Contents

1. Recent Macroeconomic Trends

2. Dabur’s Performance

3. The Way Forward
Macroeconomic Trends

GDP growth is inching up

<table>
<thead>
<tr>
<th>Quarter</th>
<th>CY16</th>
<th>CY16</th>
<th>CY16</th>
<th>CY16</th>
<th>CY17</th>
<th>CY17</th>
<th>CY17</th>
<th>CY17</th>
<th>CY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>9.2%</td>
<td>8.1%</td>
<td>7.6%</td>
<td>6.8%</td>
<td>6.1%</td>
<td>5.6%</td>
<td>6.3%</td>
<td>7.0%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Q2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Inflation under control

<table>
<thead>
<tr>
<th>Month</th>
<th>Dec'17</th>
<th>Jan'18</th>
<th>Feb'18</th>
<th>Mar'18</th>
<th>Apr'18</th>
<th>May'18</th>
<th>Jun'18</th>
<th>Jul'18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5.2%</td>
<td>5.1%</td>
<td>4.4%</td>
<td>4.3%</td>
<td>4.6%</td>
<td>4.9%</td>
<td>5.0%</td>
<td>4.2%</td>
</tr>
</tbody>
</table>

Rupee showing signs of weakness

USD/INR – Last 1 Year

Source: Ministry of Statistics and Programme Implementation
Rural remains a mixed bag

Monsoon deficiency at 9% with East lagging

Increase in MSP and expected fiscal stimulus to drive farmer incomes

New MSP may drive up farmer income by 24%

MSP of 14 kharif crops hiked, millet growers to benefit

Cabinet approves steep Rs 200 per quintal hike in MSP for paddy

Source: IMD, News articles
1. From 1st June 2018 to 15th August 2018
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1. Recent Macroeconomic Trends

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3. The Way Forward
Dabur has seen recovery in the past fiscal year with growth picking up since Q2 FY18...

Dabur has seen recovery in the past fiscal year with growth picking up since Q2 FY18...

Value and Volume Trend for Domestic FMCG

Value and Volume Trend for Domestic FMCG

Consol Revenue grew by 6.9% in FY18...

Consol Revenue grew by 6.9% in FY18...

...and FY19 has started on a strong footing

...and FY19 has started on a strong footing

Consol Revenue by 19.6%

Operating Profit by 25%

Profit after Tax by 25%
...with broad-based growth...

Note: Numbers in the charts represent GST adjusted growth (like-to-like)
...along with increase in market shares across most categories

**Volume MS (MAT Jul'18)**

- **Relative Competitive Position**
  - #3
  - #1
  - #1
  - #2
  - #1
  - #1
  - #1
  - #4

- **Change vs MAT Jul'17 (bps)**
  
<table>
<thead>
<tr>
<th>Product</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toothpastes</td>
<td>10</td>
</tr>
<tr>
<td>Digestive Tablets</td>
<td>30</td>
</tr>
<tr>
<td>MRC</td>
<td>231</td>
</tr>
<tr>
<td>Hair Oils</td>
<td>30</td>
</tr>
<tr>
<td>Chyawanprash</td>
<td>207</td>
</tr>
<tr>
<td>Air Fresheners</td>
<td>70</td>
</tr>
<tr>
<td>Juices &amp; Nectars</td>
<td>30</td>
</tr>
<tr>
<td>Shampoos</td>
<td>(30)</td>
</tr>
</tbody>
</table>
Drivers of growth – Project Buniyaad

<table>
<thead>
<tr>
<th>Urban Strategy</th>
<th>Leveraging potential through Channel based approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural Strategy</td>
<td>Split the front line teams into two to increase reach and frequency – Showing significant positive gains</td>
</tr>
<tr>
<td>Portfolio Focus</td>
<td>Leveraging split teams for focused portfolio building</td>
</tr>
<tr>
<td>Enabling Technology</td>
<td>Using technology to track and improve performance and automate processes</td>
</tr>
<tr>
<td>New Avenues of Growth</td>
<td>Leveraging the alternate channels of MT and E-comm to grow at a rapid pace</td>
</tr>
<tr>
<td>Continue Engagement</td>
<td>Using initiatives and technology to build and continuously motivate the trade and front line teams</td>
</tr>
</tbody>
</table>

