

Management Discussion & Analysis



Global Economy

The global economy showed more resilience than expected in 2023-24 despite the after-effects of the prolonged Russia-Ukraine conflict, though the growth outlook remained weak. Despite the cost-of-living crisis in several countries, sharp currency devaluations and a spike in commodity prices driven largely by the attacks on container ships in the Red Sea, the global economy grew by 3.1% in 2023. With deflation and steady growth, IMF stated that the likelihood of a hard landing has receded, and risks to global growth are broadly balanced. While faster deflation could lead to further easing of financial conditions on the one hand, new commodity price spikes from geopolitical shocks like the Red Sea conflict and resultant supply chain disruptions could prolong tight monetary conditions. In its World Economic Outlook released in January 2024, the IMF stated that the world's economy would match 2023's growth of 3.1% in 2024 and rise to 3.2% in 2025. Global headline inflation is expected to fall to 5.8% in 2024 and 4.4% in 2025.

Chart 1 : World Economic Outlook : Growth Projections

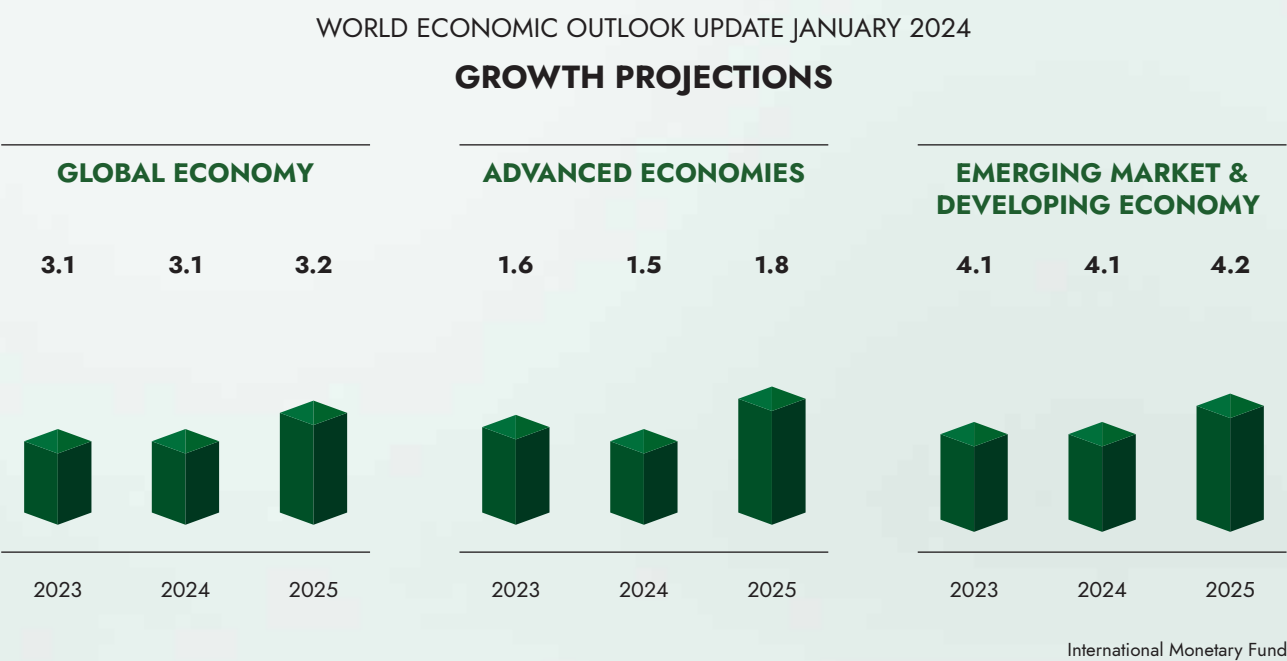
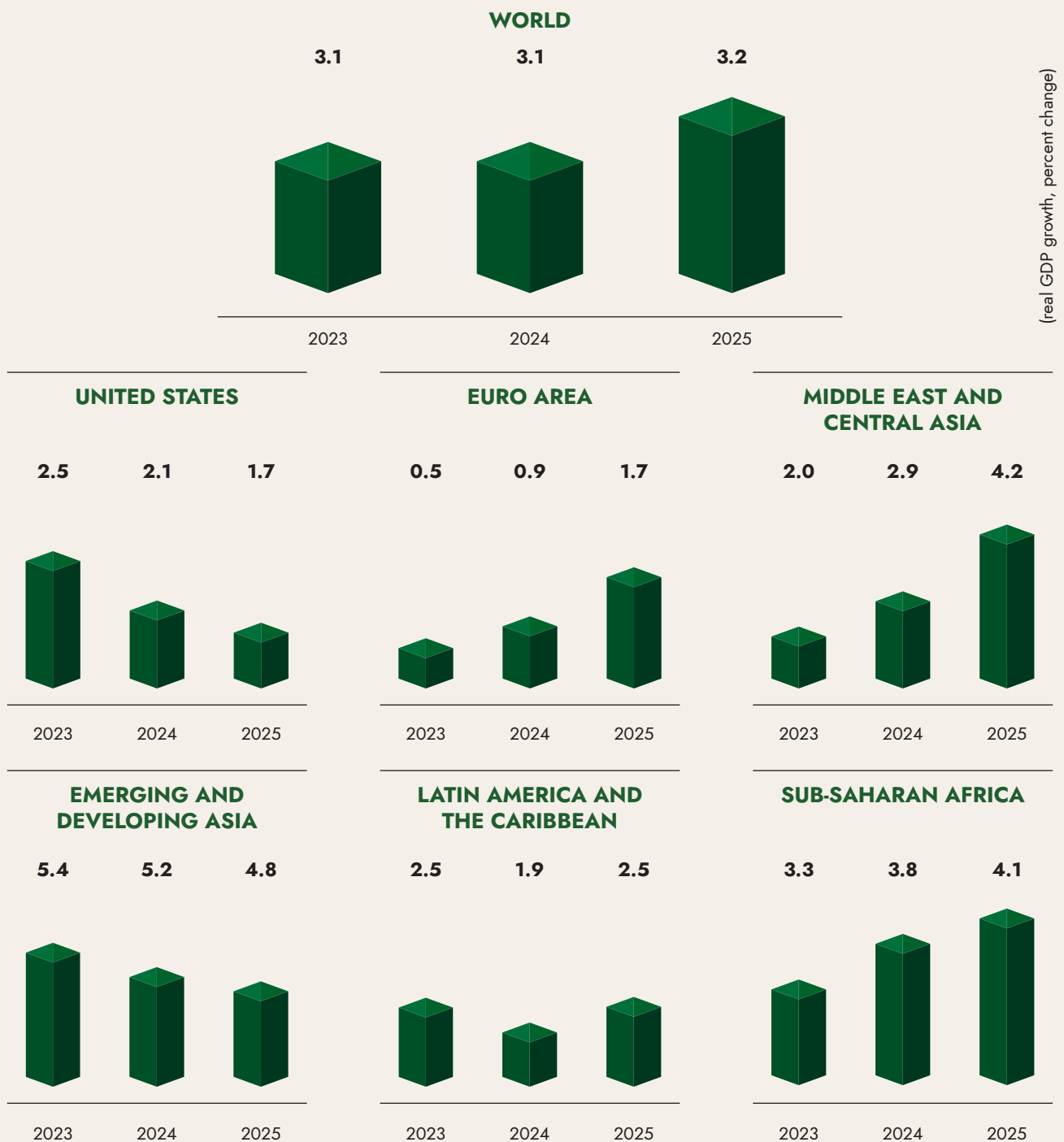


Chart 2 : World Economic Outlook : Growth Projections by Region

WORLD ECONOMIC OUTLOOK JANUARY 2024
GROWTH PROJECTIONS BY REGION
 (PERCENT CHANGE)



Source: IMF, World Economic Outlook Update, January 2024.

Note: Order of bars for each group indicates (left to right): 2023, 2024 projections and 2025 projections.



Indian Economy

The fast pace of infrastructure development in the country over the past decade and the country's agile response to the COVID pandemic by way of a broad range of fiscal, monetary, and healthcare support coupled with the deft management of crude oil supply at reasonable prices together with the digital revolution put India on a stronger wicket. There is now greater optimism and confidence in the Indian economy, which surpassed UK to become the fifth-largest economy in FY 2022-23.

In the next three years, India is expected to become the third-largest economy in the world, with a GDP of USD 5 trillion. The government has set a higher goal of becoming a 'Developed Country' by 2047.

As per the National Statistical Office (NSO), the Indian economy is estimated to grow by 7.3% in 2023-24, marginally ahead of the 7.2% growth a year ago, mainly due to good showings by mining and quarrying, manufacturing and certain segments of the service sector. The NSO estimates are higher than the 7% GDP growth projection of the Reserve Bank of India (RBI) for the fiscal. This is also higher than the IMF's December 2023 projected growth of 6.3%.

The relatively slow growth of agriculture sector, which is projected to grow by 1.8% in 2023-24, half its growth in the previous fiscal year, is a cause of concern and was driven by uncertain weather conditions, including uneven distribution of rainfall. However, the projections of a normal monsoon in 2024 may boost farm incomes, which can bolster demand and consumption in 2024-25. Despite the challenges, India has managed to keep its food inflation at moderate levels, lower than many large economies.

Chart 3 : India GDP Growth (%)

