

Consolidated Financial Statements

Auditor's Report

The Board of Directors,
Dabur India Limited,

We have audited the attached consolidated balance sheet of Dabur India Limited group, as at 31st March, 2011 and also the consolidated profit and loss account and the consolidated cash flow statement for the year ended on that date annexed thereto.

These financial statements are the responsibility of the Dabur India Ltd.'s management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material aspects, in accordance with an identified financial reporting frame work and are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Also consolidated herein on proportionate basis in application of AS-27 is the unaudited accounts of Forum I Aviation Limited, a domestic jointly controlled corporate entity, the parent company being one of the joint venturers therein. Proportionate total net assets, profit and net cash inflow amounting to Rs.666 lacs, Rs.65 lacs and Rs.24 lacs respectively of the jointly controlled corporate entity have been consolidated with this financial statement on the basis of

accounts of said entity as certified by it's management which has not been audited by us.

We report that the consolidated financial statements have been prepared by the Dabur India Ltd.'s management in accordance with the requirements of AS-21 on consolidated financial statement issued by the Institute of Chartered Accountants of India.

Based on our audit and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:-

- a) In the case of the consolidated balance sheet, of the state of affairs of Dabur India Ltd. group as at 31st March, 2011.
- b) In the case of the consolidated profit and loss account, of the profit of Dabur India Limited group for the year ended on that date; and
- c) In the case of the consolidated cash flow statement, of the cash flows of Dabur India Ltd. group for the year ended on that date.

For **G. BASU & CO.**
Chartered Accountants
Firm Registration No.301174E

ANIL KUMAR
Partner
Membership No.9390

Place: New Delhi
Date : 27th April 2011

Balance Sheet as at March 31, 2011

(All amounts in Indian Rupees in lacs except share data)

SCHEDULE		As at		As at	
		March 31, 2011		March 31, 2010	
SOURCES OF FUNDS :					
Shareholders' Funds :					
Capital	A	17,407		8,690	
Reserves & Surplus	B	121,704	139,111	84,849	93,539
Minority Interest	B2		408		376
Loan Funds:					
Secured Loans	C	7,031		7,023	
Unsecured Loans	D	98,069	105,100	10,907	17,930
Deferred Tax Liability (Net)	EB		1,894		1,067
Total			246,513		112,912
APPLICATION OF FUNDS :					
Fixed Assets :					
Gross Block	F	193,375		98,571	
Less : Depreciation		43,505		33,907	
Net Block		149,870		64,664	
Capital work in Progress (including capital advances)		4,301	154,171	3,009	67,673
Investments :	G		42,744		26,411
Current Assets, Loans and Advances:					
Inventories	H	70,853		42,622	
Sundry Debtors		35,547		11,984	
Cash & Bank Balances		27,242		19,231	
Loans & Advances		51,610		36,739	
		185,252		110,576	
Less: Current Liabilities and Provisions					
Liabilities	EA	71,407		46,693	
Provisions		74,350		45,329	
		145,757		92,022	
Net Current Assets :			39,497		18,554
Miscellaneous Expenditure : (To the extent not written off or adjusted)	IA		10,102		274
Notes to Accounts	P				
Total			246,514		112,912

As per our report of even date attached
For **G. BASU & CO.**
Chartered Accountants

Anil Kumar
Partner
Membership Number: 9390

Place: New Delhi
Dated: 27th April, 2011

For **Dabur India Ltd.**

Dr. Anand Burman - Chairman
P.D. Narang - Whole time Director
Sunil Duggal - Whole time Director

A.K. Jain - GM (Finance) & Company Secretary

Profit & Loss Account for the year ended March 31, 2011

(All amounts in Indian Rupees in lacs except share data)

	SCHEDULE	For the year ended March 31, 2011	For the year ended March 31, 2010
INCOME :			
Sales Less Returns	J	410,985	341,577
Less: Excise Duty		3,242	2,530
Net Sales		407,743	339,047
Other Income		6,517	4,822
Total Income		414,260	343,869
EXPENDITURE :			
Cost of Materials	K	190,527	155,074
Manufacturing Expenses	L	15,471	10,366
Payments to and provisions for Employees	M	32,222	28,474
Selling and Administrative expenses	N	94,056	82,220
Financial Expenses	O	3,034	2,021
Miscellaneous Expenditure Written off	IB	1,922	594
Depreciation		6,241	5,027
Total Expenditure		343,473	283,776
Balance being Operating Net Profit before Taxation		70,787	60,093
Provision for Taxation Current		13,297	9,556
Deferred		601	491
Net Profit After Taxation		56,889	50,046
Minority Interest		32	-81
Net Profit After Minority Interest		56,857	50,127
Balance Brought Forward		72,520	55,713
Deferred Tax Liabilities for Earlier Years		0	(216)
Provision for Taxation of Earlier Years Written Back		(19)	(2)
Provision for Taxation of Earlier Years		19	21
		129,377	106,037
APPROPRIATIONS			
Proposed Final Dividend		11,315	10,862
Corporate Tax on Proposed Dividend		1,836	1,846
Interim Dividend		8,704	6,498
Final Dividend (for earlier year)		15	0
Corporate Tax on Interim Dividend		1,446	1,104
Excess Corporate Dividend Tax Provided in Earlier Year Written Back		(40)	0
Transferred to Capital Reserve		134	207
Transferred to General Reserve		5,000	13,000
Balance carried over to Balance sheet		100,967	72,520
		129,377	106,037
EARNING PER SHARE (in Rs.) after consideration of extraordinary items			
Basic		3.27	2.89
Diluted		3.25	2.88
EARNING PER SHARE (in Rs.) without consideration of extraordinary items			
Basic		3.27	2.89
Diluted		3.25	2.88
Notes to Accounts	P		

As per our report of even date attached
For **G. BASU & CO.**
Chartered Accountants

Anil Kumar
Partner
Membership Number: 9390

Place: New Delhi
Dated: 27th April, 2011

For **Dabur India Ltd.**

Dr. Anand Burman - Chairman
P.D. Narang - Whole time Director
Sunil Duggal - Whole time Director

A.K. Jain - GM (Finance) & Company Secretary

Statement of Cash Flow (Pursuant to AS-3) - Indirect Method

(All amounts in Indian Rupees in lacs except share data)

