



Management Discussion and Analysis



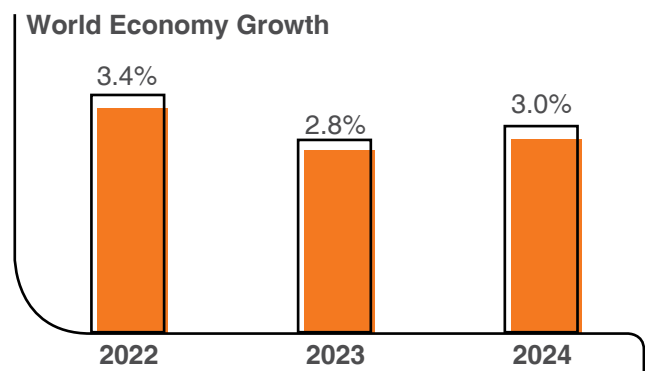
Global Economy

The world economy in 2022-23 faced high uncertainty due to the continued impact of adverse events of the last three years– notably the COVID-19 pandemic and Russia’s invasion of Ukraine. Inflation rates have skyrocketed to multi-decade highs in many countries, causing central banks to raise interest rates and slow down economic activity to bring inflation back to their targets. In early 2023, the world economy had started showing signs of stabilizing after the adverse shocks of the previous year, but this progress was disrupted by recent financial sector disturbances. Some financial institutions that relied heavily on low interest rates have been caught off guard by the rapid pace of rate increases, causing financial stress and raising concerns about stability. In such a scenario, the world economy saw growth of 3.4% with Advanced Economies growing at 2.7% and Emerging Markets posting an increase of 4% 2022 (Source: IMF World Economic Outlook April 2023).

Returning to the growth rate as seen before the series of shocks that hit the world in 2022 and the recent

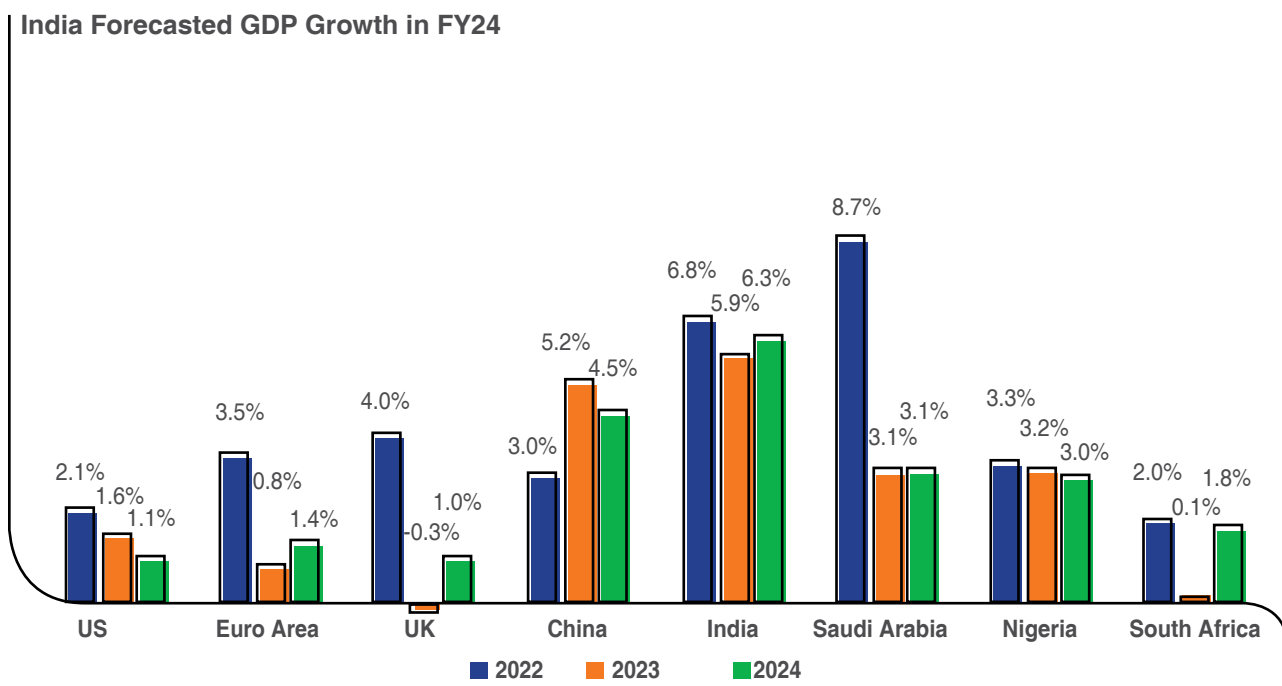
financial sector disruptions is becoming increasingly difficult. The tightening of global financial conditions is further hindering the recovery process, resulting in slower income growth and increased unemployment in several economies. Consequently, the outlook for economic growth in the medium term seems less optimistic. As a result, IMF has forecasted growth to fall to 2.8% in 2023 before rising to 3.0% in 2024, which is still lower than the 3.4% growth seen in 2022.

Figure 1: World Economy Growth Rate



Source: IMF World Economic Outlook April 2023

Figure 2: Key Countries’ Growth Rate



Source: IMF World Economic Outlook April 2023





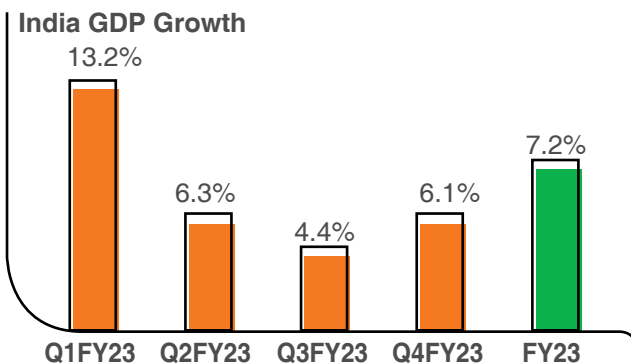
The FMCG industry in India has been reporting good growth even during the COVID years, when most other industries were reeling under a demand crunch, riding on strong consumer shift in favour of natural healthcare products.

Indian Economy

Driven by the pent-up demand, widespread vaccination coverage, rising employment and substantially higher private consumption, India recovered from repeated waves of COVID-19 pandemic shock to overtake the UK and become the fifth-largest economy in the first quarter of FY 2022-23.

However, with the global economy entering a phase of severe slowdown, India could not remain insulated from these developments. As the year progressed, India’s economic growth slowed and dropped to 4.4% in the October-December quarter from 6.3% in July-September. The slowdown resulted from an easing of pent-up pandemic-era demand, continuing weakness in the manufacturing sector, and the fading of the pandemic’s low base effect. But in the fourth quarter, India’s economic growth accelerated to 6.1%, boosted by government and private capital spending. This has resulted in full year growth of 7.2%, a level that makes it the world’s fastest-growing major economy.

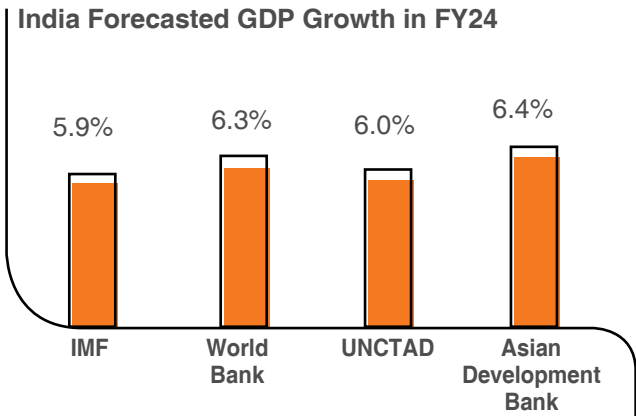
Fig. 3: India Quarterly GDP Growth rate



Source: Ministry of Statistics and Programme Implementation (MoSPI)

Despite the headwinds, India emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong growth trajectory.

Figure 4: Outlook for India’s GDP Growth in FY2023-24 as per key institutions

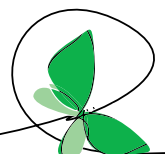


Source: IMF, World Bank, UNCTAD, Asian Development Bank

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With more than 100 unicorns valued at US \$332.7 Billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030. The increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers for the economy.

Indian FMCG Sector

The Consumer Packaged Goods (CPG), or Fast-Moving Consumer Goods (FMCG), industry in India is one of the main drivers of the Indian economy. This sector has been reporting good growth even during the COVID years, when most other industries were reeling under a demand crunch, riding on strong consumer shift in favour of natural healthcare products. While the sector continued to move forward on the growth track in the new fiscal, the operating environment turned challenging as the year progressed, marked by unprecedented inflation and its consequential impact





on consumption. The frequent price increases and an overall slump in economic activity put pressure on the purchasing power of consumers particularly in Rural India. The Central bank's decision to increase interest rates during the quarter to tame Inflation added to the slowdown. Volume growths were heavily impacted by high rates of inflation.

The slump was more pronounced in the heartland or rural India where consumers downgraded to affordable and lower priced packs, and rural growth rates remained below urban growths for all four quarters of the year. The emergence of new-age channels like Modern trade and e-Commerce helped urban markets report strong growth even as traditional channels witnessed a slight slowdown.

Despite near term consumption pressure, there are some green shoots which are emerging such as moderating inflation, improving consumer confidence and increase in government spending. This should help revive demand and drive consumption of consumer goods in the future.

Dabur India Ltd - Business Overview

Every day, the Dabur brand positively impacts billions of lives by drawing inspiration from ancient Ayurvedic knowledge and blending it with modern-day scientific innovation. This unique combination allows us to develop high-quality products that fulfil our promise of being 'Dedicated to the Health and Well-Being of every Household.'

As one of India's top consumer goods companies, Dabur has one of the largest distribution networks in the industry, with coverage extending to 7.7 Million retail outlets. Our commitment to improving people's lives through effective, natural solutions has helped us become a trusted household name. Our products enjoy widespread popularity with consumers in India, spanning both urban and rural markets, as well as overseas markets. Dabur offers a wide range of world-class Ayurveda and nature-based products across diverse categories such as Health Care, Home & Personal Care, and Food & Beverages.

We started the year with 13 manufacturing locations in



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India and 8 overseas. During the year, we continued to expand our operations, with the addition of a new manufacturing location through the acquisition of a 51% stake in Badshah Masala, taking the total number of manufacturing locations in India to 14. Additionally, we invested in enhancing our Indore factory which formed majority of the capex that we put in during FY23.

Despite a challenging environment marked by unprecedented inflation and its impact on consumption, Dabur has demonstrated remarkable agility and resilience, achieving steady growth. During fiscal year 2022-23, Dabur recorded a growth of 6% in Consolidated Revenue from Operations, reaching ₹11,530 Crore. On account of the headwinds of inflation, operating profit declined by 4%. Reported Profit after tax declined by 1.8%, reaching ₹1,707 Crore.

