



A N N U A L   R E P O R T  
2 0 0 0 - 0 1



Beyond Ayurveda -  
Natural Remedies for Health & Well Being



D A B U R   I N D I A   L I M I T E D





## **Beyond Ayurveda - Natural Remedies for Health & Well Being**

This is the story of more than a century old partnership, Dabur has enjoyed with nature. In this long and fruitful relationship Dabur has endeavoured to understand the hidden treasures of nature. And has brought this rare knowledge to the consumers in the form of natural health and personal care products. During this journey, Dabur has imbibed the knowledge of Ayurveda and moved beyond... to new frontiers, to add more to the knowledge of nature and natural products.

## CONTENTS

Board of Directors	1
Chairman's Message	2
Management Discussion & Review	4
Past Financials	19
Directors' Report	20
Corporate Governance	24
Auditors Report	30
Accounts - Dabur India Ltd.	32
Subsidiaries Accounts	
Dabur Nepal Pvt. Ltd.	49
Dabur Foods Ltd.	55
Dabur Overseas Ltd.	62
Dabur Egypt Ltd.	64
Dabur Finance Ltd.	67
Dabur Oncology Plc.	74

## **BOARD OF DIRECTORS**

### **Chairman Emeritus**

Mr. A.C. Burman

### **Chairman**

Mr. V.C. Burman

### **Vice Chairman & Managing Director**

Mr. G.C. Burman

### **Dy. Managing Director**

Dr. Anand Burman

### **Whole Time Directors**

Mr. Ninu Khanna

Mr. P.D. Narang

Mr. Sunil Duggal

### **Directors**

Mr. Pradip Burman

Mr. Sidharth Burman

Air Chief Marshal N.C. Suri (Retd.)

Mr. Ashok Goenka

His Highness Maharaja Gaj Singh

Raja Vijay Karan

Mr. S.M. Datta

Mr. Uday S Kotak

Dr. A.M. Singhvi

Mr. Ajay Bahl

Mr. P.N. Vijay

### **Company Secretary**

Mr. Ashok Jain

### **Auditors**

M/s G Basu & Co.

Chartered Accountants

### **Internal & Management Auditors**

Price Waterhouse Coopers

### **Bankers**

Punjab National Bank

Standard Chartered Grindlays  
Bank Ltd.

American Express Bank Ltd.

HSBC Ltd.

State Bank of India

Deutsche Bank AG

ABN Amro Bank NV

Citibank NA

United Bank of India

### **Corporate Office :**

Dabur India Limited

Kaushambi,  
Sahibabad-201010

### **Registered Office :**

Dabur India Limited

8/3, Asaf Ali Road,  
New Delhi-110002



## CHAIRMAN'S MESSAGE

It gives me great pleasure to present Dabur's performance for the year 2000-01. This year has been one of the most testing years for the FMCG sector. At the close of the year, I look back with pride and satisfaction at the contribution your company has made to the economy and the quality products it has provided to the millions of Indians across the country. It is heartening to see that the company with stood the tough market conditions.

### Macro Economic Picture

This year was one of the most turbulent year for the industry. This was testing time for Indian economy with agricultural growth down to meager 1.4% and industrial growth also slowing down to record just 6.5% growth.

A national calamity in the form of earthquake in Gujarat resulted in additional burden on Indian economy but at the same time brought the national feelings to the fore. A nation stood united when the big problem loomed large.

This year's Union Budget was hailed by Indian business as landmark budget, which would support growth, but the turbulence at Indian stock exchanges nipped optimism in the bud.

This enduring year has given some key learnings, which the Indian business must adhere to - greater efficiency, good corporate governance and reaping greater internal economies are the maxim for future growth.

### Industry Scenario

The FMCG industry saw a year in which growth in sales revenue came under severe pressure with every quarter. The growth rate in sales for the industry kept going down with each quarter. The industry could manage an average growth rate of around 6%. Your company is one of the few who could manage double digit growth and have outperformed the industry average.

While sales plateaued the industry focused on reaping the benefits of internal efficiencies, which resulted in average 25% bottom line growth; Dabur fared better by posting 39.2% growth in profit after tax. The focus has also shifted on getting new set of users to the portfolio which resulted in expanding our vision beyond the horizon of Ayurveda to herbal/natural health and personal care.

### Issue of Counterfeits

Counterfeits and fakes, which has been a major problem for FMCG industry for many years now, has taken astronomic proportion in the last couple of years. A study by A C Nielsen put fakes and counterfeits sale in India at worth Rs.2500 crore.

Under the aegis of FICCI, FMCG companies decided to come together to fight this menace by setting up Brand Protection Committee (BPC). Dabur is also part of this effort. BPC has assigned the job of identifying and conducting raids against counterfeit and fakes manufacturers to an independent agency, which has already conducted few successful raids. Dabur independently also continued its war against such unscrupulous manufacturers and distributors which has resulted in containing this menace to some extent.

### Key to Growth

At Dabur key to our growth is knowledge of nature, which provides the basis, and use of modern research tools for continuous innovation. Innovation in products, processes and methods will drive Dabur to global leadership in health and personal care products.

### Research and Development

Dabur has been involved in research in fields of Ayurveda, chemical entities and formulations, pharmaceuticals and biotechnology with over 125 research scientists working on various research projects across all the fields.

Dabur's use of modern scientific tools has helped in enriching our knowledge of Ayurveda and has also helped in Dabur's



entry into high technology areas like cancer drugs. Dabur is the leader in Indian anti cancer drug market. Your company is the leading Indian healthcare company working in the areas of genomics, proteomics and bioinformatics - the new areas of scientific research.

Our newly constructed state of the art infrastructural facility, comparable to the best in the world, marks the completion of phase I of our modernization project, which included oncology and biotechnology research and library. The remaining phase will be completed by the year end.

Dabur has always emphasized on use of latest technology and thinking ahead of time, this not only gives the company a broader outlook but also helps in giving maximum benefit to our consumers.

#### **Leadership and continuous innovation**

Today, we are the leaders in herbal healthcare and oncology. To maintain our leadership position, we must innovate. Innovation in products and processes is must for an efficient and fitter organization. We must keep the flame of creativity burning within us forever. We must have a confidence in our ability to innovate and the rest would follow. But this confidence has to be backed up by a well trained and skilled human resource, a focus area for your company.

#### **Corporate Governance**

Your company is firmly committed to building long term shareholder value and has instituted several measures to achieve accordance with practices of good corporate governance.

The process of bifurcation of management from ownership of the company is completed and has paved the way for new standards of transparency in corporate governance.

During the year, your company revamped the Audit Committee that has a majority of independent directors and is headed by Mr. Ajay Behl who has vast experience in this field. The committee would be advising and assisting the Board in formulating a sound system of internal control in order to safeguard shareholders' investment and the company's assets.

The other board level committees continue to give their valuable recommendations to the board for formulating strategies.

The company has already demated its shares adding transparency and ease in transactions besides providing safety to your holdings. For increasing the liquidity of the stock the company split its Rs.10 share into 10 shares of Re 1 each.

#### **Care for Environment**

Dabur is committed to environmental issues. During the year we developed saplings, through micro propagation, for more than 40 herbs of which 12 are on the list of endangered species. Dabur through its contract cultivation and bee-keeping initiatives continues to focus on providing employment to the people and also improving the quality of life of the people.

After four years at the helm of affairs of the company. I have decided to step down from the chairmanship of your company. I would handover charge to Mr. Gyan C. Burman after the Annual General Meeting. Mr. G.C. Burman does not need any introduction to you. He has worked in different positions in the company for almost thirty five years and has been one of the prominent architects of Dabur of today.

Before I conclude, I would like to take this opportunity to thank all stakeholders in the company - our shareholders, our employees, business partners and last but not the least the consumers - all of whom have contributed to our success. I once again reaffirm that Dabur is and will always be- Dedicated to the health and well being of every household.

Thank you,

  
V C BURMAN

## MANAGEMENT DISCUSSION AND REVIEW

### INDUSTRY SCENARIO

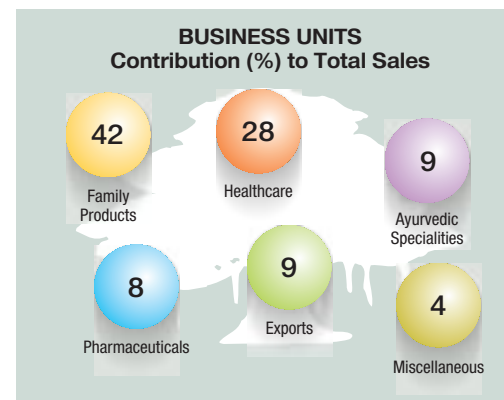
Dabur has been one of the few companies in the Fast Moving Consumer Goods industry who have



managed a double-digit growth this year. A year in which average industry growth in sales volume and revenue came under severe pressure, witnessing a downward trend, in every quarter. The FMCG industry grew at around 6% in value. Dabur has been able to manage a healthy growth of 11.9% over last year.

The industry focused on reaping the benefits of internal economies that resulted in average industry bottom line growth of 25%. Our company outperformed the industry average by registering a growth of 39.2% in profit after tax. The company plans to broaden its customer base organically hence the focus is on:

- Natural/herbal health and personal care products for modern consumers
- New dosage forms for better product efficacy and convenience
- Reaching out to every household and every family member



### BUSINESS UNITS REPORT

The major business units recorded double-digit growth during the year. The Family Products, the largest division, contributed 42% to the business. The division achieved a turnover of Rs.489.7

crore recording a growth of 11.5% over last year. Healthcare division contributed 28% to the business achieving a growth of 10% in sales to record turnover of Rs.329.7 crore in the year.

Ayurvedic Specialities achieved a distinction of crossing Rs.100 crore mark in the turnover this year. The division contributed 9% to the company's turnover to reach Rs.104.3 crore recording a growth of 19.1% over previous year. Pharmaceuticals had the distinction of fastest growing division with 29.7% growth over previous year. The division recorded a turnover of Rs.96.4 crore, contributing 8% to the company's turnover.

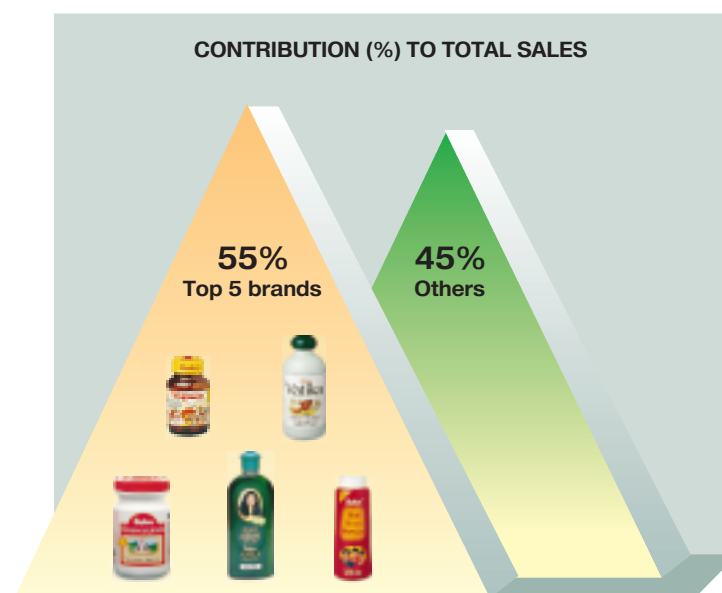
Exports recorded a decline of 8.8% to record a turnover of Rs.104.2 crore.

This has been due to shift in exports arrangement for Middle East. The company has given the rights of sales in Middle East market for health and personal care products to Redrock Limited and would get 3% royalty on the sales proceeds. This has reduced the exports turnover to Middle East from this year, resulting in a decline. However, on like to like basis there has been an increase of 11.3% in exports.

Miscellaneous sales such as sales of bulk drugs in domestic market, sales to Dabur Ayurved Limited and sales of guar gum contributed another 4% of the turnover.

#### GROWTH TREND

**Sales grew by 11.9% and Profit After Tax by 39.2%, outgrowing industry average by large margin. All Strategic Business Units recorded double digit growth.**





The company has five brands which contribute more than Rs.100 crore each. Vatika has joined this elite group this year, which already had Dabur Amla Hair Oil, Dabur Chyawanprash, Dabur Lal Dant Manjan and Hajmola. These 5 brands together contribute 55% of the turnover of the company.

### **FAMILY PRODUCTS DIVISION**

The Family Products Division is the largest revenue contributor in the company and is continuously outpacing market growth with superior product offerings and innovative marketing. This division witnessed a growth of 11.5% and has a large potential for growth. Family products division boasts of three brands worth Rs.100 crore each, Amla Hair Oil, Lal Dant Manjan and Vatika.



### **This segment includes**

Hair Care products- Dabur with 19% of hair oil market is a dominant player with Dabur Amla and Vatika having strong brand equity. Dabur has a presence in almost all segments of hair oil. With our focus on value added categories, we have expanded our portfolio in this segment by adding:

Vatika anti-dandruff shampoo - first mass marketed anti-dandruff shampoo having natural ingredients to fight dandruff.

Amla lite - launched nationally in phased manner from May 2001. The unique back label which is visible through see through bottle and oil for



Amla Lite was very well appreciated by trade as well as consumers.

Oral Care products - Dabur Lal Dant Manjan gained market share to command 29.4% of total toothpowder market. The brand commands leadership position in coloured toothpowder category. The division extended Binaca brand equity to toothpowders also during the year with the launch of Binaca Fresh toothpowder.

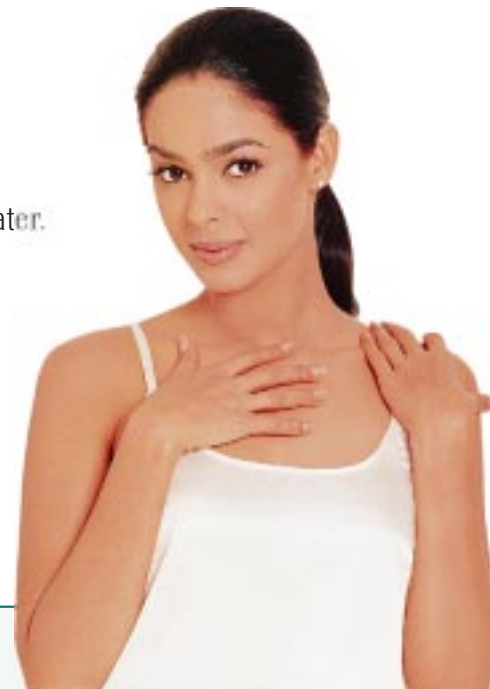


Binaca Fresh Toothpowder - This launch marked the entry of Dabur into white toothpowder category. Binaca toothpowder was launched in refreshing blue colour pack, which has a unique lock mechanism in its cap.

Dabur Honey is the largest player in branded packaged honey with around 40% market share. Accredited with bringing honey out of the medicine chest to the breakfast table, Dabur Honey continued to focus on kids in its advertising. The label was changed to add more colour and fun imagery to the product.

### Skin Care products

Dabur entered this segment with Dabur Gulabari - the rose water. Positioned as a natural skin toner, Gulabari has recorded a growth of 100% in the last two years. The company is contemplating entry in other skin care categories, as this has a potential to be a large market in near future.



#### FAMILY PRODUCTS DIVISION Market share in major categories

- **Hair Oils 19%**
- **Toothpowder 29%**
- **Honey 40%**

#### NEW LAUNCHES

- **Amla Lite**
- **Binaca Toothpowder**
- **Vatika Anti Dandruff Shampoo**

## HEALTH CARE PRODUCTS DIVISION



Dabur's second largest division, has strong brand equity in Health care market. Its portfolio of OTC products recorded a growth rate of 10%. Dabur's Health Care Division, also owns two Rs.100 crore brands, Dabur Chyawanparash & Hajmola.

Dabur Chyawanparash part of Health Tonics segment, recorded a growth of 18% this year. Chyawanparash has an impregnable position and continues to be a market leader with 66% market share amidst stiff competition from Baidyanath, Zandu and Himani.



In Digestives segment, Dabur holds 37% market share with Hajmola, Pudín Hara and Hingoli. Pudín Hara pearls continued to grow at a healthy pace. Dabur entered into Gas and Acidity market with special focus on Gas market, by expanding the Pudín Hara brand with the launch of Pudín Hara G - an effervescent powder having the goodness of mint, which is known for its spasmodic action. The launch is backed by an aggressive all India advertising campaign highlighting the USP.

A new advertising campaign was launched for Hajmola Tablets, which successfully and effectively conveyed the concept of digestion with fun.

In Child care products, Dabur Lal Tail continues to be a leader in baby massage oil category. Clinical tests conducted on product verified the claim that Dabur Lal Tail helps in strengthening the bones of baby.

Efabelle, a herbal product having a combination of natural



oils to relieve abdominal pain during premenstrual period, was test marketed in Delhi. But, it was felt that it would be better idea to promote this product through gynaecologists initially and has since been transferred to Pharmaceuticals division.

### AYURVEDIC SPECIALITIES

The division grew by 19% and crossed Rs. 100 crore mark in sales turnover this year. This division operates in an estimated market of about Rs. 500 crore.

Asav-arishtas - as a category continued to grow at a fast pace with Dabur's

Asav-arishtas fast finding better acceptance from Ayurvedic practitioners. Two major Asav-arishtas - Ashokarishta & Dashmularishta - were for the first time advertised on regional television channels. The company is exploring the possibilities of making these OTC.

Emphasis was laid on educating the consumer about Ayurveda by publishing rare Ayurvedic literature. Ayurved Vikas, an Ayurvedic magazine, was brought out in English also. An attempt to demystify the science and bring it to the common man. Relationship with Ayurvedic colleges and practitioners was further strengthened through direct contact programme and scholarships.

In this division Lavan Bhaskar Churna was launched in sachets. Nature care Isabgol now has a plain variant which is also coarser. This has been launched in a new zip lock standy sachet pack. Madhuvaani - a cough syrup - was relaunched in a new HDPE pack during the year.



#### HEALTHCARE PRODUCTS DIVISION

##### **Market share in major categories**

- **Chyawanprash 66%**
- **Digestives 37%**

##### **NEW LAUNCHES**

- **Pudin Hara G**
- **Efarelle**

## PHARMACEUTICALS DIVISION



- The Pharmaceuticals Division continues to outgrow the market by clocking 29.7% sales growth. This division is set to cross the Rs. 100 crore mark this year.
- Branded formulations recorded an impressive growth of over 35% this year. The company added

Alernex, a latest generation anti-allergic to its portfolio.

- In oncology market the company continued to have leading position. The company added two new anti-cancer molecules, Topotecan and Irinotecan which were produced and marketed by Indian company for the first time.



## OPERATIONAL PERFORMANCE

The company clocked a turnover of Rs 1166.5 cr this year, showing a healthy growth of 11.9% over last year while the industry growth figure stood at 6%. Dabur's focus area is in improving operational efficiencies. Using our internal resources efficiently we have been able to reduce the working capital cycle from 82 days to 66 days, during the year. This was achieved with the help of reduction in inventories and increase in credit days. We were able to negotiate a better deal with our creditors to increase the credit period.