### Direct Reach – No. of Outlets

<table>
<thead>
<tr>
<th>Month</th>
<th>Direct Reach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar-15</td>
<td>916,869</td>
</tr>
<tr>
<td>Mar-16</td>
<td>910,095</td>
</tr>
<tr>
<td>Mar-17</td>
<td>912,332</td>
</tr>
<tr>
<td>Mar-18</td>
<td>1,022,974</td>
</tr>
</tbody>
</table>

Project Buniyaad achieved its direct reach target of 1 mn outlets and continues to expand distribution
Project Buniyaad has led to larger distribution, higher efficiencies and improved hygiene.

### Increase in Lines Sold in Rural

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY18</th>
<th>FY18</th>
<th>FY18</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>17.3</td>
<td>17.9</td>
<td>18.6</td>
<td>19.3</td>
<td>20.0</td>
</tr>
<tr>
<td>Q2</td>
<td>17.3</td>
<td>17.9</td>
<td>18.6</td>
<td>19.3</td>
<td>20.0</td>
</tr>
<tr>
<td>Q3</td>
<td>17.3</td>
<td>17.9</td>
<td>18.6</td>
<td>19.3</td>
<td>20.0</td>
</tr>
<tr>
<td>Q4</td>
<td>17.3</td>
<td>17.9</td>
<td>18.6</td>
<td>19.3</td>
<td>20.0</td>
</tr>
</tbody>
</table>

### Increase in Average Brand Sold (ABS) in Rural

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY18</th>
<th>FY18</th>
<th>FY18</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>7.30</td>
<td>7.60</td>
<td>7.90</td>
<td>8.00</td>
<td>8.30</td>
</tr>
<tr>
<td>Q2</td>
<td>7.30</td>
<td>7.60</td>
<td>7.90</td>
<td>8.00</td>
<td>8.30</td>
</tr>
<tr>
<td>Q3</td>
<td>7.30</td>
<td>7.60</td>
<td>7.90</td>
<td>8.00</td>
<td>8.30</td>
</tr>
<tr>
<td>Q4</td>
<td>7.30</td>
<td>7.60</td>
<td>7.90</td>
<td>8.00</td>
<td>8.30</td>
</tr>
<tr>
<td>Q1 FY19</td>
<td>8.30</td>
<td>8.30</td>
<td>8.30</td>
<td>8.30</td>
<td>8.30</td>
</tr>
</tbody>
</table>

### Reduced Pipeline

### Days of Stock

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Days of Stock</td>
<td>33</td>
<td>31</td>
<td>24</td>
<td>17</td>
</tr>
</tbody>
</table>
Drivers of growth – Channel Changes

<table>
<thead>
<tr>
<th>Channel</th>
<th>FY17</th>
<th>FY18</th>
<th>Q1 FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale</td>
<td>24.5%</td>
<td>23.5%</td>
<td>22.2%</td>
</tr>
<tr>
<td>Superstockist</td>
<td>21.7%</td>
<td>23.0%</td>
<td>23.6%</td>
</tr>
<tr>
<td>MT</td>
<td>11.6%</td>
<td>12.5%</td>
<td>12.8%</td>
</tr>
<tr>
<td>E-comm</td>
<td>0.6%</td>
<td>0.8%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Enterprise</td>
<td>10.1%</td>
<td>8.7%</td>
<td>7.7%</td>
</tr>
</tbody>
</table>

Superstockist, MT and E-comm gaining saliency; Wholesale and Enterprise continues to shrink

Note: Enterprise includes Institution, Para Military, CSD and Food Services
Product Launches – Since April 2017

- Real Ethnic Range
- Real Koolerz
- Real Mocktails
- Hajmola Chat Cola
- Vatika Enriched Coconut Hair Oil
- Vatika Shampoo with Satt Poshan
- Anmol Jasmine HO
- Odonil Zipper
- Honitus Hotsip
- Fem De-Tan Bleach
- Dabur Red Gel
- Oxy Pro Clear Facial Kit
- Odonil – Fruit Blast
- Odomos Fabric Roll On
- Glycodab Tablets
International Business – Recent Performance