While high inflation had a dampening effect, Dabur was able to partially mitigate the impact through a combination of pricing increases and cost-saving measures. Our commitment to driving efficiency across our operations has helped us remain competitive and maintain our growth trajectory. Despite the tough operating environment, we focused on strengthening our business operations, investing behind our Power Brands, deepening the distribution expansion programme, besides enhancing our digitization capabilities and presence in channels like e-commerce, organised retail and pharmacies. .





Our relentless focus on rolling out consumer-centric innovation helped expand our total addressable market, besides gaining market share across over 90% of our product portfolio. Dabur also expanded its basket of digital-first innovations, co-creating special offerings with online retailers. Our Digital First Brands have now achieved a collective turnover of ₹100 Crore in the financial year. Today, Dabur has a total of 23 Billion-Rupee-Brands in its portfolio, with five brands joining this coveted list in 2022-23 financial year. Now, we have 17 brands that are in the range of ₹100 Crore to ₹500 Crore in size; 2 brands that are between ₹500 Crore and ₹1000 Crore in size, and another 4 brands that have turnover more than ₹1,000 Crore. Our latest launch Real fruit drinks PET portfolio ended the year with sales of ₹200 Crore within 2 years of launch and we plan to cross the ₹500 Crore-mark with this business in the next 3-4 years.

Strategic Business Units

A world leader in Ayurveda with a legacy of quality and experience of over 139 years, Dabur India Limited is today India's most trusted name in the Ayurvedic and Natural Health Care space. Dabur India's FMCG portfolio today includes nine Power Brands: Dabur Chyawanprash, Dabur Honey, Dabur Honitus, Dabur Pudina Hara and Dabur Lal Tail in the Healthcare space; Dabur Amla, Vatika and Dabur Red Paste in the Personal care category; and Réal in the Food & Beverages category.

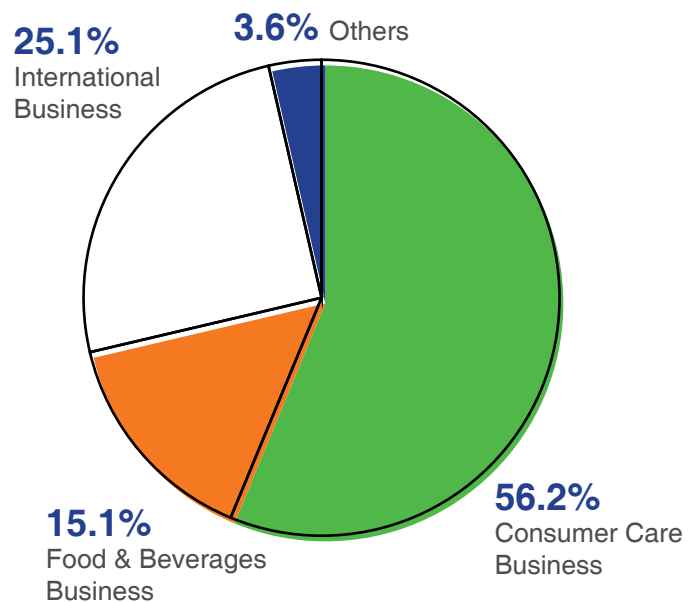
Dabur's business structure is divided into three Strategic Business Units (SBUs):

- **Consumer Care Business:** Includes Health Care (HC) and Home & Personal Care (HPC) businesses, which together account for 56.2% of Consolidated Sales
- **Food & Beverages (F&B) Business:** Includes fruit-based beverages and a range of food products. During the year, we added spices to our portfolio through the acquisition of 51% stake in Badshah Masala. The F&B business accounts for 15.1% of Consolidated Sales
- **International Business:** A mix of Dabur's organic

overseas business as well as the acquired entities of Hobi Group and Namaste Laboratories LLC, this segment accounts for 25.1% of Consolidated Sales

The Consumer Care Business and Food and Beverages Business together make up the India FMCG business for Dabur. The Revenue mix of these SBUs is presented in the following pie.

Fig. 5: SBU Wise Consolidated Sales Mix

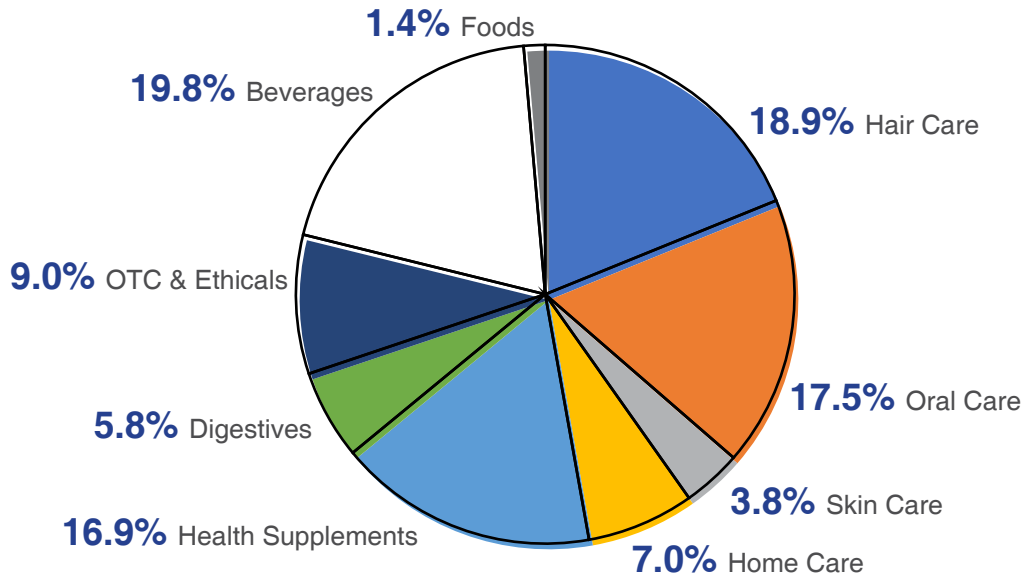


Today, Dabur has a total of 22 Billion-Rupee-Brands in its portfolio, with our Ayurvedic cough syrup brand Honitus and Odomos joining this coveted list in 2022-23 financial year. Now, we have 16 brands that are in the range of ₹100 Crore to ₹500 Crore in size; 2 brands that are between ₹500 Crore and ₹1000 Crore in size, and another 4 brands that have turnover more than ₹1,000 Crore.





Fig 6: Category Wise India FMCG Sales Mix



India FMCG Business

The category-wise sales mix of the India FMCG business is presented in the following chart/pie.

Health Care:

The Healthcare business navigated high base of 2 years of strong growth led by preference for natural and ayurvedic remedies to fight the COVID pandemic. As the COVID fears receded and vaccine coverage increased during FY2022-23, this tailwind dissipated and COVID contextual products reported a sharp drop in demand. This led to a minor decline in Healthcare portfolio during the year. However the 3-year CAGR was at a healthy 9% for Healthcare business, indicating our continued commitment to developing high-quality products that meet the evolving needs of our consumers. The Health Care business contributes to 31.7% of Dabur’s India FMCG business. This vertical comprises sub-categories like Health Supplements, Digestives, OTC and Ayurvedic Ethicals.

Health Supplements

Dabur’s Health Supplements business, anchored by flagship brands such as Dabur Chyawanprash and Dabur Honey, reported decline of 12.8% during the year on account of exceptionally high base of Covid years. However, on 3 year CAGR basis, the portfolio grew at high single digit.

Dabur remained committed to maintaining its position as a market leader, investing in growing distribution and penetration for its flagship brands in this category. We also ventured into new segments and launched extensions to our existing product range, further expanding our presence in the market. Our strategic approach has enabled us to capitalize on emerging trends and opportunities, positioning us for continued success in the Health Supplements category.

Highlights for the year:

Chyawanprash Portfolio

- The year saw the launch of **Chyawanprash Gur**, a new variant, with jaggery replacing sugar in the product. Made from over 40 Ayurvedic herbs like Amla, Giloy, Pippali, as the original Dabur Chyawanprash, this variant contains no added sugar and is filled with minerals and antioxidants.
- Dabur also launched **Kesarprash**, a variant of Dabur Chyawanprash with the added benefits of Kesar and Moti which provide 2x increase in strength, stamina and energy. Kesarprash is scientifically tested and is beneficial against tiredness and weakness, good for joint strength, boosts immunity and restores vigour and vitality.
- The New-age channels are fast emerging as one of the more preferred sales channels for health





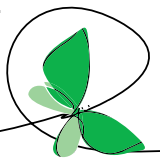
supplements with **e-commerce contribution nearly doubling over the past 3 years.**

- Dabur Chyawanprash launched a new campaign '**Ghar Ghar bann gayi Dawai ki Dukaan**' with its brand ambassador **Akshay Kumar**, which highlighted the role of Dabur Chyawanprash in building inner strength to help fight against 100+ illnesses. The purpose of this campaign is to build awareness around importance of building inner strength and immunity to fight diseases and **not be over-dependent on medicines for common ailments.**
- Dabur Chyawanprash unveiled a special regional campaign on the occasion of Chhath Puja '**Parampara Sehat Ki**' to pay tribute to millions of mothers who fast during Chhath Puja for their children's good health.
- The brand also extended its **smog campaign in Delhi-NCR and Northern Part** of the country during the month of November.
- Dabur Chyawanprash launched the '**Health is Wealth**' campaign on the occasion of Dhanteras to highlight the importance of good health. It shows that during Dhanteras when people are buying jewellery, they get surprised when they open the pack to realise that instead of jewellery the box contains a Dabur Chyawanprash pack with the message of good health.



Dabur Honey

- Dabur launched **Organic Honey**, which is a golden nectar produced by Apis Dorsata honeybee. Sourced from hives nestled in deep forests, it contains naturally occurring antioxidants, pollen, vitamins and natural minerals.
- Being the market leader and committed to health and well-being of consumers, Dabur Honey took Mr. Sonu Sood, Bollywood actor and philanthropist on a Honey purity Trail to showcase the 100% purity and quality commitment of Dabur Honey. He experienced the unique journey of Dabur Honey from sourcing, filtration, testing and packaging from exclusive bee farms to our USFDA approved honey plant which Dabur has set up with decades of domain expertise. During the visit, Sonu Sood also interacted with the experienced beekeepers from Dabur's selective bee farms, besides taking a tour of Dabur Honey's world class manufacturing unit. He visited state-of-the-art testing laboratories where every batch of Dabur Honey undergoes 100+ stringent quality tests as mandated by FSSAI and then packed in fully automated facility, untouched by hand, before reaching millions of households.
- On the occasion of Ganesh Chaturthi, Dabur Honey launched a special campaign **#AcchaiKiMithaas**, urging all to share the sweet taste of goodness and spread happiness & smiles in others' lives. The film showcases the story of '**Meethi Aai**' who carries the pain of losing her son to the pandemic and is now living in an old age home. While she is preparing the prasad for welcoming Bappa, the festivities are not the same for her anymore. The film builds on to show how a small gesture of goodness brought back joy in her life.
- Dabur Honey also launched **special sweets made with Dabur Honey** in association with Balamullick and Radharaman Mullick to sell Honey-based mishti range from their outlets at Bhawanipur, Lake Gardens, Kasba and Mishty Hub in Kolkata to celebrate Durga Puja.





