Investments under Project SETU are yielding visible results particularly in rural reach and execution quality, supporting the revival and sustained growth of general trade this year. In parallel, alternate channels, including organized retail, e-commerce and quick commerce continue to scale strongly, driving differential growth in urban and premium portfolios.

Delving deep into our key categories, Parachute continued to demonstrate strong resilience during the quarter and delivered low single-digit volume growth after adjusting for mlage adjustments. With copra prices having corrected to about 35% from peak levels and expected to remain rangebound from here on, we have passed on the benefits to consumers through some selective pricing actions. As pricing stabilizes, we expect the recovery in consumption with a

pickup in volume growth, which will be evidently visible from Q1 FY '27 itself. Our strengthened distribution and robust back end and supply chain capabilities position us well as compared to the smallest players in current situation, while the brand has continued to strengthen its leadership position during the year.

Value Added Hair Oils delivered robust growth in this quarter led by volume growth in the low 20s and meaningful market share gains. The portfolio grew 20% this year, backed by strong momentum in the mid and Premium segments, which is non-Shanti Amla portfolio. These high-margin segments have delivered close to double-digit volume growth on a two-year CAGR basis. We have also entered the almond oil category under the Hair & Care franchise and we have made considerable inroads in modern trade already. We expect VAHO to sustain its double-digit volume-led growth trajectory, supported by a focused innovation pipeline, improved availability following GST rationalization and distribution expansion under Project SETU.

Saffola Edible Oils delivered steady performance in an elevated pricing environment. As we enter FY '27, we expect stable growth while maintaining our focus on the threshold level of profitability. We will remain disciplined in passing on necessary input cost movements through calibrated pricing actions while continuing to drive premiumization and pushing for higher growth in cold pressed oils, Saffola Gold and total variants.

Food transitioned to a mid-teen growth on the back of double-digit growth in core Saffola Foods in Q4. The Foods portfolio exited the year at INR1,000 plus crores in revenue. We now have a wholesome play in foods with our portfolio spanning from mainstream health and wellness with Saffola, clean label and modern breakfast and snacking with True Elements, Premium Gourmet snacking with 4700BC and functional nutrition with Cosmix and Plix. You must note that this growth is being delivered alongside a significant improvement in profitability. Our focus remains on building fewer, bigger and more profitable plays while driving category development through innovation and strong execution.

In Premium Personal Care, we continue to scale with a clear focus on profitable growth. The portfolio comprising Serums, Male Grooming and Skin Care exited the year at an ARR of INR 350-plus crores. The digital-first portfolio of Premium Personal Care exited FY '26 at INR1,100 crores plus ARR. The scale-up of this portfolio is being accompanied by a structural improvement in profitability as we aim to exit FY '27 at a double-digit EBITDA margins and eventually teens EBITDA margins in FY '30. Beardo and Plix remain on an accelerated growth trajectory with improving profitability.

Our digital transformation continues to accelerate with 55% of Marico's core advertising spends now directed towards digital media. Of course, it is 100% spends in the digital brands. Consequently, the combined revenue share of Foods and Premium Personal Care, including digital-first brands in the India business, moved up to 23% this year despite the sharp pricing-led growth in the core portfolio. We expect the share of these new businesses to expand to about 27%, which was earlier targeted to reach 25% in FY '27 and aspire to move about one-third of our business by FY '30.

Moving to the international business, we delivered robust growth this year, supported by broad-based performance across markets and portfolio diversification. Bangladesh maintained its strong momentum while Vietnam, South Africa and the export market continued scaling up as key-growth engines, strengthening the resilience of the portfolio. In MENA, performance in the Gulf region during the quarter was impacted by near-term supply side constraints in March, while Egypt continued to deliver strong growth.

We'll continue to monitor the impact on sales in some markets of the Middle East, which contributes to only 4% of our total turnover, but we see no immediate major concern. We're also making steady progress in premiumizing our portfolio across markets, driven by expansion into beauty and personal care categories and supported by innovation. This is expected to drive both differential growth and margin expansion over the medium term.

Our ongoing diversification and premiumization effort across India and international business markets are already reshaping our growth construct in a meaningful way. By FY '30, we expect to have substantially transformed the portfolio, resulting in lowering the share of commodity-linked businesses from more than 70% to 50% over a decade.

To sum up, we have delivered on our aspirations across key performance parameters while navigating a highly volatile input cost environment and strengthened the underlying growth drivers of the business. More notably, we have delivered double-digit profit growth despite facing unprecedented inflation in key inputs. This performance reflects the resilience and pricing power of our core categories, profitable scale-up of our new businesses and the strength of our operating model anchored in supply chain agility, cost discipline and the result of ramping up of investments in future-ready capabilities.

Despite ongoing geopolitical tension, we have maintained strong supply chain assurance through strategic positioning across raw materials, packaging materials and finished goods, and do not foresee any material disruption in the near term. Further, we believe that our supply chain and back-end advantages will act as a competitive advantage over smaller players and drive superior volume growth and market share gains from these players during the next few quarters.

