Dabur Overview

Company Vision

“DEDICATED TO THE HEALTH AND WELL BEING OF EVERY HOUSEHOLD”

- One of the oldest and largest FMCG Companies in the country
- World’s largest in Ayurveda and natural healthcare
- Total reach of 5.3mn outlets, one of the highest among FMCG companies
- 20 world class manufacturing facilities catering to needs of diverse markets
- Strong overseas presence with 31% contribution to consolidated sales
Ayurveda: Dabur’s Core Philosophy

- Stringent Quality Test
- Supporting cultivation of rare herbs for Ayurvedic medicines
- Ayurvedic doctors support
- World’s best Ayurvedic R & D facility
- Comprehensive product range

LIVEVEDA PORTAL

Ayurveda- A Click Away !!!!
Global Business Footprint

Dabur has 12 domestic facilities, the key locations being Daddi (Himachal Pradesh) & Pentnagar (Uttaranchal).

International Manufacturing Locations

- UAE
- Egypt
- Nigeria
- Turkey
- Sri Lanka
- Bangladesh
- Nepal
Robust Growth Trajectory.

Sales
CAGR 17%

Profit After Tax
CAGR 18%
Superior Shareholder Returns

**Market Capitalisation**

<table>
<thead>
<tr>
<th>Year</th>
<th>INR Bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY07^</td>
<td>82</td>
</tr>
<tr>
<td>FY08</td>
<td>95</td>
</tr>
<tr>
<td>FY09</td>
<td>85</td>
</tr>
<tr>
<td>FY10</td>
<td>138</td>
</tr>
<tr>
<td>FY11^</td>
<td>167</td>
</tr>
<tr>
<td>FY12</td>
<td>185</td>
</tr>
<tr>
<td>FY13</td>
<td>239</td>
</tr>
<tr>
<td>FY14</td>
<td>313</td>
</tr>
<tr>
<td>FY15</td>
<td>467</td>
</tr>
<tr>
<td>FY16</td>
<td>440</td>
</tr>
<tr>
<td>Current</td>
<td>525</td>
</tr>
</tbody>
</table>

^ ^Bonus issue in FY07 & FY11

**Dividend History**

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend %</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY07</td>
<td>175%</td>
</tr>
<tr>
<td>FY08</td>
<td>150%</td>
</tr>
<tr>
<td>FY09</td>
<td>175%</td>
</tr>
<tr>
<td>FY10</td>
<td>200%</td>
</tr>
<tr>
<td>FY11</td>
<td>115%</td>
</tr>
<tr>
<td>FY12</td>
<td>130%</td>
</tr>
<tr>
<td>FY13</td>
<td>150%</td>
</tr>
<tr>
<td>FY14</td>
<td>175%</td>
</tr>
<tr>
<td>FY15</td>
<td>200%</td>
</tr>
<tr>
<td>FY16</td>
<td>225%</td>
</tr>
</tbody>
</table>

^ ^Bonus issue in FY07 & FY11
Strong Financial Profile

**Net Worth**

FY12 FY13 FY14 FY15 FY16
17.2 21 26.6 33.5 41.6

**ROIC**

FY12 FY13 FY14 FY15 FY16
34.0% 38.3% 43.6% 45.2% 52.5%

**EBITDA Margin %**

FY12 FY13 FY14 FY15 FY16
17.9% 17.8% 18.2% 18.9% 21.9%

**EPS**

FY12 FY13 FY14 FY15 FY16
3.7 4.4 5.2 6.1 7.1

*includes Non- Operating income*
Distribution Framework

We reach to 5.3mn outlets !!!
Distribution Expansion

**Project Double**
- Rolled out in FY13 to expand direct coverage in rural markets
- Direct Village coverage has increased from 14000 villages in FY11 to 44,000 villages in FY15
- Focus on increasing efficiency and productivity of the channel

**Project 50-50**
- Aimed at leveraging the potential of Top 130 towns which contribute to 50% of urban consumption
- Segregating the grocery channel teams for wholesale & retail
- Initiative is in line with renewed focus on urban markets

**Project CORE**
- To enhance chemist coverage and provide further impetus to our Health Care portfolio
- Direct Chemist Coverage is currently 213,000
- Strategy is to increase coverage and range for better throughput
Dabur India Ltd.