Dabur Glucose

- The third major brand in our Health Supplements portfolio, **Dabur Glucose** reported strong growth during the year.
- Moving forward on its efforts to create focused content for different markets based on regional consumer insights, Dabur GlucoPlus-C, the leading instant energy glucose drink from the House of Dabur, launched a new regional campaign '**Dabur GlucoPlus-C, Guley Khao, Instant Energy Pao**' in West Bengal. A new campaign was introduced featuring actress Mrs. Aparajita Adhya, one of Bengal's most well-known 'Motherly face' and Dabur GlucoPlus-C little girl Ayanna Chatterjee, a famous child artist in the Bengali film industry. The New TVC aims to highlight the importance of Glucose for instant energy in the scorching heat and promotes **Dabur GlucoPlus-C – which has 25% more Glucose in every sip and 2X Micronutrients**, making it the best choice to beat the heat.
- Dabur GlucoPlus-C rolled out a mega '**Instant Energy Drive**' for the students appearing for the 10th and 12th Board Examinations in Uttar Pradesh and Bihar. A special drive was rolled out to serve the students appearing for their board exams and their parents, who wait for hours for the children outside the examination centres, GlucoPlus-C outside the school after their exam.



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Dabur Vita

- **Dabur Vita**, which marked our entry into the MFD category last fiscal continued to gain good traction in the marketplace. With herbs such as Amalaki, Guduchi and Ashwagandha, the product offers added benefit of immunity in addition to nourishment and growth. Currently available only in the new-age channels, this brand is now being extended to the General Trade with higher focus on bigger towns.
- Dabur Vita **signed Kareena Kapoor as its brand ambassador** and a new campaign that talks about the 7 growth needs of kids and how Dabur Vita helps aid physical growth and brain health, will be launched shortly.
- Dabur Vita organised **mega health awareness camps in schools and sports training institutes** to educate students on the importance of strong immunity to fight diseases. Dabur, along with leading Ayurvedic practitioner Dr Parmeshwar Arora, organised immunity building sessions from the students and sportspersons, to create awareness on ways to boost their immunity through basic hygiene and a nutritional diet. A special Immunity Kit was also provided to the participants.

Dabur Vedic Tea

- Dabur announced its entry into the premium black tea market with the launch of **Dabur Vedic Tea**. Packed with the goodness of over 30+ Ayurvedic Herbs, Dabur Vedic Tea provide various health benefits and helps boost immunity. Unlike regular tea, it is a special blend of premium tea leaves from Assam, Nilgiri and Darjeeling, combined with the goodness of more than 30 Ayurvedic Herbs. Initially launched in 250 gm and 500 gm SKUs, Dabur is now introducing 950 gm bulk packs for Dabur Vedic Tea and has also signed actress Anushka Sharma as the brand ambassador.





- Dabur Vedic Green Tea Detox Kahwa, a Green Tea infused with Ayurvedic Herbs and Rock Salt, was rolled out. It is a Gluten Free product which helps in Detoxification, Weight Loss, Boosting Metabolism and improving Digestion and leaves a lovely Salty and Spicy Zing on the tongue.

Digestives

Dabur is a leading player in the herbal digestive category with a portfolio of products under key brands like Hajmola, Pudinhara, Hingoli, Dabur Nature Care and Sat Isabgol. The Digestives business contributed 5.8% to Dabur's India FMCG Business and reported 10.4% growth during fiscal 2022-23.

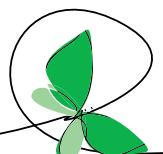
Highlights for the year:

- **Dabur Hajmola**, our flagship digestive brand, continued to report a strong performance, led by the new flavours LimCola and ChatCola. The year saw Dabur Hajmola grow its market share to the highest-ever level of 52.5%, up from 49.8% a year ago.
- The popularity of this digestive tablet brand can be gauged by the fact 4.2 Crore Hajmola tablets are consumed every day in India. It is also the second largest distributed brand in the House of Dabur, reaching out to 32 Lakh outlets across the country.
- Dabur **signed Bengali star Abir Chatterjee as the regional celebrity for the brand.** It has also **signed popular Hindi movie star Kartik Aryan as its new national brand ambassador.**



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- The brand successfully used celebrity influencers like Akshara Singh, Nusrat Jahan to reach out to millennial and centennial consumers in the digital space.
- Dabur also joined hands with leading QSR chains like Bikanerwala and Haldirams to conduct **mass sampling of Dabur Hajmola** with its consumers.
- On the occasion of Independence Day, Dabur Hajmola has launched a new Campaign **"Hajmola Achhai Ka Chatkara"** to honour the unsung heroes and sheroes of our society. The campaign, which reached 70 Million viewers, highlights three personalities continuously moving ahead in a mission to bring irreversible change in society. In the film Shilpa Sonal is seen educating underprivileged children, Anchal Bhalla is seen providing food to people in need, and Omkar Nath Sharma collects medicines from people who no longer require them and distributes them to people in need. The brand also urged viewers to share the untold stories of such heroes, intending to feature the deserving stories on their Instagram handle as a token of gratification.
- Taking this initiative forward, Dabur Hajmola celebrated the festival of Makar Sankranti in a very special way with more than 500 underprivileged kids at Narol Ground in Narolgam, Ahmedabad. During the celebration, Hajmola also created the **India & Asia Book of Record for Maximum number of kids flying kites simultaneously at one location.**
- Dabur launched the **'Hajmola Indian Flavour League'** for the cricket fans and visitors of Nauchandi Mela, the biggest annual fair of Meerut in Uttar Pradesh. A unique cricket-themed Hajmola stall was set up at Nauchandi Mela to engage and entertain the visitors while also sampling the different flavours of Hajmola. Visitors got a chance to taste different flavours of Hajmola and also enjoy a game of cricket at the stall.





- A new regional campaign '**Hajmola Te Lemon Er Chotok**' was launched in West Bengal for Hamola LimCola variant with actor Abir Chatterjee. The campaign showcased the tradition of Bengali culture for their love towards Jamai (son-in-law) in a playful way, along with serving Hajmola LimCola for his digestion.
- The other major brand in the Digestives category, **Dabur Pudín Hara** continued to report steady growth during the year. The brand was extended to the antacid market with the **launch of Pudín Hara Activ Antacid** through the Ayurveda team and reached around 10,000 doctors.
- Our rejuvenator brand **Dabur Shilajit** also performed well to report a double-digit growth. This portfolio was expanded with the launch of '**Dabur Himalayan Shilajit**', a natural health booster to improve overall health and support healthy ageing. It is a 100% pure form of Shilajit extracted from the Himalayas that preserves the natural goodness, vital nutrients, rich aroma and has superior anti-oxidant properties.

Ayurvedic OTC

Dabur's OTC business, which includes some of the time-tested and highly efficacious Ayurvedic remedies in modern-day, consumer-friendly formats, reported flattish performance in 2022-23 on account of high Covid base. This business was expanded in the previous years to include a host of COVID-contextual innovations. While the demand for these products dropped significantly with the COVID fears waning, the OTC portfolio of Cough & Cold products under the Dabur Honitus brand, Baby Care under Dabur baby and Dabur Lal Tail and Rejuvenators like Shilajit, continued to report steady growth.

Key Highlights for the year:

- **Dabur Honitus**, a Power Brand in Dabur's portfolio and the flagship cough & cold brand, crosses the key milestone of Billion Rupees in terms of sales.
- The Honitus portfolio was expanded during the year with the **launch of Blister lozenges and Honitus Sugar Free**.
- The **Dabur Baby** range continues to perform well and today includes the complete range from Oils, Wash, Cream, Shampoo and Moisture Lotion to Moisturizing Wipes, Talc-Free Powder, Nourishing Soap and Diapers. A mega sampling drive was organised for the Dabur Baby range in maternity homes across six cities of Uttar Pradesh.

Ayurvedic Ethicals

At the heart of Dabur's business lies our Ayurvedic Ethicals division, which includes some of the oldest and most established Ayurvedic medicines for preventive and curative healthcare. This category has been the cornerstone of Dabur's success since our inception in 1884.

In recent years, the Ayurvedic Ethicals business has experienced significant tailwinds from COVID-related demand, leading us to expand our range to include a host of new COVID-contextual and immunity-boosting medicines. However, in the past fiscal year, the demand for this category softened as the fears surrounding COVID-19 began to subside.

Excluding the COVID-contextual brands, the Ayurvedic Ethicals business has continued to report high single-digit growth even on a high base, demonstrating the enduring strength of this category. While the pandemic may have impacted short-term demand, we remain confident in the long-term growth prospects for this important business. Our commitment to developing high-quality Ayurvedic medicines remains unwavering, as we continue to



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strive to deliver value to our consumers and maintain our position as a leader in the Ayurvedic healthcare market.

Key Highlights for the year:

- A series of on-ground activations conducted for its pain relief brand Rheumatil under which 2,000 health camps were organised, which enabled sampling of the product with over 2,50,000 consumers. These camps were focused around religious destinations that involve pilgrims walking several kilometres for the holy pilgrimage.
- Dabur organised a **mega Ayurvedic Health Camp for Waari Yatris** enroute their holy journey to reach the temple town of Pandharpur, to have a glimpse of Lord Vitthal. Special Health Camps were organized at the various places to these yatris which offered services like Health check-ups, Ayurvedic foot and back massage through Dabur Rheumatil oil.
- **Dabur Rheumatil entered the India and Asia Book of Records for conducting the highest number of massages in a particular time frame at a particular place.**
- Around **550 special Swarnaprashan camps were organised during the year.** In this unique all-night Health Camps, which run from 9 pm to 5 am, the medicines are kept exposed to moon rays all through the night and consumed in the early morning with Vedic chanting.
- The branded ethical portfolio was expanded with the **launch of Platiforte syrup and tablet, Nectolac granules, Calcium supplement Caldab in a syrup and tablet format, besides a premium Digestive Tonic for the entire family Restora Gold, Sugar-Free health restorative Ratnaprash Sugar-Free and Ayurvedic Digestive Tonic Aampachak Kadha.**
- Adding a healthy twist to Ganesh Chaturthi celebrations, Dabur launched **Ganapati Ratna Modaks and Ladoos**, sweets specially created for Ganesh Chaturthi using the Ayurvedic immunity booster Dabur Ratnaprash. We also organised a **special Ratnaprash Mishti Mohey sweet-making competition** on the occasion.
- The year saw Dabur expanding this portfolio to cover Homeopathy with the launch of three new products: **Dentacare-H toothpaste** (that helps keep the teeth healthy and strong), **Calendula soap** (an antioxidant soap that protects from UV-B radiation) and **Arnica Hair Oil** (that helps in hair growth, rejuvenates the hair, and stimulates the hair follicles by improving blood flow). These products have been test launched in four states.