Particulars	For the year ended March 31, 2011		For the year ended March 31, 2010	
A. Cash Flow from Operating Activities				
Net Profit Before Tax and Extraordinary Items		70,787		60,093
Add:				
Depreciation	6,241		5,027	
Loss on Sale of Fixed Assets	88		204	
Fixed Assets Discared	2		159	
Miscellaneous Exp. Written off	1,922		594	
Miscellaneous Exp. Written off (Included in Director Remun.)	1,357		353	
Interest	3,034		1,232	
Unrealised Loss / (Gain) in Foreign Exchange	(1,147)	11,497	154	7,723
		82,284		67,816
Less:				
Interest Received	2,033		789	
Profit on Sale of Investment	953		1,268	
Profit on Sale of Assets	229	3,215	240	2,297
Operating Profit Before Working Capital Changes		79,069		65,519
Working Capital Changes				
Increase/(Decrease) in Inventories	28,231		4,087	
Increase/(Decrease) in Debtors	22,271		(4,989)	
Decrease/(Increase) in Trade Payables	(37,040)		4,841	
Increase/(Decrease) in Working Capital		13,462		3,939
Cash Generated from Operating Activities		65,607		61,580
Interest Paid	2,999		1,243	
Tax Paid	12,496	15,495	10,447	11,690
Cash Used(-)/(+)Generated For Operating Activities (A)		50,112		49,890
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets		(93,127)		(16,038)
Sale of Fixed Assets		528		2,638
Purchases of Investment including Investment in Subsidiaries		(475,823)		(527,552)
Interest Received		1,583		789
Sale of Investments		460,444		517,145
Dividend Received		-		
Cash Used(-)/(+)Generated For Investing Activities (B)		(106,395)		(23,018)

Statement of Cash Flow (contd.)

(All amounts in Indian Rupees in lacs except share data)

Particulars	For the year ended March 31, 2011		For the year ended March 31, 2010	
C. Cash Flow from Financing Activities				
Proceeds from Share Capital & Premium		14		25
Repayment(-)/Proceeds (+) of Long Term Secured Liabilities		(323)		836
Repayment(-)/Proceeds(+) from Short Term Loans		215		(3,802)
Repayment(-)/Proceeds(+) from other Unsecured Loans		87,162		(2,598)
Payment of Dividend		(19,522)		(15,196)
Corporate Tax on Dividend		(3,252)		(2,574)
Cash Used(-)/+(Generated) In Financing Activities (C)		64,294		(23,309)
Net Increase(+)/Decrease (-) In Cash and Cash Equivalents (A+B+C)		8,011		3,563
Cash and Cash Equivalents Opening Balance		19,231		15,668
Cash and Cash Equivalents Closing Balance		27,242		19,231
Cash and Cash Equivalents Year end				
Cash in Hand		50		25
Cash at Bank : Current Accounts		10,176		5,358
: Fixed Deposits		16,867		13,791
Remittance in Transit		149		57

As per our report of even date attached
For **G. BASU & CO.**
Chartered Accountants

Anil Kumar
Partner
Membership Number: 9390

Place: New Delhi
Dated: 27th April, 2011

For **Dabur India Ltd.**

Dr. Anand Burman - Chairman
P.D. Narang - Whole time Director
Sunil Duggal - Whole time Director

A.K. Jain - GM (Finance) & Company Secretary

Schedule Annexed to and forming part of the Balance Sheet as at March 31, 2011

(All amounts in Indian Rupees in lacs except share data)

	As at March 31, 2011	As at March 31, 2010
SCHEDULE-A Share Capital		
Authorised :		
2000000000 Equity Shares of Re. 1 each (Previous Year 1450000000 Equity Shares of Re. 1 each)	20,000	14,500
	20,000	14,500
Issued and Subscribed:		
1740723798 Equity Shares of Re.1 each fully called up (Previous Year 867585830 Equity Shares of Re. 1 each)	17,407	8,676
Share Capital Suspense Account	-	14
	17,407	8,690
SCHEDULE-B Reserves and Surplus		
Capital Reserve	2,074	1,938
Share Premium Account	1,074	-
Exchange Fluctuation Reserve	(1,187)	32
Employees Housing Reserve Fund	683	586
General Reserve	4,540	8,253
Profit and Loss Account	100,967	72,520
Legal Reserve	1,558	65
Special Fund	314	-
Employee Stock Option Scheme Outstanding	11,681	1,455
Total	121,704	84,849
Note : Rs 1493 out of legal reserve and entire special reserve represents statutory reserve inherited from three subsidiaries (incorporated in Turkey) having joined the group during the year which have been retained as above against corresponding debit in Amalgamation Adjustment account		
SCHEDULE-B2 Minority Interest		
Share Capital	203	203
Share Premium	9	9
Capital Reserve	127	127
General Reserve	11	11
Profit & Loss	58	26
Total	408	376
SCHEDULE-C Secured Loans		
I) Term Loans :		
from Banks	889	1,039
II) Deferred Payment Credit (other than Banks)	133	190
III) Short Term Loans - from Banks	6,009	5,794
	7,031	7,023
SCHEDULE-D Unsecured Loans		
Term Loan from Banks	71,457	-
Short Term Loan from Bank	25,834	10,158
Security Deposit from Dealers and Others	519	459
Sales Tax Deferred	259	290
Total	98,069	10,907

Schedule Annexed to and forming part of the Balance Sheet as at March 31, 2011

(All amounts in Indian Rupees in lacs except share data)

	As at March 31, 2011		As at March 31, 2010	
SCHEDULE-EA Current Liabilities and Provisions				
A. Current Liabilities :				
Acceptance	6,042		6,080	
Creditors for Goods	27,863		6,921	
Creditors for Expenses and other Liabilities	35,622		33,199	
Advance from Customers	1,456		164	
Interest Accrued but not due	60		25	
Investor Education and Protection fund to be credited by :				
Unpaid Dividend	364	71,407	304	46,693
B. Provisions :				
For Dividend (Proposed) - Final	11,315		10,862	
For Corporate Tax on Proposed Dividend Final	1,836		1,846	
For Liabilities Disputed	229		176	
For Gratuity	932		1,561	
For Leave Salary	308		570	
For Others	25,614		6,124	
For Taxation	34,116	74,350	24,190	45,329
		145,757		92,022
SCHEDULE-EB Deferred Tax Liabilities (Net)				
Deferred Tax Liability :				
Depreciation		4,022		3,700
Less: Deferred Tax Assets				
Other disallowances under section 43B of Income Tax Act 1961	53		57	
Provision for Contingent Liability	54		60	
Provision for Service Benefits	1,619		2,091	
Provision for Doubtful Advances	27		19	
Provision for Doubtful Debts	375	2,128	406	2,633
Net Deferred Tax Liability		1,894		1,067
(Decrease)/Accretion in Deferred Tax Liability		827		372
Less: Deferred Tax Liability inherited from new entrant		226		96
Deferred Tax Liability provided during year		601		275
Add Deferred Tax Liability of earlier year written back		0		216
Less : Deferred Tax Assets Trf to General Reserve		0		0
Deferred Tax Liability Provided during the Year		601		491