We remain focused on consistently driving competitive top quartile outcomes in the near term. We expect to sustain high single-digit volume growth in the India business in FY '27. The international business is expected to maintain strong momentum and mid-teen constant currency growth driven by broad-based performance across markets. At a consolidated level, we aim to deliver double-digit revenue growth to cross INR15,000 crores in revenues and high-teen EBITDA growth, subject to stable macros.

On the cost front, we are witnessing divergence in input trends, while copra prices have corrected meaningfully declining by approximately 35% from peak levels, vegetable oils and other crude-linked inputs continue to exhibit an upward bias driven by ongoing geopolitical tensions in the Middle East. While we benefit from tailwinds in copra, we will mitigate cost pressures through calibrated pricing actions and cost management initiatives. So far, the weighted average input

cost increase next year, therefore, is extremely marginal. We have already implemented price hikes, which will neutralize the impact.

Over the medium term, our strategy remains anchored in driving profitable growth through expansion of the total addressable market, sharper portfolio choices, accelerated premiumization and continued investments in digital media analytics, automation and AI capabilities. This calibrated yet ambitious approach to growth, underpinned by strong execution capabilities and disciplined capital allocation gives us the confidence in our ability to deliver consistent, sustainable and profitable growth over the medium term.

We will aim to maintain our current track record of top quartile volume growth in India and teens constant currency growth in international business. At a consolidated level, we will aim to sustain double-digit revenue growth to comfortably cross INR20,000 crores in revenues and aspire for mid-teen EBITDA growth by FY '30. Our growth trajectory reflects both ambition and execution scaling from INR10,000 crores to INR15,000 crores in just two years and adding another INR5,000 crores plus by FY '30. With a transformed portfolio as we continue to build fewer, bigger, bolder and faster pace, a resilient operating model and a disciplined capital allocation, we believe we are well positioned to deliver this sustained profitable growth at scale as we cross our journey into 2030.

With that, I conclude my remarks. Thank you, and we can now take some questions.

Moderator: Thank you very much. We will now begin the question and answer session. We have the first question from the line of Abneesh Roy from Nuvama Wealth. Please go ahead.

Abneesh Roy: Congrats. I have three questions. First is on international business. Two subparts to it. One is Bangladesh, there is a sharp acceleration of sales growth to 35% versus full-year growth of 25%. So any one-off here? Was there some delayed pricing, which is benefiting now? Or was it a soft base? And given now in FY '27 entire year, a democratically elected government is there versus a very fragile government in most part of FY '26 in Bangladesh, what will be the outlook?

Second subpart to the international piece is MENA, obviously, in the March month was challenging for all FMCG companies, which were having business there. In April month, are there alternate channels from which maybe the business has seen some improvement. So if you could update on April. I understand March, there was a sharp decline or maybe no business for most companies. How has April been?

Saugata Gupta: In Bangladesh, we have been extremely steady. Now obviously, there are some pricing which has been taken into account. But I think overall as long as we continue to deliver, Bangladesh has been a critical component and has continued to remain resilient and therefore, with annualized double-digit growth, we are happy.

We believe that we have been resilient in Bangladesh and continue to diversify and deliver consistent growth. We'll continue to invest behind brands and diversify. We are pretty confident

about delivering this number. Coming to MENA, March, obviously, there were issues on shipment. So there's a difference between impact on offtake and impact on the primary sale, because primary sale is a function of some of the shipments. There are alternative routes. We just don't feed MENA from India, some of the stuff goes through Egypt, there are alternative routes there. So therefore, I think what I alluded to in the call is that, broadly, the impact, I mean, is less and we will wait and see how the situation unfolds. But I think in terms of offtake, we have no reason to have significant concern.

Abneesh Roy:

Understood. My second question is on some of the recent acquisitions. So if you could give us some update on 4700BC and some of the other ones in India and Vietnam, etcetera. What is the initial scale up in distribution? Any initial shocks because in M&A, generally, we see in India, especially everything looks quite positive initially, but when actual business comes up in the first year, there are a few challenges, either inventory buildup or any other channel. So any learnings you can share on any of the recent acquisitions?

Saugata Gupta:

So I think firstly, those challenges happen when there is a 100% sale happens. We now have a playbook of ensuring how the integration happens, how we do the valuation, what are the things we look into. I think it has been a positive start. One of the things we do is we ensure that we partner with fantastic set of founders. In all the cases, the unique set of brands. And therefore, we have had positive starts, no hiccups. And I think the one big change that has happened now that we have a house of brands, we are seeing the impact of synergy at least in the back end, which benefits long-term profitability, long-term traction or even, for example, if you know that like in a brand like a Popcorn and 4700BC, we see a price point pack can be taken over by GT. We have actually started immediate synergies on modern trade. So it started off a very well. And as I said, that we don't acquire or buy stake in places where there is we believe that the business is fundamentally weak or unit economics is not there. And I mean, so far, our success rate on that front has been fairly okay.

Abneesh Roy:

Understood. Last quick question. So I think you are one of the unique companies from an FY '27 perspective, where the raw material is deflationary, I think for most other companies, clearly, there is a sharp inflation. But if I see your raw material construct out of 4, 3 are quite inflationary. The big one is deflationary. So if you could tell us as a basket, how things stand? I do understand things are volatile on a daily basis. But some sense if you can give us as a basket, how much is it up now?