Home & Personal Care:

Dabur's Home & Personal care vertical covers consumer products categories like Hair Care, Oral Care, Skin Care and Home Care. This vertical accounts for 47.2% of the India FMCG business and reported 5.1% growth in fiscal 2022-23.

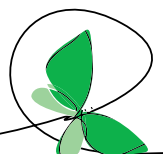
Despite growing competitive intensity in each of these categories, Dabur reported steady growth and market share gains across all segments of HPC during the year.

Hair Care

In the Hair Care category, Dabur operates in the Hair Oils and Shampoo categories with brands like Dabur Amla and Vatika. This market is driven by the need for personal grooming, nourishment and maintaining good hair hygiene. However, the spate of price hikes to mitigate the unprecedented inflation resulted in



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consumers downgrading to cheaper alternatives or lower-priced affordable packs, which impacted the category growth. Dabur's Hair Care business ended the year with an 2.5% growth and contributed to 18.9% of India FMCG business.

Despite the tough operating environment, Dabur focussed on improving its market share and ended the year with its highest-ever share of the Hair Oil at 17%. Even in the shampoo market, Dabur reported strong market share gains to end the year with 7.2% volume share.

Key Highlights for the year:

- Dabur signed India's Biggest Female Superstar **Deepika Padukone as the new Brand Ambassador of India's most preferred hair oil brand Dabur Amla.**
- A new campaign '**Photocopy Nahi, Chuno Asli Amla, Dabur Amla**', featuring Deepika Padukone, was launched. In the campaign, Deepika Padukone talks about using **Asli Amla Dabur Amla** which makes hair upto 2X stronger as compared to ordinary amla hair oil. She also urges people not to use any duplicate amla when it comes to taking care of hair.
- Dabur further strengthened its presence in the hair oil market with the launch of **Vatika Neelibhringa21 Hair Growth Oil**, an Ayurvedic

medicinal hair oil clinically tested to reduce hair fall and grow new hair in 2 months. Made by an ancient Ayurvedic method of Tail Pak Vidhi, the oil contains the power of 14 Ayurvedic herbs like Nili, Bhringraj, Draksha, Yashtimadhu, etc. which are proven ingredients to fight key signs of hair fall and help grow new hair.

- Dabur also announced a one-of-its-kind innovation in the hair care market with the launch of '**Twin Nourishment Pack**', a first of its kind Oil+Shampoo in one sachet. The 'Twin Nourishment Pack' consists of one sachet of Dabur Almond Hair Oil and one sachet of Vatika Health Shampoo, packed together in an easy to carry pack. Priced at ₹2 per pack for both oil and shampoo, the 'Twin Nourishment Pack' is available across retail outlets.
- Dabur's flanker hair oil brands Sarson Amla and Badaam Amla continued to grow at strong double digits.
- Cine star **Anushka Sharma was signed as the brand ambassador for Vatika.**
- Moving forward on the sustainability agenda, Dabur launched its Vatika Black Shampoo in recycled PET packaging.

Oral Care

Rising awareness regarding hygiene and sanitation coupled with a marked change in lifestyle of consumers has been driving demand for Oral care products in India. Dabur has been leading the category growth and is today the number two player in the dentrifice market with its highly differentiated product offerings like the Ayurvedic Dabur Red Paste, herbal offerings like Dabur Babool and Meswak and the newly introduced range of Alpha ingredient products under the Dabur Herb'l brand. Dabur also operates in the toothpowder market with its Dabur Lal Dant Manjan. Oral Care saw a growth of 5% in fiscal 2022-23, leading to a strong 3-year CAGR of 12%. The category contributed 17.5% to India FMCG revenue during the year.



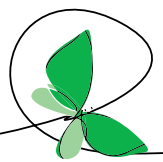


Key Highlights for the year:

- Dabur signed legendary actor and Bollywood icon **Amitabh Bachchan as the new brand ambassador of its flagship Oral Care brand Dabur Red Paste**. A new TVC, featuring the actor, was launched to highlight how Dabur Red Toothpaste uses the power of modern-day science to extract the best of Ayurveda. In the TVC, Mr. Bachchan plays a double role, that of a scientist and an ayurveda expert, where he talks about Dabur Red Paste as the perfect blend of modern Science and Ayurveda.
- Dabur Red Paste also unveiled a special musical Video '**Desh ka Lal x Eir Bir Phatte**' to celebrate the 80th Birth Anniversary of Amitabh Bachchan. The new campaign is a musical yet informative way of highlighting how Dabur Red Paste combines the best of Ayurveda and modern-day Science for complete oral care.
- On the occasion of Ganesh Chaturthi, Dabur Meswak embarked upon a journey to bring people together in celebration and invoking the sacred grace of Vighnaharta, by creating the **largest digital Ganpati mural with its campaign**

#MyGanpatiMoment. The brand invited people to share pictures of their Ganpati celebrations and memories during the 10-day Ganpati period across Facebook and Instagram. The digital campaign enabled these entries to be pulled into a digital collage on a microsite in real time to form the largest Co-curated virtual statue / image of Lord Ganesha from users' experiences.

- The year saw **Dabur join the Metaverse/Non-Fungible Token or NFT bandwagon with the launch of the first-ever exclusive NFT for its leading toothpaste brand Dabur Meswak**. This first NFT from the House of Dabur is the Largest Digital Ganpati Mural, as certified by World Records Union, crowdsourced from people across the country to celebrate togetherness and spread smiles with Dabur Meswak.
- Dabur announced the expansion of its toothpaste portfolio with the launch of the new '**Dabur Red Bae Fresh Gel**', which is specially formulated to provide consumers with fresher, lively and healthier Oral Care. Designed with effective natural ingredients like Wintergreen Oil and Mint, Dabur Red Bae Fresh Gel is clinically proven to provide freshness up to 12 hours and gives 4X better freshness than ordinary toothpaste. It also helps in maintaining good oral health, preventing cavities and promoting healthy gums.
- Dabur also roped in cinema heartthrob **Vijay Deverakonda as the brand ambassador for Dabur Red Bae Fresh Gel**. A 360-degree marketing campaign on the theme of "Attraction Magnet" featuring Vijay Deverakonda was launched.
- Dabur joined hands with Josh, India's fastest growing short-video app, to launch the **#SwitchToDaburRedPaste campaign on the Josh app**. The campaign was launched to enable Dabur to interact with their users in an engaging manner while also creating product awareness amongst the target audience. The short-video campaign captured the brand's proposition of





combining modern science and traditional Indian Ayurveda to create effective and authentic products for the Indian consumer.

- Dabur Meswak rolled out **Toothy Tales**, a new, fun filled yet educational approach to Oral Care. Toothy Tales is the story of the ‘Molars’, a toon family that sets out on a journey in search of the precious Meswak tree; an ingredient that makes them live long, healthy and happy lives. Their vehicle of choice; the ‘Toothbus’. Inspired from the Dabur Meswak Toothpaste pack, the cheery yellow bus takes the Molar family out into a world full of adventure and fun.
- **Dabur Herb’l Charcoal Toothpaste launched its first-ever ad in India.** This quirky ad talks about the new-age, unconventional way of getting sparkling white teeth using black toothpaste. This is an extension of the already existing range of Dabur Herb’l toothpaste which has been doing quite well in the Indian market.

Skin Care

The demand for skin care and beauty products have been on the rise in india, driven by a young demography and shift in Indian preference for a healthier lifestyle. Dabur’s Skin care business (excluding Sanitisers) reported 4% growth in fiscal 2022-23.

Key Highlights for the year:

- The Gulabari range of mainstream rose-based skin care products was restaged with a new packaging. The relaunch is part of the brand’s efforts to make it more contemporary and in sync with the aspirations of the modern-day consumer.
- Moving forward with its promise of introducing ‘No Nasties’ products, **Dabur’s entire Skin Care range was PETA Certified as being cruelty-free.** In addition, Dabur Gulabari is also Parabens Free, Alcohol Free. The OxyLife and Fem range has also been certified as Parabens Free.
- Skin care products under the OxyLife brand witnessed good growth and we saw increase in market share in the bleach category.



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Home Care

Dabur’s Home Care business continued to gallop forward on the growth track, reporting a strong growth despite heavy inflationary headwinds. This business crossed the ₹600 Crore sales mark during the 2022-23 financial year.

Dabur operates in the Home Care category with brands like Odonil (air fresheners), Odomos (Mosquito Repellents), Sanifresh (Surface cleaners) and Odopic (dish wash products). All brands under the Home Care portfolio ended the year with high double-digit growths.

Key Highlights for the year:

- Odomos, the mosquito repellent brand from Dabur crossed the Billion Rupee sales mark during the year.
- **Odomos** continues to be the Number One personal application mosquito repellent brand and **increased its market share by 210 bps to 61%.**
- The brand Odomos launched a **new campaign for its Odomos Cream** with a brand-new proposition that talks about In-Home and Out-of-Home protection.
- Dabur **extended the brand Odomos into the liquid vapouriser market.** This product was test launched in the new-age channels in key markets like Tamil Nadu and Karnataka. The product will be rolled out nationally in the coming fiscal.





- Moving forward on its mission to help fight mosquito-borne diseases more effectively, Odomos continued to drive its mega initiative **#MakingIndiaDengueFree**. The drive was flagged off in Lucknow and covered close to 70 towns across the states of Uttar Pradesh, Punjab, Rajasthan, Maharashtra and Delhi-NCR. Under this initiative, Odomos reached out to around 20 Lakh people to educate them about the harmful effects of dengue and malaria, and how to protect themselves from mosquito-borne diseases. The brand also distributed 50,000 samples of Odomos mosquito repellent creams free of cost.
- The Odonil solids/blocks portfolio was expanded with the launch of **Odonil Neem**. Infused with Neem leaves, known for Germ Protection, its Odour Buster Technology that removes malodour keeps bathroom fresh and fragrant for upto 30 days.
- Dabur launched '**Odonil Gel Pocket**', a unique Gel-based air freshener which gives superior and long-lasting fragrance. Infused with essential oils, which provide superior fragrance experiences, new Odonil Gel Pocket comes in three fragrances: Citrus Bloom, Floral valley and Wild Forest.
- **Odonil emerged as the Number One brand in the aerosols category.**
- Our toilet cleaner brand Sanifresh is also embracing sustainability and is planning to move to using 30% recycled PET in its packaging.
- The Sanifresh brand was extended with the launch of **Dual Action Sanifresh** in two states in South India.
- Dabur signed the Bollywood couple **Ritesh Deshmukh and Genelia D'Souza for Odonil, and Shilpa Shetty for Sanifresh.**

Food & Beverages:

With out of home consumption improving, opening up of restaurants and expansion of our portfolio into lower-priced fruit beverages in PET packaging, Dabur's Food & Beverages business continued to

be the key growth engine for the company in fiscal 2022-23, reporting a growth of 30%. This business now accounts for 21.1% of the India FMCG Business.