Schedule Annexed to and forming part of the Balance Sheet as at March 31, 2011

(All amounts in Indian Rupees in lacs except share data)

SCHEDULE-F Fixed Assets

Name of Asset	Gross Block			Depreciation			Net Block			
	Opening 01.04.2010	Additions during the year	Sale/Transfer/ Adjustment	Closing 31.03.2011	Opening 01.04.2010	For the year	Sale/Transfer/ Adjustment	Closing 31.03.2011	As on 31.03.2011	As on 31.03.2010
Leasehold Land	1,151	527	-	1,678	88	15	-	103	1,575	1,063
Buildings	333,809	5,595	54	39,710	6,996	1,074	9	8,079	31,631	26,813
Plant & Machinery	44,434	10,240	554	54,120	19,165	7,742	355	26,552	27,568	25,269
Computer	3,936	275	27	4,184	2,737	351	15	3,073	1,111	1,199
Vehicles	1,949	343	262	2,030	988	266	163	1,091	939	961
Furniture & Fixture	4,242	923	35	5,130	2,261	282	27	2,516	2,614	1,981
Trade Marks & Patent	1,176	529	-	1,705	770	82	-	852	853	406
Live Stock	-	-	0	-	-	-	-	-	-	-
Freehold Land	3,889	664	-	4,553	-	-	-	-	4,553	3,889
Goodwill	2,318	76,177	-	78,495	5	-	-	5	78,490	2,313
Computer Software	1,667	107	4	1,770	897	333	4	1,234	536	770
Capital Work In Progress	98,571	95,740	936	193,375	33,907	10,145	547	43,505	149,870	64,664
	3,009	3,740	2,448	4,301	-	-	-	-	4,301	3,009
Total Fixed Assets	101,580	99,480	3,384	197,676	33,907	10,145	547	43,505	154,171	67,673
Previous Year	90,108	24,409	12,937	101,580	30,682	5,027	1,802	33,907	67,673	

Capital work in progress includes advance against capital goods Rs. 1063 (previous year Rs. 2187)

Schedule Annexed to and forming part of the Balance Sheet as at March 31, 2011

(All amounts in Indian Rupees in lacs except share data)

	Numbers (As on 31.03.2011)	As at March 31, 2011	As at March 31, 2010
SCHEDULE-G Investments			
A Current Investments			
I) Quoted-Other than trade			
1 Axis Mutual fund	-	-	-
(Purchase during the year) Units 10114965.61	(-)		
(Sold during the year) Units 10114965.61			
2 LIC Mutual Fund	-	-	-
(Purchase during the year) Units 2031199.21	(-)		
(Sold during the year) Units 2031199.21			
3 LIC Mutual Fund	-	-	734
(Purchase during the year) Units 98658823.43	(4,808,413.83)		
(Sold during the year) Units 103467237.26			
4 DWS Mutual Fund	9,266,765.00	964	-
(Purchase during the year) Units 103827311.937	(-)		
(Sold during the year) Units 94560546.937			
5 DWS Mutual Fund	-	-	400
(Purchase during the year) Units Nil	(3,646,031.25)		
(Sold during the year) Units 3646031.25			
6 Taurus Mutual Fund	-	-	4,657
(Purchase during the year) Units 1653134.28	(432,190.63)		
(Sold during the year) Units 2085324.91			
7 Birla Mutual Fund	-	-	500
(Purchase during the year) Units 87630277.05	(4,308,376.34)		
(Sold during the year) Units 91938653.39			
8 CHOLA Liquid Fund - Institutional Plus-Growth	-	-	1,500
(Purchase during the year) Units 42818479.98	(15,000,000.00)		
(Sold during the year) Units 57818479.98			
9 DSP Mutual Fund	-	-	-
(Purchase during the year) Units 452456.47	(-)		
(Sold during the year) Units 452456.47			
10 IDBI	-	-	-
(Purchase during the year) Units 119447557.6	(-)		
(Sold during the year) Units 119447557.6			
11 ABN Amro Mutual Fund	-	-	-
(Purchase during the year) Units 141304710.18	(-)		
(Sold during the year) Units 141304710.18			
12 Lotus Liquid Fund	-	-	-
(Purchase during the year) Units 19243323.26	(-)		
(Sold during the year) Units 19243323.26			
13 JPM Mutual Fund	10,000,000.00	1,000	-
(Purchase during the year) Units 240718475.68	(-)		
(Sold during the year) Units 230718475.68			
14 Kotak Mahindra Mutual Fund	-	-	4,000
(Purchase during the year) Units 137832710.75	(35,808,262.15)		
(Sold during the year) Units 173640972.90			

Schedule Annexed to and forming part of the Balance Sheet as at March 31, 2011

(All amounts in Indian Rupees in lacs except share data)