**Business Structure**

- Domestic (68%)
  - Domestic FMCG (65%)
    - Others (4%)
      - Organic International (22%)
      - Namaste Labs (6%)
      - Hobi Group (3%)

*Others include Retail, Commodity exports etc*

**Note:** % figure in brackets indicate % share in Consolidated Sales for FY16
Sales By Business Vertical

- Domestic FMCG* (33%)
- HPC (49%)
- Foods (18%)

* Breakdown of Domestic FMCG business basis FY16 Sales

Middle East 33%
Africa 22%
Asia 17%
Europe 11%
North America 17%
Europe 11%
OTC & Ethicals 9%
Hair Care 23%
Skin Care 5%
Oral Care 15%
Dental Care 18%
Foods 18%
Health Supplements 18%
INDIA BUSINESS
Business Strategy

**Healthcare**
- Increasing Doctor Advocacy
- Thrust on building the OTC portfolio

**Home & Personal Care**
- Premiumization & Differentiation
- Strong innovation pipeline

**Foods**
- Leveraging the Fruit equity associated with the ‘Real’ brand
- Focus on Healthy range of products
Focus on Health and Well-Being

The theme of **Health and Well-Being** cuts across the product portfolio

**Doctor Advocacy** platform being built—Both Ayurvedic and Allopathic doctor reach to be ramped up
Building Consumer Connect

**DIL SE DUA**

**Immune India Challenge 2015**

**700 se 7 Kadam**

**Fem Miss North India Princess 2015**

North India's brightest beauty pageant!
Continue to build bigger brands

10bn+

1bn+

16 brands with turnover of INR 1bn+ with 3 brands over 10bn
Competitive Position

We continue to lead across verticals - Healthcare, HPC and Foods

#Relative Competitive Position

Honey
Chyawanprash
Baby Massage Oil
Glucose
Hair Oils
Air Freshners
Skin Care-Bleaches
Toilet Cleaners
Oral Care
Mosquito Repellant Creams
Juices

Healthcare

Home and Personal Care

Foods

* Position basis Nielsen Market Share data MAT Mar'16
Premiumization is the key … A few Examples

- **Honey Squeezy Pack**
- **Pudin Hara Herbal Antacid**
- **Ratnaprash Sugarfree**
- **Baby Massage Oil- Olive and Almond**
- **Oxylife Salon Professional- Facial Kits**
- **Odonil Gel**
- **Odonil | Touch**
- **Real Wellnezz- Jamun**
INTERNATIONAL BUSINESS
Business Overview

Dabur International (FY16)

Organic Business (70%)
Inorganic Business (30%)

Sales Trend

<table>
<thead>
<tr>
<th></th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>In INR Mn</td>
<td>16161</td>
<td>18338</td>
<td>23108</td>
<td>24226</td>
<td>27121</td>
</tr>
</tbody>
</table>

Regionwise Sales FY15

- Middle East 32%
- America 16%
- Asia 17%
- Africa 23%
- Europe 12%

Key Markets

- **Middle East**
  - Saudi Arabia, UAE

- **Africa**
  - Egypt, Nigeria, Kenya, South Africa

- **Europe**
  - Turkey, UK

- **Asia**
  - Nepal, Bangladesh, Pakistan

- **America**
  - USA
The Journey…

2002
- Trading Model through a franchisee
- Hair Oil was mainstay
- No localization

2003-2006
- Franchisee bought out and renamed Dabur International
- Portfolio expansion beyond Hair Oils
- Focus on building demand

2007-2010
- Entry into Personal Care segments
- Manufacturing locations expanded
- Systems and processes implemented

2011-2014
- Hobi and Namaste acquired which led to geographic expansion
- Innovative product offerings
- Management bandwidth expanded

2015-2018
- Enter into African Markets
- Expand portfolio
- Cross pollinate ideas and leanings from different units
IBD: Evolution of Amla brand

- Oldest brand in IBD’s portfolio
- Hair Oils
- Variants
- Hair Oils
- Snake Oil
- Hair creams
- Hair Oils
- Leaveon Oils
- Shampoos & Conditioners
- Leaveon Zaith
- Hamam

2003
IBD: Evolution of Vatika brand

Largest brand in IBD’s portfolio

Hair Cream

Shampoo

Conditioners

Hamam Zaith

Hair Gels

Hair Colors

Hair Serum

VHO

2003
IBD: Evolution of Dermoviva brand

Launched in 2011

- Hand Wash
- Skin Serum
- Soaps
- Skins Lotions
- Creams
- Wipes
- Face Wash
- Face scrub
- Toners
IBD: Evolution of Oral Care

Launched in 2006

- Herbal Toothpaste
- Miswak
- Herbal Gel
- RTP
- Mouthwash
- Anti-ageing

Launched in 2006
The Organic International Business has evolved from being just a Hair Oil business to a diversified personal care entity.
Inorganic Business

**Namaste**

**Key Geographies**
USA & Africa

- Straightening
- Styling
- Shampoo & Conditioner

**Key Geography**
Turkey

- Shampoo
- Hair Styling
- Liquid Soap
- Skin & Body Care

**Hobi**

**Hair Care**

**Body Wash**

**Hair Styling**

**Liquid Soap**

**Skin & Body Care**
Consolidated Financial Highlights FY16

<table>
<thead>
<tr>
<th></th>
<th>Growth %</th>
<th>Rs Crs</th>
</tr>
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<tbody>
<tr>
<td><strong>SALES</strong></td>
<td>8.1%</td>
<td>8436</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>17.9%</td>
<td>1739</td>
</tr>
<tr>
<td><strong>PAT</strong></td>
<td>17.5%</td>
<td>1253</td>
</tr>
</tbody>
</table>
Sustainability: A Key Focus

Dabur is committed to being a responsible company and making a positive contribution to Society and Environment.