This vertical covers three key categories : Beverages (with brands like Réal and Réal Activ); Edible Oils (under the Dabur brand) and Foods (under the Dabur and Hommade brands). The year also marked Dabur's entry into the ground and blended spices category with the acquisition of 51% shareholding of Badshah Masala Private Limited. This acquisition is in line with Dabur's strategic intent to expand its Foods business to ₹500 Crore in 3 years and expand into new adjacent categories. This also marks Dabur's entry into the over ₹25,000 Crore branded spices and seasoning market in India.

Beverages

With mobility improving and schools and work places opening up, the beverage category rebounded witnessing strong growth in both in-home and out-of-home consumption. The institutional or HoReCa channels were also back in full swing, which aided the beverage industry's growth. The growing consumer need for health further aided this growth. Riding on this demand, Dabur reported a strong 30% growth in sales





and also reported a gain in markets share to capture 61.3% market share of J&N category in 2022-23.

Key Highlights for the year:

- Our newly launched fruit drinks portfolio in PET packaging continues to do well, ending the year with Sales of ₹200 Crore. We plan to cross the ₹500 Crore Sales mark with this portfolio in next 3-4 years.
- Réal milkshakes continued to perform well and have garnered 1% market share.
- Réal further strengthened its Réal Greetings brand with the launch of an exclusive range of specially crafted gift packs of Réal fruit beverages, offering consumers the option of gifting real health to their near and dear ones during the Diwali, Rakhi and Eid celebrations.
- Dabur signed actress Kareena Kapoor as the new brand ambassador for Réal, and Shahid Kapoor as the face of Réal drinks in PET packaging.

Edible Oils

Dabur's entry into premium value-added edible oils category with products like Dabur Cold Pressed Mustard Oil, Cold Pressed Sesame Oil, Cold Pressed Groundnut Oil, Dabur Virgin Coconut Oil and Dabur 100% Cow Ghee continued to do well. This range was extended to key modern trade outlets during the year. The portfolio is scaling up well.

Foods

Dabur operates in the Foods market with Hommade brand, which includes a range of products that include culinary pastes, Tomato Puree, Lemoneez lime juice, Coconut Milk, Capsico chilli sauce, pickles, traditional Indian Chutneys, etc. This range was expanded during the year to cover new categories like ground and blended spices; and peanut butter.

Key Highlights for the year:

- Dabur expanded its Hommade Foods portfolio with the launch of **Dabur Hommade Tasty Masala**, which offers consumers a combination of both taste and natural ingredients, making

their dishes tastier than ever. It is made from the freshest and choicest 11 spices which are roasted and ground to perfection to give the end dish the perfect flavour and aroma.

- Dabur announced the expansion of its Réal portfolio with the launch of **Réal Health Peanut Butter range**. It includes 100% Natural & Chocolate Peanut Butter variants, marking Dabur's entry into the Peanut Butter market and offering consumers a healthier anytime snacking option.
- The Company acquired majority stake in Badshah Masala Private Limited during the year. This marks its entry into the ₹25,000 Crore branded spices and seasoning market. Badshah is a well known brand in the spices market with major presence in Western India. With its established equity in this space the brand can be leveraged across other states and even in overseas markets. Dabur's distribution network, strong presence in modern trade and e-commerce and strong back end capabilities are expected to yield good revenue and cost synergies for this acquisition going forward. The company is working on a refurbished product portfolio and new marketing campaign to rekindle the brand's potential.

International Business

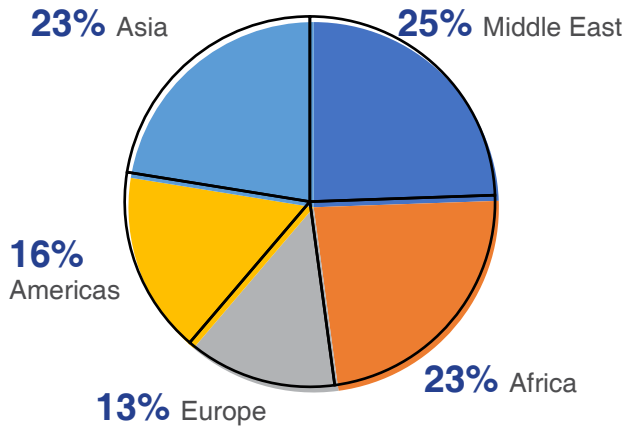
The International Business contributed 25.1% to Dabur's Consolidated Revenues during fiscal 2022-23. Dabur today has a significant international footprint with manufacturing presence across eight countries and brand presence in over 120 countries across the globe.

The International Business covers Dabur's operations across Middle East, Africa, South Asia, USA and Europe. International Business registered a constant currency growth of 11% during fiscal 2022-23. The region-wise split of Dabur's International Business Revenue is presented in Fig 7.





Fig 7: Region Wise Breakdown of International Revenue



Middle East

The Middle East region is the largest business segment, comprising 25% of the International Business. The region has experienced a slow demand recovery due to macroeconomic headwinds caused by the COVID-19 pandemic. In 2022, consumers faced unprecedented price inflation across a range of products, from housing to food to personal consumables. As a result, consumers became skeptical about the future and adopted extreme caution, which continued throughout the year.

As we stepped into 2023, consumers remained hopeful but are taking a guarded approach and rationalizing consumption. Non-essential and discretionary categories, such as hair oils, hair cream, hammam zaith, and hair styling, continue to be impacted more than essential items like shampoos and toothpastes.

Despite these challenges, our company has managed to capitalize on key trends and emerge stronger by being relevant, innovative, and socially responsible to the new-age consumers. We have strategically and tactically invested to further strengthen our equity in core categories, leveraging our flagship brands like Vatika, Dabur Amla, Dabur Herb'l, Dabur Red, and Fem. By optimizing the marketing mix, expanding our core portfolio with relevant innovations and tactically spending in digital media, we have defended and improved market shares in most of the categories in hair care, oral care, and skin care. We have also

strengthened our presence in the healthcare and food categories by entering new segments and expanding our existing portfolio.

E-commerce continues to exceed growth estimates with increasing contribution to sales in international markets and in line with industry levels in major markets.

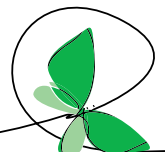
Hair Care

Our Hair Care business comprises pre-wash, in-shower, and post-wash products such as Hair Oils, Shampoo, in-shower conditioners, Hair Styling, and Hair Serums. Dabur Amla Hair Oil continues to command the No. 1 position in Hair Oils with 47.5% Vol MS in Saudi Arabia and 20.1% Vol MS in UAE. [Source: Nielsen, MAT Dec22]. Dabur Amla achieved this feat by strengthening its position with the introduction of the new Dabur Amla Advanced Hair oil. This product is enriched with Vitamin B5, Vitamin E and natural ingredients such as Amla and Aloe vera, with a strong consumer promise of a 97% reduction in hair fall. Dabur Amla's advertising campaigns with famous Egyptian actress Heba Magdi have further improved the brand imagery among the target audience, which we continue to witness through increasing market shares in the region.

The Dabur Amla Kids franchise has achieved remarkable success, owing to the viral popularity of the "Princess Amira" YouTube video, which has garnered millions of views. To further enhance the brand's appeal, Dabur Amla Kids is now introducing innovative packaging, with a cap design that mimics a crown, symbolizing a 'Princess'. This eye-catching



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Vatika is a brand that continuously evolves to meet the changing needs and preferences of its consumers. Recently, it launched a range of styling products under Vatika Menz with unique cooling and hold benefits. This makes Vatika the only brand in the category to offer such combined benefits to consumers.

design is set to break through the clutter and stand out on shelves. It is worth noting that the product has already been recognized as Amazon’s choice among online consumers, which is a testament to its quality and appeal. Additionally, Dabur Amla Kids is expanding its range by launching a new 500 ml SKU, demonstrating its commitment to reaching and serving a wider audience.

Dabur Amla won the bronze award for the Dabur Amla-FOCP hair donation campaign In the Digital MENA awards 2022.

Vatika remains the most loved natural hair care brand with a product portfolio in Pre-Wash, In-shower, and Post Wash segments. Vatika enjoys unbreakable trust from millions of Arab and Expat diaspora in the MENA region, which is visible in the No. 1 market share position in categories like Hair Creams [KSA Vol MS 30.7% and UAE Vol MS 40.8%], Hammam Zaith [KSA Vol MS 42.3% and UAE Vol MS 53.6%], Hair Styling [KSA Vol MS 37.1% and UAE Vol MS 23%] (Source: Nielsen)

Vatika Hair Cream commands the #1 position not only in retail channels but also among online shoppers. Amazon.com reported Vol MS of 26% with the coveted title “Amazon’s Choice” in the Hair Cream category. Vatika Hair Cream continues its exceptional brand engagement activities among existing consumers through popular influencer activations by promoting female styling regimen and adding new consumers in the region through tactical sampling activities, on-

ground activations to spread word of mouth, and user-generated content in social media.

Vatika is a brand that continuously evolves to meet the changing needs and preferences of its consumers. Recently, it launched a range of styling products under Vatika Menz with unique cooling and hold benefits. This makes Vatika the only brand in the category to offer such combined benefits to consumers. To further fuel its growth, Vatika is expanding its geographical footprint in many international countries. Meanwhile, the brand is also committed to catering to value-conscious consumers in its respective segments. As a result, Vatika Hair food and Vatika Hair Wax now offer a 65gm pack size to provide affordability and accessibility to its loyal consumers.

Vatika Styling continues to be the undisputed leader with the No.1 market share in KSA and UAE in the male styling segment. Vatika achieved the highest market share gain of 761 bps in KSA and now stands at 37.1%. Vatika Styling continues to gain market share by connecting and engaging youth with clutter-breaking brand marketing initiatives. In-moment marketing such as Father’s Day campaign- #doitlikeyourdad, university activations, Co-branded activities in partnership with Mustang, promoting male styling regimen through influencers, building engagement with Arab consumers by participating in events like Kandura Rally, and last but not least, the most popular #Vatikaextremechallenge, the latest edition being Sky Surfing.

Vatika Henna Hair Color is the safest Henna Hair Color in the region and the only brand to offer seven innovative shades. We retain our strong No. 2 position in the UAE and have become KSA’s 3rd most significant player. Vatika Henna is a trusted brand of choice for mothers and grandmothers in the region, and now with Fashion Shades like Plum, Mahogany, and Blue Black, Vatika Henna has become the go-to hair Color brand for Gen Z too. The brand has now unlocked new geographies, such as Jordan, Azerbaijan, Iraq & Uzbekistan, for its fashion shades. Region-specific YouTube campaigns (Vatika Henna - Loved by You, approved by your mother) with





language adaptations were done to build awareness about the brand. Vatika Henna is the 1st Henna brand to allow consumers to “Try before You buy” to see how the shade would look on them before purchasing through engaging and a creative filter on an Instagram campaign.

In 2022, Vatika continued to add more feathers to its crown of awards. Vatika won the BRONZE award for Best Retail Campaign at the annual MEPR (Middle East PR Association) 2022 Awards. Vatika Fruitamins Hair masks won the Product of the Year award for 2022.