Return on Capital Employed (ROCE) - is another area, the company is focussing on. To improve ROCE, the company decided to reduce the asset base by reducing the cash balance in EEFC



account and it was also decided to get rid of non-performing assets from the balance sheet. ROCE went up to 18.4% during the year from mere 14.3% in 1999-00.

During the year the company has reduced its Debt Burden by 32% to Rs. 196.1 crore as compared to Rs.289 crore last year. The company managed to operate on a smaller asset base which was reduced to Rs.558 crore against Rs.609 crore last year

Profit after tax excluding non-recurring income for the FY 00-01 increased to Rs.78.5 crore up from Rs.56.5 crore in FY 99-00, a jump of 39.2%. Reasons for this jump could be attributed to better product mix, pruning of interest burden and enhanced purchase efficiencies. Net Profit Margin has gone up to 6.7% of sales which last year was 5.4%. Growth in PAT is also higher than that of industry which has recorded average growth of around 25% in PAT.

Packaging forms an integral part of brand communication and focus continued to be on improving the quality of packaging to offer better shelf-throw and convenience of use to the consumer. PET bottle of Dabur Amla hair oil won the India star 2000 award in PET packaging category. Dabur Honey squeeze pack won award in the New Pack Category in India Star 2000.

Distribution - Dabur has appointed around 100 super stockists in order to further increase penetration. This has helped improve penetration and servicing of retail outlets in rural market resulting in retail coverage of over 1.5 mn for major brands. To provide greater autonomy to



#### OPERATIONAL IMPROVEMENT

- **Working Capital Cycle 66 days from 82 days last year**
- **ROCE to 18.4% from 14% last year**
- **Debt reduced to Rs. 196.1 cr from 289 cr last year**
- **Net Profit Margin 6.7% of sales from 5.4% last year**

sales personnel and to facilitate better distribution, the company has shifted to Zonal structure with the country divided in 4 zones. The company has appointed 47 Carrying & Forwarding agents instead of the earlier branch and own warehouses. These C&F agents now manages the logistics to ensure availability of Dabur products to more than 5000 distributors.



Human Resource - At Dabur, people are the most valuable assets of the company. Our company believes in adding value to its people through result driven training. Towards achieving this vision Dabur's Human Resource Division created a separate cell to look after the training needs of sales force of the company. Excellence is what we have to strive for and our company is committed to encourage and reward efforts to achieve excellence.

### **ECO FRIENDLY DABUR**

Dabur is committed to developing and introducing technologies that are environment friendly. During the year we have



- Developed saplings through micro propagation for 40 herbs of which 12 are endangered species.
- Set up satellite nurseries for distribution of saplings of medicinal plants to farmers for contract cultivation.
- Focussed on developing sustainable cultivated source of raw material thereby not only providing employment to the people but also improving the quality of life in the region.



- Revamped the apiculture center. Helped local farmers in bee keeping at high altitudes. Initiated projects with state governments to promote bee keeping to ensure supply of quality honey and additional source of income for farmers.

## RESEARCH & DEVELOPMENT

Dabur is focussed on networking with more and more research organisations and hospitals for creating international standard basic research and clinical research facilities. The focus has been on the following areas

### ONCOLOGY RESEARCH

- i. The research has been extended to new areas of
  - Bio-informatics
  - Peptido-mimetics
  - Diagnostics for cancer
- ii. One new chemical entity, an anti cancer chemotherapeutic agent, is in phase 1 clinical trials

#### NEW MOLECULE RESEARCH

- **NCE 1 in phase 1 clinical trial conducted by Quintiles, an international CRO**
- **3 NCEs & 1 NDDS in pre clinical stage**
- **Research networking with 17 institutions & universities for new molecule research**
- **Exploring new areas of genomics, proteomics and bio-informatics**



- iii. Clinical Research is being handled by Quintiles, an international clinical research organization.
- iv. Continued focus on networking with research organizations for creating leads for developing new chemical entities and drug delivery systems.

## **NEW PRODUCT DEVELOPMENT**

### **Pharmaceuticals**

Irinotecan Hydrochloride injection used for cancer - both bulk and formulation

Vinorelbine Tartrate for cancer - both bulk and formulation

New combination of Roxithromycin and Ambroxol for throat injection

Fexophenadine Hydrochloride under the brand name Alernex - an anti allergic product

Lyophilized injection of Pamidronate and Amifostine for severe cases of osteoporosis and chemotherapy induced side effects

### **Health & personal care**

Vatika anti dandruff shampoo using herbal ingredients which proved better than chemical based shampoos during clinical experiment.

Light variant of Amla hair oil was developed which has done well in test marketing.

Binaca Fresh Toothpowder which has additional mint for freshness and extra calcium for strengthening teeth.





Efarelle - a product for alleviating abdominal pain during pre menstrual syndrome. The clinical trial proved it very efficacious.

Pudin Hara G, effervescent granules having the goodness of mint. This unique combination proved to be more efficacious due to presence of mint which has strong spasmodic action and better effervescence.

New formulation of the 'Ring Ring' brand, which is more effective and has a broad spectrum anti fungal and anti bacterial efficacies.

Continued clinical trials on New Livfit to confirm efficacy in treating chronic Hepatitis B infection and its antioxidant properties. Work has been initiated on multi centric Indo Malaysian trial on New Livfit.

Completed a 3 year research project with University of Delhi for new understanding on steps involved during the production of Asav Arishtas. Four patents have been filed for new processes.

During the year Dabur Research Foundation also provided dossiers and technical support for registration of Dabur's pharmaceuticals and oncology products overseas, for FDA approval of Kalyani bulk drugs plant and MCA approval of oncology formulation plant set up by Dabur Oncology plc. at UK.



#### NEW LIVFIT INTERNATIONALLY

- ***New Livfit get US patent for its action against Hepatitis B virus***
- ***Multi centric international clinical trial initiated on New Livfit.***

## OUTLOOK

Despite slowdown in growth in the FMCG sector, Dabur continues to outgrow industry in sales and profit growth. Steps are continuously being taken to improve working capital, ROCE and EVA.

Improvement in operational efficiency will be brought through innovation in products and processes. New product launches with the aim of offering better products at relatively affordable prices to the consumer will be the vehicle for future growth. Dabur is focussing on brand and product reorientation to suit the changing demands for a new generation of consumers.

## **SUBSIDIARY COMPANIES**

### **DABUR FOODS LIMITED**



A 100% subsidiary of Dabur India Limited involved in natural foods business in India.

Real Fruit Juice: The product was relaunched and a new packaging was especially developed using the latest Spin Cap tetrapack technology for packaging fruit juice. Dabur is first in Asia to adopt this technology which would keep the juice fresh for longer duration and cold filling would help in better taste. The brand has garnered more than 50% market share in the natural fruit juice market. Reduction in excise on fruit juices from 16% to 0% would help in expanding packaged fruit juice market.

Homemade cooking paste - New pack visuals were introduced, to give the brand a better visibility on the retail shelf.

The company is expected to break even this financial year.

### **DABUR ONCOLOGY PLC.**

Dabur Oncology Plc., a 100% subsidiary of Dabur India Limited, spearheads Dabur's global oncology initiative.

During the year, Dabur Oncology Plc. set up a cytotoxic sterile manufacturing plant for oncology formulations.





It is in the process of getting MCA approvals for the plant. Dabur Oncology plc is expected to start commercial production by end of the year.

The company will focus on Generic oncology market in Europe, joint research and production of drugs in

small batches for clinical research.

It will also enter into marketing tie-ups for promotion of new chemical entities (NCEs) developed by Dabur India Limited.

#### **DABUR NEPAL PRIVATE LIMITED**

The company is involved in the production of Dabur's herbal range of health and personal care products and has set up Greenhouse and Apiculture center.

The company has set up a new tetrapack chain for packaging Real fruit juice, and a new honey processing and filling unit.

During the year the company has also taken forward the project Plant for Life under which it has set up a Greenhouse and satellite nurseries for promoting cultivation of medicinal herbs.

It also promotes contract cultivation with buy back scheme with farmers which helps in developing sustainable source of raw material for the company and additional source of income for farmers.

Apiculture center set up by the company has helped promote the activity of honeybee keeping, in the villages of Nepal. This would ensure steady supply of quality honey to the company.



#### **PERFORMANCE OF SUBSIDIARIES**

##### **DABUR FOODS LTD.**

- **Sale grew by 34%**
- **Expected to breakeven in FY02**

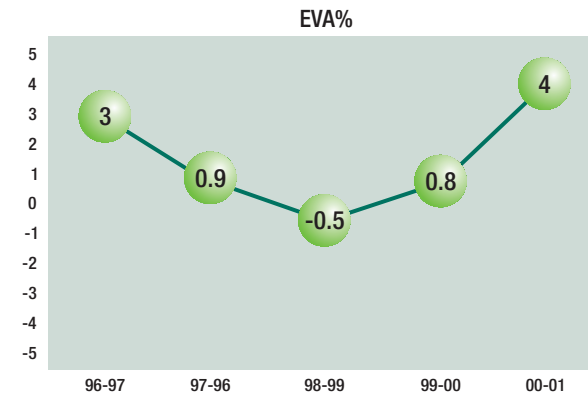
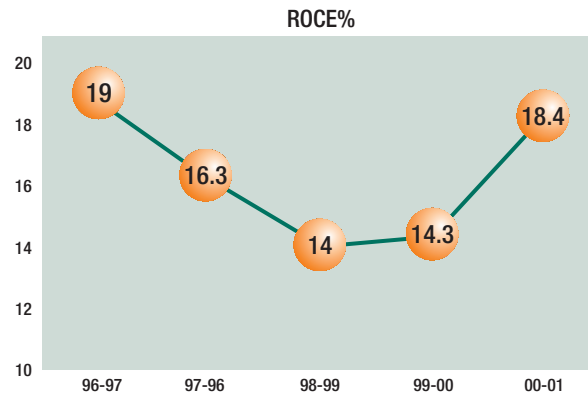
##### **DABUR ONCOLOGY PLC.**

- **To start commercial production in FY02**

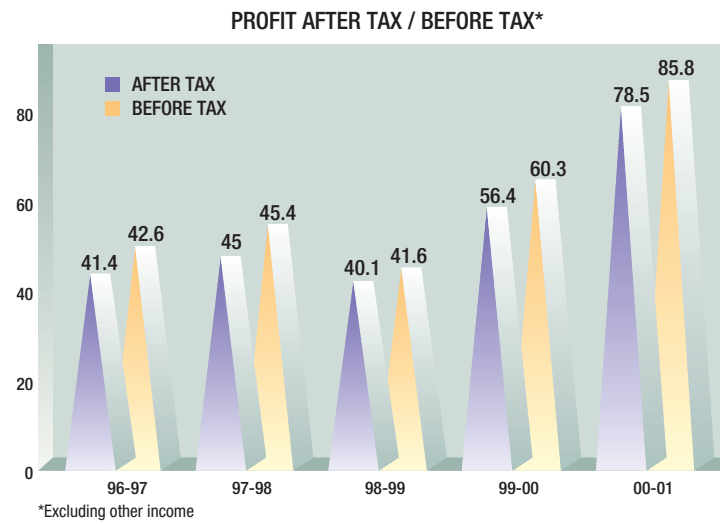
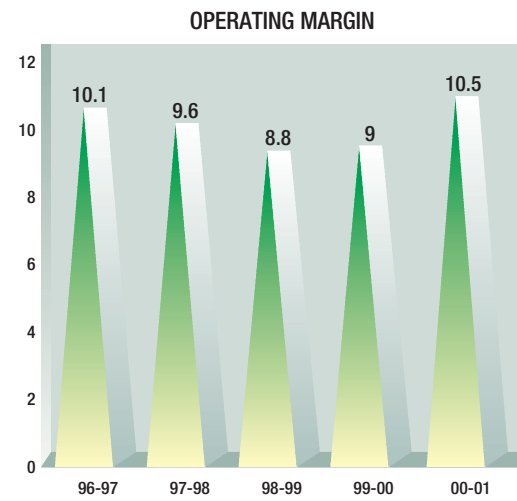
##### **DABUR NEPAL PVT. LTD.**

- **Sales grew by 23%**
- **PAT grew by 6%**

### GROWTH IN ROCE & EVA

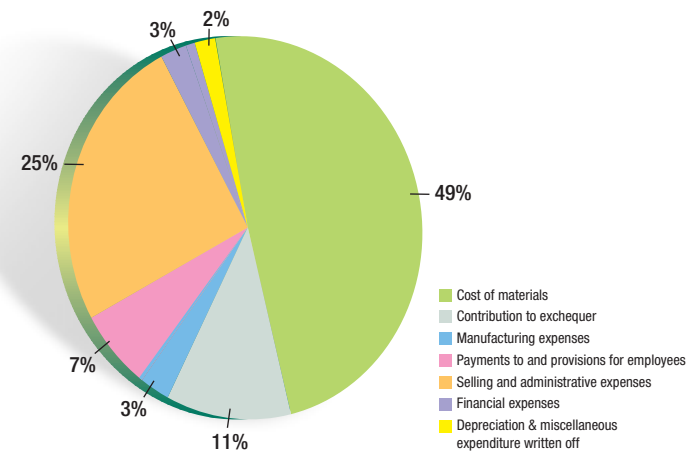


### GROWTH IN OPERATING MARGIN & PROFIT

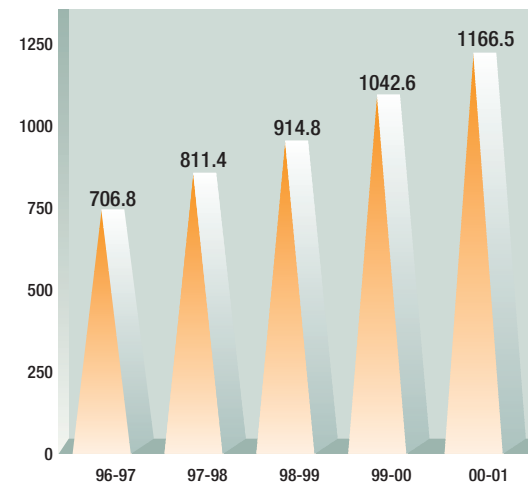


### EXPENDITURE BREAKDOWN

Total Expenditure (2000-01) Rs. 1100 Cr.



### GROWTH IN SALES





## **VISION**

Dedicated to the Health and Well Being of Every Household.



## **PRINCIPLES**

### **Ownership**

This is our company. We accept personal responsibility and accountability to meet business needs.



### **Passion for Winning**

We all are leaders in our area of responsibility, with a deep commitment to deliver the results. We are determined to be the best at doing what matters the most.



### **People Development**

People are our most important asset. We add value through result driven training and we encourage and reward excellence.



### **Consumer Focus**

We have superior understanding of consumer needs and develop products to fulfill them better.



### **Team Work**

We work together on the principle of mutual trust and transparency in a boundary less organisation



### **Innovation**

Continuous innovation in products and processes is the basis of our success



## DIRECTORS' REPORT

To,  
The Members,

Your Directors have pleasure in presenting the 26th Annual Report on the business and operation of your Company together with the Audited Accounts for the year ended 31st March, 2001.

### FINANCIAL PERFORMANCE

Your Company's performance during the year 2000-01 is summarised below:-

	(Rupees in crores)	
	<u>2000-01</u>	<u>1999-00</u>
Turnover (including other income)	<b>1185.34</b>	1076.78
Profits after depreciation	<b>85.17</b>	81.29
Add: Provisions of earlier years written back	<b>0.11</b>	0.41
	<b>85.28</b>	81.70
Less: Provision for Taxation	<b>7.25</b>	3.86
Provision for taxation for earlier year	<b>0.40</b>	0.18
	<b>77.63</b>	77.66
<b>Profit after Tax</b>	<b>77.63</b>	77.66
Add: Balance in Profit & Loss Account b/f from the previous year	<b>8.63</b>	5.67
	<b>86.26</b>	83.33
<b>Profit available for appropriation</b>	<b>86.26</b>	83.33
<b>Appropriations</b>		
Debenture Redemption Reserve	—	1.35
General Reserve	<b>28.00</b>	40.00
Capital Reserve	<b>0.98</b>	1.70
Interim Dividend – Paid	—	28.52
Interim Dividend – Proposed	<b>14.26</b>	—
Final Dividend – Proposed	<b>14.26</b>	—
Corporate tax on dividend	<b>2.91</b>	3.13
Balance carried over to Balance Sheet	<b>25.85</b>	8.63
	<b>86.26</b>	83.33

### DIVIDEND

An interim dividend of Re.0.50 per share (i.e.50%) has been declared and will be paid shortly. Your Directors are pleased to recommend the final dividend of Re.0.50 per share (i.e.50%) aggregating to Rs.14.26 crores. The final dividend, if approved, will be paid to members within the period stipulated by the Companies Act, 1956.

### SUB-DIVISION OF EXISTING SHARES

After obtaining the approval of shareholders at the last Annual General Meeting held on 13th September, 2000 the existing shares of Rs.10 each were split into 10 shares of Re.1 each on 16th December, 2000. Direct credit was given in the respective beneficiary accounts of shareholders holding shares in dematerialised form. Those holding shares in physical form were requested to get their existing share certificate exchanged for the new ones. Those shareholders who are still holding share certificate in respect of shares of Rs.10 each are once again requested to get their existing share certificate exchanged for the new share certificate from the Company.

### DEPOSITORY SYSTEM

More than 97% of the total issued capital is now held by the members in the demat mode with the two Depositories. In view of the numerous benefits offered by the Depository System, shareholders are requested to avail of the facility of dematerialization of the company's shares.

### BUSINESS PERFORMANCE

The Sales turnover of your company has increased by 11.90% to Rs.1166.47 crores despite slowdown in the FMCG industry and the net profit excluding extra ordinary income has increased by 39% to Rs.78.23 crores on account of

enhanced operational efficiencies. Pharmaceuticals, Ayurvedic Specialities, Family Products Division and Health Care Products Division recorded the growth of 29.70%, 19.10%, 11.50% and 10% respectively over the last year.

During the year Dabur Vatika (with Hair Oil and Shampoo in its fold) became the fifth brand to cross the Rs.100 crore turnover, other four brands being Chyawanprash, Amla Hair Oil, Lal Dant Manjan & Hajmola.

## EXPORTS

During the year the export turnover of the Company had marginally declined from Rs.114.16 crores to Rs.104.17 crores mainly due to steep decline in the prices of Guargum in the international markets and shifting of export sales generated in Middle East to a franchisee in consideration for a royalty. Guargum registered a volume growth of 25.6% but the average price realisation came down to Rs.51.43 per kg as compared to Rs.81.85 per kg in the last year.

The focus areas for exports continued to be anti-cancer formulations, active pharmaceutical ingredients (APIs) and herbal products.

The Company continues to maintain its dominant position in some of the international market of APIs such as Paclitaxel, Docetaxel, Terfenadine and Ambroxol Hydrochloride. It also introduced new products namely Mebhydroline and Buflomedil in the market.

