FMCG Sector Overview

• FMCG is the fourth largest sector in the Indian economy and has grown at an annual average of 11 per cent over the last decade

• The current size of the Indian FMCG Market is around USD 45 bn

• The urban segment is the largest contributor to the sector- accounting for two-thirds of total revenue

• The sector is likely to touch sales of USD 100 bn by 2020

Source: IBEF
The FMCG Industry has started to show a pick up in demand

In spite of the slowdown India has continued to occupy the top spot for the last 4 quarters as per global consumer confidence index study by Nielsen

Source: AC Nielsen
FMCG Growth Drivers

- Rising income driving purchases
- Growth of Modern Trade & Ecommerce
- Favourable demographics
- Evolving consumer lifestyle
- Low penetration and Consumption

Category Penetration *

<table>
<thead>
<tr>
<th>Category</th>
<th>Urban</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toothpaste</td>
<td>63%</td>
<td>91%</td>
</tr>
<tr>
<td>Hair Oil</td>
<td>72%</td>
<td>84%</td>
</tr>
<tr>
<td>Shampoo</td>
<td>56%</td>
<td>69%</td>
</tr>
<tr>
<td>Toilet Cleaner</td>
<td>12%</td>
<td>45%</td>
</tr>
<tr>
<td>Glucose</td>
<td>10%</td>
<td>21%</td>
</tr>
<tr>
<td>Toothpowder</td>
<td>13%</td>
<td>22%</td>
</tr>
<tr>
<td>Branded Baby Oil</td>
<td>4%</td>
<td>2%</td>
</tr>
</tbody>
</table>

*Penetration Data pertains to FY12
Source: IBEF
Dabur Overview

130 years of Trust and Excellence

One of the fastest growing FMCG Companies

Dedicated to the Health and Well-Being of every household

World’s largest in Ayurveda and natural healthcare

20 world class manufacturing facilities catering to needs of diverse markets

Strong overseas presence with 31% contribution to consolidated sales

---

Dabur Vatika B&B was awarded the Grand Prix Direct Award in the Goa Fest 2015.

Dabur ranked amongst the Top 5 Indian companies with the best Board of Directors

Dabur ranked #1 in personal care and #22 overall in the Top 50 brands by Millward Brown
• Established by Dr SK Burman in Kolkata 1884
• Came out with first public issue 1994
• Inducted professional management 1998
• Crossed the 1000 crs turnover mark 2000
• Dabur acquired Balsara 2005
• Acquired Fem Pharma 2008
• Acquired Hobi and Namaste 2010
• Dabur crosses billion dollar turnover mark 2012
Global Business Footprint

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

Key markets
- U.S.
- Nigeria
- Egypt
- UAE
- Nepal
- B'Desh
- Turkey
- U.K.
- Sri Lanka

Manufacturing Facilities
- B'Desh
Domestic Distribution Structure

Total reach at 5.3 mn retail outlets, one of the highest among FMCG companies

- Factory
  - Depot
    - (Carry & Forward Agents)
    - Insti Stockists
    - Wholesale
      - Modern Trade Stockist
      - Super stockists
        - Sub stockists
          - Rural trade
          - Insti customers
        - Sub stockists
          - Rural trade
          - Insti customers
      - Stockists
        - Modern Trade Stockist
        - Super stockists
          - Rural trade
          - Insti customers
      - Wholesalers
        - Retail trade
          - Shoppers & Consumers
        - Retail trade
          - Shoppers & Consumers
Dabur Performance Snapshot

Sales

- **CAGR 18%**
- FY11: 40.8 in INR bn
- FY12: 52.8 in INR bn
- FY13: 61.5 in INR bn
- FY14: 70.7 in INR bn
- FY15: 78.1 in INR bn

Profit After Tax

- **CAGR 17%**
- FY11: 5.7 in INR bn
- FY12: 6.4 in INR bn
- FY13: 7.6 in INR bn
- FY14: 9.1 in INR bn
- FY15: 10.7 in INR bn

Market Cap

- **CAGR 29%**
- FY11: 167.2 in INR bn
- FY12: 185.4 in INR bn
- FY13: 238.9 in INR bn
- FY14: 313.1 in INR bn
- FY15: 466.5 in INR bn

Robust profitable growth translating into superior shareholder returns
Business Structure

Dabur India Ltd.