Oral Care

Dabur continued to gain market shares in the highly competitive Toothpaste category and clocked an impressive 6.4% Market Share in Saudi Arabia (LY 5.5%) and 10.8% in UAE (source: Nielsen). This achievement was due to the adept use of event-based campaigns, collaboration with Arab influencers, public relations, on-ground distribution, and visibility enhancement initiatives in Arab-dominated outlets.

Dabur also responded to the trend of premiumization by launching Herbal Plus (with ingredients like Ginger, coconut, and baking soda) and Herb'l Kids, both of which were embraced by consumers and supported by influencers and visibility initiatives.

Dabur Herb'l was awarded the ‘Emirates Recycling Award’ by the Emirates Environmental Group for their World Environment Day campaign.

Dabur's efforts to penetrate Arab households have yielded positive results, with local Saudi consumers emerging as the highest-consuming demographic for Dabur Herb'l and Dabur Red. Additionally, mega sampling initiatives across MENA (both online and offline) enabled Dabur to reach over 550,000 consumers last year. To drive trials in Traditional Trade, we did 20gm Dabur Red Paste sampling with Dabur Amla Hair Oil packs.

Dabur Miswak was relaunched in North Africa with new communication and contemporary packaging catering to younger consumers. The communication,

focussing on oral immunity, was well supported by the media, and helped establish the superiority of Clinically Proven claims. Supreme shelf presence and new thematic communication garnered positive responses from consumers.

Dabur's cost leadership strategy for Promise and Dentacare led to strong double-digit growths over the last year in emerging markets.

Skin Care

2022 was a memorable year for skin care, with all brands growing from strength to strength. DermoViva Superfood, the new range of face care and moisturizing products, is now listed in leading supermarket chains such as Hyper Panda, Al Othaim, Carrefour, Lulu, and Ramez. To build awareness of superfood ingredients and their importance for a healthy skin care regimen, DermoViva Superfood has been running online campaigns with a celebrity influencer, Farhana Bodi, and other popular Instagram celebrities in the region.

Fem continues to gain market share in the region in the Depilatory category. Fem now has a 25.5% MAT share in UAE and gaining share in KSA with an exit share of 6.3% [120 bps share gain over LY, source: Nielsen].

Herbolene continues its winning streak with 320 bps gain, clocking a 31% MAT volume market share in UAE, up from 21.6% in the last two years by continuously challenging the other player in the petroleum jelly category. Herbolene has a 13.7% volume market share in KSA showing growing acceptance among Arab consumers as well. [MS Source: Nielsen]



2022 was a memorable year for skin care, with all brands growing from strength to strength. DermoViva Superfood, the new range of face care and moisturizing products, is now listed in leading supermarket chains such as Hyper Panda, Al Othaim, Carrefour, Lulu, and Ramez.





Dabur has a wide array of products in therapeutic categories such as cold & cough, digestives, analgesics, immunity support, well-being, and nutritional supplements. In addition to the existing markets of UAE, Qatar, Uzbekistan & Kyrgyzstan, Dabur strategically expands into new markets such as Kuwait, Australia, Russia, etc.

HealthCare

Dabur continues to spearhead its international expansion in healthcare with launches in new and innovative product segments across multiple geographies. With a focus on ayurveda backed by science, today, Dabur has a wide array of products in therapeutic categories such as cold & cough, digestives, analgesics, immunity support, well-being, and nutritional supplements. In addition to the existing markets of UAE, Qatar, Uzbekistan & Kyrgyzstan, Dabur strategically expands into new markets such as Kuwait, Australia, Russia, and other African countries.

Honitus and Pudín Hara ran engaging campaigns in traditional and online media to build consumer franchise and create awareness.

Efforts to gain market share in core categories of Honey, Chyawanprash & Glucose will continue while also focusing on building new brands such as Shilajit, Botanica, and Rapidex. Future launches in healthcare will be curated while enabling specific promotional focus on end-consumers, pharmacists, and doctors.

Foods

Dabur continues to build the foods and beverages category in international markets with packaged fruit Juices under the brand Real. In the near term, Dabur will plan for a strategic launch of spices & masalas in new global markets under the brand Badshah Masala. The Company intends to expand its portfolio by introducing varieties of Cooking Pastes, Pickles,

Chutneys/Sauces, and Condiments under the umbrella brand of Dabur Hommade.

Africa

Contribution of African region to Dabur's International Business stood at 23% in fiscal 2022-23, with Egypt, Nigeria, South Africa, and Kenya being the key markets.

Egypt

Egypt is one of the largest markets in Africa and contributes to 13% of the international business. The business comprises brands such as Dabur Amla, Vatika, Miswak, Fem, Vatika Gel and Dabur Herbal Toothpaste. Dabur has established itself as a household name in the hair care category, holding a dominant position with 76.5% share in Hair Oils, 66.9% in Hair Creams, and 66% in Hammam Zaith, continuing to remain the brand of choice for consumers in Egypt. As a result, Dabur is the leading hair care company in Egypt, according to KANTAR. The company has also experienced a significant surge in sales in categories such as Shampoo and face wash, providing opportunities for portfolio diversification and growth in the future.

Over the year, Dabur expanded its portfolio to include Baby Care under its flagship brand Vatika "Vatika Dermoviva" and further expanded the Oral Care portfolio with the introduction of Dabur Red Toothpaste. To enhance consumer connectivity to its brands, Dabur Egypt upgraded most of its product packaging, giving its products a refreshed look and feel.

The macro-economic challenges intensified during the fiscal, as the country witnessed high double-digit inflation and low forex reserves, impacted by the Russia-Ukraine war. The economy suffered with an unprecedented outflow of money previously attracted to Egypt through high yielding T bills. The massive outflow led to a severe currency crisis, causing havoc for businesses with import dependence, already grappling with global supply chain disruptions.

During the year, management remained committed to navigating challenges through improved focus on





exports to East Africa and other relevant markets, import substitution and enhanced global co-operation with the banks to get the required foreign currency for the Egypt operations. Dabur maintained relevance to the consumer by leveraging the power of its brands, offering value in times of inflation through cost transformation to remain competitive and protect market shares.

Nigeria

Dabur's Nigeria business covers Hair Care, Oral Care, Personal Care and Home Care products. Despite difficult economic conditions around currency devaluation, demonetization and presidential elections, business focus has been to consolidate its brand availability under the national distribution structure. Strong focus through market activation, direct-to-retail operation, digital media to extend brand franchise and generate demand, coupled with extensive market level visibility led to the increased numeric distribution in the highly competitive toothpaste category. Our brand access to wide spectrum of sub-distributor network and improvement of weighted distribution has enabled a recovery for our Oral care brands.

Robust growth of Crème-On-Crème Relaxers has been driven with share gain in lye tub relaxer segment coupled with the increased distribution via open market network tapping and van plus foot soldier educator program. Acceptance of low unit price sachet packs has enabled ORS stride towards leadership position. Heightened focus on Salon Education and developing the Opinion Leadership program via social media connect through Instagram, Tik Tok and Facebook videos has extended the brand franchise. The consolidation of relationships with the top stylist-hair associations, has been instrumental to open connect and drive engagement with stylists and Salons in semi-urban townships.

South Africa

The business in South Africa consists of a variety of hair care and personal care products under the brands Vatika, ORS and Long & Lasting. With the continued momentum around maintenance, treatment and

natural styling regimens amongst African women, the core of innovations has been to improve our brand focus around Maintenance and Styling segments. This has assisted to balance the retail and wholesale mix and grow the newer segments versus the relaxer kits, resulting in overall business profitability improvement. Regionally developed offerings of ORS Black Castor and Vatika Afro Naturals continued to gain in new markets within SADC (South African Development Community) and COMESA (Common Market for Eastern and Southern Africa) markets. New launches of Wrap set Mousse and Sheen Spray variants have ensured share gain for ORS ahead of competitive brands. The Long & Lasting speciality maintenance range continued to offer affordability to the value conscious consumer amidst continued economic hardship.

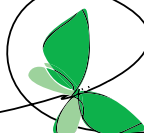
During the year, Dabur collaborated with Influencers and Regional Hair Associations to drive saliency for its products across markets like Nigeria, Ghana, Kenya, Tanzania, Zambia, Uganda and South Africa. Vernacular campaigns coupled with consumer and trade engagement developed basis local insight gathered are expected to enhance business growth and expand our foothold across various markets in Sub-Saharan Africa.

South Asia

The South Asia business for Dabur covers key markets like Nepal, Bangladesh, Sri Lanka and Myanmar. This region accounts for 23% of total International business for Dabur.



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Nepal

Dabur's Nepal business witnessed robust growth in both topline and bottomline in FY23, building on the strong performance of the previous year. This was largely driven by the highly successful fruit juice business, which benefited from positive seasonality, new product formats, and a recovery in demand as the Covid crisis eased. With the reopening of out-of-home consumption and a rebound in tourism and HORECA channels, both family and portion packs across flavors saw strong growth.

In the non-food space, Dabur saw impressive growth in oral care, digestive, and home care categories. However, the health supplements category witnessed a decline due to the reduced relevance of COVID contextual brands. Despite significant gross margin pressure from material cost inflation and adverse product mix, the company managed to partially offset this by implementing price increases and cost-saving measures.

Dabur also continued to invest in advertising, with new and fresh communications featuring top celebrity endorsers, focusing on local relevance and connection. The company also launched new products such as Real PET and Vatika shampoo, and worked on several initiatives for the next fiscal year.

Furthermore, Dabur increased its urban and rural distribution through the appointment of new stockists, expanding direct and indirect coverage, and building sales and merchandising infrastructure.

Bangladesh

Dabur operates in Bangladesh, producing and selling a variety of consumer goods in Hair Care, Oral Care, Home Care, Healthcare, and Skin Care segments.

During fiscal year 2022-23, Dabur faced several economic challenges in the domestic market, including high inflation due to global commodity price rise, supply chain disruptions caused by the Ukraine-Russia War, and a depreciation in the domestic currency. These challenges led to a decline in demand for Health care products, causing a marginal decline in the business. However, the company managed to



The South Asia business for Dabur covers key markets like Nepal, Bangladesh, Sri Lanka and Myanmar. This region accounts for 23% of total International business for Dabur.

mitigate this through consistent growth in Home Care & Oral Care categories, modern trade and institutional selling, and its automation drive under project Gati.

To sustain its key brands, Dabur Bangladesh adopted several new TV and digital media strategies, including partnering with local celebrities such as Chanchal Chowdhury for Dabur Red Toothpaste and leveraging digital media influencers for Dabur Honey. The company also explored major sporting events like T20 WC 2022 and FIFA 2022 with Odonil and Dabur Honey, respectively.

Dabur Bangladesh has also taken new initiatives to optimize its value chain and reduce costs, including strategic sourcing of raw materials and finished goods for its Healthcare category, which includes Juices and Glucose.