As a part of its plan to enter the regulated markets of Europe and USA, the Company has upgraded its Kalyani unit APIs facility to US FDA standards.

The anti-cancer formulation exports have a healthy growth trend and the company obtained new regulatory approvals in the markets of Thailand, Philippines, Malaysia, Costa Rica, Colombia, Peru, Ukraine and Belorussia.

Our flagship product INTAXEL also got regulatory approval in major markets like Israel, Philippines, Thailand and Malaysia.

The new manufacturing facility of its subsidiary in UK for anti-cancer injectables is now ready. The commercial production is expected to commence by end of 2001. This will enable the company to enter the high potential Western European and US markets.

## OPERATIONS – RESEARCH & DEVELOPMENT

### R&D facilities

Dabur Research Foundation (DRF) continued its support to the company and provided a sustainable competitive advantage by making available its research & development facilities. DRF has undertaken up-gradation of the R & D facilities so as to make the laboratories a 'State of the Art' promoting highly creative and innovative work atmosphere and to provide more space for all laboratories. The first phase of this work was completed and the Research group/laboratory for Onco research and Bio-technological research became ready during the year. Frontier areas of research in screening of new Anti Cancer Drugs, new drugs delivery systems are undertaken by Onco and Bio-tech research group. This group has also entered into networking with other National laboratories. This Research has been extended to newer areas of peptido-mimetics, bio-informatics, diagnostics for Cancer and other areas.

Phase II of up-gradation of DRF involving Ayurvedic & Herbal Research lab, Personal Care lab, Food lab, Agronomy and Tissue Culture would be completed by July, 2001.

### Pharmaceuticals

During the year, Dabur became the first company to launch Irinotecan Hydrochloride injection involving high technology during its synthesis and using in-house manufactured Bulk Drug. The Company also launched another latest anticancer drug namely Vinorelbine Tartrate injection using indigenously developed Bulk drug. Alernex, the latest generation of anti allergic drug and Roxithromycin & Ambroxol, required for treating throat infection along with associated cough were also launched by the Company. With the registration of Intaxel in Israel, Malaysia and Thailand, Intaxel is now registered in most of the ASIAN countries.

### Personal Care

Sustained R&D efforts have resulted into development of an Anti Dandruff Shampoo using natural herbal ingredients providing an effective Anti Dandruff activity. This natural Anti Dandruff shampoo has in both laboratory and clinical experiments showed better efficacy than ZPTO(chemical) based shampoos available in the market. This shampoo which was launched under the umbrella brand Vatika has gained high acceptance and popularity. As a line extension to provide light hair oils, the Company has also test launched Vatika Lite and Amla Lite in innovative packs. The test launch results revealed that the product met the expectation of the consumers. Based on several rounds of consumer studies, sustained R&D efforts resulted in the successful development of a White tooth powder with mouth freshness properties. The company has launched it under the brand name "Binaca Fresh".

### Health Care

State of the Art R&D facilities enabled your company to launch highly innovative Pudina Hara G as Antacid, Anti-gas preparation in a new effervescent granules formulation. Based on consumer need towards women care products, Health

Care Products Division is ready to launch few new products under the umbrella brand "Efarelle" to regulate monthly cycle and for treating menstrual pain.

### **Ayurvedic Specialities**

Ayurvedic Specialities Division launched various churnas viz. Avipatti-kar churna, Hingwastak churna, Trifla churna, Maha Sudarshan churna and Lavan Bhaskar churna in easy to consume tablets form thereby making it possible for consumers to take standard dosage.

DRF (in collaboration with University of Delhi) had just completed a three year research programme which has resulted into newer understanding on formulation steps involved during the production of Asav Arishtas, consequently, the company has filed four patents for new processes. This research would yield products with better therapeutic efficacy.

### **Support to Subsidiaries**

DRF has also supported efforts of Dabur Nepal Private Limited, Dabur Egypt Limited and Dabur Foods Limited, the subsidiary companies, in upgrading their technology. R&D helped in validating process and also implementing new formulation for fruit juices packed in the new Tetra pack spin cap packs. Dabur Foods Limited launched the same and have received greater acceptance in the market. Scientists have now finalized improved formulation for ethnic pastes which would be commercialized in the new facility being set up.

Due to expertise, intellectual capabilities and demonstration of the same , R&D efforts at DRF has received high level of recognition at both governmental and international levels. Scientists/expert(s) from DRF have been co-opted to provide strategie & policy initiatives at different forums.

### **INTERNAL CONTROL SYSTEM**

Your Company's internal control system comprise of audit and compliance by in-house Internal Audit Division supplemented by internal audit checks carried out by about 21 local independent Chartered Accountants firms under the overall guidance and control of Price Waterhouse Coopers, the central internal auditors. The internal auditors independently evaluate the adequacy of internal controls and concurrently audits the majority of the transactions in value terms. Independence of the audit and compliance function is ensured by a direct reporting of Internal Audit Division to the Audit Committee of the Board.

### **FIXED DEPOSITS**

Fixed deposits outstanding as on 31st March, 2001 stood at Rs.4660.12 lacs received from the public, shareholders and employees. Out of these deposits Rs.65.13 lacs relating to 414 depositors were not claimed on the due dates. Since then, 105 deposits amounting to Rs.16.34 lacs have since been repaid leaving a balance of Rs.49.79 lacs relating to 309 depositors.

### **SUBSIDIARIES**

The audited accounts together with Directors' Report, Auditors' Report and particulars as required under Section 212 of the Companies Act, 1956 in respect of the subsidiary companies are appended.

### **AUDITORS' REPORT**

The observations of Auditors in their report read with the relevant notes to accounts in Schedule P are self explanatory and do not require further explanation.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, in Form A & B respectively, are attached herewith and form part of this report.

### **EMPLOYEES STOCK OPTION PLAN**

The Company introduced a new Employees Stock Option Plan (Dabur ESOP 2000) during the year after taking your approval in the last annual general meeting. Pursuant to the approval, the Compensation Committee has granted 1,76,131 Options in three tranches. The particulars of options issued under the said Plan as required by SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are given in separate annexure and form part of this report.

### **PARTICULARS OF EMPLOYEES**

Particulars of employees as required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended are given in Annexure to the Directors Report. However, as per provisions of Section 219 (1)(b)(iv) of the Companies Act, 1956 the Annual Report is being sent to all shareholders of the Company

excluding the aforesaid information. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

#### **DIRECTORS**

Mr Ajay Bahl, Dr Abhishek Manu Singhvi and Mr P N Vijay have been appointed as additional directors with effect from 15th May, 2001 and shall hold office upto the ensuing annual general meeting. The Company has received notices from members pursuant to Section 257 of the Companies Act, 1956 signifying their intention to propose the candidature of the aforesaid persons for the office of directors.

At the ensuing Annual General Meeting Dr Anand Burman, Mr Ashok Goenka, Air Chief Marshal N C Suri (Retd), Maharaja Gaj Singh and Mr P D Narang, Directors retire by rotation and being eligible offer themselves for reappointment in terms of provisions of Articles of Association of the Company.

The brief resume/details relating to directors who are to be appointed/re-appointed are furnished in the explanatory statement to the notice of the ensuing annual general meeting.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm:

- i) That in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- ii) That they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- iii) That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) That they had prepared the annual accounts on a going concern basis.

#### **CORPORATE GOVERNANCE**

Your Company has over the years been committed to good corporate governance practices. Your Company's Compliance report on Corporate Governance and the certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement are attached herewith and form part of this report.

#### **AUDITORS**

M/s G. Basu & Company, Chartered Accountants, New Delhi, Statutory Auditors of the Company retires at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for reappointment.

M/s Bansal & Company, Chartered Accountants, New Delhi have expressed their willingness for reappointment as Branch Auditors to carry out the audit of the accounts for the financial year 2001-02 of Alwar Division. Similarly, M/s Waring & Partner, Chartered Accountants, Kent UK and M/s B D O Patel & Co., Chartered Accountants of Dubai have also expressed their willingness to act as Branch Auditors of London and Jabel Ali Branches respectively for the financial year 2001-02.

#### **COST AUDIT**

As per directive of the Central Government M/s Ramanath Iyer & Company, Cost Accountants were appointed as Cost Auditors to conduct cost audit of the accounts maintained by the Company in respect of its formulations and cosmetics & toiletries products for the financial year 2001-02.

#### **ACKNOWLEDGEMENTS**

Your Directors place on record their gratitude to the Central Government, State Governments, Financial Institutions and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. For the continuing support of Investors, Dealers, Business Associates and Employees at all levels for their unstinting efforts in ensuring an excellent all around operational performance despite an otherwise difficult economic environment, your directors also wish to place on records their sincere thanks and appreciation.

For and on behalf of the Board

## CORPORATE GOVERNANCE

### 1. Company's Philosophy on Code of Governance

Your Company continues to believe in high standards of corporate governance. The philosophy of corporate governance at Dabur is still centered around four aspects:

- Role of the Board of Directors in effective governance and overseeing critical aspects.
- Respecting the views of minority shareholders and protecting their interests
- Having a fair and transparent reporting system.
- Maximization of shareholder value in the long run.

Your company recognizes its responsibility towards minority shareholders, various stake holders including creditors, employees, customers and society at large. The interests of all these communities can be aligned by incorporating high standards of governance. The governance framework therefore encourages efficient use of resources and accountability for stewardship of those resources. Dabur believes in using its resources, both physical and knowledge based, for creating maximum value in the long run, while contributing to the society at large.

### 2. Board of Directors

The Board of Directors consists of six promoter directors (of whom two are non-executive), three non-promoter executive directors and nine independent directors.

During the year 5 Board Meetings were held (as against the minimum requirement of 4 meetings) on 10th April, 2000, 19th May, 2000, 31st July, 2000, 25th October, 2000 and 25th January, 2001. The maximum time gap between any two meetings was not more than 3 calendar months.

Agenda papers for the Board Meetings were circulated to the members well in advance of each meeting. The company has a policy to place before the Board the status of various matters pursuant to Corporate Governance Code recommended by SEBI and as implemented through Clause 49 of the Listing Agreement with Stock Exchanges.

The composition of the Board of Directors of the Company meets the stipulated requirements. The details of attendance of the directors in the Board Meeting, AGM and number of other Directorships and Board Committees of which they are member/ Chairperson are as under:-

Name of the Director	Category	Attendance Particulars		No. of other directorships and committee member/chairmanships		
		Board Meetings	Last AGM	Other Directorships#	Committee Memberships	Committee Chairmanships
A C Burman	Promoter/Executive	4	Yes	4	1	1
V C Burman	Promoter/Executive	4	Yes	6	1	1
G C Burman	Promoter/Executive	5	Yes	8	2	None
Pradip Burman	Promoter/Non-Executive	5	No	4	1	None
Sidharth Burman	Promoter/Non-Executive	2	No	3	2	None
Dr Anand Burman	Promoter/Executive	1	No	6	None	None
P D Narang	Non-Promoter/Executive	5	Yes	9	2	None
Ninu Khanna	Non-Promoter/Executive	4	Yes	1	None	None
Sunil Duggal*	Non-Promoter/Executive	3	Yes	1	None	None
Air Chief Marshal N C Suri (Retd)	Independent	3	No	7	2	1
S M Datta*	Independent	2	No	13	5	4
Uday S Kotak	Independent	None	No	14	1	3
HH Mah.Gaj Singh	Independent	1	No	6	None	None
Ashok Goenka	Independent	1	No	5	1	None
Raja Vijay Karan	Independent	None	No	6	2	None
Ajay Bahl ■	Independent	None	NA	2	None	1
P N Vijay ■	Independent	None	NA	2	1	None
Dr A M Singhvi ■	Independent	None	NA	None	None	None

#excluding private and exempted companies.

\*appointed as directors w.e.f. 31st July, 2000.

■appointed as directors w.e.f. 15th May, 2001.

None of the directors are members of more than ten committees of Board nor are they chairman of more than five committees in which they are members.

Apart from receiving directors remuneration, independent directors do not have any other material pecuniary relationship or transactions with the company, its promoters, its management or its subsidiaries, which in the judgement of the Board may affect independence of judgement of the director.

### 3. Audit Committee

The Board of the Company has constituted an Audit Committee comprising of Air Chief Marshal N C Suri (Retd), Mr S M Datta (resigned w.e.f. 15.05.2001), Mr Uday S Kotak (resigned w.e.f. 25.10.2000), Raja Vijay Karan, Mr Ajay Bahl (appointed w.e.f. 15.05.2001) as Chairman, Mr P N Vijay (appointed w.e.f. 15.05.2001) (all independent directors) and Mr Pradip Burman & Mr Sidharth Burman (both promoter/non-executive directors). The constitution of audit committee also meets with the requirements of Section 292A of the Companies Act, 1956.

The Board has stipulated the terms of reference of Audit Committee, as contained in Clause 49 of the Listing Agreement, as under:-

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- c) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on;
  - Any changes in accounting policies and practices.
  - Major accounting entries based on exercise of judgement by management.
  - Qualifications in draft audit report.
  - Significant adjustments arising out of audit.
  - The going concern assumption.
  - Compliance with accounting standards.
  - Compliance with stock exchange and legal requirements concerning financial statements.
  - Any related party transactions, i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.
- d) Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- e) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- f) Discussion with internal auditors, any significant findings and follow up there on.
- g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- h) Discussions with external auditors before the audit commences, nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- i) Reviewing the Company's financial and risk management policies.
- j) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

The role of Audit Committee shall be enlarged to deal with any other additional area concerning internal controls, internal audit etc., other than those indicated above, as and when necessary.

During the year, the Committee has met 3 times on 17th May, 2000, 25th October, 2000 and 25th January, 2001. Air Chief Marshal N C Suri (Retd) was present in 2 meetings, Mr S M Datta – 2 meetings, Mr Pradip Burman – 3 meetings and Mr Sidharth Burman – 1 meeting. The minutes of the Audit Committee are placed before the Board also.

### 4. Remuneration Committee

The Remuneration Committee has been constituted to assess and recommend the remuneration, periodically review the same and recommend the increase in remuneration of the Directors based on their performance.

The Committee consists of Air Chief Marshal N.C. Suri (Retd.), as Chairman and Raja Vijay Karan, Mr Ashok Goenka and Mr Sidharth Burman, as its members.

During the year, the Committee has met once on 22nd January, 2001 and it was attended by all the members except Raja Vijay Karan.

The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

**Details of remuneration paid to Directors during 2000-01**

(Amount in Rupees)

Name of the Director	Sitting Fee	Salary & Perquisites	Commission	Performance Linked Incentive/ Stock Option	Notice Period (months)
A C Burman	–	66,02,722	42,00,000	–	3
V C Burman	–	66,70,210	26,00,000	–	3
G C Burman	–	59,87,865	21,00,000	–	3
Pradip Burman	10,000	–	–	–	–
Sidharth Burman	4,000	–	–	–	–
Dr Anand Burman	–	83,62,289	–	–	3
P D Narang	–	53,31,551	–	6,85,830	3
Ninu Khanna	–	76,09,199	–	39,10,248	3
Sunil Duggal	–	35,60,143	–	11,75,594	3
Air Chief Marshal					
N C Suri (Retd)	6,000	–	–	–	–
S M Datta	4,000	–	8,00,000	–	–
Uday S Kotak	–	–	–	–	–
HH Mah.Gaj Singh	2,000	–	–	–	–
Ashok Goenka	2,000	–	–	–	–
Raja Vijay Karan	–	–	–	–	–
#Ajay Bahl	–	–	–	–	–
#P N Vijay	–	–	–	–	–
#Dr A M Singhvi	–	–	–	–	–

# Appointed as additional director on 15th May, 2001.

Pursuant to the approval of shareholders in their annual general meeting held on 9th September, 1998, in addition to above remuneration, M/s. A C Burman, V C Burman, G C Burman, Pradip Burman, Dr Anand Burman and P D Narang, Directors are entitled to the severance fee as and when they cease to be directors of the company.

**5. Shareholders/ Investors Grievance Committee**

The Board has constituted a Shareholders/Investors Grievance Committee headed by an independent director Air Chief Marshal N C Suri (Retd) with Mr A C Burman, Mr V C Burman, Mr G C Burman and Mr P D Narang as its members.

The Committee meets at frequent intervals to specifically look into the redressing of shareholders and investors complaints like delay in transfer of shares, non-receipt of share certificates, annual reports, dividends etc.

The Board has also designated Mr Ashok Jain, Company Secretary as the Compliance Officer.

Total number of complaints received and replied to the satisfaction of shareholders during the year ended March 31, 2001 were 1342. All the outstanding complaints as on March 31, 2001 numbering 63 were attended/replied to within the normal time.

**6. General Body Meetings**

Location and time where last four General Meetings were held:-

Financial Year	Category	Location of the meeting	Date	Time
1997-1998	AGM	Air Force Auditorium, Subroto Park, New Delhi – 110 010	September 9, 1998	11.00 AM
1998-1999	AGM	Same as above	September 9, 1999	11.00 AM
1999-2000	AGM	Same as above	September 13, 2000	11.00 AM
1999-2000	EGM	Same as above	March 13, 2001	11.00 AM

No special resolutions were put through postal ballot at any of the aforesaid meetings as there was no such provisions in the Companies Act, 1956 till then. The Company has already amended its Articles of Association to incorporate enabling provisions for ascertaining the vote of shareholders through postal ballot and shall comply with the requirements relating to postal ballot as and when the prescribed resolutions are taken up in the General Body Meetings.

**7. a. Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large.**

The Company does not have any transactions of material nature with any related party which may have potential conflict with the interest of the company at large.

**b. Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

The company has complied with all the requirements of regulatory authorities and no penalties/stricture were imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

## 8. Means of Communication

Half yearly results are not sent to each household of shareholders as they are intimated through the Company's website www.dabur.com about the performance of the company.

Quarterly results are normally published in Delhi & Mumbai editions of The Economic Times & Navbharat Times and are also displayed on the Company's website www.dabur.com.

The Company's website also displays official news releases and presentations made to institutional investors and to the analysts.

Since financial year 1999-2000, the Company has been providing a detailed Management Discussion and Analysis in its Annual Report.

## 9. General Shareholder Information

### Registered Office

8/3, Asaf Ali Road, New Delhi – 110002  
Phones: 011 – 3253488, 3289142; Fax: 011 – 3276739

### Annual General Meeting

- Date & time 18th September, 2001 at 11.00 AM
- Venue Air Force Auditorium, Subroto Park, New Delhi – 110 010

### Financial Calendar

- 1st Quarter Financial Results 26th July, 2001
- 2nd Quarter Financial Results End October, 2001
- 3rd Quarter Financial Results End January, 2002
- 4th Quarter Financial Results End April, 2002
- Finalization of Accounts for the financial year 2001-02 May, 2002
- Annual General Meeting for the financial year 2001-02 September, 2002

### Date of Book Closure

1st Sept., 2001 to 18th Sept., 2001 (both days inclusive)

### Dividend Payment Date

June 21, 2001 for Interim dividend of Re.0.50 per share  
First fortnight of Oct., 2001 for final dividend of Re.0.50 per share

### Listing on Stock Exchanges

The equity shares of the company are listed on Stock Exchanges at Ahmedabad, Bangalore, Calcutta, Delhi, Jaipur, Kanpur, Ludhiana, Mumbai, Patna and National Stock Exchange.