	Numbers (As on 31.03.2011)	As at March 31, 2011	As at March 31, 2010
SCHEDULE-G (Contd.)			
15 Principal Mutual Fund	-	-	-
(Purchase during the year) Units 53205597.50	(-)		
(Sold during the year) Units 53205597.50			
16 Prudential Mutual Fund	-	-	1,000
(Purchase during the year) Units 44725601.34	(10,000,000.00)		
(Sold during the year) Units 54725601.34			
17 Prudential Mutual Fund(forum)	-	43	79
(Purchase during the year by JCE)	-		
(Sold during the year by JCE)	(310,850.69)		
18 Reliance Liquid Fund	-	-	1,000
(Purchase during the year) Units 225037990.99	(8,051,659.53)		
(Sold during the year) Units 233089650.52			
19 HSBC Mutual Fund	-	-	-
(Purchase during the year) Units 42071769.4	(-)		
(Sold during the year) Units 42071769.4			
20 SCB Mutual Fund	2,000,000.00	202	2,491
(Purchase during the year) Units 48435735.43	(20,509,666.34)		
(Sold during the year) Units 66945401.77			
21 Sundram Mutual Fund	-	-	-
(Purchase during the year) Units 10777270.54	(-)		
(Sold during the year) Units 10777270.54			
22 TATA Mutual Fund	-	-	2,501
(Purchase during the year) Units 11896908.70	(24,993,345.22)		
(Sold during the year) Units 36890253.92			
23 UTI Mutual Fund	-	-	1,500
(Purchase during the year) Units 52907027.25	(14,106,426.16)		
(Sold during the year) Units 67013453.41			
24 HDFC Mutual Fund	-	-	500
(Purchase during the year) Units 15130456.89	(5,001,947.96)		
(Sold during the year) Units 20132404.85			
25 HDFC Mutual Fund	-	-	250
(Purchase during the year) Units Nil	(2,499,225.24)		
(Sold during the year) Units 2499225.24			
26 Templeton Mutual Fund	-	-	-
(Purchase during the year) Units 78104134.71	(-)		
(Sold during the year) Units 78104134.71			
27 Templeton Mutual Fund	-	-	1,375
(Purchase during the year) Units Nil	(10,906,784.99)		
(Sold during the year) Units 10906784.99			
28 JM Mutual Fund	10,811,278.33	1,500	-
(Purchase during the year) Units 140128693.15			
(Sold during the year) Units 129317414.82			
29 Fidelity Mutual Fund	5,000,000.00	500	-
(Purchase during the year) Units 151673659.06	(-)		
(Sold during the year) Units 146673659.06			

Schedule Annexed to and forming part of the Balance Sheet as at March 31, 2011

(All amounts in Indian Rupees in lacs except share data)

	Numbers (As on 31.03.2011)	As at March 31, 2011	As at March 31, 2010
SCHEDULE-G (Contd.)			
30 CANARA Mutual Fund (Purchase during the year) Units 38182087.01 (Sold during the year) Units 52765875.07	- (14,583,788.06)	-	1,500
31 Bank of Baroda (Purchase during the year) Units 111959866.49 (Sold during the year) Units 121948289.33	330,128.18 (10,318,551.02)	3,706	1,078
32 Peerless (Purchase during the year) Units 543913694.54 (Sold during the year) Units 539102560.63	4,811,133.91 (-)	500	-
33 PRAMERICA (Purchase during the year) Units 44719625.85 (Sold during the year) Units 44719625.85	- (-)	-	-
II) Certificate of Deposits & Commercial Papers (Purchased during the year)	-	-	-
a) Certificate of Deposits			
1 ING Vyasa Bank (Purchased during the year) Units 5000	5,000.00 (-)	4,874	-
2 ICICI Bank (Purchased during the year) Units 2500	2,500.00 (-)	2,416	-
3 Punjab National Bank (Purchased during the year) Units 2500	2,500.00 (-)	2,397	-
4 AXIS Bank (Purchased during the year) Units 2500	2,500.00 (-)	2,337	-
5 Dena Bank (Purchased during the year) Units 2500	2,000.00 (-)	1,884	-
6 Dhanlaxmi Bank Limited (Purchased during the year) Units 1500	1,500.00 (-)	1,359	-
7 Reliance Capital Limited (Purchased during the year) Units 100	100.00 (-)	1,000	-
8 Corporation Bank (Purchased during the year) Units 1000	1,000.00 (-)	960	-
9 State Bank of Patiala (Purchased during the year) Units 1000	1,000.00 (-)	914	-
10 Dhanlaxmi Bank Limited (Purchased during the year) Units 1000	1,000.00 (-)	905	-
b) Commercial Papers			
11 Religare Finvest (Purchased during the year) Units 500	500.00 (-)	2,431	-
12 JM Financial Products Limited (Purchased during the year) Units 500	500.00 (-)	2,413	-
13 JM Financial Services Pvt. Ltd. (Purchased during the year) Units 500	500.00 (-)	2,371	-

Schedule Annexed to and forming part of the Balance Sheet as at March 31, 2011

(All amounts in Indian Rupees in lacs except share data)

	Numbers (As on 31.03.2011)	As at March 31, 2011	As at March 31, 2010
SCHEDULE-G (Contd.)			
14 Reliance Capital Limited (Purchased during the year) Units 500	500.00 (-)	2,366	-
15 Reliance Capital Limited (Purchased during the year) Units 400	400.00 (-)	1,872	-
16 Religare Finvest (Purchased during the year) Units 200	200.00 (-)	972	-
17 Religare Finvest (Purchased during the year) Units 200	200.00 (-)	969	-
18 Religare Finvest (Purchased during the year) Units 200	200.00 (-)	926	-
B. Long Term Investment:			
I) Unquoted -Equity Shares - (Other than Trade Investments)			
1 Sanat Products Ltd	50,000 (50,000)	105	105
2 Dabon International Pvt Limited	2,700 (2,700)	27	27
II) Quoted -Equity Shares - Other than Trade Investments			
1 Colgate Palmolive India Ltd (Sold during the year) 100 Shares	- (100)	-	0
2 Indusind Bank Ltd (Sold during the year) 1600 Shares	- (1,600)	-	1
3 Trent Limited (Sold during the year) 200 Shares	- (200)	-	1
4 Proctor & Gamble (I) Ltd (Sold during the year) 225 Shares	- (225)	-	1
5 Hindustan Unilever Ltd (Sold during the year) 2500 Shares	- (2,500)	-	2
6 Godrej Consumer Products Ltd (Sold during the year) 400 Shares	- (400)	-	0
7 Godrej Industries Ltd (Sold during the year) 600 Shares	- (600)	-	0
8 Saraswat Co-Op Bank Ltd	10,000 (10,000)	0	0
9 The NKGSB Co-Op Bank Ltd	10,000 (10,000)	1	1
10 Rupee Co-Op Bank	100 (100)	0	0
III) Unquoted Equity Shares - Other than Trade			
1 Commerce Centre Cooperative Housing Society Limited	15 (15)	0	0
2 Capexil (Agencies) Limited	3 (3)	0	0
3 Dabur Employees Consumers Co-op Stores Limited	250 (250)	0	0