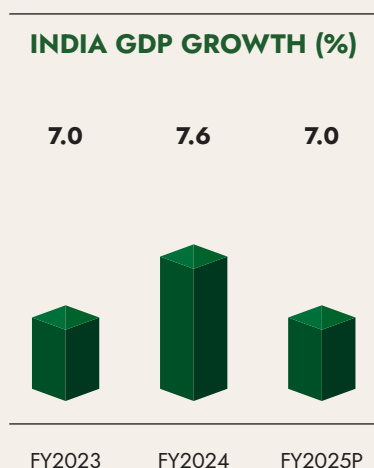
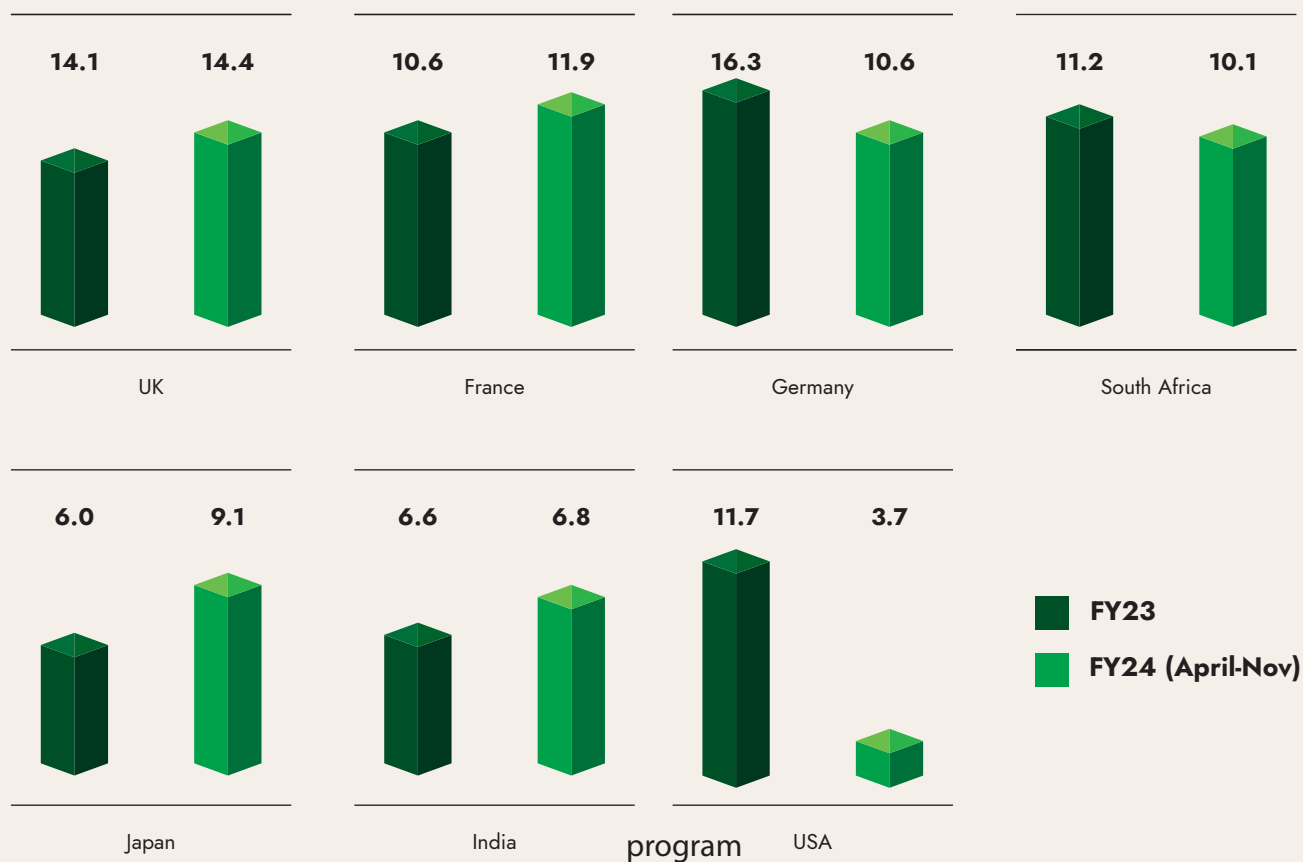


Chart 4 : Global Food Price Inflation**Chart 16 : Global Food Price Inflation (Per cent)**

Source: MoSPI for India and OECD for other countries

Indian FMCG Sector

Despite softening inflation and a general improvement in consumer sentiments, the domestic Fast-Moving Consumer Goods (FMCG) sector witnessed sluggish demand during the year, mainly led by a rural slowdown.

As per Kantar, the household consumption trends suggested a reduction in bulk purchases by consumers to manage expenses, allowing for some discretionary spending which saw a pick-up. Low wage growth in rural economy led to down trading and weak consumption trends in FMCG categories. That said, demand is expected to progressively improve in 2024, helped by a good harvest and expectation of an above-normal monsoon.

While rural demand continued to lag behind urban markets for most of the year, the gap between the two narrowed progressively. As per Nielsen, rural growth in sales of FMCG products in villages outpaced that in cities for the first time since Covid in December 2023, an early indication of demand recovery in the hinterland. Rural markets grew 7.6% by volume in the Quarter ending on 31st March 2024 according to Nielsen IQ data, while urban markets, in comparison, grew by 5.7% in the same period.





Dabur India Limited Business Overview

Dabur India Limited continued to expand its penetration of Indian households with its nature-based solutions and consumer-centric innovations. Today, 8 out of every 10 Indian households is a Dabur household, using one or more Dabur products. The year also saw Dabur brands ride on the strength of the company's strategic playbook to grow ahead in the category and grow its market share in over 90% of its portfolio.

The year 2024 marks the 140th year of Dabur's formation. Built on a legacy of quality and experience, the brand Dabur evokes feelings of Trust and Health in the minds of our consumers, across generations. Dabur continued to see strong consumer engagement with those of its brands that have been marrying ancient ayurvedic knowledge with modern-day science to develop high-quality products that help us fulfil our promise of being 'Dedicated to the Health and Well-Being of every Household.'

Today, Dabur has one of the largest and deepest distribution networks in the industry, covering over 7.9 million retail outlets and reaching 120,000 villages with a wide range of world-class Ayurveda and nature-based products across diverse categories such as Health Care, Home & Personal Care, and Food & Beverages.

The Company has a strong manufacturing footprint with own plants at 14 locations in India, which includes the Badshah Masala manufacturing unit in Umbergaon, Gujarat. The year saw Dabur announce an investment of ₹135 Crore for setting up a new manufacturing facility in South India. This unit would manufacture a range of Dabur's Ayurvedic Healthcare, Personal Care and Home Care products like Dabur Honey, Dabur Red Paste and Odonil air fresheners. In addition, Dabur has manufacturing facilities in 8 overseas locations.

During the year 2023-24, Dabur recorded a growth of 7.6% in Consolidated Revenue from Operations, reaching ₹12,404 Crore. Consolidated Operating Profit for the year marked an increase of 11% and the Operating Margin



improved by 60 bps to touch 19.4%. Profit after Tax grew by 8% to ₹1,842.7 Crore.

During the year, Dabur rolled out a number of new products and variants targeting the emerging and ever-changing needs of our consumers and in line with our strategy to expand our total addressable market. These launches marked Dabur's entry into several large and growing categories like mosquito repellent liquid vapourisers, cooling hair oils, gel toothpastes, value added tea, to name a few. New products accounted for 3.4% of our total sales during the year. Our digital first brands have also been gaining popularity with turnover crossing ₹100 Crore during the fiscal.

The year saw Odonil, Dabur's air freshener brand, join the ₹500 Crore turnover club. With this, Dabur now has 16 brands that are in the range of ₹100 Crore to ₹500 Crore in size; 3 brands that are between ₹500 Crore and ₹1000 Crore in size, and another 4 brands that have turnovers higher than ₹1,000 Crore. In all, Dabur has a total of 23 Billion-Rupee-Brands in its portfolio.

Strategic Business Units

Today, our FMCG portfolio today includes eight Power Brands in India: Dabur Chyawanprash, Dabur Honey, Dabur Honitus, Dabur Pudín Hara and Dabur Lal Tail in the Healthcare space; Dabur Amla and Dabur Red Paste in the Personal care category; and Réal in the Food & Beverages category. In addition, Vatika is our international Power Brand.

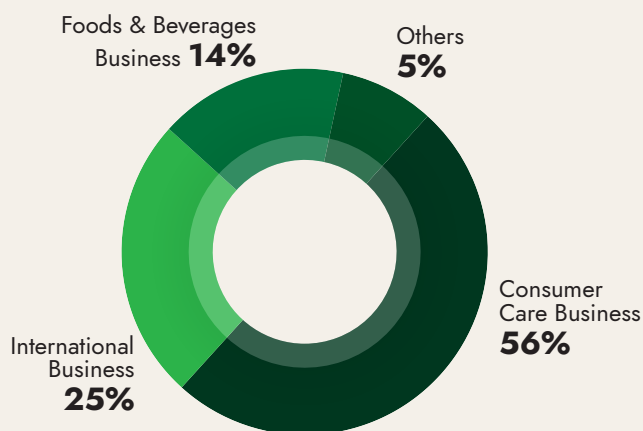
Dabur's business structure is divided into three Strategic Business Units (SBUs):

- **Consumer Care Business**, which includes Health Care (HC) and Home & Personal Care (HPC) businesses, accounts for 55.8% of Consolidated Sales

- **Food & Beverages (F&B) Business**, which includes fruit-based beverages, a range of food products and the recently acquired Badshah Masala portfolio, accounts for 16.2% of Consolidated Sales
- **International Business**, which includes a mix of Dabur's organic overseas business as well as the acquired entities of Hobi Group and Namaste Laboratories LLC, accounts for 24.8% of consolidated sales.

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

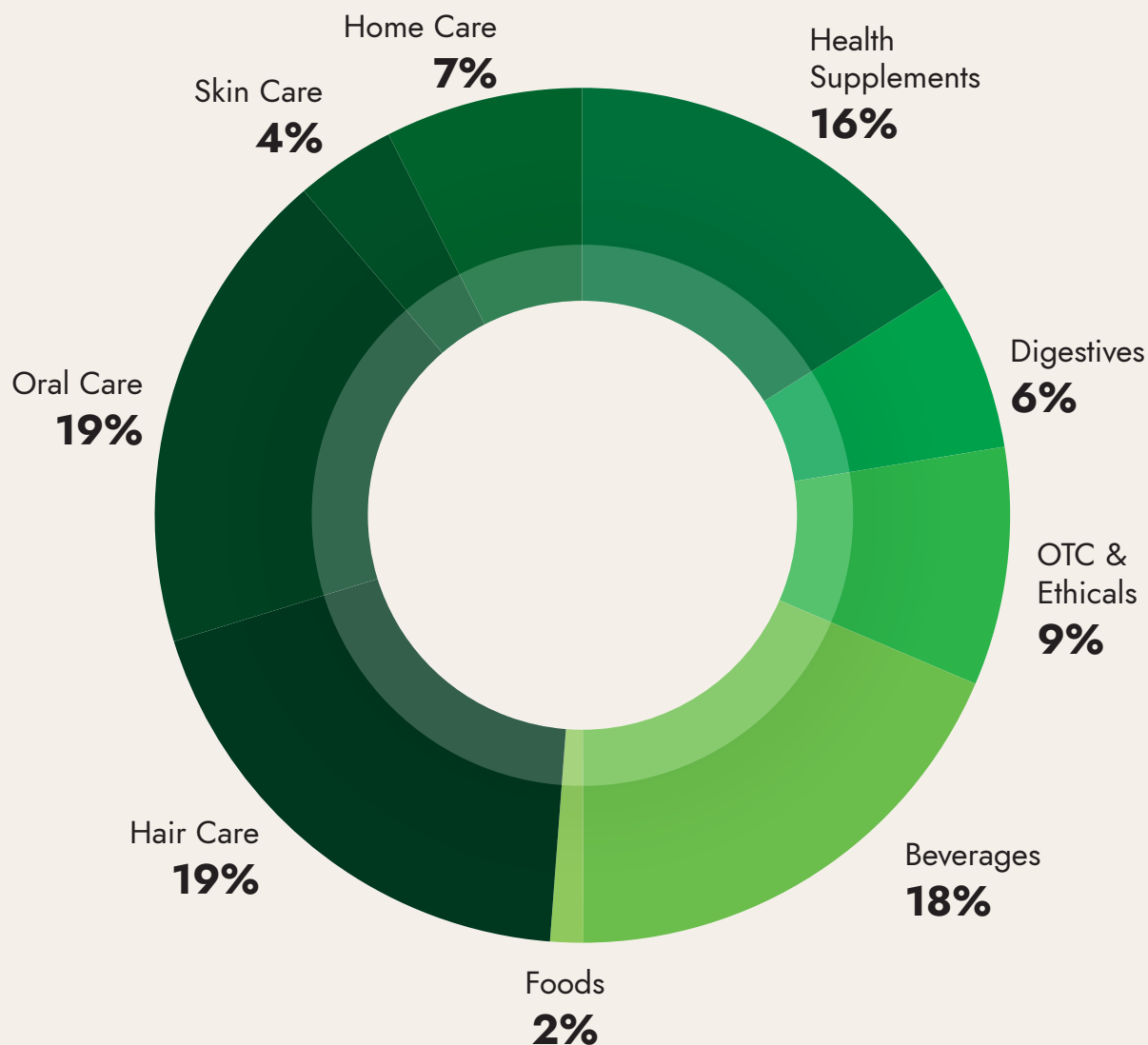
Chart 5 : Consolidated Revenue split by SBU



India FMCG Business

India FMCG Business is split into individual healthcare, HPC and F&B categories. The category-wise revenue of India FMCG business is presented in Chart 6.