The annual listing fees for the financial year 2001 – 2002 has been paid to all the aforesaid stock exchanges.

### Stock Code

Delhi Stock Exchange: 004020;  
Mumbai Stock Exchange: 500096;  
National Stock Exchange: DABUR

### Stock Market Price Data

Month	Mumbai Stock Exchange			National Stock Exchange		
	High (Rs.)	Low (Rs.)	Volume (Nos)	High (Rs.)	Low (Rs.)	Volume (Nos)
April 2000	870.00	600.00	277940	834.30	605.00	264743
May 2000	736.35	596.20	255275	773.80	600.00	291475
June 2000	785.00	654.00	255787	780.00	643.00	257347
July 2000	846.00	658.50	789643	854.00	650.85	692684
August 2000	836.00	690.00	474181	835.00	675.70	454827
September 2000	739.90	595.10	583014	742.00	601.00	485468
October 2000	650.00	567.00	303056	679.00	570.00	298000
November 2000 (upto 24.11.2000)	710.00	617.05	403558	711.00	612.00	428324
November 2000 (from 25.11.2000)	74.25	67.00	1680449	73.90	68.85	1016612
December 2000	76.00	62.25	3969530	76.00	61.70	4519572
January 2001	70.80	63.10	3974366	70.95	64.10	3153849
February 2001	79.90	64.00	9426296	79.00	63.65	7723159
March 2001	80.20	58.60	5867282	80.20	58.15	4543603

**Performance of Stock in Comparison to broad based indices such as BSE Sensex and Nifty:**

	<i>(Increase in % terms)</i>		
	1 Year	3 Year	5 Year
BSE Sensex	- 27.93	- 7.41	7.06
Nifty	-24.88	2.80	16.53
Dabur	-25.66	144.68	143.60

**Registrar and Transfer Agents**

MCS Limited  
Unit: Dabur India Limited  
Sri Venkatesh Bhawan  
212 – A, Shahpurjat, New Delhi – 110049  
Phones: 011 – 6494830-31, 6495832  
Fax: 011 – 6494152

All share transfer and other communication regarding share certificates, change of address, dividends etc should be addressed to Registrar and Transfer Agents.

**Share Transfer System**

Requests for Share Transfer in physical form can be lodged with the Registrar and Transfer Agents – MCS Limited at their address given above. To expedite the share transfers in physical segment the Share Transfer Committee of the Board of Directors is meeting at an interval of 15 days to approve the share transfers. Hence, shares are normally transferred within 20 days of receipt. In any case all share transfers are completed within statutory time limit from the date of receipt, if documents meet the stipulated requirement of statutory provisions in all respects. In terms of SEBI directives, the Company is providing the facility for transfer and dematerialisation of securities simultaneously.

**Distribution of Shareholding**

The distribution of the shareholding of the equity shares of the Company as on 31st March, 2001 is as follows:

Number of equity shares held	PHYSICAL FORM		DEMATERIALISATION FORM		Total number of share-holders	% of share-holders	Total number of shares	% of share-holding
	No. of share holders	No. of shares	No. of shares holders	No. of shares				
1-500	6740	6894477	24904	11841218	31644	99.24	18735695	6.57
501-1000	10	77000	94	705333	104	0.33	782333	0.27
1001-2000	-	-	34	482359	34	0.11	482359	0.17
2001-3000	5	129000	9	229396	14	0.04	358396	0.13
3001-4000	2	67000	4	144650	6	0.02	211650	0.07
4001-5000	-	-	3	143165	3	0.01	143165	0.05
5001-10000	1	60000	20	1497460	21	0.06	1557460	0.55
10001 & above	1	204723	59	262739049	60	0.19	262943772	92.19
Total	6759	7432200	25127	277782630	31886	100.00	285214830	100.00

**Shareholding Pattern**

Particulars	As on 31st March, 2001				As on 31st March, 2000			
	No. of share-holders	% of share-holders	No. of shares held*	% of share holding	No. of Share-holders	% of share holders	No. of shares held**	% of share-holding
Directors, promoters & family members	36	0.11	223975712	78.53	41	0.21	22397423	78.53
FIs	25	0.08	18329906	6.43	37	0.19	2382193	8.35
Mutual Funds	50	0.16	15883677	5.57	33	0.17	1525235	5.35
Financial Institutions/Banks	15	0.05	5856881	2.05	9	0.05	256180	0.90
NRIs	2141	6.71	2159990	0.76	2384	12.50	242565	0.85
Corporates	801	2.51	1944901	0.68	579	3.03	206454	0.72
Individuals	28818	90.38	17063763	5.98	16004	83.85	1511433	5.30
Total	31886	100.00	285214830	100.00	19087	100.00	28521483	100.00

\*Face value of Re.1 each

\*\*Face value of Rs.10 each

**Dematerialization of shares and liquidity**

Over 97% equity shares of the Company have been dematerialised upto March 31, 2001. The trading in Dabur India Limited shares is permitted only in dematerialised form with effect from May 31, 1999 as per notification issued by the Securities and Exchange Board of India.

The equity shares of the Company are frequently traded at Mumbai and National Stock Exchange.



**Outstanding GDRs/ ADRs/Warrants/Options** 1,75,731 Options

**Plant locations**

<b>Sahibabad</b>	22, Site IV, Industrial Area, Sahibabad, Ghaziabad (U.P) Phones: 0120 – 4777901-20; Fax: 0120 – 4777816-17
<b>Baddi</b>	<i>Chyawanprash Unit</i> 220–21, HPSIDC Industrial Area, Baddi 173 205, Distt Solan, Himachal Pradesh <i>Hajmola Unit</i> 102, HPSIDC Industrial Area, Baddi 173 205, Distt. Solan, Himachal Pradesh <i>Injectable Unit</i> 19. HPSIDC Industrial Area, Baddi 173 205, Distt. Solan, Himachal Pradesh
<b>Alwar</b>	SPC 162, Matsya Industrial Area, Alwar 301 030, Rajasthan
<b>Daburgram</b>	P.O. Daburgram, Distt. Deoghar 814 132, Jharkhand
<b>Kalyani</b>	D-35, Industrial Area, Kalyani, Distt. Nadia 741 235, West Bengal
<b>Katni</b>	10.4, Mile Stone, Village Padia, Katni, Madhya Pradesh.
<b>Narendrapur</b>	9, Netaji Subhash Chandra Bose Road, Narendrapur 743 508 Distt. 24 Parganas, West Bengal

**Address for Correspondence**

For share transfer/dematerialisation of shares, payment of dividend and any other query relating to the shares	:	MCS Limited, Sri Venkatesh Bhawan, 212 A, Shahpurjat, New Delhi – 110 049; Phones: 011 – 649 4630-31; Fax: 011 – 649 4152
For queries of Analysts, FII's, Institutions, Mutual Funds, Banks and others	:	Ms Gagan Ahluwalia/Mr Abhinav Rahul, Punjabi Bhawan, 10, Rouse Avenue, New Delhi – 110 002; Phones: 011 – 322 1167-70; Fax: 011 – 322 2051
For investors assistance	:	Mr Ashok Jain, Company Secretary, Punjabi Bhawan, 10, Rouse Avenue, New Delhi – 110 002; Phones: 011 – 322 1167-70, Fax: 011 – 322 2051

## AUDITORS' REPORT ON CORPORATE GOVERNANCE

To,

The Board of Directors,  
Dabur India Limited,  
8/3, Asaf Ali Road,  
New Delhi – 110 002

We have reviewed the implementation of Corporate Governance by the Company up to June 1, 2001, being the date on which the audited accounts for the year ended March 31, 2001 were adopted by the Board of Directors of the Company.

On the basis of records and documents maintained by the Company and the information and explanations given to us, in our opinion, the Company has complied in all material respects with the requirements of Corporate Governance as stipulated in the Listing Agreement with Stock Exchanges.

For G Basu & Co.,  
Chartered Accountants,

New Delhi  
June 1, 2001

(A K Basu)  
Partner

# AUDITORS' REPORT

To the Members,

We have audited the attached Balance Sheet of Dabur India Limited as at 31st March, 2001 and its Profit & Loss Account for the year ended on that date and report that :

1. As required by the Manufacturing and Other Companies (Auditors' Report) Order 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose herewith in the annexure a statement of the matter specified therein.
2. The report on the accounts of Alwar, London and Jab-el-Ali branches audited by the Branch Auditors were received and properly dealt with by us while preparing our report.
3. Accounts of the New York branch (closed during the year) and Moscow branch duly certified by the management have been incorporated in these accounts as these branches are exempt from the requirements of Section 228 of the Companies Act, 1956 by virtue of Rule 3 of the Companies (Branch Audit Exemption) Rules, 1961.
4. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit.
5. In our opinion, proper books of accounts, as required by law have been kept by the Company so far as appears from our examination of books of accounts.
6. The Balance Sheet and Profit and Loss Account dealt with by this Report are in agreement with the books of accounts.
7. Subject to Note No. B(3) in Schedule 'P', Balance Sheet and Profit & Loss Account have been prepared in due compliances of Accounting Standard referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
8. As informed to us, none of the directors of the Company are disqualified for the Office of the Director within the meaning of Section 274 (1) (g) of the Companies Act, 1956.
9. In our opinion and according to the information and explanations given to us, the said accounts subject to note No. B (8) in Schedule "P" and read with other Notes appearing in Schedule "P" give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
  - a) In the case of Balance Sheet of the State of Affairs of the company as at 31st March, 2001, and,
  - b) In the case of Profit and Loss Account of the Profit for the year ended on that date.

For G Basu & Co  
Chartered Accountants

New Delhi  
1st June, 2001

(A. K. Basu)  
Partner

## Annexure to the Auditors' Report as referred to in para 1 of the said report of even date

Based on the information and explanations furnished to us and the books and records examined by us in the normal course of audit, we report that in our opinion :

- i. a) The Company is maintaining proper records showing full particulars including quantitative details and situation of Fixed Assets in respect of all its locations except in Calcutta and Daburgram where the Fixed Assets Registers have been compiled on the basis of additions since 1975.
- b) The Fixed Assets of the Company have been physically verified by the Management at all locations and no material discrepancies between the book records and the physical inventories have been noticed.
- ii. There was no revaluation of Fixed Assets of the Company during the year.
- iii. The Company has conducted physical verification at all locations at reasonable intervals in respect of stocks of finished goods, stores (including spares) and raw materials.
- iv. In our opinion, the procedure of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- v. Discrepancies noticed on verification between the physical stocks and the books records were insignificant and the same have been properly dealt with in the books of accounts.
- vi. We are satisfied that the valuation of closing stock at the close of the year is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
- vii. The Company has taken unsecured loans from parties listed in the Register maintained under Section 301 of the Companies Act, 1956 and the rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interest of the Company. The Company has not taken loan secured or unsecured from Companies under the same management as defined under Sub-Section (1B) of Section 370 of the Companies Act, 1956.
- viii. The Company has not granted loans to companies, firms or other parties listed in the Register maintained under Section 301 of Companies Act, 1956 or Companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.
- ix. In respect of Loans and Advances in the nature of Loans given by the Company to other parties, where stipulations have been made, parties are generally repaying the principal amounts as stipulated or as rescheduled and have also been regular in the payment of interest where applicable.
- x. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size and nature of business of the Company for purchase of stores, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods.
- xi. In our opinion and according to information and explanations given to us, there were no purchase of goods and materials and sale of goods, materials and service made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000/- or more in respect of each party.



- xii. As explained to us, Company has a system of determining unserviceable or damaged stores, raw materials and finished goods on the basis of technical evaluation and on the aforesaid basis, adequate amounts have been written off of such stocks in the accounts.
- xiii. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A of the Companies Act, 1956 and rules framed thereunder with regard to the deposits accepted from the public.
- xiv. Reasonable records have been maintained by the Company for sale and disposal of the realisable scraps. There are no by-products arising out of the manufacturing process of the Company.
- xv. In our opinion, the Company's present Internal Audit System is commensurate with the size and nature of its business.
- xvi. On the basis of the records produced, we are of the opinion that, prima facie the cost records and accounts prescribed by the Central Government under Section 209 (1)(d) of the Companies Act, 1956 in respect of the products of the Company covered under the rules under the said Section have been maintained. However, we are neither required to carry out nor have carried out any detailed examination of such accounts and records.
- xvii. The Company has generally deposited Provident Fund and Employees State Insurance dues with the appropriate authorities.
- xviii. According to the information and explanations given to us, there was no amount outstanding as on 31st March, 2001 in respect of undisputed Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty, which were due for more than six months, from the date they become payable.
- xix. According to the information and explanations given to us, no personal expenses of employees or Directors have been charged to revenue account other than those payable under contractual obligations or in accordance with the generally accepted business practice.
- xx. The Company is not a Sick Industrial Company within the meaning of Clause (O) of sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
- xxi. As regards Company's trading activities, damaged goods have been determined by the Company and consequential adjustment have been made in the accounts.
- xxii. Regarding financial and investment activities of the Company
- a) adequate documents and records have been maintained for loans sanctioned by the Company against pledge of securities.
  - b) Proper records have been maintained for transaction of securities (shares/debentures/mutual fund etc.) and timely entries have been made there in.
- Securities are always held in Company's own name.
- Other para of the order are not applicable for the Company.

For G Basu & Co  
Chartered Accountants

New Delhi  
1st June, 2001

(A. K. Basu)  
Partner

## BALANCE SHEET AS AT 31ST MARCH, 2001

	Schedule	As at 31st March, 2001 (Rs. in lacs)	At at 31st March, 2000 (Rs. in lacs)
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds :</b>			
(A) Share Capital	A	2852.13	2852.06
(B) Reserves and Surplus	B	<u>33368.09</u>	<u>29151.56</u>
		<b>36220.22</b>	32003.62
<b>Loan Funds :</b>			
(A) Secured Loans	C	2752.94	6300.86
(B) Unsecured Loans	D	<u>16856.85</u>	<u>22601.14</u>
		<b>19609.79</b>	28902.00
<b>Total</b>		<u><b>55830.01</b></u>	<u>60905.62</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets :</b>			
(A) Gross Block	F	37640.26	36790.65
(B) Less : Depreciation		<u>13353.33</u>	<u>11707.20</u>
(C) Net Block		<b>24286.93</b>	25083.45
<b>Investments</b>	G	<b>7273.06</b>	4717.40
<b>Current Assets, Loans and Advances :</b>			
(A) Inventories		13925.14	14429.29
(B) Sundry Debtors		13768.46	11818.21
(C) Cash & Bank Balances		2343.70	6910.55
(D) Loans & Advances		<u>9247.79</u>	<u>8065.31</u>
		<b>39285.09</b>	41223.36
<b>Less : Current Liabilities and Provisions :</b>			
(A) Liabilities	E	11285.72	8509.75
(B) Provisions		<u>4467.76</u>	<u>2312.92</u>
		<b>15753.48</b>	10822.67
<b>Net Current Assets</b>		<b>23531.61</b>	30400.69
<b>Miscellaneous Expenditure</b> (To the extent not written off or adjusted)	IA	<b>738.41</b>	704.08
Notes to accounts	P		
<b>Total</b>		<u><b>55830.01</b></u>	<u>60905.62</u>

V.C. BURMAN  
Chairman

New Delhi  
1st June, 2001

G.C. BURMAN  
Vice Chairman &  
Managing Director

P.D. NARANG  
Director

NINU KHANNA  
Director

ASHOK JAIN  
Company Secretary

As per our report of  
even date attached  
for G. BASU & CO.  
CHARTERED ACCOUNTANTS

A.K. BASU  
Partner

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2001

	Schedule	For the year Ended 31st March, 2001 (Rs. in lacs)	For the year Ended 31st March, 2000 (Rs. in lacs)
<b>INCOME</b>	J		
Sales Less Returns		116646.68	104258.95
Other Income		1886.93	3418.91
<b>Total Income</b>		<b>118533.61</b>	<b>107677.86</b>
<b>EXPENDITURE</b>			
Cost of Materials	K	53847.27	52694.69
Excise Duty		5935.70	4223.54
Manufacturing Expenses	L	2906.25	2198.15
Payments to and Provisions for employees	M	7769.12	6313.79
Selling and Administrative Expenses	N	33972.71	29208.84
Financial Expenses	O	2966.40	2511.33
Miscellaneous Expenditure Written Off	IB	373.56	286.70
Depreciation		2252.35	2140.33
Less : Transferred from Capital Reserve		7.09	10.15
<b>Total Expenditure</b>		<b>110016.27</b>	<b>99567.22</b>
Less : Capitalised during the year		—	-18.13
<b>Net Total Expenditure</b>		<b>110016.27</b>	<b>99549.09</b>
<b>Balance being Net Profit</b>		<b>8517.34</b>	<b>8128.77</b>
Balance Brought Forward		862.66	566.60
Provision for Taxation of Earlier Years Written Back		11.92	40.96
Provision for Depreciation of Earlier Years Written Back		-0.74	0.22
		<b>9391.18</b>	<b>8736.55</b>
Provision for Taxation		725.00	385.61
Provision for Taxation for Earlier Year		40.10	17.92
Interim Dividend		—	1425.64
Proposed Dividend - Interim		1426.07	1425.64
Proposed Dividend - Final		1426.07	—
Corporate Tax on Interim Dividend		—	156.82
Corporate Tax on Proposed Interim Dividend		145.46	—
Corporate Tax on Proposed Final Dividend		145.46	156.82
Transferred to Capital Reserve		97.72	170.44
Transferred to General Reserve		2800.00	4000.00
Transferred to Debenture Redemption Reserve		—	135.00
<b>Balance Carried Over to Balance Sheet</b>		<b>2585.30</b>	<b>862.66</b>
		<b>9391.18</b>	<b>8736.55</b>
Notes to accounts	P		

V.C. BURMAN  
Chairman

G.C. BURMAN  
Vice Chairman &  
Managing Director

NINU KHANNA  
Director

As per our report of  
even date attached  
for G. BASU & CO.  
CHARTERED ACCOUNTANTS

New Delhi  
1st June, 2001

P.D. NARANG  
Director

ASHOK JAIN  
Company Secretary

A.K. BASU  
Partner

## SCHEDULE - A

Annexed to and forming part of the Balance Sheet as at 31st March, 2001

### SHARE CAPITAL

(Rs. in lacs)

	As at 31-3-2001	At at 31-3-2000
<b>AUTHORISED</b>		
500000000 Equity Shares of Rs. 1 each (Previous Year 500000000 Equity Shares of Rs. 10)	5000.00	5000.00
	<u>5000.00</u>	<u>5000.00</u>
<b>ISSUED AND SUBSCRIBED</b>		
285214830 Equity Shares of Rs. 1 Each fully called up (Previous year 28521483 Equity Shares of Rs. 10)	2852.15	2852.15
Less : Allotment Money in Arrears	—	0.01
Less : Call Money in Arrears	0.02	0.08
	<u>2852.13</u>	<u>2852.06</u>

#### NOTES :

- 4548000 Equity Shares of Rs. 10 each Fully Paid up were issued pursuant to the scheme of amalgamation (without payment being received in cash).
- 18202080 Equity Shares of Rs. 10 each Fully Paid up were issued as Bonus Shares by way of capitalisation of free reserves to shareholders in the ratio of 4 Equity Shares for every share held as on 1st December, 1993.
- 666235 Equity Shares of Rs. 1 each are outstanding under "Employee Stock Option Scheme" as on 31st March, 2001.