Schedule Annexed to and forming part of the Balance Sheet as at March 31, 2011

(All amounts in Indian Rupees in lacs except share data)

	Numbers (As on 31.03.2011)	As at March 31, 2011	As at March 31, 2010
SCHEDULE-G (Contd.)			
4 Dabur Employees Cooperative Credit Society Ltd	650 (650)	0	0
5 Co-operative Stores Limited, Super Bazar	500 (500)	0	0
6 Saraswat Co-op Bank Ltd	1,000 (1,000)	0	0
7 Shivalik Solid Waste Management Ltd	18,000 (18,000)	2	2
IV) Investment in Capital of Partnership Firm			
1 Balsara International		49	49
V) Government Bonds/Securities other than Trade			
1 National Saving Certificates (inherited from merged entity Rs 0.53)	-	2	2
2 Kisan Vikas Patra	-	0	0
3 Egyptian Govt. Treasury Bill	-	804	1,181
C. Share Application money in subsidiary Pending Allotment (paid during the last year)	-	-	
Total		42,771	26,438
Less Provision for diminution in value of long term trade investment	-	27	27
Total		42,744	26,411

NOTES :

- All Equity shares are fully paid up.
- Provision for diminution in long term trade investment pertains to investment in Dabon International Pvt Ltd.

	As at March 31, 2011		As at March 31, 2010	
SCHEDULE-H Current Assets, Loans and Advances				
A. Current Assets :				
Inventories				
Raw material	22,883		14,494	
Packing Material, Stores and Spares	12,189		6,845	
Stock in Process	7,811		5,667	
Finished Goods	27,970	70,853	15,616	42,622
Sundry Debtors (Unsecured) :				
Debts Outstanding for a period exceeding six months :				
Considered Good	110		674	
Considered Doubtful	1,662		1,467	
	1,772		2,141	
Less : Provision for Doubtful Debts	1,662		1,467	
	110		674	
Other Debts (Considered Good)	35,437	35,547	11,310	11,984

Schedule Annexed to and forming part of the Balance Sheet as at March 31, 2011

(All amounts in Indian Rupees in lacs except share data)

	As at March 31, 2011		As at March 31, 2010	
SCHEDULE-H (Contd.)				
Cash and Bank balances				
Cash in Hand	50		25	
Balances with Banks :				
In Current accounts (includes Rs. 364 in Unpaid Dividend Account, Previous Year Rs. 304)	10,176		5,358	
In Fixed Deposits Accounts (pledged with Government authorities Rs. 10, Previous Year Rs. 10)	16,867		13,791	
Balances with Non Scheduled Banks	0			
Remittance in transit & Cheques in hand	149	27,242	57	19,231
		133,642		73,837
B. Loans and Advances (Unsecured, Considered Good)				
Security Deposit with various authorities(including Deposit with Govt. Authorities Rs.900 Previous year Rs. 467)	4,737		3,580	
Advance Payment of Tax	33,991		24,845	
Advances to Suppliers (Net of provision for doubtfuls Rs. 86, previous year Rs. 82)	6,888		3,516	
Advance to Employees (Net of provision for doubtfuls Rs. 20, previous year Rs. 20)	602		470	
Balance with Excise Authorities	2,443		2,250	
Other Advances Recoverable in Cash or in kind or for value to be received	2,949	51,610	2,078	36,739
Total (A+B)		185,252		110,576
SCHEDULE-IA Miscellaneous Expenditure (To the extent not written off or adjusted)				
Deferred Employee Compensation under ESOP				
Opening balance	274		864	
Addition during the year	11,511		484	
Less : Cancelled during the year	211		127	
	11,574		1,221	
Less: Amortised during the year	3,279	8,295	947	274
Amalgamation Adjustment Account		1,807		
Total		10,102	-	274

Note : Amalgamation adjustment account refer to adjustment necessitated on account of retention of statutory/compulsory reserve of entities merged in the group under purchase method subsequent to their take over by the group.

Schedule Annexed to and forming part of the Profit & Loss Account for the year ended March 31, 2011

(All amounts in Indian Rupees in lacs except share data)

	For the year ended March 31, 2011		For the year ended March 31, 2010	
SCHEDULE-IB Miscellaneous Expenditure Written Off				
Deferred Employee Compensation under ESOP	3,279		947	
Less : Transferred to Director remuneration	1,357	1,922	353	594
Total		1,922		594
SCHEDULE-J Sales and Other Income				
A. Sales :				
Domestic Sales Less Returns		370,940		308,467
Export Sales		40,045		33,110
		410,985		341,577
B. Other Income :				
Interest Received		2,033		789
Export Subsidy		431		533
Rent Realised		595		142
Sale of Scrap		846		745
Miscellaneous Receipts		1,430		1,105
Profit on Sale of current investments other than trade		936		1,268
Profit on Sale of long term investments other than trade		17		0
Profit on Sale of Fixed Assets		229		240
		6,517		4,822
SCHEDULE-K Cost of Materials				
Raw Materials Consumed :				
Opening Stock		14,506		12,171
Inherited from new Entrants		489		-
Add : Purchases		121,750		83,433
		136,745		95,604
Less : Closing Stock		22,883		14,506
		113,862		81,098
Packing Material Consumed :				
Opening Stock		6,804		6,056
Add : Inherited through merger		859		
Add : Purchases		71,161		52,775
		78,824		58,831
Less : Closing Stock		12,002		6,804
		66,822		52,027
Purchase of Finished Products				
		21,999		22,977
Adjustment of Stocks in Process and Finished Goods				
Opening Stock :				
Stock in Process		5,667		6,182
Inherited from new Entrants		900		-
Finished Products		15,616		14,073
Inherited from new Entrants		1,442		
		23,625		20,255
Closing Stock :				
Stock in Process		7,811		5,667
Finished Products		27,970		15,616
		35,781		21,283
Increase/(Decrease) in Stock in Process and Finished Goods		(12,156)		(1,028)
		190,527		155,074

Schedule Annexed to and forming part of the Profit & Loss Account for the year ended March 31, 2011

(All amounts in Indian Rupees in lacs except share data)