Domestic (69%)

International (31%)

Domestic FMCG (66%)

Others (3%)

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 FY15
Sales By Business Vertical

Domestic FMCG*
- Healthcare (33%)
- HPC (48%)
- Foods (19%)

International Business Region Wise Breakdown

Domestic FMCG Business FY15
- Health Supplements 18%
- Foods 19%
- Skin Care 5%
- Oral Care 14%
- Hair Care 23%
- Home Care 6%
- Digestives 6%
- OTC & Ethicals 9%

International Sales FY15
- Europe 12%
- Middle East 32%
- America 16%
- Asia 17%
- Africa 23%

* Breakdown of Domestic FMCG business basis FY15 Sales
Continue to build bigger brands

14 brands with turnover of INR 1bn+ with 3 brands over 10bn
International Business Overview

- Comprises 31% of Consolidated Sales in FY15
- Localized supply chain network for efficient business operations
- Sustained investment in brands and innovation to grow the topline
- Business foray had been entirely organic since 1980’s, until FY2010-11 when we acquired Hobi Group and Namaste Labs
International Competitive Position

Hair Cream*

<table>
<thead>
<tr>
<th>Country</th>
<th>Hair Cream Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>KSA</td>
<td>36.4%</td>
</tr>
<tr>
<td>UAE</td>
<td>35.2%</td>
</tr>
<tr>
<td>Egypt</td>
<td>36.0%</td>
</tr>
</tbody>
</table>

No. 1 Position in the Hair Cream Category in KSA, UAE and Egypt

Hair Oils*

<table>
<thead>
<tr>
<th>Country</th>
<th>Hair Oils Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>KSA</td>
<td>65.2%</td>
</tr>
<tr>
<td>UAE</td>
<td>27.4%</td>
</tr>
<tr>
<td>Egypt</td>
<td>65.7%</td>
</tr>
</tbody>
</table>

No. 1 Position in the Hair Oils Category in KSA & Egypt and No. 2 in UAE

*Volume Market Share Mat 2014
1. Continued Focus on Innovation
2. Building Consumer Connect
3. Distribution Expansion
4. Focus on Health and well being
1. Continued Focus on Innovation
Recently launched

India

Keratex Hair Oil  Dabur Baby Massage Oil  Hajmola Chatpat  Odomos Roll On

International

Vatika Oil replenishment  Vatika Brillantine AD  Dermoviva Face Mask  Vatika Argan Cream
Product Evolution

Chyawanprash

Red Toothpowder

Hajmola

Amla Hair Oil
2. Building Consumer Connect
Advocacy Initiatives

Key Advocacy Initiatives across categories will continue to build consumer connect

- Mega comedy talent hunt which saw an overwhelming response from people
- Auditions for this talent hunt was organised across various towns to identify the best in stand-up comedy.

- **Dil Se Dua and Walk to the Moon activations** drew good response from consumers

- Joining Prime Minister Narendra Modi’s call for his ‘Swachh Bharat Mission’, a cleanliness drive took place across public conveniences of Sulabhb International using Sanifresh
With a continued increase in the number of Internet users, Digital Media being leveraged for brand building and consumer connect.
3. Distribution Expansion
Distribution Expansion

**Project Double**
- Rolled out in FY13 to expand direct coverage in rural markets
- Direct Village coverage has increased from 14,000 villages in FY11 to 44,000 villages in FY15
- We plan to increase the coverage to 50,000 villages in FY16 and 60,000 in FY17

**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 villages
- Strategy is to increase coverage and range for better throughput
Visibility Initiatives in Modern Trade