- **2918** acres under cultivation for rare medicinal herbs in India
- **2,028** beneficiary families of our Self – Help Group initiatives
- **18,00,000** schoolkids benefited from health & oral hygiene programmes
- **13** States covered under our Agronomical Initiatives
- **1,674** farmers/beneficiaries of our Agronomical initiatives in India
- **586** women trained at our vocational training centers
Shareholding Pattern and Share Price Trend

Shareholding Pattern - As on 31st March, 2016

- Public: 32%
- Promoters: 68%

32% of Dabur’s shares are held by the Public

Dabur Share Price Trend

INR


100.00 150.00 200.00 250.00 300.00
## Consolidated P&L

<table>
<thead>
<tr>
<th>DIL (Consolidated) P&amp;L in Rs. million</th>
<th>Q4FY16</th>
<th>Q4FY15</th>
<th>YoY (%)</th>
<th>FY16</th>
<th>FY15</th>
<th>YoY (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>21,573</td>
<td>19,448</td>
<td>10.9%</td>
<td>84,360</td>
<td>78,064</td>
<td>8.1%</td>
</tr>
<tr>
<td>Other Operating Income</td>
<td>40</td>
<td>49</td>
<td>181</td>
<td>208</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Material Cost</td>
<td>9,763</td>
<td>9,059</td>
<td>37,970</td>
<td>37,201</td>
<td></td>
<td>2.1%</td>
</tr>
<tr>
<td>% of Sales</td>
<td>45.3%</td>
<td>46.6%</td>
<td>45.0%</td>
<td>47.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Costs</td>
<td>2,020</td>
<td>1,723</td>
<td>7,948</td>
<td>6,896</td>
<td></td>
<td>15.3%</td>
</tr>
<tr>
<td>% of Sales</td>
<td>9.4%</td>
<td>8.9%</td>
<td>9.4%</td>
<td>8.8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ad Pro</td>
<td>2,836</td>
<td>2,654</td>
<td>12,427</td>
<td>11,244</td>
<td></td>
<td>10.5%</td>
</tr>
<tr>
<td>% of Sales</td>
<td>13.1%</td>
<td>13.6%</td>
<td>14.7%</td>
<td>14.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Expenses</td>
<td>2,840</td>
<td>2,604</td>
<td>10,997</td>
<td>9,768</td>
<td></td>
<td>12.6%</td>
</tr>
<tr>
<td>% of Sales</td>
<td>13.2%</td>
<td>13.4%</td>
<td>13.0%</td>
<td>12.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Non Operating Income</td>
<td>563</td>
<td>447</td>
<td>2,192</td>
<td>1,581</td>
<td></td>
<td>38.7%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>4,717</td>
<td>3,903</td>
<td>17,390</td>
<td>14,744</td>
<td></td>
<td>17.9%</td>
</tr>
<tr>
<td>% of Sales</td>
<td>21.9%</td>
<td>20.1%</td>
<td>20.6%</td>
<td>18.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Exp. and Fin. Charges</td>
<td>131</td>
<td>103</td>
<td>480</td>
<td>401</td>
<td></td>
<td>19.7%</td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>360</td>
<td>282</td>
<td>1,338</td>
<td>1,150</td>
<td></td>
<td>16.3%</td>
</tr>
<tr>
<td><strong>Profit Before Tax (PBT)</strong></td>
<td>4,226</td>
<td>3,519</td>
<td>15,572</td>
<td>13,194</td>
<td></td>
<td>18.0%</td>
</tr>
<tr>
<td>Exceptional Item</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
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<tr>
<td>Tax Expenses</td>
<td>892</td>
<td>670</td>
<td>3,018</td>
<td>2,509</td>
<td></td>
<td>20.3%</td>
</tr>
<tr>
<td><strong>PAT(Before extraordinary item)</strong></td>
<td>3,334</td>
<td>2,849</td>
<td>12,555</td>
<td>10,685</td>
<td></td>
<td>17.5%</td>
</tr>
<tr>
<td>% of Sales</td>
<td>15.5%</td>
<td>14.6%</td>
<td>14.9%</td>
<td>13.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extraordinary Item</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PAT(After extraordinary Items)</td>
<td>3,334</td>
<td>2,849</td>
<td>12,555</td>
<td>10,685</td>
<td></td>
<td>17.5%</td>
</tr>
<tr>
<td>Minority Interest - (Profit)/Loss</td>
<td>15</td>
<td>1</td>
<td>27</td>
<td>26</td>
<td></td>
<td></td>
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<tr>
<td><strong>PAT (After Extra ordinary item &amp; Minority Int)</strong></td>
<td>3,319</td>
<td>2,848</td>
<td>12,527</td>
<td>10,658</td>
<td></td>
<td>17.5%</td>
</tr>
<tr>
<td>% of Sales</td>
<td>15.4%</td>
<td>14.6%</td>
<td>14.8%</td>
<td>13.7%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Statement of Assets and Liabilities