As part of its strategic priorities for the year, Dabur Bangladesh became a 100% step down subsidiary of Dabur India Limited after acquiring shares from its local JV partner, Advanced Chemical Industries Limited. Furthermore, the company changed its name from "Asian Consumer Care Private Limited" to "Dabur Bangladesh Private Limited" in February 2023 to leverage the vintage name of the parent company in the sub-continent and ensure steady growth in the region.

Europe

Dabur's Europe business successfully navigated the economic turmoil in the region through its focus on strategic growth pillars and core categories. Despite unprecedented high inflation, currency depreciation, and low to negative growth rates, both Dabur and Namaste business showed strong growth rates.





The growth was primarily driven by Dabur's Power Brands such as Dabur Amla, Vatika and Dabur Herbal Toothpaste. Dabur Amla Hair Oil saw disproportionate growth due to the company's focus on Arabic and Afro ethnicities. Vatika Naturals continued to evolve to compete with strong global brands in the hair nourishment space, thanks to the purpose-led brand building initiatives. Dabur leveraged its global expertise in oral care to gain mainstream accounts across the UK and Eastern Europe.

Namaste's Europe business also performed exceptionally well, with the hair relaxers segment and hair styling seeing exceptional growth rates. The company's sharp focus on driving the core ORS Olive Oil brand helped reduce backend complexities and strengthen brand equity. Streamlining of global supply chain and product pricing has also helped business.

The company also strengthened its channel strategies by making major inroads into mainstream retailers across the UK and Europe and improving e-commerce capabilities, with e-commerce contributing 12% to Dabur UK business towards the end of the year. Further expansion into key European markets and Namaste business is planned.

Turkey

Dabur's business in Turkey registered a strong top line growth in constant currency terms. The growth was driven by Shampoo, Body wash, Hair styling and Skin Care. Market share of Hobby brand in Hair Styling category increased from 18.6% to 19.7%. Turkey continued to face macro-economic headwinds



Hobby launched 3 new creams and 3 lotions (coconut, shea, avocado) in 2022 and shot an advertisement with famous artist Meltem Akçöl. Hobby continued its digital and social media presence throughout the year resulting in market share gain in key categories.

in Fiscal Year 2022-23. The Turkish lira devalued almost 77% as compared to last year leading to high inflation (50.5%).

Market share of Hobby brand in Shampoo category increased from 2.3% to 3.1%. Market penetration of Hobby Hair Care increased mainly due to new listings at hard discounters. Hobby volume share in Hair Styling category also grew from 18.6% to 19.7%, still being the leader in hair gels and continued to grow further in 2023. Hobby hair gel market share increased from 47.5% to 52.7%. Hobby's weighted distribution increased in all Hair Styling segments such as gels, waxes, mousse and sprays and gained share in all these segments. Hobby launched 3 new creams and 3 lotions (coconut, shea, avocado) in 2022 and shot an advertisement with famous artist Meltem Akçöl. Hobby continued its digital and social media presence throughout the year resulting in market share gain in key categories.

America

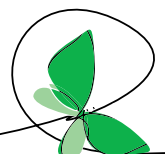
In USA, Dabur operates in two broad segments, viz., Namaste business and the US Ethnic Business.

Namaste Business

The Namaste business operates in the multicultural haircare category in the US. It's anchor brand – ORS Haircare, provides health and beauty solutions that maximize choice, style and hair health - affordably, for black women and their families. The 28-year-old-legacy haircare brand holds number 1 and number 3 position in important sub-categories of relaxers and hair dress respectively.

Innovation continues to fuel growth for Namaste with an NPD contribution rising to 9% for 2022-23. The focus continues on meeting the evolving performance and care needs expected of hair products for the consumer as they navigate their way through curly, straight and hair extension trends.

Retail /Mass and OTC accounts have gained share of business post-Covid. Namaste's distribution depth across all channels has ensured that consumers have full access to the entire portfolio via retail





and E-commerce space. Supply chain constraints have continued which has required revaluation of procurement and production planning. Continuous monitoring and evolving the new normal of supply chain has resulted in business the adverse impact of material cost and logistic inflation. Focus has remained to drive operational and material cost saving initiatives and pass on only essential price increases to the consumer.

US Ethnic Business

Dabur's US Ethnic business continued to cater to the South Asian consumers in US & Canada. Our strategic intent this year has been to recruit new consumers to our brand by offering superior quality products across categories and also through vertical and horizontal distribution expansion in US & Canada (Latin American, Caribbean & Central American markets). We had clear focus on opening doors of National & Regional mainstream retailers in US & Canada for our flagship brands and with the right strategy we secured listings in mainstream stores like Loblaw's, Shoprite, H-Mart, Kroger's etc.

In fiscal 2022-23, brands like Dabur Honey, Dabur Mustard oil, Dabur Amla gold, Vatika hair oil and Red toothpaste registered strong growth. The overall sales were driven by food & beverage products, hair care, healthcare, and skin care products. E-commerce channel, one of key levers of future growth, doubled during the year.

With acquisition of Badshah by Dabur enterprise, we will foray into new sub-category of Blended spices within food category which is a promising opportunity for us. Dabur US ethnic business have strong plans to grow Badshah exponentially in FY23-24 on back of focused distribution expansion and brand building initiatives.

We will re-define our media strategy from traditional media to always on digital first approach with strong use of influencer marketing & Social Media marketing to drive awareness and trials within young consumers. Our future marketing campaigns will focus on local and relevant content to establish Dabur's global

expertise in Natural & herbal space.

Sales & Distribution - India

Dabur has developed a robust distribution system to ensure the availability and visibility of its diverse portfolio of products across the country. The company continuously evolves its go-to-market strategies to keep up with the changing dynamics of the market, which has strengthened Dabur's capabilities and led to impressive results. During the year, the company increased its direct coverage to 1.4 Million outlets from 1.31 Million, expanding its total reach to 7.7 Million outlets.

Recognizing the significance of the rural market which still accounts for 65% of the country's population, Dabur has significantly strengthened its rural footprint by reaching over 100,500 villages across the country. The company's Project Yodha, aimed at providing a sustainable livelihood to the rural population, has gained momentum with the number of Yodha's increasing by 40% to 14,992. These initiatives have helped Dabur's rural business remain resilient even during the tough times seen in the rural market this year.

Dabur has been focusing on growing its distribution network not only in traditional trade but also in alternate channels like modern trade, e-commerce, cash & carry and Institutions, which now contribute to 23.5% of the company's overall business. Alternate channels were used effectively, creating impactful visibility around new product introductions as also for sampling of existing products.



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Several initiatives were taken in 2022-23 to strengthen our market presence in terms of availability & visibility, foremost among them was the successful implementation of “Project NARA” creation of exclusive stockist network for Out-of-Home Beverage portfolio. More than 600 exclusive super and 2600+ sub stockist has been appointed under the initiative. Another initiative was the channel program initiative “Pragati” for top 10,000 retail outlets across top 50 towns. These outlets with enhanced visibility elements have given good yields and have grown at healthy double digit. Moving forward we will double the Pragati outlets & further expand the program to SAMTs (Standalone Modern Trade) also.

Dabur is committed to supporting its S&D network through information technology and is continuously investing in IT-enablement as a major driver for enhancing productivity and field force efficiency. The company has rolled out a supervisory app named “Farsight” that enables sales supervisors to monitor their team’s performance in real-time, improving market productivity by 30%. Dabur is also upskilling its field force by identifying their training needs based on their market working and analytical skills through “Gurukul,” an online learning platform. Implementation of data lake on DOMO, Asset tracking module, driving retailer engagement through Gamification etc are few other IT initiatives to enable decision making & improving efficiencies.

In addition to enhancing its distribution footprint, Dabur has deployed localized promotional strategies under

the RISE initiative to reach out to its consumers in the markets. The company has conducted consumer activations in many places in urban and rural areas, participating actively in key melas where consumers could experience its products. This has helped in building a direct consumer connect and a strong base for future growth. Dabur has also emphasized maintaining and developing its relationship with trade partners, organizing regular dealer meets to interact with them and inform them about new developments within the company and new product introductions.

Moving forward, Dabur plans to take a focused approach towards specialized channels like Chemist, Cosmetic & Fancy, Salon & Parlour for better engagement and extraction through brand building initiatives and loyalty programs.

Retail Business - NewU

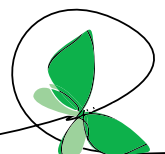
Dabur’s wholly owned subsidiary, H&B Stores Ltd, operates in the specialized beauty retail business through its chain of beauty retail stores under the brand ‘NewU.’ The brand offers a wide range of beauty care products, including cosmetics, fragrances, skin care, personal care, and beauty and fashion accessories. NewU has become one of the largest one-stop shops for all beauty care needs, with domestic and exclusive international brands available at its 100 stores across India.

In addition to its offline presence, NewU has also established a strong e-commerce presence on its own website, jaquilineusa.com, and other marketplaces. The company has also started opening new franchise model stores, known as FOCO stores, across the country.

NewU has enhanced its portfolio of exclusive brands at its stores with the launch of various products under the brand Jaquiline USA, such as new variants of sheet masks, eyeshadow palettes, lipsticks, nail paints, color kajal, serum foundations, wax strips, foaming face washes, clay masks, and grooming tools. The brand has also added a wide assortment of EDP perfumes, body mists, and gift sets under ‘London Notes’ in the fragrances category.



Moving forward, Dabur plans to take a focused approach towards specialized channels like Chemist, Cosmetic & Fancy, Salon & Parlour for better engagement and extraction through brand building initiatives and loyalty programs.





Dabur's Beauty Retail brand NewU has become one of the largest one-stop shops for all beauty care needs, with domestic and exclusive international brands available at its 100 stores across India.

Going forward, the company plans to expand the Jaquiline USA range to cover a host of beauty, make-up, perfumes, and skin care products. It has launched its e-commerce website jaquilineusa.com and plans to introduce a new skincare brand 'BOTANICA' while also increasing its portfolio of beauty tools and accessories under Jaquiline USA and NewU.

Manufacturing & Operations:

Dabur is a global company that offers a variety of trusted brands designed to meet the diverse needs and aspirations of consumers around the world. Our manufacturing footprint spans across four continents, ensuring that we can meet the demands of our customers wherever they may be. Our commitment to quality, innovation, and sustainability is at the heart of everything we do, and we strive to create products that not only meet but exceed the expectations of our customers.

Domestic Manufacturing

Dabur's manufacturing operations started the year with 13 locations in India: Baddi (Himachal Pradesh), Pantnagar (Uttarakhand), Sahibabad (Uttar Pradesh), Tezpur (Assam), Jammu (Jammu & Kashmir), Indore, Katni, Pithampur (in Madhya Pradesh), Silvassa (Gujarat), Narendrapur (West Bengal), Nashik (Maharashtra), Alwar and Newai (both in Rajasthan). The year saw Dabur add a new location (Umargaon in Gujarat) to its manufacturing footprint, taking the number of locations in India to 14, with the acquisition of 51% stake in Badshah Masala. During the year, Dabur invested ₹509 Crore towards Capex for upgrading its manufacturing capability and

setting up new production lines in Indore, Tezpur, Jammu and Pithampur, besides integration of the latest state-of-the-art technology. These investments have provided us returns in terms of cost reduction, product improvement, increased efficiency and incorporation of circular economy in plants. We are investing in renewable energy projects within our facilities to proactively reduce our overall emissions footprint across operations.