Second is, you did say some corrective action. So is there a MRP cut also? Or is it just select grammage intervention, select promotions being changed, et cetera, in Parachute? And one final question here. So can you cross-subsidize your inflationary part of the portfolio? Because the bulk of the portfolio, copra is deflationary. Can you cross subsidize your foods and personal care by this, which can give you market share gains also?

Pawan Agrawal:

From a pricing perspective, what we have done is since we have seen that copra prices have come down by approximately 35% from the peak, we have taken price cuts in non-price point

and small packs to the extent of about 10% or so. We haven't really taken any call in terms of increasing the grammage. But as of now, that's the call that we have taken.

Now on your question of cross-subsidizing, we always take a portfolio approach. Of course, we have to keep in mind in terms of what are the expectations from a profit delivery standpoint. And of course, we'll keep calibrating those calls and take a portfolio approach in terms of when we take the calls on pricing, etc..

Now coming to a margin, for next year, of course, there are a lot of moving parts. As you rightly said, yes, we have a tailwind in terms of copra prices where we have some gains coming in as compared to from the high base of last year. But because the crude where it is at this point in time and where it will move, we don't know. But still, if you look at our guidance, what we've given is that if situations were to normalize, we would target to deliver about high teens EBITDA growth, which, in fact, is slightly higher than what we had guided in the previous call. But this definitely assumes that situation should normalize soon. But if it doesn't really sort of, then it's difficult to sort of tell where exactly we will be.

Saugata Gupta:

And just to add, I think, to what Pawan said that, normally, whenever there is Parachute deflation, which I think now in terms of our overall proactiveness and managing deflation is much better. But having said that, this is a unique year where we believe that given the supply chain constraints and other challenges the smaller players will face, I think this is advantageous for us. So therefore, instead of cross subsidizing, we have a kind of a competitive advantage this year if this supply situation and all these constraints continue.

Moderator:

We will take the next question from the line of Mihir Shah from Nomura. Please go ahead.

Mihir Shah:

Congrats on the very good performance. I wanted to just understand on your rationale behind the upward revision on the EBITDA guidance as this is despite the new acquisitions, which could have some drag on the margins, plus the inflation in crude derivatives that we are seeing currently is very sharp. I believe in 3Q, as Pawan highlighted, you had highlighted about mid-teen EBITDA growth and now it's been high teens. So what is driving the change in assumptions? I would appreciate some thoughts on those?

Saugata Gupta:

So I think two things. Firstly, just to give a perspective, 2 of the 3 acquisitions, for example, Cosmix and SkinetiQ are profitable. As you know, SkinetiQ is in the mid-20s, Cosmix is in the high teens. And number two, as we talked about in Plix, which is a large part of the digital business, which is also experiencing an upward trajectory in operating margins. Now we have a firmer view of copra, which is now going to be range bound for the rest of the year. And we have a stress test version of what crude could be, of course, it is very difficult to predict. Obviously, we have taken some pricing action in that part of the portfolio where there has been impact in input costs, which we have taken immediately when this issue happened in March.

Therefore, we have a firmer view and this is a best case view given the current situation. And obviously, as I said, that there has been far better visibility of what the digital business

profitability improvement agenda is and what we can achieve. And as I said, the one more thing which we have done is now that we have a basket of brands or portfolio brands in digital where synergies are coming in, I think we have been able to realize better gains in terms of input costs and procurement and other cost drivers. Secondly, I believe that one of the significant competitive advantage or a capability which we have honed over the last four years is ability to handle adversity. And this started during COVID. We faced Ukraine where there was input cost inflation. We had our own unique adversity in terms of 100% increase in copra prices. So we manage the situation far more proactively in terms of supply chain assurance and other things. So I think a combination of all that, where given the current situation is the best case visibility, which suggests that we should be able to deliver a high teens. When I talked about in Jan, obviously, we now have much more firmer data and visibility of that.

Mihir Shah: Got it. Thank you. That's very clear. Secondly, on Saffola, both the volumes and pricing has seen some improvement on a sequential basis. And it also actually in the press note highlighted that there was some pantry stocking up in the early part of March due to the West Asia crisis. So I wanted to check just, one, the level of pricing that will be required on Saffola to maintain margins. Two, any pantry stocking up? And what can be the sustainable volume levels for Saffola for FY '27?

Saugata Gupta: As I said, we have made it clear in Saffola, we are okay to have a low to mid-single-digit volume growth subject to a threshold level of margin. So wherever there has been input cost increase, we'll pass it on, and we have done already. Now coming to the other important thing we are doing is we are focusing on Saffola Gold, Total and Cold pressed oils, which is the higher-margin portfolio and higher realization portfolio. So there is no change. And obviously, given the volatility, volume and value growth could fluctuate in quarter-to-quarter.

Mihir Shah: Understood. And just one last clarification on VAHO. Did I hear you correctly when you said there was 20-plus percent volume growth in VAHO and wanted to understand, is there any anniversary of pricing should one expect during the first half of FY '27 in VAHO which cut...

Saugata Gupta: There would be some pricing.