Region-wise Sales (FY18)

- Americas: 14.0%
- Europe: 10.8%
- Asia: 22.4%
- Africa: 18.8%
- Middle East: 34.0%

Performance of Key Markets (FY18)

- Egypt: 31.8%
- GCC: 10.7%
- Saudi Arabia: 13.7%
- Nigeria: 17.3%
- Nepal: 16.9%
- Turkey: 10.6%
- Namaste: (15.8%)
- SSA: 10.0%

International Business – An Update

- FY18 was impacted by geopolitical headwinds and currency devaluation
- Good recovery seen in GCC since Q4 FY18
- Namaste Business seeing a turnaround with improvement in profitability
- Hobi Business facing another round of currency devaluation
- SSA Business on a sound footing post the localisation of manufacturing
MENA and SSA GDP Growth Expected to Improve

Middle East & North Africa

<table>
<thead>
<tr>
<th>Year</th>
<th>MENA Region - GDP Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2.2%</td>
</tr>
<tr>
<td>2018</td>
<td>3.2%</td>
</tr>
<tr>
<td>2019</td>
<td>3.6%</td>
</tr>
</tbody>
</table>

Sub-Saharan Africa

<table>
<thead>
<tr>
<th>Year</th>
<th>SSA Region - GDP Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2.8%</td>
</tr>
<tr>
<td>2018</td>
<td>3.4%</td>
</tr>
<tr>
<td>2019</td>
<td>3.7%</td>
</tr>
</tbody>
</table>

Source: IMF WEO April 2018
International Business – Recent Marketing Initiatives (1/3)

**Dabur Amla Hair Oil**
- New 360 degree campaign with Mother-Daughter Thematic
- Disproportionate Media spends on PAN-Arab Media
- Increase in Vol. MS%

**Vatika Gel**
- Influencer Campaign
- Ferrari Challenge: Hair Style remains intact @ 120 km/hr

**Dabur Amla Hair Oil - Vol. MS% (Saudi Arabia)**

<table>
<thead>
<tr>
<th></th>
<th>Mar-Apr 2018</th>
<th>May-Jun 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vol. MS%</td>
<td>17%</td>
<td>19%</td>
</tr>
</tbody>
</table>

**Vatika Gel - Vol. MS% (Saudi Arabia)**

<table>
<thead>
<tr>
<th></th>
<th>Mar-Apr 2018</th>
<th>May-Jun 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vol. MS%</td>
<td>17%</td>
<td>19%</td>
</tr>
</tbody>
</table>
International Business – Recent Marketing Initiatives (2/3)

**Hobby**
- Launch of Cream Wax
- Packaging upgrade in Body Wash

**Vatika**
- In-Store and Outdoor visibility improvement in Southern Africa

**Merchandisers**
**Gondola**
**Billboards**
International Business – Recent Marketing Initiatives (1/3)

Dabur Herbal Toothpaste

- Thematic Micro-branding in Nigeria (Lagos and Abuja)

ORS (Namaste)

- New POS Execution in UK Retail Outlets
International Business – Strategic Levers

**Innovation**
- Capitalize on global Back to Nature trend
- LUPs to drive penetration

**GTM**
- Distributor restructuring
- Real-time analytics
- JBP (Joint Business Planning) with Key Accounts

**Cost Management**
- Saving initiatives
- Manufacturing efficiencies
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Key Elements

1. Driving Innovation and Renovation for Market Leadership
2. Regionalization
3. Channel Focus Strategy
4. Cost Optimisation and Improving Service Levels
5. Capability Improvement
Driving Innovation and Renovation for Market Leadership

(a) Focus on Core Brands

Additionally, there is focus on seeking accelerated growth from scalable brands like Dabur Lal Tail, Pudin Hara, Honitus, Stresscom, etc.
Driving Innovation and Renovation for Market Leadership