Chart 6 : India FMCG Revenue split by category

Healthcare

The Healthcare products market, which had seen meteoric growth during the Covid years, has been navigating a moderation in demand off a high base. With Covid fears having completely ebbed, demand for contextual ayurvedic remedies moderated. However, OTC Digestives category saw strong double digit growth during the year. Consequent to that the Health Care business reported 4.2% growth during the 2023-24 fiscal. 4-year CAGR for the business was at 7.6% indicating the long term trajectory of the portfolio. The

business continues to ride on the consumer need for natural remedies for health and wellness and offers tailored products to meet the growing consumer demand for ayurvedic healthcare.

The Health Care business contributed to 31.4% of Dabur's India business. This vertical comprises sub-categories like Health Supplements, Digestives, OTC and Ayurvedic Ethicals. The year saw Dabur add a new division to this business — Therapeutics.



This division includes natural solutions for lifestyle diseases, common health issues, nutraceuticals and baby care products. The focus of this division is on the medical fraternity and advocacy through healthcare professionals. Currently Therapeutics Division is reaching out to 1.1 Lakh medical professionals, covering both allopathic and ayurvedic doctors to market our range of ayurvedic ethical medicines, dermatological products, pure herbs and baby care range of products. This division has been carved out of the OTC and Ethicals segment and is part of these categories in the revenue as stated in the category-wise chart.

Health Supplements

Dabur's Health Supplements business is home to some of its iconic and time-tested brands like Dabur Chyawanprash, Dabur Honey and Dabur Glucose.

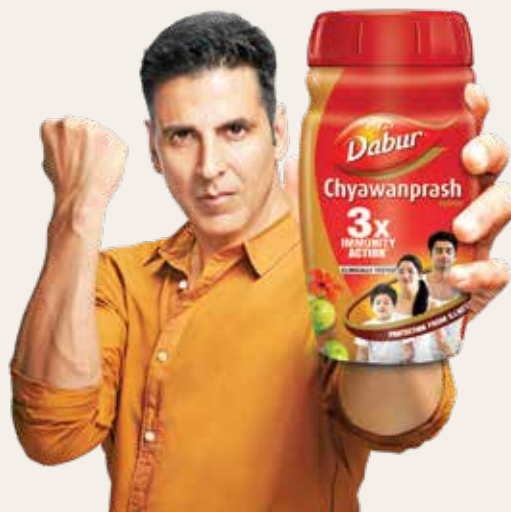
During 2023-24 the business posted low single digit growth. This was due to high base of Covid years and delayed onset of winters which had some impact on sales in this category.

Dabur continued to work on expanding the reach and penetration of its key products in this category through a range of consumer connect initiatives, school contact programs and a series of new campaigns to further establish the relevance of its brands in an ever-changing marketplace. Our interventions enabled us to capitalize on the opportunities and report strong market share gains across the portfolio.

Highlights of the year:

Dabur Chyawanprash

- The brand extended its anti-pollution campaign in northern part of the country during the month of November.
- With the onset of winters, Dabur Chyawanprash rolled out its mega Immune India campaign, aimed at securing the health of underprivileged kids across the country. Under



this initiative, Dabur Chyawanprash engaged renowned doctors to conduct immunity awareness sessions and educate children about the need to build a stronger immune system to fight against illnesses due to changing season, common bacteria and viruses.

- Dabur Chyawanprash also signed former India Cricket Captain and star cricketer Sourav Ganguly as its new brand ambassador. A new ad campaign, titled "Immunity Badhane Mein Baniye No. 1," tailored for the East Indian markets, was launched where Sourav Ganguly spread the message of fortifying immunity with Dabur Chyawanprash.
- Dabur Chyawanprash unveiled a new groundbreaking 'Science in Action' campaign, designed to disseminate knowledge about Ayurveda and promote a healthier lifestyle. The campaign's goal is to uncover scientifically tested facts relevant to entire families, empowering them to make informed choices for their well-being on a daily basis. The 'Science in Action' initiative represents a significant step forward by Dabur in disseminating research-based knowledge and evidence on Ayurveda, through a series of digital videos across social media



platforms, print-based promotions as well as on-ground activations such as the Dabur Chyawanprash Immune India Campaign. As part of the journey to educate the public about Ayurveda's scientific foundation, this campaign will feature insightful conversations with distinguished ayurvedic practitioners, who offer a unique perspective on the time-tested holistic benefits of Ayurveda and Chyawanprash in particular.

- Just ahead of the annual exams in March, Dabur Chyawanprash launched the "Exam Time, Dabur Chyawanprash Time" campaign, which was aimed at addressing the physical and mental well-being required for students during exam preparations.
- As part of premiumization objective, the brand focused on driving its key variants viz. Sugar free Chyawanprakash, Chyawanprash Gur (jaggery) and Kesarprash. The variants grew to double digits this year and now contribute around 13% to the overall Chyawanprash portfolio.

Dabur Honey

- Dabur Honey became the only leading honey brand in the country to be granted the AGMARK SPECIAL quality certification
- The brand launched a new ad campaign during ICC world cup focusing on weight management. The campaign is aiming to engage with the younger population, driving the habit of consuming Dabur Honey daily with lukewarm water for fitness and weight management.
- Driven by e-commerce and modern trade channels, Dabur Honey strengthened its play in the premium honey category with Dabur Organic Honey and Dabur Sundarbans Forest Honey with 2x growth over the previous year.

- Dabur Honey joined hands with Sher-e-Kashmir University of Agricultural Science and Technology-Kashmir to support and train beekeepers from Kashmir on best practices in beekeeping and also empower the local youth by engaging them in beekeeping. Under this joint initiative, a seven-day training program was organised in the university to impart technical knowledge required for efficient management of bee colonies, and best beekeeping practices.
- Dabur Honey rolled out multiple regional activations across markets focusing on sugar replacement in popular beverages and sweets. A few such examples are: Shondesh during Poila Biashak (West Bengal), Thekua during Chhath Puja (Bihar), Pana during Sankranti (Odisha), Lassi (Punjab), Modak during Ganesh Chaturthi (Maharashtra), Paniyaram during Pongal (TN).



Dabur Vita

As part of its commitment to safeguard the health of the future generations, Dabur Vita, a complete Health Food Drink from the House of Dabur, rolled out mega health awareness camps across the country to promote the seven vital health needs of good digestion, respiratory health, strong bones & muscle, strength & stamina, and better immunity among school-going children.

Dabur Glucose

With the onset of summers, Dabur Glucose launched a mega campaign 'Energize India' to promote young sporting talent and drive awareness about the importance of energy and stamina among athletes in major sports academies across India. As part of the campaign, Dabur Glucose is organising special awareness sessions on energy and stamina management at Sports academies across India to provide valuable insights and strategies to help young athletes optimize their performance and achieve their full potential.

Digestives

India's growing population and increasing awareness of digestive health have led to a surge in demand for digestive and intestinal remedies, particularly those based on the principles of Ayurveda. Dabur operates in the herbal digestive category with a portfolio of products under brands like Hajmola, Pudinhara, Hingoli, Dabur Nature Care and Sat Isabgol.

The Digestives business reported 15.8% growth during fiscal 2023-24.

Highlights of the Year:

Dabur Hajmola

- Hajmola extended its product portfolio with the launch of Mr. Aam variant.

- Dabur Hajmola continued its inspiring journey by paying tribute to the unsung heroes of our society through its heartwarming campaign "Achhai ka Chatkara" with the launch of a new video showcasing the remarkable story of Dorris Francis, a 64-year-old traffic manager who has dedicated her life to her work. Released on the occasion of International Women's Day, this campaign celebrates Dorris' selfless act of managing traffic that has touched the lives of many.
- Dabur signed popular Hindi movie star Kartik Aryan as the national brand ambassador for Hajmola.
- In the run-up to the Ram Mandir consecration, Dabur tied up with dhabas and eateries on the Lucknow, Gorakhpur and Varanasi highways leading to Ayodhya. Dabur branded these dhabas with its key brands like Hajmola, besides undertaking extensive sampling of its product range there.



- The market share of Hajmola increased by 200 bps touching 54.8% during the year
- The Popularity of Hajmola can be gauged by the fact that 4.6 Crore Hajmola Tablets are consumed every day in India.

Pudin Hara

Dabur Pudín Hara Fizz entered the Asia & India Book of Records with a new landmark of setting up a massive installation of Pudín Hara Fizz demonstration zone at Nauchandi Mela in Meerut, one of the biggest fairs of the country. Covering an area of 23 ft by 10 ft, the demonstration zone offered a unique experience, immersing visitors in a world of digestive wellness. Pudín Hara Fizz spared no effort in transforming this space into a sanctuary of relief, where attendees could explore an array of natural remedies along with informative and interactive experiences.



Ayurvedic OTC

Dabur's OTC business includes some of the time-tested and highly efficacious ayurvedic remedies in modern-day, consumer-friendly formats. The business performed well, driven by steady performance of key brands like Honitus and Shilajit.

Highlights of the Year:

Honitus

- Dabur Honitus is now No.2 OTC brand in the cough syrup market.
- Dabur Honitus launched a new initiative and conducted health sessions for kids to educate them about prevention from cough & cold and other throat infections. Flagged off from Tricity in Punjab, an awareness session was conducted with more than 200 kids from Ashray NGO to educate them about effective prevention of cough & cold.

Shilajit

- Our rejuvenator brand Dabur Shilajit continued to perform well and report double digit growth during the year.
- Dabur Himalayan Shilajit resin, which was launched last year continues to perform well with strong growth and consumer traction.

Dabur Lal Tail

- Dabur Lal Tail partnered with 234 hospitals to gift a wide range of baby care products for the well-being of newborns. The Happiest Cry Gift Box offered to hospitals contained Dabur Lal Tail, Dabur Gripe Water and Dabur Janma Ghunti, products curated to take care of the physical well-being and health of new-born babies.
- Dabur Lal tail rolled out the "Maayi Ka Aashirwad - Ichha Kalash" campaign on the occasion of Chhath Puja. The campaign emphasized the brand's benefits for baby bones



and muscles, and offered a unique opportunity to devotees and new mothers, who are unable to visit the Surya Deo Temple, to send their special wishes to the temple.