Pawan Agrawal: So we already have taken about 6% to 7% price increase in response to whatever increase we have seen in crude derivatives. So yes, so that's the price increase that we've taken. And with respect to volume growth, what you asked for, yes, in quarter 4, it was 20% plus volume growth in the VAHO portfolio.

Mihir Shah: Got it, clear. Thank you so much. Wish you all the very best.

Moderator: We will take the next question from the line of Avi Mehta from Macquarie. Please go ahead.

Avi Mehta: Just wanted to kind of understand you pointed about supply chain constraints that are present by the smaller players and especially in Parachute. Could you give us a sense on how is it? Where

are we, what are the kind of constraints you're facing to better appreciate the competitive advantage that you were kind of alluding to?

Saugata Gupta:

See, I think it could be, as you know, all polymers, packaging material, it could be fuel in the factory. Now we don't have such constraints. We have ensured to the best of our ability, these things are managed. And also, obviously, ability to foresee, for example, any smart player would have bought in advance in March, early March because this issue started off on 27 February. Obviously, some people had a window of ensuring that you have that supply chain assurance, which gives you both the cost advantage and as well as supply chain advantage. So a smaller player's response times, ability to foresee these would be lower. And also what happens when it's high inflation, they have working capital constraints, they are not able to stock and have kind of a position buildup in these. So that's the advantage. And we have seen this during COVID. We have seen this in highly inflationary times that this is a good thing for us because normally in a deflationary environment, they become active. we have reasons to believe they are no longer active that much even if there is a deflationary environment in copra because all the other things have neutralized that copra impact for them.

Avi Mehta:

Saugata, the advantages that we saw, which started probably towards the start of the conflict, would it be fair that competitive landscape is broadly the same. It's not kind of changed materially from there on despite government trying to reduce gas availability, etc. So it's more it's something that should sustain could sustain for some time. Is the right read through is that how...

Saugata Gupta:

It depends. Obviously, as I said, the issue is that today's packaging material, there is inflation and there is some kind of what I won't call it lack of availability, but there is constrained availability. Obviously, a small player's ability to cope with that is lower, and it is going to continue for some time.

Avi Mehta:

Got it. So it makes some inflation plus availability, which is why this time it's going to be, which is what kind of gives us more confidence from and hence, the upgrade is what you are essentially kind of setting?

Saugata Gupta:

That's right.

Avi Mehta:

Got it. And the last bit I just wanted to kind of get a sense, see, on the Foods portfolio, we have now kind of broadly come out of any -- when we kind of look at the growth momentum kind of going forward, we are now it's fair to expect profitability plus a 25% kind of plus growth momentum now is something that we can kind of achieve here? Or is inflation a concern and hence their growth could take a hit? Any color over their income?

Saugata Gupta:

I think, let's take it as a 20% as a base case and then we will see.

Avi Mehta:

Perfect, sir. That's all from my side. Thank you very much.

Moderator: Thank you. We will take the next question from the line of Harit Kapoor from Investec. Please go ahead.

Harit Kapoor: Just two or three from me. One was on the gross margin side on the standalone entity. Given that sequentially, I know, we normally see some sequential drops. But given that there has been a sharp improvement sequentially. Is it fair to assume that the low-cost base completely starts playing out in quarter 1 only for copra? Is that the right way to think about it?

Pawan Agrawal: That will start playing out from quarter 1. But let me not get into quarter-wise as to what could be the gross margin expansion. But rather, I would want to paint a picture for the full year. And I believe for full year, about 300 to 400 basis points improvement over the exit of FY '26 is fairly possible.

Harit Kapoor: Got it. And just one thing on your sense on this consumption uptick, which it looks like in quarter 4, right? You've seen a lot of the companies actually deliver numbers which are ahead of third quarter trajectories. I mean, what would be your kind of prognosis thought process at least on a top-down basis on what's kind of driving this at a sector level would be great to hear your comments.

Saugata Gupta: See, if you look at the second half of the year, I think two things would have happened, I would say that, one, of course, some of the parts of the sector were lapping a slightly softer base. But more than that, rural had earlier recovered. We started seeing a recovery in urban. It's a combination of, obviously, the GST rate rationalization and the affordability factor led to the price drops, which we had taken. See, also what has happened is that, especially in food now that everything is 5%, so unbranded to branded or unpackaged to packaged conversion is going to likely to get accelerated with that. And we are also seeing in Value Added Hair Oils, for example, as a large category where there is some unbranded small players. So the gap is actually pretty small.

Secondly, I think we continue to enjoy good period of very low inflation. Low inflation helps in FMCG consumption. Ultimately, people are aspirational. They want to get into aspirational brands as disposable income increases. And even now as we speak, I think the government has done a fantastic job of containing the kind of a shock which other countries, a lot of emerging markets have faced because of the current crisis. I think we have been insulated. And therefore, we believe that, the sector and especially the organized part of the sector because, as I said, that they have a better coping ability in terms of handling these kind of adversity. So it looks okay for the sector and definitely looks okay for us because as far as we are concerned, we are inflation neutralized to a large extent.

Harit Kapoor: Great. And just one last, bookkeeping was on the tax rate. Just any sense on FY '27 at a consolidated level would be helpful.

Pawan Agrawal: Yes, you could consider around 20% or so.