Key Initiatives in Modern Trade & E-Commerce enhancing product visibility and availability

- Hommade
- Hajmola
- Real
- Vatika
- Red Toothpaste
- Gulabari
4. Focus on Health and Well being
**Health & Well Being**

**Health & Well being - The underlying theme across the portfolio**

- *Ayurveda* – Dabur’s core philosophy
- Pioneered extension of Ayurveda into personal care and OTC healthcare

---

**Dabur Honey**
Weight Management

**Dabur Baby Massage Oil**
Free of paraffin and parabens - Safe for babies

**Focus on Ayurvedic OTC- No.1 in Women Health Tonics**

**Innovations in Healthcare Category**
Health & Well Being focus has been extended to HPC and Foods

Red Tooth Paste- Focused on Ingredient Effectiveness

Odomos Protection from Dengue

Sanifresh- Toilet Cleaner To safeguard the health of the family by ensuring hygiene

Healthy Is Happy- Campaign theme for Real Juices

Activ Fiber based Juices for a healthy lifestyle
Share Price Performance, Dividend & Shareholding

Share Holding Pattern As on 31st March 2015

Promoters 68%
FII 21%
DII 5%
Others 6%

Dividend History*

<table>
<thead>
<tr>
<th>FY03</th>
<th>FY04</th>
<th>FY05</th>
<th>FY06</th>
<th>FY07</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>140%</td>
<td>200%</td>
<td>250%</td>
<td>250%</td>
<td>175%</td>
<td>150%</td>
<td>175%</td>
<td>200%</td>
<td>115%</td>
<td>130%</td>
<td>150%</td>
<td>175%</td>
<td>200%</td>
</tr>
</tbody>
</table>