## SCHEDULE - B

Annexed to and forming part of the Balance Sheet as at 31st March, 2001

### RESERVES AND SURPLUS

(Rs. in lacs)

	As at 31-3-2001	At at 31-3-2000
<b>CAPITAL RESERVE :</b>		
As per Last Account	1978.47	693.18
Add : Non-Compete Fees from G.C.I.	—	1125.00
	<u>1978.47</u>	<u>1818.18</u>
Less : Transferred to Profit & Loss Account	7.09	10.15
	<u>1971.38</u>	<u>1808.03</u>
Add : Transferred from Profit & Loss Account	97.72	170.44
	<u>2069.10</u>	<u>1978.47</u>
Less: Revaluation Reserve Written off	795.39	—
Less: Assets Sold	67.52	—
	<u>1206.19</u>	<u>1978.47</u>
<b>SHARE PREMIUM RESERVE :</b>		
Less : Allotment Money in Arrears	5029.53	4895.05
Less : Call Money in Arrears	—	0.05
	<u>0.12</u>	<u>0.65</u>
	<u>5029.41</u>	<u>4894.35</u>
Add : Premium on Issue of Shares	—	134.48
	<u>5029.41</u>	<u>5028.83</u>
<b>CAPITAL REDEMPTION RESERVE :</b>		
As per Last Account	56.93	56.93
<b>GENERAL RESERVE :</b>		
As per Last Account	20209.59	16209.59
Add : Amount Transferred from Profit & Loss Account	2800.00	4000.00
	<u>23009.59</u>	<u>20209.59</u>
<b>DEBENTURE REDEMPTION RESERVE :</b>		
As per last Account	750.00	615.00
Add : Amount Transferred from Profit and Loss Account	—	135.00
	<u>750.00</u>	<u>750.00</u>
<b>INVESTMENT ALLOWANCE RESERVE :</b>		
As per Last Account	82.58	82.58
<b>INVESTMENT DEPOSIT RESERVE :</b>		
As per Last Account	182.50	182.50
<b>PROFIT AND LOSS ACCOUNT</b>	<b>2585.30</b>	<b>862.66</b>
<b>EMPLOYEE STOCK OPTION SCHEME OUTSTANDING</b>	<b>465.59</b>	<b>—</b>
<b>TOTAL</b>	<b><u>33368.09</u></b>	<b><u>29151.56</u></b>

## SCHEDULE - C

Annexed to and forming part of the Balance Sheet as at 31st March, 2001

### SECURED LOANS

(Rs. in lacs)

	As at 31-3-2001	At at 31-3-2000
<b>A. * DEBENTURES</b>		
1500000 - 14.75% Secured Redeemable Non-Convertible Debentures of Rs. 100 each as fully paid up and Redeemable at par in 3 equal Annual instalments commencing on the expiry of the seventh year from the date of allotment i.e. 22nd July, 1994	1500.00	1500.00
<b>B. TERM LOANS :</b>		
# Housing Development Finance Corporation Limited	487.21	478.06
† Short Term Loans - From Banks	765.73	4322.80
	<u>2752.94</u>	<u>6300.86</u>
<b>* Debentures amounting to Rs. 1250 lacs secured by :</b>		
1) A mortgage by deposit of title deeds in respect of company's all immovable properties situated at 22, Site IV, Sahibabad, Distt. Ghaziabad, present and future.		
2) A first charge by way of hypothecation in respect of all the Company's movable plant & machinery, spares and stores, tools and accessories including all other movables both present and future situated at 22, Site IV, Sahibabad, Distt. Ghaziabad. Subject to prior charges created and/or to be created in favour of Exim Bank & IDBI for their term loans, Company's Bankers for co-acceptance of bills for purchase of plant & machinery. The mortgage and charges created as aforesaid shall rank pari passu with the charges created/to be created in favour of Industrial Finance Corporation of India Limited.		
<b>* Debentures amounting to Rs. 250 lacs secured by :</b>		
1) A mortgage by deposit of title deeds in respect of Company's all immovable properties situated at Plot No. SP-C-162, MIA, Desula, Alwar, Rajasthan and Plot No. 7, NEPZ, Noida, Ghaziabad both present and future.		
2) A first charge by way of hypothecation in respect of all the Company's movable plant & machinery, spares and stores, tools and accessories including all other movable both present and future situated at Plot No. SP-C-162, MIA, Desula, Alwar, Rajasthan and Plot No. 7, NEPZ, Noida, Ghaziabad. Subject to prior charges created and/or to be created in favour of Company's Bankers on the stock of raw materials, semi finished goods, consumable stores and book debts and movables for securing borrowings for working capital requirements in the ordinary course of business.		
# Secured by hypothecation of Land & Building, Plant & Machinery installed at company's Factory at Daburgram, Deoghar, Jharkhand.		
† Secured by hypothecation of inventories and book debts ranking pari-passu between Punjab National Bank, Standard Chartered Grindlays Bank Ltd., Hongkong & Shanghai Banking Corporation Ltd., State Bank of India, ABN Amro Bank, Deutsche Bank, United Bank of India, American Express Bank Ltd. and Citi Bank NA		

## SCHEDULE - D

Annexed to and forming part of the Balance Sheet as at 31st March, 2001

### UNSECURED LOANS

(Rs. in lacs)

	As at 31-3-2001	At at 31-3-2000
<b>DEPOSITS :</b>		
Public (includes interest accrued and due - Rs. 7.62; Previous Year - Rs. 7.98)	4667.74	3863.86
Directors	795.85	63.07
Companies	28.10	283.50
Security Deposit from dealers and others	523.95	640.90
<b>OTHER LOANS :</b>		
Interest Free Sales Tax Loan :		
Sales Tax Deferred	1110.24	660.56
West Bengal State Industrial Development Corporation Ltd.	9.17	18.33
	<u>1119.41</u>	<u>678.89</u>
Book Overdraft of Current Account with Banks	8.70	4.32
Commercial Papers	3500.00	9000.00
External Commercial Borrowings :		
— ABN Amro Bank NV	3756.39	3489.60
— Hongkong & Shanghai Banking Corporation Ltd.	2456.71	4577.00
	<u>6213.10</u>	<u>8066.60</u>
	<u>16856.85</u>	<u>22601.14</u>

- Notes: 1. Public deposits include unclaimed deposits amounting to Rs. 66.13 (Previous year Rs. 109.48).  
2. Other Loans include amounts due within one year Rs. 2456.71 (Previous year Rs. 2315.40).  
3. Maximum amount of Commercial Papers outstanding during the year Rs. 10000 (Previous year Rs. 10000).

## SCHEDULE - E

Annexed to and forming part of the Balance Sheet as at 31st March, 2001

### CURRENT LIABILITIES AND PROVISIONS

(Rs. in lacs)

	As at 31-3-2001	At at 31-3-2000
<b>A. CURRENT LIABILITIES:</b>		
Acceptances	3073.64	777.06
Amount due to SSI Units (Refer Note No. 11 - Sch. P)	949.36	162.85
Creditors for Goods	2564.74	2471.13
Creditors for expenses and other Liabilities	3659.12	4084.42
	<u>10246.86</u>	<u>7495.46</u>
Unclaimed Dividend	38.03	47.15
Customers' Credit Balances	371.44	424.88
Interest accrued but not due on loans	528.90	404.98
Deposits under car scheme	100.49	137.28
	<u>11285.72</u>	<u>8509.75</u>
<b>B. PROVISIONS:</b>		
For Dividend (proposed) - Final	1426.07	—
For Dividend (proposed) - Interim	1426.07	1425.64
For Corporate Tax on Proposed Dividend - Final	145.46	156.82
For Corporate Tax on Proposed Dividend - Interim	145.46	—
For Leave Salary	174.19	153.05
For Taxation:		
Brought Forward	577.41	298.00
Provision for the year	725.00	385.61
	<u>1302.41</u>	<u>683.61</u>
Adjusted during year	-151.90	-106.20
	<u>1150.51</u>	<u>577.41</u>
	<u>15753.48</u>	<u>10822.67</u>

## SCHEDULE - F

Annexed to and forming part of the Balance Sheet as at 31st March, 2001

### FIXED ASSETS

(Rs. in lacs)

Name of Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 31.03.00	Addi- tions 00-01	Adjust- ment 00-01	As on 31.03.01	As on 31.03.00	For the year 00-01	Adjust- ment 00-01	As on 31.03.01	As on 31.03.01	As on 31.03.00
Freehold Land	1467.24	18.51	744.05	741.70	—	—	—	—	741.70	1467.24
Leasehold Land	748.33	—	146.96	601.37	44.89	5.78	29.94	20.73	580.64	703.44
Building, Roads & Culvert	10940.77	339.70	248.45	11032.02	2166.01	383.73	99.00	2450.74	8581.28	8774.76
Plant & Machinery	16171.10	870.81	454.70	16587.21	6491.44	1115.26	289.53	7317.17	9270.04	9679.66
Vehicles	913.78	240.99	226.77	928.00	464.97	128.94	133.30	460.61	467.39	448.81
Furniture & Office Equipments	3083.47	126.44	81.77	3128.14	1146.13	217.04	50.09	1313.08	1815.06	1937.34
Computers	2266.13	603.09	5.14	2864.08	1390.39	354.44	4.08	1740.75	1123.33	875.74
Patents	330.00	—	—	330.00	30.09	47.16	—	50.25	279.75	326.91
Live Stock	0.50	—	0.28	0.22	0.28	—	0.28	—	0.22	0.22
Capital Work in Progress	869.33	862.41	304.22	1427.52	—	—	—	—	1427.52	869.33
<b>Total</b>	<b>36790.65</b>	<b>3061.95</b>	<b>2212.34</b>	<b>37640.26</b>	<b>11707.20</b>	<b>2252.35</b>	<b>606.22</b>	<b>13353.33</b>	<b>24286.93</b>	<b>25083.45</b>
Previous year	33695.43	6111.48	3016.26	36790.65	9844.76	2142.46	280.02	11707.20	25083.45	23850.67

- Notes: 1. Land, Building and Plant & Machinery were revalued as on 30th June, 1985 as per the report of approved Government valuer. Freehold land includes Rs. 376.64 on account of revaluation of assets as on 31st March, 1993 as per report of Government approved valuer.  
2. Additions during the year include Rs. 422.05 on account of fluctuation in rate of exchange of foreign loan.  
3. Capital work in progress includes advance against capital goods Rs. 980.91 (Previous Year Rs. 714.40).

**SCHEDULE - G**

Annexed to and forming part of the Balance Sheet as at 31st March, 2001

**INVESTMENTS (AT COST)**

(Rs. in lacs)

	No. of Shares/debentures/ Units fully paid up	As at 31-3-2001	As at 31-3-2000
<b>A. QUOTED-OTHER THAN TRADE</b>			
1. Alliance 95 - Dividend	490918	200.00	200.00
2. ICICI - Prudential Balance Fund - Dividend	1879699	200.00	200.00
3. Birla Balance - Dividend	1793722	200.00	200.00
4. Unit Trust of India (Unit 64 Scheme) (464286 Units Purchased during year)	464286	65.00	—
<b>B. UNQUOTED</b>			
<b>(I) Unquoted - Trade Investments</b>			
1. British Health Products (India) Ltd. (135007 Shares sold during the year)	—	—	13.57
2. Dabur Ayurved Limited	11110	1.11	1.11
3. Dabur Ayurvedic Specialities Ltd.	1010	0.10	0.10
4. Sanat Products Ltd.	50000	105.00	105.00
5. Dabon International Limited	11500000	1150.00	1150.00
6. Excelcia Foods Ltd. (3600000 Shares sold during the year)	—	—	360.00
<b>(II) Unquoted - Trade Investments in Subsidiary Companies</b>			
1. Dabur Finance Limited	6900080	698.61	698.61
2. Dabur Overseas Limited	50000	161.06	161.06
3. Dabur Nepal Private Limited	638520	699.07	699.07
4. Dabur Foods Limited (2000000 Shares allotted during year)	5000700	500.01	300.01
5. Dabur Oncology Plc (32510630 Shares allotted during the year)	38650000	2591.82	427.59
<b>(III) Unquoted - Other than Trade Investments</b>			
1. Commerce Centre Cooperative Housing Society Limited	15	0.02	0.02
2. Capexil (Agencies) Limited	3	0.01	0.01
3. Dabur Employees Consumers Co-op. Stores Limited	250	0.03	0.03
4. Dabur Employees Cooperative Credit Society Ltd.	650	0.07	0.07
5. Co-operative Stores Limited, Super Bazaar	500	0.05	0.05
6. Himal Laboratories Private Ltd.	10000	1.00	1.00
<b>C. SHARE APPLICATION MONEY PENDING ALLOTMENT</b>		<b>700.10</b>	200.10
		<b>7273.06</b>	<b>4717.40</b>
NOTES :			
Aggregate Book Value of Unquoted Investments		<b>4781.94</b>	3917.40
Aggregate Book Value of Quoted Investments		<b>665.00</b>	600.00
Aggregate Market Value of Quoted Investments (Based on 30th March, 2001 Quotation)		<b>503.76</b>	807.11
Share Application Money		<b>700.10</b>	200.10

## SCHEDULE - H

Annexed to and forming part of the Balance Sheet as at 31st March, 2001

### CURRENT ASSETS, LOANS AND ADVANCES

(Rs. in lacs)

	As at 31-3-2001		At at 31-3-2000	
<b>A. CURRENT ASSETS :</b>				
<b>Stock-in-Trade :</b>				
(As taken, valued and certified by the management)				
- Raw Materials	3063.61		2679.65	
- Packing materials, stores and spares	1,223.75		1383.56	
- Stock in Process	2208.60		1600.25	
- Finished Goods	7429.18	13925.14	8765.83	14429.29
<b>Sundry Debtors (unsecured):</b>				
Debts outstanding for a period exceeding six months :				
- Considered good	542.48		1863.79	
- Considered doubtful	8.82		8.82	
	551.30		1872.61	
Less: Provision for doubtful debts	8.82		8.82	
	542.48		1863.79	
Other debts (Considered good)	13225.98	13768.46	9954.42	11818.21
<b>Cash and Bank Balances:</b>				
Cash in hand at head office and other offices	56.27		36.28	
Balance with Scheduled Banks				
- In other current accounts (Includes Rs. 38.08 in unpaid dividend account; previous year Rs. 47.20)	1851.86		1137.21	
- In Fixed Deposit Accounts	63.80		5042.20	
Balance with Non-Scheduled Banks				
- In Other Current Accounts	79.68		122.97	
- In Fixed Deposit Accounts	139.82		378.55	
Postal Savings Bank Accounts (Deposited with excise authority)	0.95		0.95	
Remittance-in-transit & cheques-in-hand	151.32	2343.70	192.39	6910.55
		30037.30		33158.05
<b>B. LOANS AND ADVANCES (Unsecured, considered good unless stated otherwise):</b>				
Loans & Advances to subsidiaries	201.37		357.91	
Loans & Advances to Others (Including Secured Advances Rs. 173.20; Previous year Rs. 144.66)	537.86		590.01	
Security Deposit with various authorities (including Deposit with Govt. Authorities Rs. 795.40; Previous year Rs. 170.52)	1198.83		612.70	
Advance Payment of Tax	1235.73		669.50	
Advances to Suppliers	1613.39		1305.35	
Advances to Employees	1325.54		1073.35	
Balance with Excise Authorities	725.86		426.36	
Other Advances	2409.21	9247.79	3030.13	8065.31
Total (A+B)		39285.09		41223.36

## SCHEDULE - I A

Annexed to and forming part of the Balance Sheet as at 31st March, 2001

### MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)

(Rs. in lacs)

	As at 31-3-2001		At at 31-3-2000	
Share Issue Expenses	113.47		151.30	
Less: Amortised during the year	<u>37.83</u>	75.64	<u>37.83</u>	113.47
Technical knowhow fees paid	4.95		7.42	
Less: Amortised during the year	<u>2.47</u>	2.48	<u>2.47</u>	4.95
Strategic Management Consultancy Expenses	585.66		832.06	
Less: Amortised during the year	<u>246.40</u>	339.26	<u>246.40</u>	585.66
Deffered Employee Compensation Under ESOP :				
Addition during the year	465.60		—	
Less: Amortised during the year	<u>144.57</u>	321.03	<u>—</u>	—
		<u>738.41</u>		<u>704.08</u>

## SCHEDULE - J

Annexed to and forming part of the Profit & Loss Account for the year ended 31st March, 2001

### SALES AND OTHER INCOME

(Rs. in lacs)

	For the year ended 31-3-2001	For the year ended 31-3-2000
<b>A. SALES :</b>		
Domestic Sales less returns	106229.29	92843.31
Export Sales	10417.39	11415.64
	<u>116646.68</u>	<u>104258.95</u>
<b>B. OTHER INCOME :</b>		
Export Subsidy	287.09	109.80
Rent Realised (Tax deducted at source Rs. 4.55; Previous year Rs. 4.64)	118.16	53.90
Sale of Scrap	112.43	88.12
Dividend from subsidiary companies	194.18	253.67
Other dividend :		
— Trade Investment	—	4.05
— Other Investment	49.13	26.45
Royalty Received	214.86	171.88
Miscellaneous receipts	786.93	396.10
Profit on sale of investments (Net of loss of Rs. nil; Previous year Rs. 417.84)	—	2103.83
Profit on sale of assets (Net of loss Rs. 42.48; Previous year Rs. 55.38) (Including capital profit of Rs. 97.71; Previous year Rs. 170.44)	124.15	211.11
	<u>1886.93</u>	<u>3418.91</u>

## SCHEDULE - K

Annexed to and forming part of the Profit & Loss Account for the year ended 31st March, 2001

### COST OF MATERIALS

(Rs. in lacs)

	For the year ended 31-3-2001		For the year ended 31-3-2000	
<b>Raw Materials Consumed:</b>				
i) Opening stock	2679.65		2227.25	
ii) Add: Purchases	16166.65		16809.92	
	18846.30		19037.17	
iii) Less: Closing Stock	3063.61	15782.69	2679.65	16357.52
<b>Packing Materials Consumed:</b>				
i) Opening Stock	887.37		894.57	
ii) Add: Purchases	6461.06		7452.12	
	7348.43		8346.69	
iii) Less : Closing Stock	790.76	6557.67	887.37	7459.32
<b>Purchase of Finished Products</b>		30778.61		30093.32
<b>Adjustment of Stocks:</b>				
Opening Stock:				
Stock in Process	1600.25		1695.88	
Finished Products	8765.83		7454.73	
	10366.08		9150.61	
Closing Stock:				
Stock-in-Process	2208.60		1600.25	
Finished Products	7429.18		8765.83	
	9637.78		10366.08	
Increase (-)/Decrease in Stock		728.30		(1215.47)
		53847.27		52694.69