- Harit Kapoor:** Got it. That's it from me. Thank you. Wish you all the best.
- Moderator:** Thank you. We will take the next question from the line of Tejash Shah from Avendus Spark Institutional Equities. Please go ahead.
- Tejash Shah:** Congrats on good set of numbers. So I have just one question. See, we have been navigating macro headwinds well over the past few quarters, in fact, past few years. And while the government has kind of parallelly for the last one year or one and a half year is trying to revive consumption by making a lot of interventions. So as we look ahead next year, our growth confidence is primarily driven by internal execution? Or are you beginning to see signs of sustainable consumption recovery at ground level as well?
- Saugata Gupta:** As I said, in the second half of the year, the sector has started accelerating. Having said that, at the end of the day, we have to ensure that we continue to deliver top quartile performance. We believe that we have multiple vectors of growth, whether the recovery of the Core, SETU has significantly given us a distribution reach advantage, the VAHO turnaround, the diversification strategy, the stable business in international and the significant profitable growth trajectory of digital. So I think multiple vectors are playing out. And sometimes 1 or 2 are not playing, might not play. For example, I mean we had a short term issue in Middle East. But I believe if I have 8 to 10 vectors of growth, and they are in a symphony, 1 or 2 strings not working, even then we are pretty confident of delivering what we are seeking to achieve.
- Tejash Shah:** And lastly, the government's effort, fiscal effort also has been led by state governments also in some cases. So are you seeing any divergent growth trend in some of those states where, let's say, there's a lot of push to put more money in hands of bottom end of the consumer? Or is it very secular as of now?
- Saugata Gupta:** I think it's pretty secular. Obviously, it's also, for us it has been a function of where we have got deeper gains because of SETU. Because as you know, in some of the states, our distribution, especially the direct distribution was under-indexed, and therefore, we are seeing that. Obviously, because of our portfolio, especially in Food and Premium Personal Care, the metros. But to us, I think one of the things which is unique to us, we called it out first before others is that we need to get GT back on track. We started investing behind SETU, invested to say that the general trade contributes so much to the country, create so much employment, I think and which is the source of competitive advantage for us because the entry barriers have decreased in OT, but it continues to be in GT. I think our systematic investment, and we believe that we owe it into the entire general trade, our distribution partners and everything to increase the viability. So to us, that is a big thing. And therefore, we believe independent of what happens in a state consumption or anything, this will help us to grow and consistently grow.
- Tejash Shah:** Very clear. Thanks and all the best for coming quarters.
- Moderator:** Thank you. We will take the next question from the line of Arnab Mitra from Goldman Sachs. Please go ahead.

Arnab Mitra: So congratulations on a great year, Saugata and Pawan. My first question is on Foods. So if I look at the 16% growth, I assume this includes turnover part quarter turnover from the acquisition. So if you could just help me understand how the organic business has done relative to the last couple of quarters? And are you seeing an improvement there and what are the buildings of there for FY '27 as you go ahead in the organic part of the food business?

Pawan Agrawal: So I think the first good news is that in the quarter, the Core Saffola Foods has grown in double digits. Now why overall foods growth is still not looking all that great in this quarter is because True Elements is lapping up the base quarter, which was a high base. And secondly, we've also taken some SKU rationalization call over there for some of the low GC products to accelerate the path of profitability in True Elements. However, we definitely expect teens growth in True Elements in FY '27 also. And thirdly, also for Plix, over the last 3 to 4 quarters, Plix is now more pivoting more to Personal Care. And therefore, the contribution of Plix in the Foods growth is progressively coming down. So these are the reasons as to why Foods growth despite inclusion of 4700 and Cosmix is at about 16% - 17%. But as Saugata alluded earlier in the call that we definitely believe going ahead, it will be in the range of at least 20% to 25%, if not more.

Saugata Gupta: And it's not the entire quarter of Cosmix, it's a few days. We started doing it and I think maybe 50 days or something.

Arnab Mitra: Got it. So in that sense, like for next year, then I think you spoke about 20% plus growth in Foods, you should potentially be able to do a lot more because the organic business also is recovering, and you will get a full year plus I assume there will be a ramp-up in that business. So just wanted to check whether you think the foods growth can be higher because of the M&A also adding to that 20%?

Saugata Gupta: I think we took a base case, let's take it at 20% to 25%, I think, but we'll see. As I said that I don't think we have any concern as far as Foods is concerned, at least immediately, and you will see the results coming from quarter 1. That's all I can say.

Arnab Mitra: Got it. My second question actually was, I just wanted to go back to the Bangladesh performance because last two quarters, there has been a very strong acceleration from 22%, 29% and 35% growth rate. So just wanted to understand, is the pricing cycle on coconut oil there going different from India in the sense that is Bangladesh also likely to see a deflation now on pricing or the price trends there are different and therefore, the inflation led growth could continue in the coconut oil business?

If you could just help understand a little bit on how the last two quarters have accelerated and if we should think this will decelerate immediately or it's a gradual go back to that mid-teens kind of a growth that we have historically had.