Ayurvedic Ethicals

This business includes some of the oldest and most established Ayurvedic medicines for preventive and curative healthcare for various therapeutic areas such as respiratory, gastro, bone health, immunity, women's health and lifestyle issues. This category has been the cornerstone of Dabur's success since our inception in 1884.

The recent years had seen this category expand with the launch of a range of Covid-contextual and immunity-boosting medicines. In recent times the demand for these have softened with the fears surrounding COVID-19 subsiding.

Excluding the Covid-contextual brands, the Ayurvedic Ethicals business reported strong performance. Some of the classic medicines from this portfolio have now been shifted to the newly carved Therapeutics Division which is being driven on the basis of advocacy through both allopathic and ayurvedic doctors.

Highlights of the Year:

- A series of on-ground activations and health camps were conducted throughout the year to build awareness around the Ethicals range and build greater connect with consumers. Special camps were also organized around religious destinations that involve pilgrims walking several kilometers for the holy pilgrimage.
- On the occasion of International Women's Day, Dabur Dashmularishta launched its 'Swasth Nari, Sashakt Nari'



campaign. Through this campaign on women empowerment, the brand emphasised the need for women to stay healthy to be empowered, because if their health is good then they can easily achieve their dreams.

- Dabur Dashmularishta also executed an on-ground activation aimed at safeguarding the dignity of women at the ghats in Ayodhya by setting up safe changing rooms for women pilgrims. The changing rooms were installed at Ram ki Pedhi, Suraya Ghat etc to provide women pilgrims a safe and secure place to change after the holy dip.
- Swarnaprashan camps were organised during the year. In this unique all-night Health Camps, which run from 9 pm to 5 am, the medicines are kept exposed to moon rays all through the night and consumed in the early morning with Vedic chanting.

Therapeutics

This new vertical has been created by merging existing products like ayurvedic branded medicines, Derma range from Fem Pharma, Baby Care and Single Herbs. This combined portfolio, being driven by a 500-strong team of product specialists, has helped expand Dabur's reach to more than 1 Lakh medical professionals, including allopathic doctors and ayurvedic practitioners. This business posted strong growth in the very 1st year of inception by strengthening our reach to allopathic doctors and chemists.

Highlights of the Year:

- The Therapeutics business ended its first year at INR 120 Crore growing by 20%.
- The division today reaches 1.1 lakh medical professionals, including 88,000 allopathic doctors and 22,000 ayurvedic practitioners.

Home & Personal Care

The demand for natural and ayurvedic personal care products has been on the rise in India, as consumers prioritize traditional and organic ingredients. Driven by growing awareness and higher disposable income, a growing section of consumers, mostly from urban India and comprising millennials and centennials are also increasingly willing to pay a premium for effective and safe solutions, resulting in strong growth in the masstige and premium categories.

The Dabur's Home & Personal Care vertical covers consumer products categories like Hair Care, Oral Care, Skin Care and Home Care. This vertical accounts for 48.6% of the India FMCG business and reported a growth of 8.1% in 2023-24.

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



Hair Care

Within Hair Care, Dabur operates in the Hair Oils and Shampoo categories with key brands like Dabur Amla and Vatika. Catering to the growing consumer need for personal grooming and nourishment, Dabur brands have been among the preferred choices for consumers seeking natural remedies for keeping their hair healthy.

During the year, Dabur expanded its hair oil portfolio with entry into the cooling hair oil category under the Dabur brand and the launch of new e-commerce exclusive Hair Oils and Hair Masks under the Vatika brand, besides a range of 'No Nasties' shampoo under Vatika. Despite intense competition in all the categories, Dabur continued to improve its market share across the portfolio and ended the year with its highest-ever share of Hair Oil at 17.2%. Even in the shampoo category, Dabur reported market share gains to end the year with a 7.2% share.

Dabur's Hair Care business ended the year with 5% growth and contributed to 19% of India's FMCG business.

Highlights of the Year:

Dabur Amla Hair Oil

- Dabur Amla's campaign with Bollywood star Deepika Padukone continued and the brand also rolled out a series of contextual digital campaigns.
- Dabur Amla joined hands with the Cherian Foundation to launch the "Gift Hair, Gift Confidence" campaign, aimed at eradicating the stigma around cancer and encourage early detection of cancer among women. Under this campaign, Dabur Amla donated wigs to cancer survivors in various hospitals and institutions.
- Dabur Amla partnered with TEDx speaker, actress, columnist and TV personality Priya Malik to launch a new campaign that offered a fresh perspective on Karwa

Chauth. The "Jadon se Mazboot Riwaaj - Karwa Chauth Special" campaign sought to present a fresh perspective, underscoring that Karwa Chauth is a voluntary expression of love and affection, far from being an obligatory ritual.

- To mark the momentous inauguration of Ram Mandir in Ayodhya, Dabur announced the launch of a special edition Ayodhya pack of Dabur Amla Hair Oil. This limited-edition pack, featuring a replica of the Ram Mandir on the front panel, was designed to add an extra touch of joy and celebration to this auspicious occasion.
- On Valentine's Day, Dabur Amla unveiled a new campaign, 'Celebrating all love languages'. This new film featured the famous influencer couple, Shreya Kalra & Rishabh Jaiswal showcasing distinct love languages, illustrating how the couple express their love including Rishabh Jaiswal cooking for his partner, giving a blanket for comfort and giving her a hair massage. Dabur Amla introduces the act of giving a soothing head massage, or 'champi', as a tender expression of love after a long day and names it as "You're 'Oil' I need".
- Dabur Amla rolled out a series of consumer engagement initiatives at the renowned Chitrakoot Mela, from branded boats sailing through the sacred river to riverside branded changing rooms for women devotees. Adding a touch of cinematic flair to the celebration, the Dabur Amla Hair Oil ad featuring Deepika Padukone mesmerised audiences as it was aired during every break while screening the Ramayana. This strategic placement ensured that the message of Dabur Amla resonated with attendees throughout the event, leaving a lasting impression.

Dabur Cool King Hair Oil

- Dabur Cool King Thanda Tel was launched with an innovative chill tube design containing peppermint & cooling crystals. The oil is prepared with specially selected 11 Ayurvedic herbs which are known for their benefits in



relieving stress and fatigue. The product was well received by consumers.

- Dabur Cool King Thanda Tel roped in Bollywood sensation Nora Fatehi as its celebrity brand ambassador. This blockbuster collaboration between an innovative new ayurvedic product and a Bollywood starlet delighted consumers with a new campaign in the summer months.

Vatika

- A No Nasties range of Onion, Olive & Aloe Vera, and Rosemary shampoos were launched under the Vatika Naturals brand.
- Cine star Anushka Sharma was signed as the face of Vatika Post-Wash range.
- On International Women's Day, Dabur Vatika released a new campaign #WomenofSubstance to showcase its stand for women's empowerment and gender equality. The new film featured the all-women workforce operating Dabur's Vatika Enriched Coconut Hair Oil production line at our greenfield unit in Indore.
- Dabur also launched Dabur Vatika Rosemary Hair Growth Oil, a new hair oil fortified with the goodness of Rosemary and Hibiscus & Coconut. Recognizing that hair problems manifest due to factors such as diet, lifestyle, pollution, and stress, Dabur Vatika collaborated with dermatologists to co-create this specialized product. Regular use of this hair oil can provide stronger, shinier hair that reflects the natural vibrancy of healthy hair.
- Vatika expanded its Hair Care portfolio with the launch of 'Vatika Rosemary and Seaweed Shampoo' and 'Vatika Hair Fall Control Hair Mask'. Vatika Rosemary and Seaweed Shampoo expanded its Hair Care portfolio with the launch of 'Vatika Rosemary and Seaweed Shampoo' and 'Vatika Hair Fall Control Hair Mask'. Vatika Rosemary and Seaweed

Shampoo comes with the natural benefits of rosemary, seaweed, saw palmetto and Vitamin E to provide a holistic solution to prevent hair fall, improve the thickness of hair and reduce hair fall. Vatika Onion and Saw Palmetto Hair Fall Control Hair Mask is designed to provide a potent solution of Onion, Saw Palmetto, Vitamin E and Pro-vitamin B for stronger, fuller hair, combining the power of onion extract and palmetto for a transformative hair care experience.

- Dabur Vatika created a special engagement zone at the International Trade Fair in Delhi to provide visitors with a unique opportunity to discuss their hair-related issues with expert hair professionals. Visitors to the stall got a chance to engage in one-on-one consultations with hair experts and get personalized advice and solutions based on the individual's specific hair care needs.



Oral Care

India's Oral Care market is witnessing a surge in demand for natural and ayurvedic products, driven by increasing consumer awareness and preference for traditional remedies. The natural and ayurvedic segment now contributes to 31% of total toothpaste category.

A rise in awareness about oral hygiene has also resulted in a growing demand for premium, innovative and specialised products, particularly in metro and urban cities. Although the market is growing, the per capita consumption of oral care products in India is still low when compared to countries like the USA, China etc, presenting a good opportunity for players in this category.

Dabur has been leading the category growth and is today the number two player in the dentifrice market with its highly differentiated product offerings like the Ayurvedic Dabur Red Paste, herbal offerings like Dabur Babool and Meswak and the newly introduced range of Alpha ingredient products under the Dabur Herb'l brand. The newest addition to the portfolio has been Dabur Red Bae Fresh Gel which has received an encouraging response. Dabur also operates in the toothpowder market with its Dabur Lal Dant Manjan. Dabur's Oral Care penetration has increased to 51%, which means every second household is a Dabur Oral Care Household.

Our Oral Care business saw a growth of 11.3% in 2023-24, with a 4-year CAGR of 12.1%. The category contributed 18.6% to India's FMCG revenue during the year.

Highlights of the Year:

Dabur Red Paste

- Dabur Red Paste ignited the World Cup fervour with its electrifying #SabkoChabaaJaayenge campaign to strengthen its legacy by rallying behind Team India during the World Cup Cricket tournament. With a steadfast commitment to combatting seven dental problems, Dabur Red Paste brought back the iconic character Chaubeyji, who took centre stage, showcasing his unique talent of effortlessly devouring challenging food items from competing countries while playfully quipping about how Team India will "chabao" anyone who dares to obstruct their World Cup journey.
- Dabur Red Paste launched a special edition pack to leverage this buoyant Durga Puja festive season. The special pack, with a premium looking design and



consumer-friendly standee pack tube, aimed to share the joy of good oral health while enjoying festivities with friends and family. Special occasion packs of Dabur Red Paste were also launched on the occasion of Pongal, Chhath Puja and to commemorate Ram mandir consecration.