	For the year ended March 31, 2011		For the year ended March 31, 2010	
SCHEDULE-L Manufacturing and Operating Expenses				
Power and Fuel		5,677		4,681
Stores and Spares Consumed		1,591		1,369
Repairs & Maintenance				
Building		486		331
Plant & Machinery		689		655
Others		1,172		963
Processing Charges		5,856		2,367
		15,471		10,366
SCHEDULE-M Payment to and Provisions for Employees				
Salaries, Wages and Bonus		25,594		23,031
Contribution to Provident and Other Funds		2,239		2,286
Workmen and Staff Welfare		2,026		1,506
Directors' Remuneration		2,363		1,651
		32,222		28,474
SCHEDULE-N Selling and Administrative Expenses				
Rent		3,220		2,451
Rates and Taxes		560		566
Insurance		658		531
Sales Tax		830		308
Freight & Forwarding Charges		9,804		6,228
Commission, Discount and Rebate		4,567		3,675
Advertising and Publicity		53,456		49,348
Travel & Conveyance		4,002		3,514
Legal & Professional		2,992		2,277
Telephone, Fax Expenses		612		586
Security Expenses		640		547
General Expenses		11,206		10,905
Directors' Fees		13		14
Auditors' Remuneration		146		152
Donation		718		613
Contribution to Scientific Research Expenses		368		50
Provision for Doubtful Debts		170		92
Provision for Doubtful Advances		4		0
Loss on Sale of Fixed Assets		88		204
Fixed Assets written down		2		159
		94,056		82,220
SCHEDULE-O Financial Expenses				
Interest paid on :				
Fixed Period Loan	697		345	
Others	1,773	2,470	1,106	1,451
Bank Charges		564		571
		3,034		2,022

(All amounts in Indian Rupees in lacs except share data)

Schedule Annexed to and forming part of the Accounts for the year ended March 31, 2011**SCHEDULE-P Accounting Policies & Notes To Accounts****A. ACCOUNTING POLICIES**

Significant accounting policies are summarized below:

1. Accounting Convention:

The accounts have been prepared in accordance with the historical cost convention, under accrual basis of accounting as per Indian GAAP. Accounts and disclosure thereon comply with the Accounting Standards specified in Companies (Accounting Standard) Rules, other pronouncements of ICAI, provisions of the Companies Act, 1956 and guidelines issued by SEBI as applicable.

Indian GAAP enjoins management to make estimates and assumptions that affect reported amount of assets, liabilities, revenue, expenses and contingent liability pertaining to year, the financial statements relate to. Actual result could differ from such estimates. Any revision in accounting estimate is recognized prospectively from current year and material revision, including its impact on financial statement, is reported in notes to accounts in the year of incorporation of revision.

2. Principles of consolidation:

The Consolidated Financial Statement relates to Dabur India Limited (the parent company) and H&B Stores Limited (a wholly owned subsidiary company incorporated in India), Dabur International Ltd., (a wholly owned subsidiary body corporate incorporated in Isle of MAN), Dermoviva Skin Essentials Inc (a wholly owned subsidiary body corporate incorporated in USA, 2.21% stake wherein is held by Dabur India Ltd. & 97.79% stake wherein is held by Dabur International Ltd.), Dabur (UK) Ltd. (a wholly owned subsidiary body corporate incorporated in British Virgin Island, 100% stake wherein is held by Dabur International Ltd.), Dabur Nepal Pvt. Ltd. (a subsidiary body corporate incorporated in Nepal, 97.5% stake wherein is held by Dabur International Ltd.), Dabur Egypt Ltd. (a wholly owned subsidiary body corporate incorporated in Egypt, 76% & 24% of stake wherein are held by Dabur (UK) Ltd. and Dabur International Ltd. respectively), Asian Consumer care Pvt. Ltd. (a subsidiary body corporate incorporated in Bangladesh, 76% stake wherein is held by Dabur International Ltd.), Weikfield International (UAE) LLC (a subsidiary body corporate incorporated in UAE, 38.41% stake wherein is held by Dabur International Ltd. which has control of composition of Board of Directors of the former being *raison d'être* of subsidiary status), African Consumer Care Ltd (a wholly owned subsidiary body corporate incorporated in Nigeria, 90% stake wherein is held by Dabur International Ltd & 10% stake held by Dabur (UK) Ltd), Asian Consumer Care Pakistan Pvt. Ltd. (a subsidiary body corporate incorporated in Pakistan, 99.99% stake where in is held by Dabur International Ltd), Naturelle LLC (a wholly owned subsidiary body corporate incorporated in Emirate of Ras Al Khaimah, 100% stake wherein is held by Dabur International Ltd), Dabur Egypt Trading Ltd. (a wholly owned subsidiary body corporate, incorporated in Egypt, 99% and 1% of stake wherein are held by Dabur International Ltd. and Dabur Egypt Ltd., respectively) Namaste Laboratories LLC (a wholly owned subsidiary body corporate, incorporated in USA, 100% right shares wherein is exercised by Dermoviva Skin Essentials Inc), Urban Laboratories International LLC (a wholly owned subsidiary, 100% right shares wherein is exercised by Namaste Laboratories LLC), Healing Hair Laboratories International LLC (a body corporate incorporated in USA, 100% rights shares wherein is exercised by Namaste Laboratories LLC), Hair Rejuvenation and Revitalization Nigeria Ltd.(a body corporate incorporated in Nigeria, 100% stake wherein is held by Urban Laboratories International LLC) and three wholly owned overseas body corporates incorporated in Turkey named Hobi Kozmetik, Zeki Plastik and Ra Pazarlama (100% stake in each is held by Dabur International Ltd., UAE).

The consolidated financial statements have been prepared on the basis of AS-21, under pooling of interest method read with the following basic assumptions:

- I. The financial statements of the parent company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and resulting in unrealized profits or losses.

Investments of parent company in subsidiaries are eliminated against respective proportionate stake of parent company therein on the respective dates when such investments were made by way of debiting/crediting the difference of the two in goodwill/ capital reserve except for DNPL where the same is adjusted against share premium account.

In respect of foreign subsidiaries, rise in the value of stake of parent company in terms of reporting currency upto the date of commercial production (i.e. the date, their assets were due for capitalization) on account of exchange fluctuation has been credited to capital reserve. Subsequent generation of reserve other than that of the nature of capital reserve including gain/ loss arising on account of translating the transactions of the year, year-end assets and liabilities of the foreign subsidiaries for the

(All amounts in Indian Rupees in lacs except share data)

purpose of consolidating with parent company's assets at exchange rates ruling on year-end-date has been recognized as reserve specifically earmarked for the purpose.