Pawan Agrawal: I think we shouldn't read too much into the quarterly swings. On a steady-state basis, we expect definitely to deliver double-digit growth in Bangladesh. Specifically talking about the last couple of quarters, I believe it's a combination of good performance of both core and the newer portfolio

comprising shampoo, baby, etc. And I think it's also driven by a decent volume growth. So therefore, going ahead, I think from a guidance standpoint, we would say that at least double-digit growth is for sure, is going to be delivered. And I think one other thing which we are being watchful is about as to what happens on the consumption side, depending on the inflation, etcetera. But over there also, I believe that the robust business foundation and strong moats that we've built over the years and the favorable cost structure, we believe that we are in a unique position to sort of whether any of these kind of things play out, we would be in a position to sort of deliver healthy growth in this market.

Arnab Mitra: Got it, got it. Thanks so much. That's it from my side.

Moderator: Thank you. We will take the next question from the line of Vivek Maheshwari from Jefferies. Please go ahead.

Vivek Maheshwari: Great results. Two questions. The first question is, and I understand there is a fair amount of volatility because of whatever is happening around us. But when I just look at your guidance of INR15,000 crores Fy '27 revenues and high-teen EBITDA growth, if I just calculate the margins, the margins are actually lower than what you would have done in like four out of five years in the past, whether FY '25, '24.

Is it -- so -- and this is despite the fact that copra is correcting, your mix is getting better, some of the new initiatives have started to contribute, the portfolio mix is getting better. So is it just because of the uncertainty that you have given this guidance as a base case? Or am I missing something? Would love to know that.

Pawan Agrawal: Are you suggesting that we are not going back to the peaks of the operating margin? Is that what your question is?

Vivek Maheshwari: So your margins here, Pawan -- yes, so it's still -- way lower than what where, let's say, the last five, six years margin highs were. So I just want to understand what am I missing if there is something dramatically different from, let's say, '21, '23, '24, '25? What am I missing then?

Pawan Agrawal: So one thing which has to be kept in mind, Vivek, is that peak margin was also a year where we had low inflation in all the commodities. Now in this year, while we would have copra tailwind, but where the crude is at this point in time, there could be hit in the crude-led derivatives. Now broadly, what we've said is in gross margin terms, we expect about 350 to 400 bps expansion for FY '27. We would up the A&P investment again from the current levels. I believe maybe 200, 250 basis points can be increased in the A&P, and balance 150 bps to about 200 bps base case in case of 150 bps is the operating margin expansion that we are looking at. The operating margin percentage is also a function of where your revenue is because we have had a significant revenue growth and therefore, denominator effect also plays out. So while we are delivering ~17% in this year, it's also because of significant denominator effect. So therefore, keeping in mind all these things, we are saying about 150 basis points expansion. And therefore, if you do

the math, it will come out to about high teens EBITDA growth next year from a guidance standpoint that we have given.

Vivek Maheshwari: Right. But Pawan, just to follow up and just to clear my understanding, in the past, and as I said, 3 out of 5 -- actually, sorry, my bad, not 4 out of 5, but 3 out of 5, the margins were closer to let's say 20. This time around, your other parts of the portfolio mix VAHO, which is a high-margin portfolio is also doing better. So I don't want to -- so is there a possibility that the guidance is a bit more conservative sitting today? Or it is just the volatility, which is what is driving this kind of guidance?

Pawan Agrawal: Vivek, I think we would be the only company who would be giving this kind of a guidance in this kind of environment of high-teen EBITDA growth. So I don't think there is a conservatism which has been factored into it. But we also need to be mindful in terms of the environment that we are operating in. And still, we are saying that despite at 110 of crude and crude-led derivatives where it is trading at this point in time, we are still sticking out our neck and saying that we would be delivering 150 bps of expansion in operating margin, we will deliver high-teen EBITDA growth. I think that's more than one can expect, I guess.

Vivek Maheshwari: No, no, totally agree Pawan. No doubt about it.

Saugata Gupta: Let us stabilize also in the sense that let the situation stabilize maybe after 1 or 2 quarters, you will get a better visibility.

Vivek Maheshwari: Sure, sure. And I just want to clarify, it was just about the math rather than anything, not to say that your guidance and your disclosures continue to be the top notch, I would say. The second, without making it very abstract and open-ended thing, but Saugata and Pawan, what will be the top 1 or 2 things because your execution is good in the toughest of the commodity cycle, you have done very well versus peers also, you have done extremely well, your new product strategy, D2C, whatever premiumization, everything has been good.

What are the top 1 or 2 things that you worry about at this juncture for FY '27 and which we should also monitor for your business?

Saugata Gupta: So I think if you look at it, obviously, the macro geopolitical situation is important. Fortunately, of course, our Middle East contribution is low. And obviously, in FMCG and the kind of portfolio we have, whenever there is inflation, it has an impact in terms of consumers either down trading. See the macro factors. I believe as far as internal factors are concerned, the way we are going about doing it, and we are on a momentum on that. I don't see that as an issue. But obviously, we have to watch out for the macro factor because if you see historically, inflation is FMCG consumption is biggest enemy, especially in the bottom of pyramid or in rural. And the last one is another monitorable is if it is a strong El Niño your, in terms of El Nino effect impacting consumption towards the back half of the year, stretching into the quarter 1 of next year. But all these factors are not Marico factors. But I believe at this stage, I think in terms of

the machine that is running, we are okay. Right now, there are more of the external factors than internal factors.