- The brand rolled out the "Parampara Mazboot Iraadon Ki" initiative inviting participants to the "Mazbooti Dant Challenge" with a sugarcane peel-off competition on Chhath Puja.
- On the occasion of Durga Puja, Dabur Red Toothpaste provided a first-of-its-kind 3D experience to visitors at Tala Bridge near Tala Barowari Puja Pandal by installing an Anamorphic L-shaped LED screen, a unique immersive installation.

Dabur Red BaeFresh Gel

Dabur has signed youth heartthrob Kartik Aaryan as the face of its newly launched gel toothpaste - Dabur Red Bae Fresh Gel. The launch communication was targeted at Gen Z & Millennials and portray the integral role of personal hygiene, and especially, oral hygiene in boosting one's self-confidence.

Dabur Meswak

Dabur Meswak rolled out a new campaign 'Rare Stories by Meswak' to highlight the rare and inspiring stories of everyday people. Rolled out on the occasion of World Environment Day, Dabur Meswak went live with a microsite that talked about the purpose behind the campaign and allowed users to share rare stories about themselves or someone who deserves to have their story told.

Dabur Herb'l

- In a groundbreaking initiative led by Smile Train India, the world's largest cleft-focused organization, Dabur Herb'l joined the movement to raise awareness and promote

inclusivity for all cleft-affected individuals in the lifestyle and grooming categories. Recognizing the lack of representation of cleft-affected individuals, Dabur took a bold initiative and created a repository of stock images featuring happy cleft-affected women on Shutterstock, encouraging brands to use these images in their communication and embrace diversity. This collaboration signifies our shared dedication to making a positive impact and fostering a world that embraces diversity.

- Dabur Herb'l Charcoal Toothpaste took an emotional course with a soul stirring film targeted at Millennials and Gen Z. This campaign questioned the myth around the black colour and sought to bring alive the product's ability to add strength, positivity, growth and, of course, sparkling white teeth. The campaign highlighted how Dabur Herb'l Charcoal toothpaste, made of activated charcoal, gets sparkling white teeth.

Skin Care

With an increasing number of consumers starting to believe that healthy skin not only supports physical well-being but also helps to maintain overall health and beauty, the market for skin care products has grown significantly in India.

Rising consumer awareness about what specific ingredients do to the skin, improved purchasing power, and growing accessibility will continue to drive growth of this category.

Dabur operates in the skin care market with brands like Gulabari that offer a range of rose-based products in the mainstream category and Fem range of facial bleaches and depilatory creams. The year saw Dabur enter newer mainstream categories like soaps, body wash, toners and cooling talcs. Dabur's skin care business reported 3.7% growth in 2023-24 and contributed 3.8% to India's FMCG business.



Highlights of the Year:**Dabur Gulabari**

- Dabur Gulabari extended its offerings with the launch of Pure Rose Soap, a luxurious bathing experience with the natural goodness of roses. The range was further extended with the launch of the white rose variant.
- The Gulabari brand was also extended to premium products like Shower Gel with the launch of Gulabari Shower Gel with Damask Rose & Jojoba Oil. It comes with a Damask Rose fragrance and is a 100% Soap-Free Body Wash that helps to keep the skin hydrated and prevents dryness, leaving your skin feeling soft. The product is completely free of soap, parabens and silicones.
- Brand Gulabari also saw the launch of a range of skin toners with the launch of two new products: Rose Oil & Vitamin C Face Toner Mist & Rosewater, and Dabur Gulabari Rose Oil & Tea Tree Face Toner Mist & Rosewater. They help treat breakouts, blackheads, and whiteheads, tighten and refine pores, and are alcohol-free.



- Dabur Gulabari launched the Gulabari Glowing Diva contest during Durga Puja at the Samaj Sevi Puja Pandal where girls could come and make reels to participate in the contest and stand a chance to become one of the wild card entries to the 10th edition of the FFACE calendar 2023.

Fem & OxyLife

- Fem Bleaches were launched in affordable sachet and ₹20 pack. The brand reported a 130 bps gain in market share during the year.
- Dabur is revamping its salon portfolio with the launch of new facial kits and waxes.

Home Care

The home care products market in India is experiencing steady growth driven by increasing awareness of hygiene and cleanliness, rising disposable incomes, and changing lifestyles. One of the key drivers of the market is the growing emphasis on health and wellness, which is leading consumers to seek products that promote a clean and hygienic living environment. In addition, urbanisation and the growing number of dual-income households have contributed to the increased demand for convenient and time-saving home care products. There is also a growing focus on sustainability and eco-friendliness in the market, due to which consumers are seeking products that are made from natural and biodegradable ingredients.

Dabur's home care business continued to ride forward on the growth track, reporting a strong double-digit growth. Dabur operates in the category with brands like Odonil (air fresheners), Odomos (mosquito repellents), Sanifresh (surface cleaners) and Odopic (dishwash products).

Highlights of the Year:**Odonil**

- The year saw Odonil, Dabur's air freshener brand, join the



₹500 Crore turnover club.

- Odonil expanded its product offerings with the launch of Automatic Diffuser machine and refill pack. Odonil Exotic Automatic Spray diffuses 2x long-lasting fragrances and ensures effortless freshness throughout the day. It's a versatile spray machine for use in any room – Bedroom, Living Room, Workspaces and Public Spaces. It can be mounted to the wall or used as a table-top/shelf standalone automatic air freshener.
- The brand also launched 'Odonil Exotic Room Spray', a unique water-based aerosol spray format that offers superior and long-lasting fragrance. Additionally, Odonil introduced a pioneering Odonil Occasions Gift Box, featuring the Exotic Gift Box, Gel Pocket Mix, Neem Air Freshener Block, and 2 Exotic Room Sprays, available on the e-commerce platform Flipkart.



- The brand joined hands with PayTM to launch a unique PAYTM Sound Box with Odonil details at retail stores across the country. The sound boxes are placed in the outlets, and a confirmation sound is made for the payment received. Odonil used these sound boxes as a media vehicle to remind consumers once they have made payments that they are forgetting to buy Odonil for their homes.
- Odonil sponsored the prestigious IWM Buzz Awards, a grand celebration of excellence in the world of entertainment that brings together the finest talents from the entertainment industry, including actors, directors, producers, and other influential personalities.
- Odonil also launched Gel Pockets, which are infused with Essential Oils and offers germ protection. Available in a refreshing combined pack of 3 exotic aromas: Citrus Bloom, Floral Valley & Wild Forest, the Gel Pockets neutralise odour for up to 30 days.
- Giving the Durga Puja a fragrant touch, Odonil created Odonil Villa – a Fragrance Tunnel at Shiv Mandir Puja Pandal. It was set up right before the visitor entry to the Pandal, giving it a traditional Bengali home look.

Odomos

- Odomos reported a 600-bps gain in market share in the personal application mosquito repellent category.
- Dabur entered the mosquito-repellent liquid vaporizer market with the launch of 'Dabur Odomos Protect'. Made with AMT Technology, the Odomos liquid refill gives 100% protection from mosquitoes and ensures complete family protection from malaria, chikungunya and dengue causing mosquitoes.
- Odomos signed cine star Kajol as the new face for its new liquid vaporizer range. The brand launched an ad film, 'Odomos on hai karna!', which showcases a fun and curious story to highlight Odomos' entry into the liquid



vaporizer category, igniting the question - Odomos kaise on kar sakte hai? (How can Odomos be switched on?).

- On the occasion of Mother's Day, Odomos launched a heartwarming digital campaign named #GiveMomAHand. The ad film captures a monologue by a kid where he expresses his gratitude for everything that his mother does, recognizing that she also needs helping hands. He adorably demands everyone in the house to support her by saying "sab milkar kaam ka dhyan rakhenge," implying "We will all take care of the work together." The child articulates his desire when he says "All I want is my mother's smile". The need for a social support system for mothers was highlighted through this campaign.
- Odomos continued its Make India #DengueFree campaign to spread awareness on effective prevention from Dengue & Malaria. Under this initiative, Odomos reached educated consumers about prevention from mosquito bites and distributed free samples of Odomos mosquito repellent creams to protect themselves from dengue-causing mosquitoes during the monsoon season.
- On the occasion of Raksha Bandhan, the brand launched the #SurakshaKaBandhan digital campaign that urged siblings to protect each other against vector-borne diseases. This film captures a moment between a brother & sister where the sister ties an 'Odomos Suraksha Bandhan' to her brother's wrist saying that this will protect him from mosquito-led diseases like dengue, malaria etc. Her little brother proceeds to tie it on her wrist as well signifying the same promise.
- Special mall activations were also conducted to raise public awareness about vector-borne diseases. A team from Odomos conducted events in malls of leading cities which included several fun activities for volunteering brothers & sisters. Free samples of the Odomos Suraksha Bandhan

bands were distributed to siblings who participated.

- As a part of the campaign, Odomos also reached out to our society's Rakshaks. Suraksha Bandhan bands along with hampers were presented to police officers, security guards and traffic police officials across major cities. This symbolized a pledge to protect our protectors against vector-borne diseases.

SaniFresh

- SaniFresh expanded its product portfolio with the launch of 2-in-1 Advanced Disinfectant Toilet Cleaner. It's a unique toilet cleaner with twin compartments, dispensing a powerful cleansing agent that cleans 10X better from one nozzle while the second nozzle simultaneously dispenses an aromatic conditioner gel that prevents dirt accumulation over time to deliver a strong and pleasant, long-lasting fragrance.
- The brand also launched a Gurudwara Seva initiative in Delhi and Punjab to ensure the cleanliness of these places of worship and to maintain a hygienic environment within the premises. The initiative aligned with the principles of seva (selfless service) and community welfare, which are central to the Sikh faith.



Food & Beverages

Changing lifestyles, increased urbanisation, growing incomes and increasing need for convenience have been driving demand for packaged foods and beverages in India.

Dabur's food and beverages business covers four key categories : Beverages (with brands like Réal and Réal Activ); Edible Oils (under the Dabur brand), Foods (under the Dabur and Hommade brands) and Spices (under the Badshah brand). Dabur's Food & Beverages business contributed 20% of the India FMCG Business during 2023-24.

Beverages

While improved mobility across the country resulted in demand for beverages showing a marked improvement at the beginning of the year, unseasonal rains in the peak summer months impacted growth during the first half of the year. The beverages market went back into positive territory with the festive season kicking in, riding on good demand from in-home consumption even though out-of-home demand continued to be sluggish. Dabur's Beverages business ended the year flat but reported a 4-year CAGR of 15%. The 100% juice portfolio under the Real Activ brand reported strong double-digit growth riding on the growing demand from health-conscious consumers.

Highlights of the Year:

- Dabur rolled out a new differentiated and premium Prisma pack for its beverage brands to improve shelf presence and consumer handling.
- Real Activ is now the hydration partner with IndiGo, providing travellers with the goodness of fruits in eco-friendly, recyclable carton packs. The brand is now present across all airlines.
- A host of new variants were launched during the year to expand the beverage portfolio. These include a range of Real Aloe Power beverages, Real Vitamin Boost range, Real

Activ Coconut Water Aloe Lemon, and Real Guava Mini.