Share Price Trend

Dividend History*

*Bonus issue in FY07 & FY11
Financial Highlights FY2014-15

Growth

10.7%

Sales
Rs. 7806 crs

14.5%

EBITDA
Rs. 1474 crs

16.6%

PAT
Rs. 1066 crs
Margin Profile FY 2014-15

Gross Margin:
- FY14: 51.8%
- FY15: 52.3%
  Increase: 55bps

EBITDA Margin:
- FY14: 18.3%
- FY15: 18.9%
  Increase: 63bps

PAT Margin:
- FY14: 13.0%
- FY15: 13.7%
  Increase: 70bps
## Consolidated P&L

<table>
<thead>
<tr>
<th>DIL (Consolidated) P&amp;L in Rs. million</th>
<th>FY15</th>
<th>FY14</th>
<th>YoY (%)</th>
<th>FY15</th>
<th>FY14</th>
<th>YoY (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>19,448</td>
<td>17,640</td>
<td>10.2%</td>
<td>78,064</td>
<td>70,541</td>
<td>10.7%</td>
</tr>
<tr>
<td>Other Operating Income</td>
<td>49</td>
<td>54</td>
<td>10.2%</td>
<td>208</td>
<td>212</td>
<td>10.2%</td>
</tr>
<tr>
<td>Material Cost</td>
<td>9,059</td>
<td>8,581</td>
<td>5.6%</td>
<td>37,201</td>
<td>34,000</td>
<td>9.4%</td>
</tr>
<tr>
<td>% of Sales</td>
<td>46.6%</td>
<td>48.6%</td>
<td>10.2%</td>
<td>47.7%</td>
<td>48.2%</td>
<td>10.2%</td>
</tr>
<tr>
<td>Employee Costs</td>
<td>1,723</td>
<td>1,529</td>
<td>12.7%</td>
<td>6,896</td>
<td>6,077</td>
<td>13.5%</td>
</tr>
<tr>
<td>% of Sales</td>
<td>8.9%</td>
<td>8.7%</td>
<td>12.7%</td>
<td>8.8%</td>
<td>8.6%</td>
<td>12.7%</td>
</tr>
<tr>
<td>Ad Pro</td>
<td>2,654</td>
<td>2,284</td>
<td>16.2%</td>
<td>11,244</td>
<td>9,997</td>
<td>14.2%</td>
</tr>
<tr>
<td>% of Sales</td>
<td>13.6%</td>
<td>12.9%</td>
<td>16.2%</td>
<td>14.4%</td>
<td>14.2%</td>
<td>16.2%</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>2,604</td>
<td>2,348</td>
<td>10.9%</td>
<td>9,768</td>
<td>9,081</td>
<td>7.6%</td>
</tr>
<tr>
<td>% of Sales</td>
<td>13.4%</td>
<td>13.3%</td>
<td>10.9%</td>
<td>12.5%</td>
<td>12.9%</td>
<td>10.9%</td>
</tr>
<tr>
<td>Other Non Operating Income</td>
<td>447</td>
<td>384</td>
<td>16.3%</td>
<td>1,581</td>
<td>1,281</td>
<td>23.4%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>3,903</td>
<td>3,338</td>
<td>16.9%</td>
<td>14,744</td>
<td>12,879</td>
<td>14.5%</td>
</tr>
<tr>
<td>% of Sales</td>
<td>20.1%</td>
<td>18.9%</td>
<td>16.9%</td>
<td>18.9%</td>
<td>18.3%</td>
<td>16.9%</td>
</tr>
<tr>
<td>Interest Exp. and Fin. Charges</td>
<td>103</td>
<td>137</td>
<td>-24.8%</td>
<td>401</td>
<td>542</td>
<td>-25.9%</td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>282</td>
<td>263</td>
<td>7.0%</td>
<td>1,150</td>
<td>975</td>
<td>17.9%</td>
</tr>
<tr>
<td><strong>Profit Before Tax (PBT)</strong></td>
<td>3,519</td>
<td>2,937</td>
<td>19.8%</td>
<td>13,194</td>
<td>11,362</td>
<td>16.1%</td>
</tr>
<tr>
<td>Tax Expenses</td>
<td>670</td>
<td>582</td>
<td>15.1%</td>
<td>2,509</td>
<td>2,191</td>
<td>14.5%</td>
</tr>
<tr>
<td><strong>PAT(Before extra ordinary item)</strong></td>
<td>2,849</td>
<td>2,355</td>
<td>20.9%</td>
<td>10,685</td>
<td>9,172</td>
<td>16.5%</td>
</tr>
<tr>
<td>% of Sales</td>
<td>14.6%</td>
<td>13.4%</td>
<td>20.9%</td>
<td>13.7%</td>
<td>13.0%</td>
<td>20.9%</td>
</tr>
<tr>
<td>Extraordinary Item</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-7</td>
<td>0</td>
</tr>
<tr>
<td><strong>PAT(After extraordinary Items)</strong></td>
<td>2,849</td>
<td>2,355</td>
<td>21.0%</td>
<td>10,685</td>
<td>9,164</td>
<td>16.6%</td>
</tr>
<tr>
<td>Minority Interest - (Profit)/Loss</td>
<td>1</td>
<td>2</td>
<td>21.0%</td>
<td>26</td>
<td>25</td>
<td>21.0%</td>
</tr>
<tr>
<td><strong>PAT (After Extra ordinary item &amp; Minority Int)</strong></td>
<td>2,848</td>
<td>2,353</td>
<td>21.0%</td>
<td>10,658</td>
<td>9,139</td>
<td>16.6%</td>
</tr>
<tr>
<td>% of Sales</td>
<td>14.6%</td>
<td>13.3%</td>
<td>21.0%</td>
<td>13.7%</td>
<td>13.0%</td>
<td>21.0%</td>
</tr>
</tbody>
</table>
## Statement Of Assets & Liabilities