More details on our manufacturing operations in India are presented in the Integrated Report section of this report.

Manufacturing & Operations - Overseas

We have a localized supply chain strategy for international markets. Dabur has eight world-class, cutting-edge manufacturing facilities to develop and manufacture a range of products catering to the needs and preferences of the local populace. Our overseas manufacturing facilities are in UAE, Egypt, Turkey, Nigeria, South Africa, Nepal, Bangladesh, and Sri Lanka.

UAE: In UAE, Dabur has an integrated manufacturing unit which produces a wide range of hair care, oral care and skin care products. With a capacity of over 60,000 MT / 10 Million cases of finished goods annually, the RAK unit caters to more than 70 countries. In order, to drive continuous improvement and cost efficiencies, the unit has implemented various automations during the year such as the end



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of line robotic palletizer for its skin care portfolio. The factory adopted various Kaizen Initiatives across all processes driving productivity improvement by 10% over last year. The year witnessed adoption of digital tools to drive people engagement and hence continuous improvements across the plant, Energy Management Tool to drive energy efficiency with a focus on “Sustainability”.

Egypt: The manufacturing facility is located in Cairo, producing Hair, Oral and skin care products under the umbrella of “Dabur”, “Vatika” and “ORS” brands for both domestic and export markets, mainly COMESA countries. During the year, Dabur Egypt Limited started phase 1 of the New green field CAPEX in 10th of Ramadan city. The land area measures 50,000 square metres (sqm) while the phase 1 plan is to build atleast 40% footprint entailing warehouse and extension of new lines for new products and existing growing categories. The company is incorporating sustainable elements into its operations including the use of energy saving technologies, complete automation and monitoring of its plant.

Nigeria: Dabur’s Nigeria factory is located at Lagos and is engaged in manufacturing of Oral care, ethnic African hair care and personal care products which include toothpaste, hair relaxers, shampoo and conditioner, hair mayonnaise, texturisers, handwash and toilet cleaners. The plant has regained its manufactured volumes coupled with wastage reduction and Quality SOP restage. Nigeria factory has also focussed on regular exports to other West

Africa markets like Ghana, Cameroon, Benin under the ECOWAS treaty.

South Africa: In South Africa, Dabur’s manufacturing plant is located at Johannesburg which delivered an annual in-house production of over 300,000 cases plus additional outsourced manufacturing of 175,000 cases including sheen sprays. The SA manufacturing site has become a sourcing centre for multiple markets under SSA framework. The plant caters to an extended product range including relaxer kits, tub relaxers, lotions, gels, shampoos, conditioners, styling, and maintenance products catering to different styles i.e., relaxed, protective & natural. Various automation enhancement initiatives, new factory warehouse plus improved safety projects at the factory were successfully executed during the year. New launches under ORS Black Castor and Vatika Afro Naturals were added to the portfolio.

Turkey: Hobi Kozmetik factory, located near Istanbul, is a manufacturing source for Turkey as well as exports to Africa, Middle East and USA. Manufacturing capacity is 55,000 MT per annum of liquid soaps, shampoos, conditioners, hair care and skin care products. During the year factory continued investments to increase bulk production and filling capacities particularly in view of increased demand for Liquid soap.

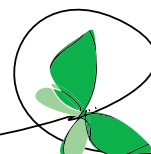
Nepal: Dabur has a state-of-the-art manufacturing plant at Birgunj spread over 44 acres. The plant is FSSC 22000, USFDA ,SEDEX SMETA & IMS (ISO 14000,OHSAS & QMS) certified.

Bangladesh: The manufacturing facility is located at Dhamrai in Bangladesh. The products manufactured here includes hair care, oral care, digestives and honey. The plant has Halal certification for manufacturing received from Islamic Foundation for relevant products like Dabur Red Toothpaste, Dabur Meswak, Dabur Honey & Hajmola.

Sri Lanka: Dabur’s manufacturing plant in Sri Lanka is located at Kotedeniya. The plant manufactures fruit juices.



Dabur’s manufacturing plant located at Johannesburg delivered an annual in-house production of over 300,000 cases, besides additional outsourced manufacturing of 175,000 cases. The manufacturing site has become a sourcing centre for multiple markets under SSA framework.





Human Resources

Dabur is a representation of multi-geography and generation talent, consistently achieving excellence in diverse fields. We today employ 7,727 talented individuals across 25 nationalities in 15 countries around the world.

More details on our Human Capital are presented in the Integrated Report section of this report.

Financial Review

During fiscal 2022-23, the Company crossed the ₹11,000 Crore milestone with Consolidated Revenue from Operations touching ₹11,530 Crore, compared to ₹10,889 Crore in fiscal 2021-22. This translates to 6% growth for the year, leading to a robust 3-year CAGR of 10%.

Inflation continued to be a concern during the year, with material inflation to the tune of 12.6%. Despite combating inflation through price increases of around 8% and cost optimization initiatives of ₹60 cr, our gross profit saw a contraction of 258 bps. The advertisement and publicity expenditure saw a decrease from 7.1% to 5.6%, primarily on account of some optimization and further shift towards cost effective digital media. Employee cost to revenue ratio was steady at 9.9%. The consolidated operating profit touched ₹2,164 Crore and operating profit margin was at 18.8% in fiscal 2022-23. Profit After Tax was ₹1,707 Crore in fiscal 2022-23, seeing a minor decline of 1.8% over previous year. Diluted EPS for fiscal 2022-23 was at ₹9.61. Table 1 provides a summary of the consolidated income statement.

Table 1: Consolidated Income Statement

| All figures are in ₹ Crores, unless otherwise stated | FY2022-23 | FY2021-22 | Growth % (Y-o-Y) |
|--|----------------|----------------|------------------|
| Net Sales | 11,426.5 | 10,808.0 | 5.7% |
| Other Operating Income | 103.4 | 80.7 | 28.2% |
| Revenue from operations | 11,529.9 | 10,888.7 | 5.9% |
| Material Cost | 6,268.7 | 5,639.7 | 11.2% |
| % of Revenue from Operations | 54.4% | 51.8% | |
| Employee expense | 1,137.0 | 1,079.9 | 5.3% |
| % of Revenue from Operations | 9.9% | 9.9% | |
| Advertisement and publicity | 640.3 | 777.9 | (17.7%) |
| % of Revenue from Operations | 5.6% | 7.1% | |
| Other Expenses | 1,319.8 | 1,137.3 | 16.1% |
| % of Revenue from Operations | 11.4% | 10.4% | |
| Operating Profit | 2,164.1 | 2,253.8 | (4.0%) |
| % of Revenue from Operations | 18.8% | 20.7% | |
| Other Non-Operating Income | 445.4 | 393.2 | 13.3% |
| EBITDA | 2,609.5 | 2,647.0 | (1.4%) |
| % of Revenue from Operations | 22.6% | 24.3% | |
| Finance Costs | 78.2 | 38.6 | 102.7% |
| Depreciation & Amortization | 311.0 | 252.9 | 23.0% |
| Share of profit / (loss) of joint venture | (1.6) | (1.8) | (9.2%) |
| Profit Before Tax (PBT) before exceptional items | 2,218.7 | 2,353.7 | (5.7%) |
| Exceptional item(s) | 0.0 | 85.0 | (100.0%) |
| Profit Before Tax (PBT) | 2,218.7 | 2,268.7 | (2.2%) |
| Tax Expenses | 517.3 | 526.4 | (1.7%) |
| Minority Interest – Profit/ (Loss) | (5.8) | 3.1 | (289.0%) |
| Net Profit (After Minority Int.) | 1,707.1 | 1,739.2 | (1.8%) |
| % of Revenue from Operations | 14.8% | 16.0% | |



**Table 2: Working Capital**

| As Days of Sales | FY2022-23 | FY2021-22 |
|------------------|-----------|-----------|
| Inventories | 64.1 | 64.1 |
| Receivables | 26.9 | 21.7 |
| Payables | 69.2 | 67.6 |
| Working Capital | 21.7 | 18.1 |

Working Capital in the business slightly increased from 18.1 days in fiscal 2021-22 to 21.7 days in fiscal 2022-23. This was primarily on account of increase in receivable days from 21.7 in fiscal 2021-22 to 26.9 days in fiscal 2022-23. Inventory days were at similar level at 64.1 days. Payable days saw an increase from 67.6 to 69.2.

Table 3: Other Key Ratios

| Ratio. | FY2022-23 | FY2021-22 |
|---------------------------------|-----------|-----------|
| Debt equity ratio | 0.13 | 0.12 |
| Interest service coverage ratio | 33.4 | 68.6 |
| Current ratio | 1.2 | 1.3 |
| Debtors turnover | 15.3 | 17.9 |
| Inventory turnover | 13.4 | 13.4 |
| Operating Profit Margin | 18.8% | 20.7% |
| Net Profit Margin | 14.8% | 16.0% |

Interest service coverage ratio reduced from 68.6 to 33.4 on account of increase in finance cost, due to financing of capex.

Table 4: ROIC and Return on Net Worth

| Ratio | FY2022-23 | FY2021-22 |
|---------------------|-----------|-----------|
| ROIC | 35.3% | 58.2% |
| Return on Net Worth | 18.0% | 20.8% |

ROIC and RONW reduced on account of flattish profitability and addition to capital employed on account of Capex and acquisition of Badshah Masala Pvt Ltd.

Table 5: Cash and Debt Position

| In ₹ Crores | FY2022-23 | FY2021-22 |
|---------------------------|-----------|-----------|
| Debt | 1,174 | 1,030 |
| Cash and Cash Equivalents | 6,591 | 6,780 |
| Net Cash | 5,581 | 5,750 |

The business generated Net Cash flow from Operations of ₹1,488 Crore in fiscal 2022-23. Capital Expenditure of ₹509 Crore was incurred during the year which includes the expenditure on domestic as well as overseas manufacturing facilities. The net cash available with the Company as on 31st March 2023 was ₹5,581 Crore. Table 5 reflects the cash and debt position of the Company.

The Company continued with dividend payout ratio at greater than 50% of consolidated Profit After Tax, with this year's Dividend Payout Ratio of 54%. This has resulted in total dividend of ₹921 Crore for the fiscal 2022-23.

Internal Control Systems and Their Adequacy

Please refer to the Director's Report

Risks & Concerns

Please refer to the Risk management section of the Integrated Report for more details.

Strategy & Resource Allocation

Please refer to Dabur's Strategy section of the Integrated Report for more details.

Stakeholder Relationships

Details of our Stakeholder Engagement initiatives have been provided in the earlier sections of the Integrated Report.