### A EQUITY AND LIABILITIES

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31/03/2016 (Audited)</th>
<th>As at 31/03/2015 (Audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1 Shareholders’ funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Share capital</td>
<td>1759.1</td>
<td>1756.5</td>
</tr>
<tr>
<td>(b) Reserves and surplus</td>
<td>39841.6</td>
<td>31784.9</td>
</tr>
<tr>
<td><strong>Sub-total - Shareholders’ funds</strong></td>
<td>41,600.7</td>
<td>33,541.4</td>
</tr>
<tr>
<td><strong>2 Minority interest</strong></td>
<td>216.8</td>
<td>181.6</td>
</tr>
<tr>
<td><strong>3 Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Long-term borrowings</td>
<td>3414.5</td>
<td>2105.7</td>
</tr>
<tr>
<td>(b) Deferred tax liabilities (net)</td>
<td>765.4</td>
<td>587.1</td>
</tr>
<tr>
<td>(c) Long-term provisions</td>
<td>508.8</td>
<td>462.1</td>
</tr>
<tr>
<td><strong>Sub-total - Non-current liabilities</strong></td>
<td>4,688.7</td>
<td>3,155.0</td>
</tr>
<tr>
<td><strong>4 Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Short-term borrowings</td>
<td>4,497.4</td>
<td>5,229.8</td>
</tr>
<tr>
<td>(b) Trade payables</td>
<td>13,301.8</td>
<td>10,958.5</td>
</tr>
<tr>
<td>(c) Other current liabilities</td>
<td>3,567.4</td>
<td>5,415.2</td>
</tr>
<tr>
<td>(d) Short-term provisions</td>
<td>3,332.0</td>
<td>2,581.4</td>
</tr>
<tr>
<td><strong>Sub-total - Current liabilities</strong></td>
<td>24,698.6</td>
<td>24,184.9</td>
</tr>
<tr>
<td><strong>TOTAL - EQUITY AND LIABILITIES</strong></td>
<td>71,204.8</td>
<td>61,062.8</td>
</tr>
</tbody>
</table>

### B ASSETS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31/03/2016</th>
<th>As at 31/03/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1 Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Fixed assets</td>
<td>13,732.8</td>
<td>13,060.3</td>
</tr>
<tr>
<td>(b) Goodwill on consolidation</td>
<td>6,214.0</td>
<td>6,214.0</td>
</tr>
<tr>
<td>(c) Non-current investments</td>
<td>17,873.1</td>
<td>13,874.0</td>
</tr>
<tr>
<td>(d) Long-term loans and advances</td>
<td>295.1</td>
<td>207.5</td>
</tr>
<tr>
<td>(e) Other non-current assets</td>
<td>181.7</td>
<td>201.3</td>
</tr>
<tr>
<td><strong>Sub-total - Non-current assets</strong></td>
<td>38,296.7</td>
<td>33,557.1</td>
</tr>
<tr>
<td><strong>2 Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Current investments</td>
<td>7,365.4</td>
<td>4,259.7</td>
</tr>
<tr>
<td>(b) Inventories</td>
<td>10,965.0</td>
<td>9,732.7</td>
</tr>
<tr>
<td>(c) Trade receivables</td>
<td>8,097.0</td>
<td>7,108.4</td>
</tr>
<tr>
<td>(d) Cash and bank balances</td>
<td>2,204.0</td>
<td>2,760.4</td>
</tr>
<tr>
<td>(e) Short-term loans and advances</td>
<td>3,265.3</td>
<td>2,788.7</td>
</tr>
<tr>
<td>(f) Other current assets</td>
<td>1,011.4</td>
<td>855.8</td>
</tr>
<tr>
<td><strong>Sub-total - Current assets</strong></td>
<td>32,908.1</td>
<td>27,505.7</td>
</tr>
<tr>
<td><strong>Total - Assets</strong></td>
<td>71,204.8</td>
<td>61,062.8</td>
</tr>
</tbody>
</table>
Thank You