## SCHEDULE - L

Annexed to and forming part of the Profit & Loss Account for the year ended 31st March, 2001

### MANUFACTURING AND OPERATING EXPENSES

(Rs. in lacs)

	For the year ended 31-3-2001		For the year ended 31-3-2000	
Power and Fuel	1865.70		1548.66	
Stores & Spares consumed	378.89		172.95	
Repairs & Maintenance :				
— Building	231.57		175.69	
— Plant & Machinery	170.41		108.82	
— Others	132.08		133.37	
Processing charges	127.60		58.66	
	2906.25		2198.15	

## SCHEDULE - M

Annexed to and forming part of the Profit & Loss Account for the year ended 31st March, 2001

### PAYMENTS TO AND PROVISIONS FOR EMPLOYEES

(Rs. in lacs)

	For the year ended 31-3-2001		For the year ended 31-3-2000	
Salaries, Wages and Bonus	4955.71		3818.97	
Contribution to Provident and Other Funds	632.96		612.09	
Workmen and Staff Welfare	1584.49		1381.47	
Directors' Remuneration (including perquisites Rs. 252.30; Previous year Rs. 182.88)	595.96		501.26	
	7769.12		6313.79	

**SCHEDULE - N**

Annexed to and forming part of the Profit & Loss Account for the year ended 31st March, 2001

**SELLING AND ADMINISTRATIVE EXPENSES**

(Rs. in lacs)

	For the year ended 31-3-2001	For the year ended 31-3-2000
Rent	380.74	361.16
Rates and Taxes	169.09	125.45
Insurance	174.69	156.02
Sales Tax	6673.04	6038.41
Freight and Forwarding charges	2323.83	2145.00
Cartage and Coolie	75.83	103.99
Commission, Discount and Rebate	2506.18	1565.56
Advertising and Publicity	14607.44	12001.77
Travel & Conveyance	2133.24	2053.08
Legal & Professional	317.09	394.24
Telephone, Fax Expenses	492.44	498.95
Security Expenses	129.01	104.64
General Expenses	2018.25	1715.24
Directors' Fees	0.12	0.10
Auditors' Remuneration :		
- Audit Fee	5.25	3.68
- Branch Auditors' Fee	4.61	4.03
- Reimbursement of Expenses	6.04	3.35
- Provident Fund and Certificates	1.49	1.49
Donation	77.77	116.43
Contribution for Scientific Research Expenses	1230.20	954.35
Bad Debts	297.26	861.90
Loss on Sale of Investments	349.10	—
(Net of Profit Rs. 16.20; Previous year nil)		
	<u>33972.71</u>	<u>29208.84</u>

**SCHEDULE - O**

Annexed to and forming part of the Profit & Loss Account for the year ended 31st March, 2001

**FINANCIAL EXPENSES**

(Rs. in lacs)

	For the year ended 31-3-2001	For the year ended 31-3-2000
INTEREST PAID ON:		
Fixed Period Loan	1791.90	1688.29
Others	739.48	483.53
(Net of Int. received Rs. 386.93; Previous Year Rs. 521.26 - Tax deducted at Source Rs. 54.94; Previous year Rs. 53.91)		
Bank Charges	435.02	339.51
	<u>2966.40</u>	<u>2511.33</u>

**SCHEDULE - I B**

Annexed to and forming part of the Profit & Loss Account for the year ended 31st March, 2001

**MISCELLANEOUS EXPENDITURE WRITTEN OFF**

(Rs. in lacs)

	For the year ended 31-3-2001	For the year ended 31-3-2000
Share issue expenses	37.83	37.83
Technical knowhow fees paid	2.47	2.47
Strategic Management Consultancy Expenses	246.40	246.40
Deffered Employee Compensation under ESOP	144.57	—
Less : Transfer to Directors' Remuneration	57.71	—
	<u>373.56</u>	<u>286.70</u>

## SCHEDULE - P

Annexed to and forming part of the Accounts for the year ended 31st March, 2001

### ACCOUNTING POLICIES & NOTES TO ACCOUNTS

(Rupees in lacs)

#### A) ACCOUNTING POLICIES

Significant accounting policies are summarized below:

##### a. Accounting Convention:

The accounts have been prepared in accordance with the historical cost convention modified by revaluation of certain fixed assets.

##### b. Fixed Assets and Depreciation:

- \* Fixed assets are stated at cost except for Plant and Machinery & Land and Building, which were revalued on 30th June, 1985 & freehold land which was again revalued on 31st March, 1993 and shown at revalued amount.
- \* Cost includes inward freight, duties, taxes and expenses incidental to acquisition and installation.
- \* In respect of revalued assets the difference between the written down value of the assets as on the date of revaluation and the revalued amount have been transferred to Capital Reserve.
- \* As regards fixed assets acquired out of loan taken in foreign currencies, loss or gain on such loans at the year-end is adjusted to the value of such fixed assets.
- \* The Company capitalises interest on the loan utilized for acquisition of Fixed Assets for the new projects upto the date of commencement of commercial production of respective projects.
- \* Depreciation on Fixed Assets has been provided on written down value method at rates specified in Schedule XIV of the Companies Act except for Baddi, Katni, Kalyani, 5/1, Sahibabad Unit and Corporate Office, Sahibabad, where depreciation have been provided on straight line method at the rates specified in the aforesaid Schedule. Depreciation on differential increase in value arising out of revaluation is charged against capital reserve.
- \* Depreciation on the differential amounts of fixed assets arising out of exchange loss or gain on foreign currency loan as stated above are adjusted over the remaining life of the concerned fixed assets.

##### c. Investments:

Investments made by the Company are strategic and long term in nature and are shown at cost. Dividend income from investment is accounted for on declaration basis.

##### d. Inventories:

Stocks are valued at:

- \* Raw materials, Packing materials, stores and spares At cost on FIFO basis
- \* Work-in-process At cost (incl. proportionate Factory overhead)
- \* Finished goods At lower of cost (incl. proportionate factory Overhead) or net realizable value

##### e. Research and Development Expenses:

Contributions towards scientific research expenses are charged to the Profit & Loss Account in the year in which the contribution is made.

##### f. Retirement Benefits:

Liabilities in respect of retirement benefits to employees are provided for as follows:

- \* leave salary of employees of the company on the basis of actuarial valuation.
- \* Gratuity liability on the basis of payment advice from Life Insurance Corporation of India from whom the company's gratuity trust has taken the Group Gratuity Insurance Policy.
- \* Liability for superannuation fund on the basis of the premium paid to Life Insurance Corporation of India in respect of employees covered under the Superannuation Fund Policy.

##### g. Income:

- \* Sales are accounted for on the basis of passing of title to the goods to the buyer.
- \* Sales comprise of sale price of goods including excise duty and sales tax but excluding discount.
- \* Exports Sales are accounted for on the basis of date of bill of lading.

##### h. Contingent Liabilities:

Disputed liabilities and claims against the company including claims by tax authorities (e.g. Sales Tax, Income Tax, Excise etc.), pending in appeal, are treated as contingent liabilities and are not provided for in the accounts but are disclosed by way of note in Notes to Accounts.

##### i. Foreign Currency Translation:

In respect of foreign branches/offices, revenue items have been converted at average of month end exchange rates during the year. Fixed assets have been converted at the rates prevailing on dates of purchase. Assets & Liabilities other than fixed assets are converted at the year-end exchange rate. Exchange gain or loss arising out of above is charged to Profit & Loss Account.

Receivables/payables (excluding for fixed assets) in foreign currencies are translated at the exchange rate ruling at the year end date and the resultant gain or loss, is charged to the Profit and Loss Account. As regards payables in respect of fixed assets, refer item (b) above.

##### j. Employee Stock Option Scheme (ESOS):

Aggregate of quantum of option granted under the scheme in monetary term has been shown as Employees Stock Option Scheme Outstanding in Reserve and Surplus head of the Balance Sheet by way of debiting Deferred Employee Compensation under ESOP as per guidelines to the effect issued by SEBI.

**k. Miscellaneous Expenditure:**

- \* Share issue expenses are being amortised over a period of ten years.
- \* Technical Know-how fees paid to Technical Collaborators are being amortised over a period of six years.
- \* Strategic Management Consultancy Expenses are being amortised over a period of five years.
- \* Deferred Employees Compensation under ESOP are being amortized on straight line basis over vesting period.

**B) NOTES TO ACCOUNTS**

1. Building constructed on leasehold land included in the value of building shown in Fixed Assets Schedule:

	<u>As at 31st March, 2001</u>	<u>As at 31st March, 2000</u>
Cost/Revalued	7041.64	8626.37
Written Down Values	5367.50	6844.66

2. Loans and Advances include Rs. 46.67 paid by the Company to Excise Authorities on behalf of Sharda Boiron Laboratories Limited, now known as SBL Limited, in respect of excise duty demand of Rs. 68.13 raised by the District Excise Officer, Ghaziabad, against the Company and Sharda Boiron Laboratories Limited. The Hon'ble Supreme Court of India had concurred with the order of the District Excise Officer, Ghaziabad.

The Company had filed the review petition before Division Bench of the Hon'ble Supreme Court of India, which was also decided against the Company. Pursuant to the indemnity bond executed by M/s. Sharda Boiron Laboratories Limited in favour of the Company and as per the terms and conditions of the contract executed with them, the recovery proceedings have been initiated by the Company against Sharda Boiron Laboratories Limited for Rs. 46.67 by invoking the arbitration clause. The matter is pending before Hon'ble High Court of Delhi for the appointment of an arbitrator. The balance amount of Rs. 21.46, along with interest demanded by the Excise Authorities has been paid directly by Sharda Boiron Laboratories Limited to Excise Authorities. During the year 1991-92 the company had received a refund of Rs. 5.95, pursuant to the decision of Hon'ble Supreme Court in this regard. Necessary adjustment in respect of recovery/refund will be made as per the arbitration proceedings.

3. Investments made by the Company are strategic and long-term in nature and are shown at cost. Any diminution in the value of Investments are considered as temporary in nature and hence, no provision has been made in these accounts as required by Mandatory Accounting Standard 13.
4. Contingent Liabilities:
- i. Claims against the company not acknowledged as debts:
    - a) In respect of civil suits filed against the company Rs. 159.75 (Previous period Rs. 159.48).
    - b) In respect of claims by employees Rs. 7.33 (Previous period Rs. 5.83).
  - ii. In respect of letters of credit Rs. 1288.38 (Previous period Rs. 1912.68).
  - iii. In respect of Bank Guarantees executed Rs. 133.04 (Previous period Rs. 90.13).
  - iv. In respect of Sales Tax under appeal Rs. 928.80 (Previous period Rs. 836.28).
  - v. In respect of excise duty disputes pending with various judicial authorities Rs. 2670.67 (Previous period Rs. 3090.98).
  - vi. In respect of Corporate Guarantees given by the Company Rs. 7944.51 (Previous period Rs. 5340.00).
  - vii. In respect of Income tax under appeal Rs. 99.80 (Previous period Rs. 107.92).
5. Estimated Amount of contract remaining to be executed on capital Account Rs. 397.53 net of advance (Previous period Rs. 253.72).

**6A. Particulars of consumption of Important raw Materials** (Rs. in Lacs)

Class of Goods	Unit	Quantity	Value
Sugar and Molasses	Tonnes	13520.57 (13264.96)	1949.11 (1935.81)
Others			13833.58 (14421.71)
			15782.69 (16357.52)

**6B. Particulars in respect of goods manufactured** (Rs. in Lacs)

Class of Goods	Unit	Licenced Capacity	Installed Capacity	Production			Closing Stock		Sale	
				Quantity	Opening Stock Quantity	Value	Quantity	Value	Quantity	Value
Chyawanprash	Tonnes	N.A.	20000.00 (20000.00)	9943.05 (9303.44)	733.01 (307.47)	804.45 (324.42)	488.24 (733.01)	466.32 (804.45)	10187.82 (8877.89)	11955.37 (10557.88)
Hair Oils	Kilo-Ltrs	2825.00 (2825.00)	2825.00 (2825.00)	2556.38 (2592.64)	81.24 (11.02)	111.71 (14.14)	48.01 (81.24)	66.04 (111.71)	2589.62 (2522.42)	4887.50 (4604.58)
Others						5725.15 (5238.71)		4709.84 (5725.15)		46665.91 (46566.44)
						6641.31 (5577.27)		5242.20 (6641.31)		63508.79 (61728.90)

## 6C. Particulars of traded goods

(Rs. in Lacs)

Class of Goods	Unit	Purchase		Opening Stock		Closing Stock		Sale	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Hair Oils	Kilo-Ltrs	7966.48 (7018.35)	8005.46 (6210.95)	208.81 (187.68)	281.38 (230.15)	194.41 (208.81)	254.28 (281.38)	7980.88 (6997.21)	14219.75 (11219.67)
Ayurvedic Tooth Powder	Tonnes	7956.14 (7444.56)	7950.88 (6939.42)	374.88 (219.58)	420.53 (243.09)	260.38 (374.88)	300.83 (420.53)	8070.65 (7289.26)	13213.01 (11611.70)
Vatika Hair Oil	Kilo-Ltrs	3346.49 (3221.94)	3350.76 (3395.09)	189.07 (201.32)	257.73 (255.05)	102.54 (189.07)	140.80 (257.73)	3433.02 (3234.19)	6622.09 (6011.14)
Others			11471.51 (13547.86)		1164.88 (1149.17)		1491.07 (1164.88)		19083.03 (13687.54)
			30778.61 (30093.32)		2124.52 (1877.46)		2186.98 (2124.52)		53137.89 (42530.05)

			2000-2001		1999-2000
6D. Expenditure in Foreign Currency :					
- Professional and Consultation Fees			12.78		23.98
- Interest			546.19		290.55
- Others			503.18	1062.15	523.97
6E. C.I.F. Value of Imports:					
- Raw Materials			2349.10	1661.49	
- Stores and Spares (including packing material)			43.85	45.09	
- Capital goods			35.91	70.70	
6F. Earning in Foreign Exchange:					
- Export sales at FOB			5556.53	5124.73	
- Royalty/Technical Consultancy			156.51	111.36	
- Interest/Dividend			181.00	246.19	
- Others			51.82	—	

## 6G. Value of raw materials, stores and spare parts consumed:

(Rs. in Lacs)

	Raw Materials				Packing Materials, Stores & Spares			
	2000-2001		1999-2000		2000-2001		1999-2000	
	Value	%	Value	%	Value	%	Value	%
Imported	3337.45	21.14	2012.98	12.31	93.73	1.35	136.72	1.79
Indigenous	12445.32	78.86	14344.54	87.69	6842.83	98.65	7495.55	98.21
Total	15782.77	100.00	16357.52	100.00	6936.56	100.00	7632.27	100.00

## 6H. Net Dividend remitted in foreign currency

2000-2001

1999-2000

1998-99 Final to 313 shareholders on 31700 shares	—	0.95
1999-00 Interim to 262 shareholders on 26400 shares	—	1.32
1999-00 II Interim to 231 shareholders on 23300 shares	1.17	—
	1.17	2.27

## 7. Managerial Remuneration under Section 198 of the Companies Act, 1956 paid or payable during the year, to the Directors:

31.03.2001

31.03.2000

Salary	199.99	196.65
Commission (as computed below)	97.00	88.12
Contribution to Provident Fund	20.74	15.08
Residential Accommodation	37.17	34.12
Medical & Leave Travel Benefits	12.32	10.43
Contribution to Superannuation Fund	25.92	18.53
Others [incl Rs. 57.72 (previous year Rs. 40.79) under stock option scheme]	202.82	138.33
	595.96	501.26

Computation of Net Profit in accordance with Section 198 &amp; 309 (5) of the Companies Act, 1956 and calculations of Directors' commission:

31.03.2001

Profit for the year before taxation as per Profit & Loss Account		8517.34
Add: Managerial Remuneration	595.96	
Directors' Fees	0.12	
Loss on Investment	349.10	945.18
Less: Capital Profit		97.72
Adjusted Net Profit		9364.80
Commission payable: a) To 3 Whole Time Directors		89.00
b) To Non-whole time Director		8.00
		97.00

8. Small scale industries, to whom the Company owes a sum exceeding Rs. 1 lacs, which is outstanding for more than 30 days at the year end, includes Precise Laboratories Ltd., Burman Laboratories Ltd., 4R Healthcare Products, Maxcare Laboratories Ltd., Cure n Care, Sanat Products Ltd., Tanuk Pharma Ltd., Northern Aromatics Ltd. The above information and that given in Schedule E - "Current Liabilities" regarding dues to small scale industrial undertakings have been determined to the extent such parties have been identified on the basis of information available with the Company.

9. Balances with other Non-Scheduled Banks:	Balance as on 31.03.2001	Maximum Balance during the year
a) In Current Account		
i. Standard Chartered Bank, Jebel Ali	6.85	23.09
ii. ABN Amro Bank, Jebel Ali	2.94	3.00
iii. Bank of Foreign Trade, Moscow	2.18	2.18
iv. Barclays Bank, London	64.25	466.43
v. SBI, London	3.45	3.52
b) Barclays Bank, Deposit A/c, London	139.82	516.82

10. The company's freehold land situated at Sahibabad measuring about 7.58 acres was acquired by UP Government under Land Acquisition Act and the State Government had allotted and given possession of about 4.72 acres of land on lease to the Company in lieu of acquired land. The company has filed the claim for compensation of Rs. 572.42 before the Office of Special Land Acquisition Officer, Ghaziabad against the land so acquired. However, keeping in view the generally accepted accounting practice, the same claim has not been considered in the books of accounts.

11. Contribution to National Defence Fund and/or other approved fund within the meaning of Section 293 (B) of Companies Act, 1956 Rs. NIL (previous year Rs. 6.68).

12. Figures for the previous year have been rearranged/regrouped as and where necessary in terms of current year's grouping.

13. All monetary figures are expressed in Rupees Lacs.

14. Additional Information as required under Part IV of Schedule VI of the Companies Act, 1956 :

**I. Registration Details**

Registration No.	7908
State Code :	55
Balance Sheet Date:	31.03.2001

**Application of Funds**

Net Fixed Assets	2428693
Investments	727306
Net Current Assets	2353161
Misc. Expenditure	73841
Accumulated Losses	Nil

**II. Capital raised during the year (Amount in Rs.Thousand)**

Public Issue	**Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil

\*\* Received Call Money Rs. 7 during the year

**IV. Performance of Company (Amount in Rs.Thousand)**

Turnover	11853361
Total Expenditure	11001627
Profit/(Loss) Before Tax	851734
Profit/(Loss) After Tax	779234
Earning per share in Rs.	2.73
Dividend Rate %	100%

**III. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousand)**

Total Liabilities	7158349
Total Assets	7158349

**Sources of Funds**

Paid up capital	285213
Reserves & Surplus	3336809
Secured Loans	275294
Unsecured Loans	1685685

**V. Generic names of three Principal Products/Services of company (As per monetary terms)**

Item Code No. (ITC Code)	30049001
Product Description	Ayurvedic Medicines
Item Code No. (ITC Code)	33059001
Product Description	Hair Oils
Item Code No. (ITC Code)	33061000
Product Description	Dentifrices

Signatures to the Schedules "A" to "P" Annexed to and forming part of the Accounts.