- II. The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's separate financial statements unless stated otherwise.
- III. Minority interest, where lying, in the net income of consolidated subsidiaries have been adjusted against the income of the group so as to arrive at net income attributable to the parent company. Minority interest, consisting of equity attributable to them on the date such investments were made by the parent company and movement in their equity since the date of parent subsidiary relationship, has been disclosed in the consolidated financial statement separately from liability and equity of shareholders of parent company.

3. Translation of overseas subsidiaries from foreign currencies to reporting currency:

Current assets/ outside liabilities and income/ expenses of overseas subsidiaries have been translated in reporting currency in terms of exchange rates prevailing on year-end date and average rate respectively on the basis of non-integral operation approach as per revised AS-11 there by accounting for the aggregate net impact of exchange fluctuation in this regards as exchange reserve shown under the head of Reserve and Surplus.

Fixed assets of the overseas subsidiaries have been accounted for in terms of the exchange rate ruling at the point of capitalization of such assets or takeover of the subsidiary whichever is later.

4. (a) Fixed Assets and Depreciation:

- Fixed assets are stated at cost subject to deduction of accumulated depreciation.
- Fixed assets inherited from entry of new entity in business combination pursuant to its acquisition by the group are carried at price corresponding assets were held in the books of newly acquired entity at the point of its acquisition.
- Cost includes inward freight, duties, taxes and expenses incidental to acquisition and installation.
- Depreciation has been provided at rates provided in schedule XIV of Companies Act.
- In respect of fixed assets of new entrants in the group having followed different basis of charging depreciation, prior to the date of their takeover, written down value of their assets are subjected to depreciation charge under straight line method at rate which enables respective assets to be amortized within their respective life span assessed under Schedule XIV of the Companies Act, 1956.
- Capital Subsidy received against fixed capital outlay is deducted from gross value of individual fixed assets, forming part of subsidy scheme granted, by way of proportionate allocation of subsidy amount thereon. Depreciation is charged on net fixed assets is subject to deduction of subsidy amount.
- In respect of part of 5/1 Sahibabad, Narenderpur and Alwar Unit of the parent company and Asian Consumer care Pvt. Ltd., Dhaka, depreciation on fixed assets have been provided on written down value method at rates prescribed under schedule XIV for remaining fixed assets, depreciations have been provided on straight line method at the rates prescribed under schedule XIV.
- Patent and trade marks are amortized equally over a period of ten years.
- Softwares are amortized over the period of five years on straight line basis.
- Stores and fixtures in H & B Stores Limited are amortized over a period of eight years.
- For Green field project, direct expenses and overheads (except for those relating to existing employees of company deputed for project implementation) are capitalized only.

(b) Impairment of Fixed Assets:

Tangible fixed assets under cash generating unit concept and intangible fixed assets under assets specific context are identified at the year-end in terms of AS 28 and AS 26 respectively for the purpose of arriving at impairment loss thereon, if any, being the difference between the book value and recoverable value of relevant assets. Impairment loss, when crystallizes, is charged against revenue of the year.

Apart from test of impairment within the meaning of AS 28 issued by ICAI, individual tangible fixed assets of various CGU's are identified for written down on the ground of obsolescence, damage, redundancies & un-usability at the year end.

5. Investments:

Long term investments are held at cost. Provision is made against diminution in carrying cost of investment, if any, of permanent nature as required under AS-13 issued by ICAI.

(All amounts in Indian Rupees in lacs except share data)

Current investments are held at lower of cost and NAV/Market value.

6. Deferred Entitlement on LTC:

In terms of the opinion of the Expert Advisory Committee of the ICAI, the parent company has provided liability accruing on account of deferred entitlement towards LTC in the year in which the employees concerned render their services.

7. Inventories:

Stocks are valued at lower of cost or net realizable value. Basis of determination of cost remain as follows:

- Raw materials, Packing materials, Stores & Spares :- On Weighted Average Basis
- Work-in-process:- At cost of input plus overhead upto the stage of completion.
- Finished goods:- At cost of input plus appropriate Overhead.

8. Research and Development Expenses:

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

9. Retirement Benefits:

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

i. Defined Benefit Plans:

- Leave Salary of employees on the basis of actuarial valuation as per AS 15 (revised).
- Post separation benefits of directors, which is of the nature of long term employees benefit, on the basis of actuarial valuation as per AS 15 (revised).
- Gratuity Liability on the basis of actuarial valuation as per AS 15 (revised).

ii. Defined Contribution Plan:

- Liability for superannuating fund on the basis of the premium paid to the Life Insurance Corporation of India in respect of employees covered under Superannuating Fund Policy.
- Provident fund, ESI, payroll taxes and 40IK, match, on the basis of actual liability accrued and paid to trust / authority.
- Other employee's benefits as per actual liability accrued.

10. Recognition of Income and Expenses:

- Sales and purchases are accounted for on the basis of passing of title to the goods.
- Sales comprise of sale price of goods including excise duty and exclude sales tax and discount.
- All items of incomes and expenses have been accounted for on accrual basis except for those income recognized on realization basis on the ground of uncertainty as laid down under AS-9 issued by ICAI.

11. Income Tax & Deferred Tax:

Income Tax is estimated considering the provisions of the Statute. Deferred tax is recognized for entities where the same is mandatory applicable subject to the consideration of prudence, on time differences being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods.

12. Contingent Liabilities:

Disputed liabilities and claims including claims raised by fiscal authorities, pending in appeal/court, for which no reliable estimate can be made of the amount of obligation or which are remotely poised for crystallization are not provided in accounts but disclosed in notes on accounts. However, present obligation as a result of past event with possibility of outflow of resources, when reliably estimable, is recognized in accounts.

13. Foreign Currency Translation:

- (a) In respect of foreign branches/offices integral foreign operation approach has been adopted as per revised AS11 and accordingly revenue items have been converted at average of month end exchange rates during the year. Fixed assets have been converted at the rates prevailing on dates of purchase. Assets & Liabilities other than fixed assets are converted at the year-end exchange rate. Exchange gain or loss arising out of above is accounted for in Profit & Loss Account.