- Real Fruit Drinks closed the year at around ₹200 crore despite a lacklustre season, and captured a 4% market share in the ₹10 Mango drink segment.
- Brand visibility for the beverages brands was increased during The Cricket World Cup and Indian Premier League (IPL) with special campaigns and drives.
- Dabur signed cine stars Sara Ali Khan and Sidharth Malhotra as the new brand ambassadors for its Real Fruit drinks. A high-decibel campaign will be launched in the summer of 2024.
- Ahead of the Ram Mandir consecration, Real tied up with dhabas and eateries on the Lucknow, Gorakhpur and Varanasi highways leading to Ayodhya. Real branded these dhabas and undertook extensive sampling of its range at these eateries.

Edible Oils

Dabur's entry into the premium value-added edible oils category with products like Dabur Cold Pressed Mustard Oil, Cold Pressed Sesame Oil, Cold Pressed Groundnut Oil, Dabur Virgin Coconut Oil and Dabur 100% Cow Ghee continued to do well. This range has been extended to key modern trade outlets and the portfolio is poised to touch sales of around ₹50 crore during the coming year.

Food

The Foods business under the Hommade brand reported strong double-digit growth during the year riding on strong demand for its new launches like peanut butter, chutneys, pickles, etc.

Highlights of the Year:

- Dabur Hommade Chutney bagged the Golden Spoon Award in the Most Admired Brand Retailer Partnership Of The Year.



- Following the Badshah merger, the Dabur Hommade range is now being sold through the Badshah distribution network in West India.

Spices

With Dabur acquiring the legacy brand last year, Badshah Masala has overhauled its product range and has added new products like quality spices and spice mixes to its portfolio. The brand logo was also revitalized and given a new-age look.

Badshah business reported 23% growth during the year along with the increase in market share in its core geographies of Western India. The brand also saw good demand in export markets like the UK and the USA.

Highlights of the Year:

- Distribution network of Badshah in the west of India was strengthened to enhance its availability in its core markets.
- The brand's reach is being extended to neighboring states of Madhya Pradesh and Rajasthan in a phased manner.
- The Brand was refreshed with a new packaging and new SKUs were added which were missing from the portfolio.
- Badshah Masala infused fresh life into its most iconic jingles 'Swaad Sugandh Ka Raja, Badshah Masala' with the launch of a new, progressive version of this jingle. The campaign focused on different consumption occasions through the prism of family and the time we spend with our loved ones. It retained the essence of the original tune.
- Badshah Masala rolled out a new campaign, "Swad Consumer Ke Haathon ka, Jaadu Badshah Ka," specifically tailored for the Western market. This campaign redefined culinary experiences and showcased the magic of Badshah Masala through a series of captivating TV commercials. The campaign focuses on highlighting the expertise of Badshah Masala in helping consumers make authentic taste and

create a one-of-a-kind experience for iconic dishes like Pav Bhaji and Mutton Gravy in Maharashtra and Undhiyu in Gujarat.

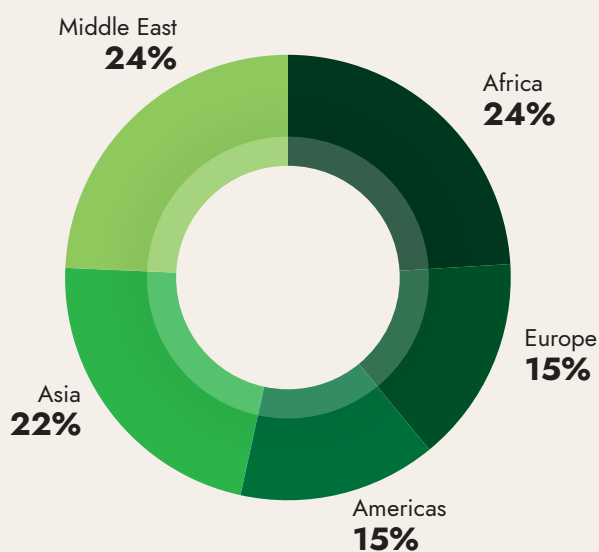
- Badshah range of spices was launched in key international markets like The US and UK to tap the large Gujarati and Maharashtrian diaspora in these markets.

International Business

Dabur has, over the years, transformed into a multinational enterprise with a global footprint covering over 120 countries across the globe. Dabur today has a manufacturing presence across eight countries.

The International Business, which contributed 24.8% to Dabur's Consolidated Revenues in 2023-24, cover operations across the Middle East, Africa, South Asia, USA and Europe. International Business registered a constant currency growth of 16.4% during the year. The region-wise split of Dabur's International Business Revenue is presented in the below pie.

Chart 7 : Region-wise split of International Business



Middle East

The Middle East region is the largest region, comprising 24% of the International Business.

Our flagship brands, Vatika, Dabur Amla, Dabur Herb'l, Dabur Red, and Fem strengthened their equity through investments in the core brand and expanding the portfolio through the launch of relevant innovations. Throughout 2023, our brands remain connected with consumers with 360-degree media visibility through traditional, digital and social media and on-ground activations.

Market shares in most of the categories in hair care, oral care, and skin care registered improvement. We have also strengthened our presence in the healthcare and food categories by entering new segments and expanding our portfolio.

E-commerce in Middle East North Africa (MENA) markets saw strong growth during the year. We added 8 new platforms including 3 quick commerce platforms (Ninja, Noon Minutes, Careem). We expanded our online footprints to Singapore, Russia & Morocco.

Hair Care

Our Hair Care business comprises pre-wash, in-shower, and post-wash products such as hair oils, shampoo, in-shower conditioners, hair styling and hair serums. Dabur Amla Hair Oil continues to command the No. 1 position in Hair Oils. Dabur Amla's Heba Magdi advertising campaign in the MBC network continues to support the brand to enhance its brand imagery among the target audience.

The Dabur Amla Kids franchise of kids' hair oils, detangler and shampoo continues to grow backed by television media support for the first time on MBC and Cartoon Network along with digital and e-commerce push.

Vatika remains the most loved natural hair care brand with a product portfolio in pre-wash, in-shower, and post-wash segments. Millions of Arabs in the MENA region trust & love Vatika products to maintain naturally healthy hair. This trust is visible in Vatika's No. 1 market share position across hair care categories like hair creams, hammam zaith and hair styling.

Vatika Shampoo commands the #1 position in the natural shampoo segment. In line with the evolving needs of the consumer the brand was re-launched with a superior mix: modern and refreshed packaging, new communication with Pan-Arab celebrity Dorra Zarrouk and superior performance claims. The pack refresh was done keeping in mind the sustainability agenda and the new pack was developed with 15% less plastic. The new campaign was activated across consumer touchpoints (TV, digital, POSM, outdoor hoardings, digital Influencers). As a result, exit shares of Vatika Shampoo have been on an upward trend in KSA and UAE.

Vatika Hair Cream continues to be an undisputed leader with the number one position in UAE and KSA. The brand achieved tremendous growth of 111% on major e-commerce platforms like Amazon, Noon, Talabat, etc. in UAE. Six variants of VHC feature in the top 50 Bestselling Hair Creams on Amazon KSA.



Vatika Hair Cream activated a Pan-Arab influencers campaign across popular social media platforms Instagram & TikTok to promote moisturizing with Vatika Hair Cream and promoted the female styling regimen through sampling and on ground activations.

Vatika Menz franchise launched the all-new Vatika Menz Hair Cream with unique 2-in-1 benefits with two variants in the range - Vatika Menz Anti Dandruff + Cooling Hair Cream with Menthol & Dead Sea Mineral extracts and Vatika Menz Anti-Hair fall + Hold with Coffee & Bentonite Clay. In just 6 months of launch, Vatika Menz Hair Cream was titled the "Best Entry in a New Category" Platinum award by Ava Digital Awards.

Vatika Styling continues to be the undisputed leader with the No.1 market share in KSA and UAE in the male styling segment. Vatika Hair Gel attained the highest-ever market share in KSA not just in offline channels, but also achieved 93% growth in e-commerce in UAE. Continuing the popular "Extreme Challenge" series of campaigns, Vatika Hair Gel launched its 9th edition of Extreme Challenge and has received over 1.5 Mn views on Youtube & Instagram. This 9th edition commands the extreme hold provided by Vatika Hair Gel Extreme Hold variant even while withstanding jet speeds of over 400 km/hr.

Vatika Henna Hair Color continues to be the safest Henna Hair Color with strong growth in e-commerce in UAE. Vatika Henna Hair Colour also bags all of the top 5 positions on Amazon KSA's Bestseller list.

Staying true to being a trendsetter in the category with its innovations, Vatika Henna has expanded its offering with a new launch of Vatika Henna Shampoo Hair Colour with proven results of 100% grey coverage in just 5 minutes. The range features two shades of Dark Brown & Natural Black.

The brand stays connected with consumers by collaborating with Pan-Arab influencers to advocate the fashion shades of Vatika Henna Hair Colour – plum, mahogany & blue black and make Vatika Henna as the go-to brand for hair colours amongst GenZ. Region-specific YouTube campaigns (Vatika Henna - Loved by You, approved by your mother) with language adaptations connected with consumers garnered over 2Mn views.

Oral Care

Dabur continued to gain market shares in the highly competitive Toothpaste category. This achievement was due to the adept use of Media (TVC communication emphasizing the benefits of clove through the route of young children who act as the ambassadors of our brand), collaboration with Arab influencers, on-ground distribution, and visibility



enhancement initiatives in Arab-dominated outlets.

Dabur's efforts to penetrate Arab households have yielded positive results, with local Saudi consumers emerging as the highest-consuming demographic for Dabur Herb'l and Dabur Red. Additionally, mega sampling initiatives across MENA (both online and offline) enabled Dabur to reach over half a million consumers in 2023. The launch of parasite units helped to drive trials, visibility and awareness for Dabur Red toothpaste in traditional trade outlets. All these initiatives resulted in Dabur Red toothpaste achieving a 1.5% market share in KSA for the first ever time.

Dabur Miswak responded to the trend of premiumisation by launching Miswak Clove and Charcoal acting as a multi-benefit range within Miswak and providing a differentiation to the consumers. The new communication focussing on oral immunity, was well supported by the media, and helped establish the superiority of clinically proven claims. Prominent shelf presence and new thematic communication garnered positive responses from consumers.

Skin Care

Fem continues to gain market share in the region in the Depilatory category. After a gap of four years, Fem's new TV and Digital campaign "Switch to Fem" received excellent positive reviews from consumers that resonated with the increasing market share trends in the region. Dabur Herbolene had a stellar year clocking the highest-ever exit share in KSA. New variants were launched to increase modern trade shares. Dermoviva franchise relaunched soap and handwash giving better value to consumers in the Skin Cleansing category.

HealthCare

Over the last few years, we have been expanding our healthcare portfolio with a strong focus on ayurveda backed by science, raising awareness among consumers through digital media and increasing our distribution reach. Today,

Dabur has a wide array of products in therapeutic categories such as cold & cough, digestives, analgesics, immunity support, well-being, and nutritional supplements. We have built a strong healthcare footprint across UAE, Qatar, Russia, Uzbekistan, Kyrgyzstan, and Australia, and have strategic expansion plans to other countries in the region and globally.