<table>
<thead>
<tr>
<th></th>
<th>in Rs. million</th>
<th>As at 31/03/2015)</th>
<th>As at 31/03/2014)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A EQUITY AND LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Shareholders’ funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Share capital</td>
<td>1756.5</td>
<td>1743.8</td>
<td></td>
</tr>
<tr>
<td>(b) Reserves and surplus</td>
<td>31784.9</td>
<td>24815.8</td>
<td></td>
</tr>
<tr>
<td><strong>Sub-total - Shareholders’ funds</strong></td>
<td>33541.4</td>
<td>26559.6</td>
<td></td>
</tr>
<tr>
<td>2 Minority interest</td>
<td>181.6</td>
<td>159.1</td>
<td></td>
</tr>
<tr>
<td>3 Non-current liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Long-term borrowings</td>
<td>2105.7</td>
<td>2604.0</td>
<td></td>
</tr>
<tr>
<td>(b) Deferred tax liabilities (net)</td>
<td>587.1</td>
<td>448.3</td>
<td></td>
</tr>
<tr>
<td>(c) Other long-term liabilities</td>
<td>1.2</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>(c) Long-term provisions</td>
<td>462.1</td>
<td>408.9</td>
<td></td>
</tr>
<tr>
<td><strong>Sub-total - Non-current liabilities</strong></td>
<td>3154.9</td>
<td>3461.2</td>
<td></td>
</tr>
<tr>
<td>4 Current liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Short-term borrowings</td>
<td>5229.9</td>
<td>4477.4</td>
<td></td>
</tr>
<tr>
<td>(b) Trade payables</td>
<td>10958.4</td>
<td>10965.3</td>
<td></td>
</tr>
<tr>
<td>(c) Other current liabilities</td>
<td>5436.4</td>
<td>4794.2</td>
<td></td>
</tr>
<tr>
<td>(d) Short-term provisions</td>
<td>2560.2</td>
<td>2703.2</td>
<td></td>
</tr>
<tr>
<td><strong>Sub-total - Current liabilities</strong></td>
<td>24184.9</td>
<td>22940.1</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL - EQUITY AND LIABILITIES</strong></td>
<td>61062.8</td>
<td>53120.0</td>
<td></td>
</tr>
<tr>
<td><strong>B ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Non-current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Fixed assets</td>
<td>13060.3</td>
<td>11672.1</td>
<td></td>
</tr>
<tr>
<td>(b) Goodwill on consolidation</td>
<td>6214.0</td>
<td>6214.0</td>
<td></td>
</tr>
<tr>
<td>(c) Non-current investments</td>
<td>14074.0</td>
<td>4926.4</td>
<td></td>
</tr>
<tr>
<td>(d) Long-term loans and advances</td>
<td>207.5</td>
<td>245.4</td>
<td></td>
</tr>
<tr>
<td>(e) Other non-current assets</td>
<td>201.3</td>
<td>180.7</td>
<td></td>
</tr>
<tr>
<td><strong>Sub-total - Non-current assets</strong></td>
<td>33757.1</td>
<td>23238.6</td>
<td></td>
</tr>
<tr>
<td>2 Current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Current investments</td>
<td>4059.7</td>
<td>5838.3</td>
<td></td>
</tr>
<tr>
<td>(b) Inventories</td>
<td>9732.7</td>
<td>9725.1</td>
<td></td>
</tr>
<tr>
<td>(c) Trade receivables</td>
<td>7108.4</td>
<td>6753.0</td>
<td></td>
</tr>
<tr>
<td>(d) Cash and bank balances</td>
<td>2760.4</td>
<td>5193.8</td>
<td></td>
</tr>
<tr>
<td>(e) Short-term loans and advances</td>
<td>2788.7</td>
<td>1955.1</td>
<td></td>
</tr>
<tr>
<td>(f) Other current assets</td>
<td>855.8</td>
<td>416.1</td>
<td></td>
</tr>
<tr>
<td><strong>Sub-total - Current assets</strong></td>
<td>27305.7</td>
<td>29881.4</td>
<td></td>
</tr>
<tr>
<td><strong>Total - Assets</strong></td>
<td>61062.8</td>
<td>53120.0</td>
<td></td>
</tr>
</tbody>
</table>
THANK YOU