As per our report of  
even date attached

V.C. BURMAN  
Chairman

G.C. BURMAN  
Vice Chairman & Mg. Director

NINU KHANNA  
Director

for G. BASU & CO.  
CHARTERED ACCOUNTANTS

New Delhi  
1st June, 2001

P.D. NARANG  
Director

ASHOK JAIN  
Company Secretary

A.K. BASU  
Partner

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2001

	(Rs. in Lacs)	
	2000-2001	1999-2000
<b>A. Cash Flow from operating Activities</b>		
Net Profit before tax and extra ordinary items	8,517.34	8,128.77
Add:		
Depreciation	2,245.26	2,130.18
Loss on Sale of Investment	349.10	—
Miscellaneous Exp. written off	373.56	286.70
Interest	2,966.40	2,511.33
	5,934.32	4,928.21
	14,451.66	13,056.98
Less:		
Dividend received	243.31	284.17
Profit on Sale of Brand	300.00	—
Profit on Sale of Investment	—	2,103.83
Profit on Sale of Assets	124.15	211.11
	667.46	2,599.11
Operating Profit before working capital changes	13,784.20	10,457.87
Working Capital Changes		
Increase/(Decrease) in Inventories	(504.15)	1,684.51
Increase/(Decrease) in Debtors	2,003.69	2,955.18
Decrease/(Increase) in Trade Payables	(2,770.12)	(1,696.38)
	(1,270.58)	2,943.31
Cash Generated from Operating Activities	15,054.78	7,514.56
Interest paid	2,842.48	2,552.96
Tax paid	710.82	484.00
Income Tax Refund	23.48	231.55
Corporate Tax on Dividend	156.82	250.90
Miscellaneous Expenditure paid	—	6.97
	3,686.64	3,063.28
Cash used (-)/(+) Generated for operating activities (A)	11,368.14	4,451.28
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(2,757.33)	(3,943.01)
Sale of Fixed Assets	563.14	779.81
Profit on Sale of Brand	300.00	—
Purchases of Investment including Investment in Subsidiaries	(2,929.23)	(1,755.17)
Sale of Investments	24.47	3,924.82
Non-Compete Fees Receivable	—	1,125.00
Dividend Received	243.31	284.17
	(4,555.64)	415.62
Cash used (-)/(+) generated for investing activities (B)		
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from share capital & premium	0.65	136.99
Repayment(-)/Proceeds(+) of Long term Secured Liabilities	9.15	136.13
Repayment(-)/Proceeds(+) from Short Term Loans	(3,557.07)	275.14
Proceeds from Deposits	1,127.52	(1,223.82)
Repayment(-)/Proceeds(+) from other Unsecured Loan	(6,908.60)	205.43
Payment of other Advances	(616.25)	(900.80)
Payment of Dividend	(1,434.76)	(2,258.38)
	(11,379.36)	(3,629.04)
Cash used(-)/(+) (generated) in Financing Activities (C)		
Net increase(+)/decrease(-) in Cash and Cash Equivalents (A+B+C)	(4,566.85)	1,237.86
Cash and Cash Equivalents opening Balance	6,910.55	5,672.69
Cash and Cash Equivalents closing Balance	2,343.70	6,910.55

New Delhi  
June 01, 2001

For and on behalf of the Board  
(V.C. BURMAN)  
Chairman

### AUDITORS CERTIFICATE

We have verified the above Cash Flow Statement of Dabur India Ltd. derived from the Audited Financial Statements for the years ended March, 31, 2001 and March 31, 2000 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the listing agreements with the Stock Exchanges.

New Delhi  
June 01, 2001

For G. BASU & CO.  
Chartered Accountants

(A.K. BASU)  
Partner

## ANNEXURE TO DIRECTORS' REPORT

### STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

1. Name of the subsidiary	Dabur Nepal Pvt. Ltd.	Dabur Foods Ltd.	Dabur Overseas Ltd.	Dabur Egypt Ltd.*	Dabur Finance Ltd.	Dabur Oncology Plc
2. Holding company's interest	638520 equity shares of Nepalese Rs. 100 each fully paid up	5000070 equity shares of Rs. 10 each fully paid up	50000 equity shares of US \$ 10 each fully paid up	—	6900080 equity shares of Rs. 10 each fully paid up	38650000 equity shares of Pence Sterling 10 each fully paid up
3. Extent of holding	79.96%	100%	100%	—	100%	100%
4. Subsidiary financial year ended on	31st March 2001	31st March 2001	31st March 2001	31st March 2001	31st March 2001	31st March 2001
5. Net aggregate amount of subsidiaries' Profit/(Loss) not dealt within the holding company's accounts:						
(i) For the current financial year of the subsidiaries	Nepalese Rs. 7,71,49,835	(Rs. 8,33,73,010)	US \$ 17,761	—	(Rs. 1,06,03,968)	(GB Pound 10,47,957)
(ii) For the previous financial years of the subsidiaries since they become the holding company's subsidiaries.	Napalese Rs. 15,40,74,425	(Rs. 11,55,87,460)	US \$ 88,546	—	(Rs. 1,48,97,954)	(GB Pound 3,48,882)
6. Net aggregate amount of subsidiaries' Profit/(Loss) dealt within the holding company's accounts:						
(i) For the current financial Year of the subsidiaries	Rs. 1,59,63,000	—	Rs. 34,55,250	—	—	—
(ii) For the previous financial years of the subsidiaries since they become the holding company's subsidiaries	Rs. 9,18,96,392	—	Rs. 28,14,900	—	Rs. 3,01,22,906	—

**\* Subsidiary Under Section 4(1)(c)**

New Delhi  
1st June, 2001

V.C. Buman  
Chairman

G.C. Burman  
Vice Chairman & Mg. Director

P.D. Narang  
Director

Ninu Khanna  
Director

Ashok Jain  
Company Secretary

DABUR INDIA LIMITED



# ANNEXURE TO DIRECTORS' REPORT

## FORM - A

### Form of Disclosure of particulars with respect to Conservation of Energy

A. Power and Fuel Consumption	2000-2001	1999-2000
<b>1. Electricity</b>		
a) Purchased (Units)	19779827	19560287
Total amount (Rs)	84492959	79024456
Rate per unit	4.27	
b) i) Own Generation:		
Through diesel generator (Units)	4205311	3335750
Unit per litre of diesel oil	3.00	2.95
Cost per unit	4.71	3.57
Total cost (Rs.)	19801435	11916841
ii) Through Steam Turbine Generator (Units)	Nil	Nil
Unit per litre of Fuel Oil		
Cost/Unit (Rs.)		
<b>2. Coal (specify quality and where used)</b>		
Quantity (tonnes)	Nil	Nil
Total cost		
Average rate per tonne (Rs)		
<b>3. Furnace Oil</b>		
Quantity (tonnes)	5676.52	5462.84
Total cost	62824929	53583343
Average rate per tonne (Rs)	11067.52	9808.70
<b>4. Other internal generation</b>		
<b>H S D</b>		
Quantity (Kilo ltr)	300.25	355.20
Total cost (Rs.)	4281379	3544394
Average rate per Kilo ltr (Rs)	14259.48	9978
<b>L D O</b>		
Quantity (Kilo ltr)	538.67	159.63
Total cost (Rs.)	70459.39	1561265
Average rate per Kilo ltr (Rs)	13080.37	9780
<b>B. The Company is engaged in production of variety of products, hence the figures of consumption per unit of production are not ascertainable.</b>		

## FORM - B

### Form of Disclosure of particulars with respect to Technology Absorption, Research & Development

<b>1. Specific area in which R &amp; D carried out by the Company</b>	
Ayurvedic and Herbal Products, Pharmaceutical Bulk substances and Formulation Development, Foods and Fruit Juices, Personal Care Products, Analytical Development, Clinical Experiments and Trials on various Drugs, Tissue Culture & Agro-technological, Oncology & Biotechnology (which include Screening of New Anti Cancer Drugs, New Drug Delivery Systems, Peptide research, Proteomics, Vaccine development, Peptidomimetics, Diagnostics for Cancer and Bio-informatics).	
<b>2. Benefits derived as a result of the above R &amp; D</b>	
Development of high quality Ayurvedic & Herbal Products for both Domestic as well Export Markets, supported by Clinical Research to confirm Clinical Efficacy. A highly innovative product -Pudin Hara G as Antacid, Anti-gas preparation in a new effervescent granular form was developed and launched. Traditional Churnas like Avipattikar, Mahasudarshan, Hingwasthak, Lavan Bhaskar & Triphala were launched in Tablet form to provide standard dosages. Women Care Range of products under the Umbrella Brand name "Efarelle" were developed and launched with Efarelle "Comfort" being the first product in this range, in the form of Soft Gelatin Capsules to treat menstrual pain.	
The Company has been able to develop its first anticancer molecule, DRF7295, which is slated to enter human clinical trials in UK. A novel drug delivery system with reduced toxicity and a better therapeutic efficacy has been developed for Paclitaxel.	
Pharmaceutical Bulk Drugs like Irinotecan Hydrochloride, Vinorelbine Tartrate, Fexofenadine Hydrochloride, Disodium Pamidronate and Amifostine were developed in-house and launched.	
Formulation Development, Scale-up and commercialization of Pharmaceutical products such as Vinorelbine Tartrate Injection (VINELBINE), Fexofenadine Hydrochloride Tablets (ALERNEX), Disodium Pamidronate (PAMIFOS) & Amifostine (AMIFOS) both Lyophilized Injections. Formulation and launch of few combination drugs namely, Roxithromycin & Ambroxol.	
As a line extension to Personal Care Product range, light hair oils like Vatika Lite, Amla Lite were developed and launched in highly innovative packs. A White Tooth Powder with High Mouth Freshness was developed and launched under the brand name "BINACA", after several rounds of consumer studies.	
<b>3. Future plan of action</b>	
To continue the R&D efforts through DRF in the areas listed above with a view to strengthen the technological base, development of new IPR's and look for products in new and niche areas.	
<b>4. Expenditure on R&amp;D (2000-01)</b>	
a) Capital	NIL
b) Recurring	Rs.1230.20 lacs
c) Total	Rs.1230.20 lacs
d) Total R & D expenditure as a percentage of total turnover	1.05%

### Technology Absorption, Adoption and Innovation

<b>1. Efforts, in brief, made towards technology absorption, adoption and innovation</b>	
a) Replacement of hot fill (Elopak) by cold fill technology in the latest of Tetrapak aseptic filling system in respect of Fruit Juice packing.	
b) Introduction of mechanical peeling process, automated pasteurisation process and on line cooling process in the manufacture of Hommade Cooking paste.	
c) Introduction of innovative transparent packing in the launch of new product "Amla Lite" Hair oil.	
d) Development of innovative equipment on Shrink Tunnel and Profile fillers.	
<b>2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc</b>	
a) This has greatly improved the taste and shelf life of the product.	
b) Resulted in overall improved product quality and also increased production capacity.	
c) The transparent packaging concept has been accepted very well in the market and even won "India's Star" award for packaging excellence.	
d) This has reduced the effect of air and trapment in the product.	
<b>3. In case of imported technology (imported during the last 5 year reckoned from the beginning of this financial year) following information may be furnished:-</b>	Not applicable
<b>C. Foreign Exchange Earnings &amp; Outgo:</b>	
During the year Foreign Exchange Earnings were Rs.5945.86 lacs and Foreign Exchange Outgo was Rs.3492.18 lacs.	

## NOTICE

Notice is hereby given that the 26th Annual General Meeting of the Members of Dabur India Limited will be held on Tuesday, the 18th September, 2001 at Air Force Auditorium, Subroto Park, New Delhi – 110 010 at 11.00 AM to transact the following business:-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2001 and Profit & Loss Account for the year ended on that date along with the Reports of the Auditors and Directors thereon.
2. To confirm the interim dividend already paid and to declare final dividend for the financial year ended 31st March, 2001.
3. To appoint a Director in place of Dr Anand Burman who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr Ashok Goenka who retires by rotation and being eligible offers himself for reappointment.
5. To appoint a Director in place of Air Chief Marshal N C Suri (Retd) who retires by rotation and being eligible offers himself for reappointment.
6. To appoint a Director in place of His Highness Maharaja Gaj Singh who retires by rotation and being eligible offers himself for reappointment.
7. To appoint a Director in place of Mr P D Narang who retires by rotation and being eligible offers himself for reappointment.
8. To appoint Auditors and to fix their remuneration.

### SPECIAL BUSINESS

9. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:-  
  
“RESOLVED THAT in accordance with all the applicable provisions of the Companies Act, 1956 or any amendment or modification thereof, Mr A C Burman be and is hereby reappointed as a director, liable to retire by rotation, and also as a Whole-time Director of the Company w.e.f.13th October, 2001 for a period of five years on the terms and remuneration as set out in the explanatory statement attached to the notice.”
10. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:-  
  
“RESOLVED THAT in accordance with all the applicable provisions of the Companies Act, 1956 or any amendment or modification thereof, Mr V C Burman be and is hereby reappointed as a director, liable to retire by rotation, and also as a Whole-time Director of the Company w.e.f.13th October, 2001 for a period of five years on the terms and remuneration as set out in the explanatory statement attached to the notice.”
11. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:-  
  
“RESOLVED THAT in accordance with all the applicable provisions of the Companies Act, 1956 or any amendment or modification thereof, Mr G C Burman be and is hereby reappointed as a director, liable to retire by rotation, and also as the Chairman & Managing Director of the Company w.e.f.13th October, 2001 for a period of five years on the terms and remuneration as set out in the explanatory statement attached to the notice.”
12. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:-  
  
“RESOLVED THAT in accordance with all the applicable provisions of the Companies Act, 1956 or any amendment or modification thereof and subject to approval of the Central Government, Dr Anand Burman be and is hereby reappointed as a director, liable to retire by rotation, and also as Vice Chairman & Dy. Managing Director of the Company w.e.f.13th

October, 2001 for a period of five years on the terms and remuneration as set out in the explanatory statement attached to the notice.”

13. To consider the notice received from Mr Ramjilal Choudhary under Section 257 of the Companies Act, 1956 proposing his candidature for the office of director of the Company.

14. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:-**

“RESOLVED THAT Mr Ajay Bahl, who was co-opted by the Board as an Additional Director with effect from 15th May, 2001 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

15. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:-**

“RESOLVED THAT Dr Abhishek Manu Singhvi, who was co-opted by the Board as an Additional Director with effect from 15th May, 2001 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

16. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:-**

“RESOLVED THAT Mr P N Vijay, who was co-opted by the Board as an Additional Director with effect from 15th May, 2001 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

17. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:-**

“RESOLVED THAT pursuant to provisions of Section 314 and all other applicable provisions, if any, of the Companies Act, 1956 and subject to approval of the Central Government, consent of the Company be and is hereby accorded for the increase in remuneration of Mr Amit Burman, General Manager – Operations and Mr Mohit Burman, General Manager – Sales & Marketing with effect from 9th September, 2001 to 11th September, 2002 as set out in the explanatory statement attached to the notice.”

18. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:-**

“RESOLVED THAT pursuant to provisions of Section 314 and all other applicable provisions, if any, of the Companies Act, 1956 and subject to approval of the Central Government, consent of the Company be and is hereby accorded for reappointment of Mr Amit Burman as General Manager – Operations and Mr Mohit Burman as General Manager – Sales & Marketing of the Company for a period of five years with effect from 12.09.2002 up to 11.09.2007 on the terms and remuneration as set out in the explanatory statement attached to the notice.”

19. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:-**

“RESOLVED THAT M/s Bansal & Company, Chartered Accountants be and are hereby reappointed as Branch Auditors of the Company to hold office until the conclusion of next Annual General Meeting to audit the books of accounts relating to Alwar Division of the Company for the financial year 2001-02 on such remuneration as may be determined by the Audit Committee.”

20. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:-**

“RESOLVED THAT M/s Waring & Partners, Chartered Accountants be and are hereby reappointed as Branch Auditors of the Company to hold office until the conclusion of next Annual General Meeting to carry out the audit of the accounts of London Branch of the Company for the financial year 2001-02 on such remuneration as may be determined by the Audit Committee.”

21. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:-

“RESOLVED THAT M/s B D O Patel & Co., Chartered Accountants be and are hereby reappointed as Branch Auditors of the Company to hold office until the conclusion of next Annual General Meeting to carry out the audit of the accounts of Jebel Ali Branch of the Company for the financial year 2001-02 on such remuneration as may be determined by the Audit Committee.”

By Order of the Board  
for DABUR INDIA LIMITED

Regd. Office:  
8/3, Asaf Ali Road,  
New Delhi - 110 002  
26th July, 2001

(A K JAIN)  
COMPANY SECRETARY

## NOTES

1. The relevant explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item no.9 to 21 of the notice set out above is annexed herewith.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED HEREWITH AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF 26TH ANNUAL GENERAL MEETING.**
3. The Share Transfer Books and Register of Members of the Company will remain closed from Saturday, the 1st September, 2001 to Tuesday, the 18th September, 2001 (both days inclusive).
4. Members holding shares in physical form are requested to notify/send the following to the Registrar & Transfer Agent of the Company M/S MCS LIMITED, SRI VENKATESH BHAWAN, 212-A, SHAHPURJAT (BEHIND PANCHSHEEL CLUB), NEW DELHI - 110 049:-
  - i) any change in their address/mandate/bank details;
  - ii) particulars of their bank account, in case the same have not been sent earlier; and
  - iii) share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholding into one account.

Members holding shares in the dematerialised form are requested to notify all changes with respect to their address, mandate and bank details to their Depository Participant.
5. The Shareholders/Proxies are requested to produce at the Registration Counter(s) the attached attendance slip, duly completed and signed, for admission to the meeting hall. **Photocopies of Attendance Slip will not be entertained for issuing Gate Pass for attending Annual General Meeting. However, in case of non-receipt of Notice of Annual General Meeting, members are requested to write to the Company at its registered office for issuing the duplicate of the same.**
6. In case you have any query relating to the enclosed Annual Accounts you are requested to send the same to the Company Secretary at the Registered Office of the Company *at least 10 days before* the date of Annual General Meeting so as to enable the management to keep the information ready.
7. In accordance with the provisions of the Companies Act, 1956 the unclaimed amount of dividend for and upto the financial year ended 31st March, 1995 has already been transferred to General Revenue Account of the Central Government. Members who have not encashed dividend warrants for the said period may submit their claim in the prescribed form to office of the Registrar of Companies, NCT of Delhi & Haryana, CGO Complex, Paryawaran Bhawan, Lodhi Road, New Delhi - 110 003 by quoting their folio number and Company's registration number 55-07908. In case any assistance is required please write to the Company.