We have started building consumer franchise and raising awareness of our OTC healthcare brands, Honitus, Shilajit and Pudín Hara, through engaging campaigns in traditional and online media in UAE.

Efforts to strengthen Dabur brand in core categories of Chyawanprash, Glucose and Honey will continue while also focusing on building core healthcare brands such as Honitus, Shilajit, Rapidex, and Pudín Hara in global markets. Future launches in healthcare will be curated while enabling specific promotional focus on end-consumers, pharmacists, and doctors.

Foods

We continue to build and expand in global markets with two of our flag ship brands, Real Juices and Badshah masala. Badshah delivered an impressive +200% growth rate over last year in international markets. We intend to expand our food portfolio in international market by introducing Mustard Oil, Himalayan Pink Crystal Salt and varieties of Cooking Pastes.

Africa

Contribution of African region to Dabur's International Business stood at 24% in fiscal 2023-24, with Egypt, Nigeria, South Africa, and Kenya being the key markets.

Egypt

Egypt is one of the largest markets in Africa and contributes to 16% of international business. The business comprises brands such as Dabur Amla, Vatika, Miswak, Fem, Vatika



Gel, Dabur Herbal Toothpaste, Red Toothpaste & Vatika Baby. Dabur has established itself as a household name in the hair care category, holding a dominant position with 75% share in Hair Oils, 65.5% in Hair Creams and 65.9% in Hammam Zaith, continuing to remain the brand of choice for consumers in Egypt. As a result, Dabur is the leading hair care company in Egypt, according to KANTAR. The company has also experienced a significant surge in sales in categories such as shampoo and oral care, providing opportunities for portfolio diversification and growth in the future.

Over the year, Dabur expanded its portfolio to include Menz shampoo, black seed oil & shea butter hair cream under its flagship brand of Vatika and further expanded the oral care portfolio with the introduction of Dabur herbal charcoal toothpaste. To enhance consumer connectivity to its brands, Dabur Egypt upgraded most of its product packaging, giving its products a refreshed look and feel.

The macro-economic challenges intensified during the fiscal, as the country witnessed high double-digit inflation, low forex reserves and extreme currency devaluation owing to low forex reserves.

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

Nigeria

Dabur's Nigeria business operates in oral care, personal care, home care and skin care segments. Despite difficult economic conditions centred around currency devaluation

and high inflation, business focus has been to mitigate these impacts with commensurate price increase and further consolidation of its brand availability under the national distribution structure. Strong focus on demand generation has been driven through market activation, upscaling direct-to-retail operation, adding more weightage to digital media, coupled with extensive market-level visibility which has led to the increased weighted distribution in the highly competitive toothpaste category. Business endeavour has been to widen brand access via a wide spectrum of sub-distributor network and added focus on key accounts, which has enabled a strong recovery for our oral care brands.

Hair care products saw a robust growth led by focus on salon education and developing the opinion leadership program via social media connect through Instagram and Facebook. The consolidation of relationships with the top hair-stylist associations across urban and semi-urban townships has been instrumental to drive demand amidst price-increase undertaken by the brand to counter the impact of currency devaluation.



South Africa

The business in South Africa consists of a variety of hair care and personal care products under the brands Vatika, ORS and Long & Lasting. With the continued momentum around maintenance, treatment and natural styling regimens amongst African women, the core of innovations has been to improve our brand focus around maintenance and styling segments. Growth of the styling segment has corrected the retail and wholesale mix and improved overall business profitability. Regionally developed offerings of ORS Black Castor and Vatika Afro Naturals continued to gain in SADC (South African Development Community) and COMESA (Common Market for Eastern and Southern Africa) markets. New launches of Wrap Set Mousse, Sheen Spray variants have ensured share gain for ORS ahead of competitive brands. The Long & Lasting speciality maintenance range continued to offer affordability to the value conscious consumer.

During the year, ORS collaborated with influencers and regional hair associations to drive saliency for its products, coupled with vernacular campaigns and trade engagement programs to enhance business growth and expand our foothold across various markets in Sub-Saharan Africa markets like Nigeria, Kenya, Zambia and South Africa. Some specific anti-infiltration initiatives in-sync with local FDA bodies were also championed during the year in Kenya, Ghana and Somalia.

Europe

Dabur's Europe business successfully navigated the economic turmoil in the region through its focus on strategic growth pillars and core categories. Despite unprecedented high inflation, cost of living crises and low to negative growth rates, both Dabur and Namaste business showed strong performance with high double-digit growth in core categories.

The growth was primarily driven by Dabur's Power Brands such as Dabur Amla, Vatika and Dabur Toothpaste. Vatika Naturals continued to evolve to compete with strong global

brands in the hair nourishment space, thanks to purpose-led brand building initiatives and portfolio development to meet local ethnic communities' hair care needs. Vatika naturals brand successfully launched its portfolio targeted at curly hair and launched engagement campaigns targeting all ethnic communities (South Asian, Arab & African).

Dabur leveraged its global expertise in oral care to develop a locally relevant portfolio and gain mainstream accounts across the UK and Eastern Europe driving disproportionate growth in the segment.

Dabur Amla continued to perform strongly on the strength of an expanded distribution reach.

Namaste's Europe business also performed exceptionally well despite challenges around the hair relaxers category. The hair-styling segment saw exceptional growth rates. 2 new collections, Max Moisture and Curl Show, were successfully launched contributing double-digit salience to business and gaining mainstream listing and acceptance in the very first year of being launched.

The company also strengthened its channel strategies by making major inroads into mainstream retailers across the UK and Europe and improving e-commerce capabilities, with e-commerce contributing 15% to Dabur UK's business for the year.

Turkey

Dabur's business in Turkey registered a strong top line growth of 52.3% in constant currency terms. The growth was driven by shampoo, hair styling and bodywash. Hobby continues to be the leading brand in economy shampoos for the last two years. The hair-styling category performed well driven by hair spray, mousse and wax products and total hair-styling market share increased to 13.8%. Hobby is the market leader in hair gels with 51%. Hobby's weighted distribution increased in all segments such as gels, sprays, waxes and mousse. Bodywash



category grew in double digits led by NPD's and enhanced capacity. New marketing campaigns for bodywash, hair styling, Curly Girl family boosted demand generation. Hobby won several awards for its skin care campaign (Brandverse and Istanbul Marketing awards). Hobby continued its digital, social media, outdoor presence and consumer sampling activities throughout the year resulting in market share gains in key categories. Turkey continued to face economic headwinds in fiscal 2023-24. The Turkish lira devalued almost 32.2% as compared to last year leading to high inflation and adverse currency impact.

America

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

Namaste Business

The Namaste business operates in the multicultural haircare category in the US. Its anchor brand, ORS Haircare, provides affordable health and beauty solutions that maximize choice, style and hair health to women belonging to the African-American community and is ranked number 7 in the haircare category. The 28-year-old haircare brand holds number 1 position in important sub-categories of sheen spray, relaxers, hair lotion, cream Hair Dress and number 3 position in sub-categories of polisher, serum and wrap set mousse.

Innovation continues to fuel growth for Namaste with an NPD contribution which is consistent at 6% for 2023-24. The focus continues meeting the evolving performance and care needs expected of hair products for the consumer as they navigate their way through curly, straight and hair extension trends. The company has been focusing on driving ORS Collections like Max Moisture, Curlshow while growing the ORS brand visibility via merchandising efforts in OTC accounts and increasing point of distribution in the retail/ mass account. Namaste's distribution depth across all channels has ensured that consumers have full access to the entire portfolio via retail and e-commerce spaces. ORS has also revived its

brand and sales focus in Caribbean markets and Canada. Fill-Rates in key accounts have significantly improved with improvement in supply chain and shift to in-house manufacturing. While the relaxer category has been under pressure due to the litigation filed against the industry, the robust new product pipeline and other sub-categories in the portfolio have mitigated the impact of decline in relaxers to some extent.

US Ethnic Business

Dabur's US Ethnic business continued to cater to South Asian consumers in North America while establishing a base for taking our brands to multi-ethnic consumers in the future. Our strategic intent this year has been to recruit new consumers to our brands by offering superior quality products across categories and through distribution expansion in the US and Canada. We have a clear focus on expanding and updating the current product portfolio to cater to the ever-changing needs of our consumers with special focus on hair care and oral care.

In fiscal 2023-24, the business posted double-digit growth driven by brands Vatika Naturals, Dabur Amla & Dabur Oral Care on the back of extensive marketing efforts & NPD launches. The sales mix was positively driven to high personal care saliency with concentrated efforts on Retail and E-commerce distribution.

US Ethnic launched Badshah with a bang in the fiscal 2023-24 achieving stellar growth for the brand in its first year of operations on the back of considerable efforts in establishing distribution and marketing of the newly acquired brand.



Sales & Distribution

In the constantly evolving environment, Dabur has created a robust Route to Market structure to ensure availability and visibility of its diverse product portfolio across the country. Sales and distribution models have undergone significant transformations driven by technological advancements, changing consumer behaviours, and evolving market dynamics. To handle the diverse range of health care, personal care, foods and beverages, Dabur operates a GTM model with three sales teams based on geography and portfolio salience.

During fiscal 2023-24 the Company increased its direct coverage to 1.42 million retail outlets and its total reach in terms of direct + Indirect reach stands at 7.9 million outlets (Source : AC Nielsen).

During the year, Dabur has added 22,000 new villages thereby significantly strengthened its rural footprint by reaching over 1,23,000 villages across the country. The Yoddha initiative, which aims to provide a sustainable livelihood to the rural population along with providing access to our products in rural areas, has gained momentum with the number of Yoddhas increasing to 21,000. These initiatives have helped Dabur's rural business remain resilient even during the tough times seen in the rural market this year. Dabur's reach in terms of Direct + Indirect reach in Rural is ranked 2nd amongst its peers (Source: Nielsen).

Dabur has been continuously working on evolving the portfolio to increase share of shelf and depth in new age channels i.e. modern trade, e-commerce, cash & carry and institutions through pack premiumization, and products specifically developed for the emerging channels. Dabur's e-commerce business now contributes 9% to its overall sales. Quick commerce has emerged as the fastest growing sub-channel within e-commerce and is scaling up well.

During FY2023-24 the Company launched Project NARA

2.0, as part of which an exclusive network for Out of Home Beverage portfolio was created by increasing its exclusive stockist network by 50%, taking the count to 1600+ stockists. As a result, its rural coverage increased by 34%. Dabur increased its presence in high travel retail consumption channels like railways, airlines and highways. Channel program 'Pragati' was launched in Stand Alone Modern Trade Stores to enhance visibility and availability of Dabur's portfolio. These outlets with enhanced visibility elements have given good yields and have grown to healthy double digits.