(b) Creating Competitive Leverage

Superior Claims

Superior Formulation

Superiority over mineral oils

Addition of Soya Protein for Damage Free Hair

2x stronger hair vs Other Amla HO

Superior Packaging
Driving Innovation and Renovation for Market Leadership

(c) Media Strategy for Driving Brand Preference

Key Shift in Approach

Fragmented Brand Buys → Consolidated Buys with Impact Value Ads
CPRP Focus → Impact Lead Core Prime Time Focus

Network Deals
Core Prime Time Focus
High on Saliency
Brand Integrations

Reduction in Long Tail / Optimising Channel Mix
Focus on Top Programs
Sponsorships and Impact
Driving Innovation and Renovation for Market Leadership

(d) Driving NPDs

Q1 FY19

Strengthening our Ayurvedic/Natural Offerings

Products for Gen Y and Z

Premiumization
RISE
Regional Insights
And
Speed of Execution

RI : Regional Insights
(Long Term Strategic)

• Capture Consumer, Packaging and Media Insights
• Use Analytics for Specific meaningful actions
• Dive into new adjacent categories
• Regions to provide new growth opportunities

SE : Speed of Execution
(Quick Wins, Low Investment)

• Trade interventions
• Activations and visibility drives
• Distribution initiatives
• Consumer promotions
# Channel Focus Strategy

## Increasing Direct Distribution

*#3*

- 3rd largest distribution network in FMCG in India covering 6.3 mn+ outlets

Aim to increase direct reach to 1.2 mn outlets by end of FY19

<table>
<thead>
<tr>
<th>Year</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19E</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.91</td>
<td>1.02</td>
<td>1.20</td>
</tr>
</tbody>
</table>

## Rural Focus

**Range Expansion**

1. Increase lines sold in rural
2. Conversion of bigger substockist to direct

**Drive Sell Out**

1. Activations involving RSP
2. Involvement of Substockist
3. Activation and sell out at Wholesale

## E-commerce/ MT Focus

- Q1 FY19 saw 150% growth in e-commerce
  - Strong growth across platforms
- Backed by media activation, visibility and consumer promotions
### Project Lakshya

#### Targets

<table>
<thead>
<tr>
<th>Service Level</th>
<th>Cost</th>
<th>Inventory</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Improve range availability at C&amp;FA and Distributors</td>
<td>• Reduction in Logistics Cost</td>
<td>• Reduction in Finished Goods Inventory</td>
</tr>
<tr>
<td>• Improve Lead Time Adherence</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Improve MT OTIF</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Capability Improvement

Matrix Organisation

- Sales
- Marketing
- Trade Marketing
- Dabur Research and Development Centre
- Marketing Services
- Operations

Shared Goals across Functions

Strengthening the Team

- E-comm Head
- Parlor Channel Head
- Healthcare Head
- OTC Head
- Ayurveda Head
- Digital Head
The next growth wave

### Build bigger brands
More than 15 brands in the range of INR >0.1 to 1 bn which can grow to INR 1bn+

### Continued Innovation and Renovation for Younger Consumers
NPD pipeline primed to deliver new products in key categories – 4-5 new products every year

### Driving distribution expansion
Direct reach of 1.2 mn+, increasing the no. of SKUs, rural potential, IT enablement, data analytics and e-commerce

### Consumer Health
Strong core competence, low competitive intensity, strong profitability, low penetration

### Geographical expansion
Expand into overseas focus markets where our brands are relevant – MENA, Africa, SAARC
INDIA’S NO. 1 JUICE AND NECTAR BRAND
OFFERS YOU THE WIDEST RANGE
OF HEALTHY JUICES & BEVERAGES.

100% Rich in Antioxidant and Phytonutrients
Fruit + Veggie Goodness of Fruits and Vegetables
100% Tender Coconut water Hydrates Naturally
Mixed Veggie Power of 5 Vegetables with Goodness of Phytonutrients
Wellnezz With Vitamin C and Antioxidants for Multiple Health Benefits

Use of the choicest fruits and vegetables, stringent quality checks and aseptic packaging ensure that every drop of our juices is filled with 100% real fruit goodness.

100% Juice Content
No Added Sugar
No Added Preservatives

Thank You!