Pursuant to provisions of Section 205C of the Companies Act, 1956 the unpaid amount of dividend for the financial years 1995-96 onwards, remaining unclaimed for a period of seven years from the date of payment, shall be transferred to the Investor Education and Protection Fund. Shareholders are, therefore, requested to claim the said unclaimed dividend from the company before it falls due for transfer to the aforesaid Fund.

8. As a measure of economy, copies of Annual Reports will not be distributed at the venue of the Annual General Meeting. Members are, therefore, requested to bring their own copies of the Annual Reports to the meeting.

9. All the documents referred to in the accompanying notice and explanatory statement are open for inspection at the registered office of the Company on all working days between 11.00 AM to 1.00 PM up to the date of Annual General Meeting.
10. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to submit to the Registrar & Transfer Agents of the Company the prescribed Form 2B, which can be downloaded from our website [www.dabur.com](http://www.dabur.com).

## **EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

### **Item No.9, 10, 11 & 12**

At the 22nd Annual General Meeting held on 12th September, 1997, Mr A C Burman, Mr V C Burman, Mr G C Burman & Dr Anand Burman were re-appointed as the Chairman, Managing Director, Managing Director and Whole-time Director respectively of the Company for a period of 5 years with effect from 13th October, 1996 and their present term of appointment expires on 12th October, 2001.

The Board of Directors of your Company at its meeting held on 26th July, 2001, has recommended for your approval, the re-appointment of Mr A C Burman and Mr V C Burman as Directors, liable to retire by rotation, and also as Whole-time Directors and Mr G C Burman as Director, liable to retire by rotation, and also as Chairman & Managing Director and Dr Anand Burman as Director, liable to retire by rotation, and also as Vice Chairman & Dy. Managing Director of the Company with effect from 13th October, 2001 for a further period of five years on the following terms and remuneration:-

#### **Mr A C Burman, Mr V C Burman & Mr G C Burman**

- a) Basic Salary – In the scale of Rs.53,40,000 – 5,00,000 – 73,40,000 per annum.
- b) House Rent Allowance – 60% of basic salary.

#### **Dr Anand Burman**

- a) Basic Salary – In the scale of UK Pound 62,500 – 7500 – 92,500 per annum.
- b) House Rent Allowance – 100% of basic salary.
- c) Other Allowances – 100% of basic salary. These are in addition to aforesaid basic salary and house rent allowance and shall include house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, leave travel concession for himself and his family, club fees, medical insurance, security and watchmen expenses and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors subject to overall ceiling as specified herein above.

In addition to the above, Mr A C Burman, Mr V C Burman, Mr G C Burman and Dr Anand Burman will also be entitled to the following benefits as per rules of the company:-

- i) Medical reimbursement for self and family members subject to a maximum of one month's basic salary.
- ii) Contribution to Provident Fund and Superannuation Fund up to 27% of basic salary and contribution to Gratuity Fund up to 4.80% of basic salary as defined in the rules of the respective Funds or up to such other limit as may be prescribed under the Income Tax Act, 1961 and the Rules thereunder for this purpose.
- iii) Use of Company's chauffeur driven cars for official purposes and telephones and fax at residence (including payment for local calls and long distance official calls). Use of car for private purpose and personal long distance telephone calls shall be billed by the Company to the appointees.
- iv) Encashment of unavailed leave as per the rules of the Company at the time of retirement/cessation of service.

The aggregate of the remuneration including medical reimbursement, contribution towards Provident Fund, Superannuation Fund and Gratuity Fund, payable to all Whole-time Directors/Managing Directors of the Company shall not exceed 5% of

the net profits of the Company individually and 10% of the net profits of the Company taken together as calculated in accordance with the provisions of Section 198 and 309 of the Companies Act, 1956.

Notwithstanding anything to the contrary herein contained where in any financial year during the currency of tenure of aforesaid directors, the Company has no profits or inadequate profits, the Company will pay remuneration by way of salary, perquisites and allowances specified above as minimum remuneration to the said director subject to approval of Central Government.

The terms of appointment and remuneration given herein be altered, varied and increased from time to time by the Board of Directors of the Company, as it may at its discretion deem fit so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 or any modification or re-enactment thereof for the time being in force or any amendments made thereto, as may be agreed by the Board of Directors and the concerned Director."

As Mr A C Burman has attained the age of 70 years, your approval for his re-appointment is required by way of Special Resolution.

Since, Dr Anand Burman is an NRI, the approval of Central Government is also required for his re-appointment.

Mr A C Burman, Mr V C Burman, Mr G C Burman and Dr Anand Burman being concerned themselves and Mr Pradip Burman & Mr Sidharth Burman, being their relatives, are interested in the resolution. None of the other Directors of your Company are concerned or interested in the resolution.

The above should also be considered as an abstract under Section 302 of the Companies Act, 1956.

The Board of Directors recommends these resolutions for your approval.

#### **Item No.13**

The Company has received a notice dated 23rd June, 2001 along with requisite deposit under Section 257 of the Companies Act, 1956 from Mr Ramjilal Choudhary proposing himself for the office of director of the Company at its ensuing annual general meeting.

As required by provisions of sub-section (1A) of Section 257 of the Companies Act, 1956, this notice is served on members of the Company informing about the candidature of Mr Ramjilal Choudhary for the office of director of the Company.

Mr Ramjilal Choudhary holds 50 shares of the Company.

Mr Ramjilal Choudhary had sent two letters to the Company making frivolous and baseless allegations like purchase of sub-standard materials from few specific suppliers, booking of bogus bills in respect of these suppliers etc. On thorough investigation of the allegations levelled by Mr Ramjilal Choudhary the Board of Directors has found them false and incorrect.

The notice dated 23rd June, 2001 along with other letters of Mr Ramjilal Choudhary and the correspondence exchanged by the Company with him is available for inspection by the members of the Company at its registered office at 8/3, Asaf Ali Road, New Delhi – 110 002 between 11.00 AM to 1.00 PM on all working days till the date of annual general meeting.

In view of the above, it is not the intention of the Board of Directors to recommend to the members of the Company the appointment of Mr Ramjilal Choudhary as a Director of the Company.

None of the Directors is concerned or interested in the resolution.

#### **Item No.14, 15 & 16**

With the view to comply with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the Board of Directors in its meeting held on 15th May, 2001 had appointed Mr Ajay Bahl, Dr A M Singhvi and Mr P N Vijay as Additional Non-Executive Directors of the Company in terms of Section 260 of the Companies Act, 1956.

Pursuant to provisions of Section 260 of the Companies Act, 1956, Mr Ajay Bahl, Dr A M Singhvi and Mr P N Vijay shall hold the office only up to the date of ensuing Annual General Meeting.

Valid notices along with requisite deposit under Section 257 of the Companies Act, 1956 have been received from the members of the Company proposing the candidatures of Mr Ajay Bahl, Dr A M Singhvi and Mr P N Vijay for the office of Directors of the Company.

In view of the background and valuable experience in various fields of these persons, it will be in the interest of the Company if they continue as its directors. Accordingly, the Board of Directors in its meeting held on 26th July, 2001 recommended for your approval the appointment of said persons as directors of the Company, liable to retire by rotation.

None of the directors except Mr Ajay Bahl, Dr A M Singhvi and Mr P N Vijay is concerned or interested in the resolution.

The Board of Directors recommends these resolutions for your approval.

#### **Item No.17**

Mr Amit Burman and Mr Mohit Burman were elevated as General Manager – Operations and General Manager – Sales & Marketing respectively of the Company on the revised remuneration approved by the members in their Annual General Meeting held on 9th September, 1999. Pursuant to provisions of Section 314 of the Companies Act, 1956 the Central Government also accorded its approval for payment of revised remuneration for a period of two years and the same is expiring on 8th September, 2001.

The Board of Directors in its meeting held on 26th July, 2001 has recommended the payment of following revised remuneration to Mr Amit Burman, General Manager – Operations and Mr Mohit Burman, General Manager – Sales & Marketing of the Company for the period from 9th September, 2001 to 11th September, 2002:-

Basic Salary: Rs.1,20,000 per month

Performance linked incentive: As per rules of the company as determined by the Board of Directors but not exceeding Rs.3,00,000/-.

Perquisites & Allowances: In addition to the prescribed salary and performance linked incentives Mr Amit Burman and Mr Mohit Burman will also be entitled to perquisites and allowances like house rent allowance or rent free furnished accommodation in lieu thereof, house maintenance allowance, medical reimbursement, coverage under keyman insurance scheme, leave travel concession for himself and his family, special allowance, contribution to Provident Fund, Superannuation Fund and payment of gratuity and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Board of Directors with them; such perquisites and allowances will be subject to ceiling of 200% of the basic salary."

The Board of Directors is authorised to accept such modifications in revised remuneration of Mr Amit Burman and Mr Mohit Burman as may be imposed by the Central Government while granting its approval.

Mr Amit Burman and Mr Mohit Burman are relatives of the directors of the Company and their proposed remuneration is in excess of the ceiling prescribed under Section 314 of the Companies Act, 1956, the approval of members is, therefore, sought by way of Special Resolution. Further, the payment of revised remuneration to Mr Amit Burman and Mr Mohit Burman is subject to approval of Central Government.

Mr G C Burman and Mr V C Burman, being relatives of Mr Amit Burman and Mr Mohit Burman respectively, are interested in the resolution. None of the other Directors of your Company are concerned or interested in the resolution.

The Board of Directors recommends the resolution for your approval.

#### **Item No.18**

Mr Amit Burman and Mr Mohit Burman were appointed as Dy. General Manager – Operations and Dy. General Manager – Finance & Purchase respectively by the members at their 22nd Annual General Meeting held on 12th September, 1997 and also by the Central Government for a period of five years with effect from the said date. Their present term of appointment is expiring on 11th September, 2002.

The Board of Directors in its meeting held on 26th July, 2001 has recommended the re-appointment of Mr Amit Burman and Mr Mohit Burman as General Manager – Operations and General Manager – Sales & Marketing respectively of the Company for a period of five years with effect from 12th September, 2002 on the following remuneration:-

Basic Salary:	In the salary scale of Rs.1,50,000 – 40,000 – 3,10,000 per month with authority to the Board of Directors to fix his salary within this scale from time to time.
Performance linked incentive:	As per rules of the company as determined by the Board of Directors but not exceeding Rs.3,00,000/- per annum.
Perquisites & Allowances:	In addition to the prescribed salary and performance linked incentives Mr Amit Burman and Mr Mohit Burman will also be entitled to perquisites and allowances like house rent allowance or rent free furnished accommodation in lieu thereof, house maintenance allowance, medical reimbursement, coverage under keyman insurance scheme, leave travel concession for himself and his family, special allowance, contribution to Provident Fund, Superannuation Fund and payment of gratuity and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Board of Directors with them; such perquisites and allowances will be subject to ceiling of 200% of the basic salary."

The Board of Directors is authorised to grant annual increments to Mr Amit Burman and Mr Mohit Burman based on their performance in such manner as it may deem fit, and in particulars grant promotion(s) to higher grades as per rules of the Company.

The Board of Directors is also authorised to accept such modifications in terms and conditions of the re-appointment Mr Amit Burman and Mr Mohit Burman as may be imposed by the Central Government while granting its approval.

Mr Amit Burman and Mr Mohit Burman are relatives of the directors of the Company and their proposed remuneration is in excess of the ceiling prescribed under Section 314 of the Companies Act, 1956, the approval of members is, therefore, sought by way of Special Resolution. Further, the payment of said remuneration to Mr Amit Burman and Mr Mohit Burman is subject to approval of Central Government.

Mr G C Burman and Mr V C Burman, being relatives of Mr Amit Burman and Mr Mohit Burman respectively, are interested in the resolution. None of the other Directors of your Company are concerned or interested in the resolution.

The Board of Directors recommends the resolution for your approval.

#### **Item No.19, 20 & 21**

The members in their last annual general meeting held on 13th September, 2001 approved the appointment of M/s Bansal & Co., M/s Waring & Partners and M/s B D O Patel & Co., Chartered Accountants, as Branch Auditors of the Company to carry out the audit of the accounts relating to Alwar Division, London branch and Dubai branch respectively for the financial year 2000-01. Accordingly, their term of appointment is expiring at the conclusion of this annual general meeting.

Consequent upon the recommendation of the Audit Committee, the Board of Directors in its meeting held on 1st June, 2001 has recommended the reappointment of M/s Bansal & Co., M/s Waring & Partners and M/s B D O Patel & Co., Chartered Accountants as Branch Auditors of the Company to carry out the audit of the accounts relating to Alwar Division, London branch and Dubai branch respectively for the financial year 2001-02.

None of the directors is concerned or interested in these resolutions.

The Board of Directors recommends these resolutions for your approval.

Regd.Office:  
8/3, Asaf Ali Road,  
New Delhi - 110 002  
26th July, 2001

By Order of the Board  
for DABUR INDIA LIMITED

(A K JAIN)  
COMPANY SECRETARY

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT IN ANNUAL GENERAL MEETING  
FIXED FOR 18<sup>TH</sup> SEPTEMBER, 2001**

Name of Director	Date of birth	Date of Appointment	Expertise in specific functional area	Qualification	List of Companies in which outside directorship held*	Chairman/Member of the Committee of Board of Directors of the Company	Chairman/Member of the Committee of Board of Directors of other companies in which he is a director
Dr Anand Burman	05.05.1952	13.10.1986	Industrialist	M. Sc., Ph.D., (USA)	1. Dabur Pharmaceuticals Ltd. 2. Dabur Ayurved Ltd. 3. Dabur Overseas Ltd. 4. Binaca Hygiene Products Ltd. 5. Hindustan Motors Ltd. 6. Dabur Oncology Plc.	NIL	NIL
Mr Ashok Goenka	08.02.1931	24.07.1992	Company Executive	B.A. Eco.(Hons), MBA	1. NRC Limited. 2. Herdillia Oxides & Electronics Ltd. 3. Birla Sunlife AMC Limited 4. Dabur Finance Limited	1. Remuneration Committee	NIL
Air Chief Marshal N C Suri (Retd)	26.07.1933	16.11.1993	Administration	M.Sc., Ph. D	1. ING Baring 2. World Resorts Limited 3. Numero Uno International Limited 4. Lakeland Hotels Limited 5. Assam Brook Limited 6. Gresham Mercantile (UK) Ltd. 7. Knight Watch Security Ltd.	1. Audit Committee 2. Remuneration Committee 3. Shareholders/Investors Grievance & Share Transfer Committee	NIL
HH Maharaja Gaj Singh	03.01.1948	16.11.1993	Industrialist	M.A. (Oaxn)	1. Jodhna Medical Research Centre Ltd. 2. Fortune Park Hotels Limited 3. Alliance Capital Management Corpn. 4. Shankar Packaging Limited 5. George Williamson (Assam) Limited 6. India Foils Limited	NIL	NIL
Mr P D Narang	12.04.1954	01.04.1998	Company Executive	B.Com, FCA, ACS, AICWA, MIIA (USA)	1. Sanat Products Limited 2. Dabur Pharmaceuticals Ltd. 3. Welltime Housing & Finance Limited 4. Dabur Finance Limited 5. Dabur Exports Limited 6. Dabur Investment Corporation Ltd. 7. Dabur Ayurvedic Specialities Limited	1. Shareholders/Investors Grievance & Share Transfer Committee	1. Member-Audit Committee (Dabur Finance Limited)
Mr Ramjilal Choudhary	----- Details not yet provided by the candidate -----						
Mr Ajay Bahl	12.07.1954	15.05.2001	Legal, FEMA and JVs	B. Com (H), ACA, LLB	1. World Media Limited 2. Agro Tech Foods Limited	1. Audit Committee	NIL
Dr A M Singhvi	24.02.1959	15.05.2001	Legal	MA, Ph.D (UK)	None	NIL	NIL
Mr P N Vijay	10.07.1951	15.05.2001	Financial Management	M.Sc.	1. Reed Relays & Electronics Limited 2. Jaypee Greens Limited	1. Audit Committee	NIL

\*excluding private limited companies.





# DABUR INDIA LIMITED

Registered Office: 8/3, Asaf Ali Road, New Delhi-110 002.

## ATTENDANCE SLIP

(PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE REGISTRATION COUNTER FOR ISSUING GATE PASS FOR ENTERING THE MEETING HALL)

I/we hereby record my/our presence at the **26th ANNUAL GENERAL MEETING** of the Company at Air Force Auditorium, Subroto Park, New Delhi-110 010 on Tuesday, the 18th September, 2001 at 11.00 AM.

FOLIO NO.   
(For Shareholders holding shares in physical form)

DP ID NO.   
(For Shareholders holding shares in Demat form)

CLIENT ID NO.

Signature of the member(s)  
or Proxyholders

NAME (S) \_\_\_\_\_ Father's/Husband's name \_\_\_\_\_

Jointly with 1: \_\_\_\_\_ Father's/Husband's name \_\_\_\_\_

2: \_\_\_\_\_ Father's/Husband's name \_\_\_\_\_

ADDRESS : \_\_\_\_\_

### NOTES :

- Members/proxyholders are requested to bring the original Attendance Slip duly filled with them when they come to the meeting venue and hand it over at the Registration Counter.
- Incomplete attendance slips shall not be accepted for issuing the gate pass for entry in the meeting hall.
- Members who come to attend the meeting are requested to bring their own copies of Annual Reports with them.



# DABUR INDIA LIMITED

Registered Office: 8/3, Asaf Ali Road, New Delhi-110 002.

## PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_  
being the member(s) of **DABUR INDIA LIMITED**

hereby appoint \_\_\_\_\_ of \_\_\_\_\_  
(or failing him) \_\_\_\_\_ of \_\_\_\_\_  
(or failing him) \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to attend and to vote for me/us on my/our behalf at the **26th Annual General Meeting** of the Company to be held on Tuesday, the 18th September, 2001 at 11.00 AM at Air Force Auditorium, Subroto Park, New Delhi - 110 010 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2001. Signed by the member (across the revenue stamp)

30 Paise  
Revenue  
Stamp

Signature of Jointholder(s) 1. \_\_\_\_\_ 2. \_\_\_\_\_

**NOTE :** The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the scheduled time for commencement of Meeting.

FOLIO NO.   
(For Shareholders holding shares in physical form)

DP ID NO.   
(For Shareholders holding shares in Demat form)

CLIENT ID NO.

Name \_\_\_\_\_

Jointly with (1) \_\_\_\_\_ (2) \_\_\_\_\_

Address \_\_\_\_\_

**Signature of the Proxyholder(s)**

**Attested by Member(s)**

(1) \_\_\_\_\_

(1) \_\_\_\_\_

(2) \_\_\_\_\_

(2) \_\_\_\_\_

(3) \_\_\_\_\_

(3) \_\_\_\_\_

**NOTE :** Proxyholder(s) signature must be attested by the member(s) otherwise the proxy is liable to be rejected.