Vivek Maheshwari: Got it. Very interesting. Thank you very much. Wish you and your team all the very best.

Moderator: Thank you. We will take the next question from the line of Nihal Mahesh Jham from HSBC Securities. Please go ahead.

Nihal Mahesh Jham: I had two questions. First is on the PCNO part. So what would be the relative price index at this point in time after we've taken the price cuts? And given a firm view of corporate, you already have, what is the incremental pricing action we are thinking?

Saugata Gupta: As of now, I think we have taken that what Pawan alluded to at around a 10%-ish on the non-price point packs. I believe copra will be range bound. And if we could manage with this, we'll manage. We'll see, wait and see. And as I said, that we seem to be in a relatively advantageous position compared to the other deflationary cycles because of weaker competitive positioning because of all the supply chain issues.

Nihal Mahesh Jham: Right. But the 10% cut would still, from an RPI perspective, take a premium to the loose coconut oil. So is that something we'll consider in terms of readjusting or we are not looking at that as a metric.

Pawan Agrawal: Even last year, when the copra prices increased by more than 120%, 130%, we did not take as much price increase. We have taken about 60% price increase. So from a pricing RPI standpoint, we are not significantly off. And as I said, we have taken calls on certain non-price if required and depending on copra trajectory, we might take certain call. But at this point in time, the visibility is that we would want to stay with this.

Saugata Gupta: And just to add, I think the price elasticity model has got challenged in the last year because we were ourselves surprised because of the strong brand equity of Parachute that we are able to carry on a flat volume growth in spite of 60% price increase. So therefore, there could be a case of a recalibration of our pricing model over the next couple of years.

Nihal Mahesh Jham: Understood. The second question was on Plix. If you could just share what was the ballpark EBITDA margin for this year, given you've been alluding to looking at margins and the brand did a breakeven last year.

The second part of the question was that when we bought the brand, the hero product was ACV and Foods was a much larger contributor. And given the trends we see at least in terms of weight loss, what is it that has changed where the focus has now shifted more to personal care, where I would believe that this part of the portfolio still has a lot of scalability and should ideally be a much higher contributor to growth? That is the question.

Saugata Gupta: Plix currently should be hitting around mid to high single-digit margin. We hope very soon, it will get into double digits. Yes, we started with ACV. I think what it pivoted towards, and that

is a function of Plix stands for plant-based and hair and skin food, and hair and skin food is what we pivoted. If you look at all the Plix play in Personal Care, we believe that the Personal Care had higher profitability. It expanded TAM. The brand could carry itself up. But you will see similarly some of the launches even in the nutraceutical over the next couple of months. I think secondly, what we have focused on Plix is, we have a very strong D2C play. And I think D2C is around what, 45% of the business in Plix. And therefore, we own the consumer. It's a profitable CM2 D2C play. So therefore, it is important that we start cross-selling, upselling as so therefore, it could be an ACV consumer having a hair growth serum. And that's how the Plix has played. So the overall portfolio has pivoted towards that. Having said that, we will see action in the nutraceutical space. In fact, we have just launched an ACV canned drink. It is available, I think, in 1 or 2 quick commerce players, and as you know, globally, there has been a shift from carbonated soft drinks to healthy drinks, especially in developed markets, we have just launched one. So you will see some of the plays in nutraceuticals space also. Now the other thing is this that between Plix and Cosmix, Cosmix will be in the slightly more serious nutraceutical and protein play. So there will be in the vitamin, supplement and nutraceutical play. Plix is a more fun brand. So it's a slightly more fun brand. So therefore, we will then straddle both the things together. But going forward, we believe the center of gravity of Plix will be more towards Personal Care, which is far more profitable in the long term.

Nihal Mahesh Jham:

Got that Saugata. Thank you so much. Thank you.

Moderator:

Thank you. We will take the next question from the line of Siddhesh Deshmukh from IIFL Capital. Please go ahead.

Percy:

This is Percy from IIFL. So my first question is on -- am I audible?

Saugata Gupta:

Yes.

Percy:

Saugata, my first question is on the construct of the overall hair oil markets between VAHO and coconut. We have seen in the last few quarters, very strong growth in VAHO across all companies, not just Marico. And do you think this has got anything to do with the fact that copra price has -- I mean, the coconut oil price has become very unaffordable. So there is a little bit of market share shift towards VAHO. And going ahead, do you think that market share shift could reverse a little bit where copra price is coming down and there could be a sort of a little bit of market share move towards copra away from VAHO.

These are, of course, not very, very large shifts. But to some extent, can it bring down the VAHO growth? And can it actually accelerate the copra growth and act as a buffer against the general sort of slowdown we see during a deflationary cycle in volumes of copra?

Saugata Gupta:

See, as you know that we repivoted our strategy on VAHO. What had happened is that there was a significant focus between the two major players on price points packs, especially in Amla and mustard. And therefore, a lot of spends went from ATL to BTL. A couple of quarters, we decided that we should as a leader, one of the volume share leader in the category, we must invest behind

category growth and therefore, in the mid and the Premium segment, which are much more higher profitability. Consequent to that, if you notice from Q2, our VAHO growth started accelerating. Obviously, the GST reduction has helped because share from some of the smaller players or some unbranded VAHO to branded VAHO, that has helped. I think that is the reason, and we are extremely confident that we will be able to consistently deliver higher growth in VAHO, including double-digit consistent growth.