In the rapidly evolving retail ecosystem, digital transformation is key enabler of future growth. Dabur is continuously investing in various IT-initiatives for enhancing productivity and field force efficiency. Project Optimus has been introduced to enable last mile data visibility among rural sub-stockists. Dabur is continuously upskilling its field force by identifying training needs through online and offline learning platforms. Pragati Retailer App (Direct Retailer Connect), Drishti Cloud Migration to ensure real time data access, seamless integration of small mobile DMS and Columbus - Outlet Scouting app are other IT initiatives to enable decision-making and improve efficiencies.

In addition to enhancing its distribution footprint, Dabur has deployed localized promotional strategies under the RISE initiative to reach out to its consumers in regional markets. The company has conducted consumer activations in many places in urban and rural areas, participating actively in key melas where consumers get first-hand experience of Dabur products. This has helped in building a direct consumer connect and a strong base for future growth. Dabur has also emphasized maintaining and developing its relationship with trade partners, organizing regular dealer meets to interact with them and inform dealers, about new developments within the company and new product introductions.

Moving forward, Dabur plans to take a focused approach towards specialized channels like chemist, cosmetic and



salons for better engagement and extraction through brand building initiatives and loyalty programs. The Company is focusing on continuous evolution of its S&D network and leverage technology to enhance our productivity, and the efficiency and availability of our products.

Retail Business - NewU

NewU is a one-stop beauty destination with a comprehensive range of makeup, skin care, hair care, fragrances, personal grooming products from renowned and distinguished brands. NewU is operated by H & B Stores Limited which is a 100% subsidiary of Dabur India Ltd.

NewU has a strong presence in beauty retail with over 110+ stores across India covering 40 cities. This helps us to serve our customers in fulfilling their beauty and personal care needs. The company has also opened new franchise model stores, known as FOCO stores, across the country.

NewU continues to expand its portfolio of exclusive brands at its stores with the launch of various products under the brand Jaqueline USA, Botanica, London Notes: press-on nails, hydrating serums, skincare, fragrance, gift sets, fashion jewelry and grooming tools. The retail business also has its own products under the labels Jaqueline USA and NewU brands.

Manufacturing & Operations

From the pre-independence era to the 21st century, Dabur has transformed itself in line with the changing times and evolving consumer aspirations. As we moved along on this 140-year-long journey, we embraced advanced technologies and implemented best-in-class processes across our manufacturing facilities to ensure best-in-class products that help fulfil our promise of being dedicated to the health and well-being of every household.

Our manufacturing footprint today spans four continents, ensuring that we can meet the demands of our customers wherever they may be. These strategically located

manufacturing facilities, along with our wide and deep distribution network, enable us to meet and fulfil our consumer's aspirations in a sustainable manner.

Manufacturing-India Operations

Dabur's India manufacturing network covers 14 locations: Baddi (Himachal Pradesh), Pantnagar (Uttarakhand), Sahibabad (Uttar Pradesh), Tezpur (Assam), Jammu (Jammu & Kashmir), Indore, Katni, Pithampur (all in Madhya Pradesh), Silvassa (Gujarat), Narendrapur (West Bengal), Nashik (Maharashtra), Alwar and Newai (both in Rajasthan) and the Badshah Masala manufacturing unit in Umergaon (Gujarat). During the year, the Board of Directors of Dabur India Limited approved an investment of ₹135 Crore for setting up a new manufacturing facility in South India. This new unit would manufacture a range of Dabur's ayurvedic healthcare, personal care and home care products like Dabur Honey, Dabur Red Paste and Odonil air fresheners to meet the growing demand for our loved brands and products in South India.

This project will mark Dabur's first investment in South India. As part of Dabur's strong commitment to 'Green Enterprise' principles, the new facility will incorporate energy conservation in its design and operation. Special focus is also being given to the environment with the company planning to construct an energy efficient building besides deploying state-of-the-art technology for effluent treatment.

In 2023-24, Dabur invested ₹561 Crore towards Capex for upgrading its manufacturing capability and setting up new production lines in Indore, Tezpur, Jammu and Pithampur, besides integration of the latest state-of-the-art technology.

More details on our manufacturing operations in India are presented in the Manufactured Capital and Natural Capital sections of this report.



Manufacturing – Overseas Operations

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

UAE:

In UAE, Dabur has an integrated manufacturing unit which produces a wide range of hair care, oral care and skin care products. With a capacity of over 60,000 MT /10 million cases of finished goods annually, the RAK unit caters to more than 70 countries. In order to drive continuous improvement and cost efficiencies, the unit has implemented various automations during the year such as the end-of-line robotic palletizer for its skin care line. The factory adopted various Kaizen Initiatives across all processes driving productivity improvement. In continuation to focus on sustainability the factory has added digital water meters for keeping track of water consumption on a real time basis.

The RAK factory was also awarded with “ECOLABEL” certification from “The Environment Protection and Development Authority” of Ras Al Khaimah for various initiatives taken across factory operations for reducing carbon emissions.

Egypt:

The manufacturing facility is located in Cairo, producing Hair, Oral and skin care products under the umbrella of “Dabur”, “Vatika” and “ORS” brands for both domestic and export markets, mainly COMESA countries. During the year, Dabur Egypt Limited has made significant progress on Phase 1 of the New green field plant in 10th of Ramadan city and will operationalize in coming year. The company is incorporating sustainable elements into its operations

including the use of energy saving technologies, complete automation and monitoring of its plant.

Nigeria:

Dabur’s Nigeria factory is located at Lagos and is engaged in manufacturing personal care products which include toothpaste, handwash, toilet cleaners and contract manufacturing of ethnic African hair care products which include hair relaxers, shampoo and conditioner, hair mayonnaise, texturisers etc. The plant has increased its manufactured volumes with the installation of the second hair care line coupled with wastage reduction and Quality SOP restage. Nigeria factory has also focussed on regular exports to other West Africa markets like Ghana, Cameroon, Benin under the ECOWAS treaty.

South Africa:

In South Africa, Dabur’s manufacturing plant located at Johannesburg delivered an annual in-house production of over 150,000 cases, plus additional outsourced manufacturing of 125,000 cases, including sheen sprays. The SA manufacturing site has become a sourcing centre for multiple markets under the SSA framework. The plant caters to an extended product range including relaxer kits, touch-ups, tub relaxers, lotions, gels, shampoos, conditioners, styling and maintenance products catering to different styles, e.g., relaxed, protective & natural. Various automation enhancement initiatives, new factory warehouse plus improved safety projects at the factory were successfully executed during the year.

Turkey:

Hobi Kozmetik factory, located near Istanbul, is a manufacturing source for Turkey as well as exports to Africa, Middle East, CIS, BALKAN & USA. Manufacturing capacity is 55,000 MT per annum of liquid soaps, shampoos, conditioners, hair care, bodywash and skin care products. During the year, Major investment in factory to increase capacity of shampoo bottle, body wash bottle and Caps, particularly in view of increased demand for shampoo and bodywash.



Human Resources

Please refer to section on Human Capital in the Integrated Report

Financial Review

During FY2023-24, Consolidated Revenue of the Company grew by 7.6% to touch ₹12,404 crore. Gross margins saw improvement of 240 bps led by softening of commodity

prices. In addition, cost saving initiatives under Project Samriddhi helped in capturing savings of around ₹89 crore. Part of the gross margin expansion was re-invested in increasing the A&P spends which went up from 5.6% to 6.8% of sales. Operating profit of the company increased by 11% taking the operating margin to 19.4% as compared to 18.8% in the previous year. Profit After Tax was at ₹1,842.7 Crore during the year recording growth of 7.9%.



Consolidated Income Statement of the Company is shown in Table 1.

Table 1 : Consolidated Income Statement

In ₹Crore	FY 2023-24	FY 2022-23	FY 2023-24
Net Sales	12,261.7	11,426.5	7.3%
Other Operating Income	142.4	103.4	37.7%
Revenue from operations	12,404.0	11,529.9	7.6%
Material Cost	6,447.0	6,268.7	2.8%
% of Revenue from Operations	52.0%	54.4%	
Employee expense	1,239.6	1,137.0	9.0%
% of Revenue from Operations	10.0%	9.9%	
Advertisement and publicity	849.1	640.3	32.6%
% of Revenue from Operations	6.8%	5.6%	
Other Expenses	1,468.2	1,319.8	11.2%
% of Revenue from Operations	11.8%	11.4%	
Operating Profit	2,400.2	2,164.1	10.9%
% of Revenue from Operations	19.4%	18.8%	
Other Non-Operating Income	482.4	445.4	8.3%
EBITDA	2,882.6	2,609.5	10.5%
% of Revenue from Operations	23.2%	22.6%	
Finance Costs	124.2	78.2	58.7%
Depreciation & Amortization	399.2	311.0	28.4%
Share of profit / (loss) of joint venture	(0.5)	(1.6)	(68.7%)
Profit Before Tax (PBT) before exceptional items	2,358.7	2,218.7	6.3%
Exceptional item(s)	0.0	0.0	-
Profit Before Tax (PBT)	2,358.7	2,218.7	6.3%
Tax Expenses	547.4	517.3	5.8%
Minority Interest – Profit/ (Loss)	(31.4)	(5.8)	439.6%
PAT (After Minority Int.)	1,842.7	1,707.1	7.9%
% of Revenue from Operations	14.9%	14.8%	



Working Capital in the business reduced to 13.2 days in fiscal 2023-24 as compared to 21.7 days in 2022-23. Receivable days were stable at around 27 days. Inventory days were also reduced to 57.3 days vs 64.1 days in the previous year and Payables were at 71.6 days.

Table 2 : Working Capital (no of days of sales)

As Days of Sales	FY 2023-24	FY 2022-23
Inventories	57.3	64.1
Receivables	27.5	26.9
Payables	71.6	69.2
Working Capital	13.2	21.7

Table 3: Other Key Ratios

Ratio	FY 2023-24	FY 2022-23
Debt equity ratio	0.14	0.13
Interest service coverage ratio	23.2	33.3
Current ratio	1.45	1.18
Debtors turnover	14.03	15.29
Inventory turnover	13.78	13.43
Operating Profit Margin	19.4%	18.8%
Net Profit Margin	14.6%	14.7%

Table 4: ROIC and Return on Net Worth

Ratio	FY2023-24	FY2022-23
ROIC	37.8%	35.3%
Return on Net Worth	18.6%	18%



Table 5: Cash and Debt Position

In INR crores	FY2023-24	FY2022-23
Debt	1,145	1,174
Cash and Cash Equivalents	7,592	6,591
Net Cash	6,447	5,581

The business generated Net Cash flow from Operations of 2,013.47 cr in fiscal 2023-24. Capital Expenditure of INR 563.86 crore was incurred during the year which includes expenditure on domestic as well as overseas manufacturing facilities. The net cash available with the Company as on 31st March 2024 was INR 6,447 crore. Table 5 reflects the cash and debt position of the Company.

Internal Cost Systems & Their Adequacy

Please refer to the Director's Report.

Risks & Concerns

Please refer to the Risk Management section in Report on Corporate Governance Section.

Strategy & Resource Allocation

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

Stakeholder Relationships

Details of our Stakeholder Engagement initiatives have been provided in the Director's Report section.