Percy:

Right. So my starting point was that, of course, you have done good actions on VAHO, not denying that, but across the industry, if I look because many players are listed, we are seeing all the players reporting extremely strong growth on VAHO. So it seems to be more of an industry phenomenon in addition to, of course, you doing maybe slightly better than the industry. But overall, VAHO industry, not only in value terms, but even volume terms is growing way above what long-term average would be.

So the question was in that context. Maybe I'll take that further offline. Also, just wanted to understand second question on Plix. It's had a huge ramp-up over the last few years. And I think it must be coming close to touching INR1,000 crores kind of ARR. So do we see any kind of slowdown just from the point of view of absolute size of the brand? And what kind of growth can we expect in Plix as a brand?

Of course, I'm saying food and personal care put together at the overall brand level. Can it keep growing at a sort of fast clip or at some point of time, there are some barriers that we hit in terms of it needing some new channels of growth in addition to sort of online. What are your thoughts on these?

Saugata Gupta:

So without getting into specifics, let me tell you, I think Plix has the added advantage of a far more broader TAM than some of the other brands because they either play in BPC. This is one of the very few unique brands that play across two distinctive categories, which is nutraceuticals as well as nutraceutical wellness and personal care. Coming to, of course, you are right. I mean, as it reaches a certain number and it's INR1,000 crores, you can't be expecting that kind of a growth. But I'll give you the philosophy, broader philosophy of our overall digital play. We are here to build to last. We are here to create a sustainable, profitable, consistent growth in the business. So for me, any day, I will vote for a 20%, 25% growth with steady increase in profitability over a 60% growth without any increase in profitability. And I think Plix as a brand and Beardo also, we have shown we can do both. So obviously, I think as long as the digital business continues to grow 20%, 25%, 30% and be consistent on the journey to go into the teens profitability, which we have talked about in 2030, we'll be happy.

Percy:

Do we need unlock of new channels for 20%, 25% growth in the brand?

Saugata Gupta:

As I said, we believe in maximizing full potential. Focus is a very important thing. Food is something which we believe has a far better omnichannel potential versus BPC, but we are open to it. I don't think there is any capability or resource constraints to the growth, but we want growth which is mindful as opposed to growth, which is spray and pray.

- Percy:** Sure. That's all from my side. Saugata, thanks a lot and all the best.
- Moderator:** Thank you. We will take the next question from the line of Aditya Soman from CLSA. Please go ahead.
- Aditya Soman:** Thanks for the opportunity. So two questions. First, on the sort of guidance of INR15,000 crores. Now the growth is obviously lower than what you've delivered. And is this largely a function of so deflation in copra prices? Or is there anything else that again is -- which is why the growth is more conservative than what is delivered out there?
- Saugata Gupta:** So I think delivering double-digit revenue growth is not conservative in any category and any sector. I don't know where you are coming from in terms of conservatism in this. See, this year, what happened is a significant inflation that was built in. What we have said consistently that we are confident of delivering high single-digit growth in India, kind of a mid-teens constant currency growth in the international business.
- And subject to that, that leads to a kind of a growth, which is, again, a double-digit revenue growth overall blended. Obviously, as you know, that we have taken some pricing correction in Parachute in the non price point pack to the extent of 10% that has been incorporated into the revenue expectations.
- Aditya Soman:** That's very clear. Thanks, I just wanted to check if that Parachute price cut because the guidance was similar even earlier, right? So I mean, I'm assuming that you've already factored in there will be a price cut for Parachute.
- Saugata Gupta:** Exactly.
- Aditya Soman:** Fair enough. Thank you.
- Moderator:** Thank you very much. Ladies and gentlemen, we will take that as a last question for today. I now hand the conference back to the management for closing comments.
- Pawan Agrawal:** Thank you for listening on to the call. To conclude, we closed FY '26 on a very strong note, achieving multiyear highs on most of the key business parameters in India and International business. These results underscore the strength of our brands, disciplined execution and strategic diversification and premiumization initiative across geographies and categories. In a volatile environment, we believe that our ability to foresee and manage risk will continue to hold us in good stead.
- As some of you rightly mentioned that we are in a unique position in terms of RM cost, which is a great positive for us. In addition to this, positive shift in digital businesses, growth trajectory in premium VAHO, strong momentum in international business gives us confidence on the top line and bottom line guidance that we gave.

So we'll remain focused on sustaining the underlying volume growth momentum and improving the earnings growth trajectory meaningfully in FY '27 while continuing to make consistent investments in pursuit of our FY '30 strategic aspirations. That's it from our side. If you have any further queries, please feel free to reach out to our IR team, and they'll be happy to address. Thank you, and have a great evening.

Moderator: Thank you members of the management. On behalf of Marico Limited, that concludes this conference. Thank you all for joining with us today, and you may now disconnect your lines.

(This document has been edited to improve readability)