(All amounts in Indian Rupees in lacs except share data)

- (b) Transactions of parent and domestic subsidiaries with overseas parties are recognized at currency rate ruling on the date of transaction. Gain or loss arising towards rise/fall of overseas currency vis a vis reporting currency is accounted for in profit and loss account.
- (c) Impact of exchange fluctuation on integral operation charged to profit and loss accounted is separately disclosed in notes to accounts.

14. Employees Stock Option Purchase (ESOP):

- Aggregate of quantum of option granted under the scheme in monetary term (net of consideration of issue to be paid in cash) in terms of intrinsic value has been shown as Employees Stock Option Scheme outstanding in Reserve and Surplus head of the Balance Sheet by way of debiting deferred Employee Compensation under ESOP as per Guidelines to the effect issued by SEBI.
- With the exercise of option and consequent issue of equity share, corresponding ESOP outstanding is transferred to share premium account.
- Employee's contribution for the nominal value of share in respect to option granted to employees of subsidiary company is being reimbursed by subsidiary companies to holding company.

15. Business Combination:**(a) Merger/Amalgamation:**

Merger / Amalgamation (of the nature of merger) of other company / body corporate with the group is accounted for on the basis of purchase method, the assets / liabilities being accounted for in terms of book values of assets, liabilities appearing in transferor entity on the date of such merger / amalgamation for the purpose of arriving at the figure of goodwill or amalgamation reserve.

(b) Acquisition:

Any new entity joining business combination consequent upon acquisition of its shares/rights by any of the entities in group is accounted for under purchase method, assets and liabilities of the new entrant been accounted for as per book value of assets, liabilities appearing in books of new entrant on the date of its take over for the purpose of arising at the figure of goodwill/capital reserve.

- (c) During the course of merger/amalgamation/acquisition under purchase method excess/shortfall of consideration money over vis-à-vis net assets (gross assets less outside liabilities) inherited under such deal is accounted for as goodwill/amalgamation or capital reserve.

If balance sheet of transferor/acquired entity has any compulsory/statutory reserve at point of its transfer/acquisition, said reserves are retained subsequently under the Reserve & Surpluses against creation of new head called "Amalgamation Adjustment Account" accounted for under the head of Miscellaneous Expenditure in assets side of the balance sheet.

16. Derivative Trading:

The company enters into derivative transaction of the nature of currency future or forward contract with the object of hedging against adverse currency fluctuation only (not being for trading or speculation) in respect of import / export commitment and exposure in foreign currency. The contracts are by and large mark to market and loss sustained/earned on open contract is recognized in accounts.

17. Miscellaneous Expenditure:

- Deferred Employees Compensation under ESOP is amortized on straight-line basis over vesting period. Employee compensation in respect to option granted to subsidiary company employees is being reimbursed by subsidiary companies to holding company.
- Share issue and preliminary expenses are charged to revenue in the year of incurrence.
- Statutory/compulsory reserves inherited from merger/amalgamation/acquisition of new entities are shown under this head as "Amalgamation Adjustment Account" for the purpose of their retention under "Reserve and Surpluses" head in liability side. Amalgamation Adjustment Account is reversed only after withdrawal of relevant statutory/compulsory reserve following expiry of fulfillment of statutory period/objective.

B: NOTES TO ACCOUNTS

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

	<u>As at March 31, 2011</u>	<u>As at March 31, 2010</u>
Cost/Revalued	17832	17229
Written Down	14220	14007

(All amounts in Indian Rupees in lacs except share data)

2. Loan and Advances includes Rs.49 (Previous year Rs.49) paid to Excise Authorities on behalf of Sharda Laboratories Limited, now known as SBL Limited, in respect of excise duty demand of Rs.68 raised by the District Excise Officer, Ghaziabad, against the parent company and Sharda Bioron Laboratories Limited. The Hon'ble Supreme Court of India had concurred with the order of the District Excise Officer, Ghaziabad.

The parent company had filed the review petition before Division Bench of the Hon'ble Supreme Court of India, which was also decided against the parent company. Pursuant to the indemnity bond executed by Sharda Laboratories Limited in favour of the company and as per terms and conditions of the contract executed with them, the recovery proceedings have been initiated by the parent company against Sharda Boiron Laboratories Limited for Rs.49 by invoking the arbitration clause. The matter is pending before Hon'ble High Court of Delhi for the appointment of an arbitrator. The balance amount of Rs.21 along with interest demanded by the Excise Authorities. During the year 1991-92 the parent company had received a refund of Rs.6 pursuant to the decision of Hon'ble Supreme Court in this regard. Necessary adjustments in respect to recovery/refund will be made as per arbitration proceeding.

3. a. Further to para A(4)(b) above, recoverable value of cash generating units (CGUs] have been assessed based on value-in-use method, which for each CGUs worked out to be much higher than corresponding book value of net assets thereby not warranting further exercise of arriving at their net-selling-price. This further confirmed absence of exigency of making any provision against impairment loss.
- b. Beside those referred to in parent company financial statements, each plant of each subsidiary constitutes independent CGU.
- c. Annual discount rate considered for arriving at value-in-use of assets pertaining to each CGU are as per normal rate of borrowing plus risk factor at a rate of 2.00% per annum.

4. Contingent Liabilities / Capital Contracts:

- a. i. Claims not acknowledged as debts:
- a) In respect of civil suits filed by third parties Rs. 826 (previous year Rs. 755)
- b) In respect of claims by employees Rs. 30 (previous year Rs. 17)
- c) In respect of letters of credit Rs. 718 (previous year Rs. 2206)
- ii. In respect of Bank Guarantees executed Rs. 1073 (previous year Rs. 2744)
- iii. In respect of Sales Tax under appeal Rs. 1202 (previous year Rs. 1336)
- iv. In respect of excise duty disputes pending with various judicial authorities Rs. 5035 (previous year Rs. 2321)
- v. In respect of Corporate Guarantees given by the Company Rs.NIL (previous year Rs. 9)
- vi. In respect of Income tax under appeal Rs. 982 (previous year Rs. 118)
- b. In respect of Bill Discounting Rs. 4384 (previous year Rs. 3416)
- c. Estimated Amount of contract remaining to be executed on Capital Account Rs. 7011 (previous year Rs. 3192) net of advance Rs. 757 (previous year Rs. 2187)
- d. Information pursuant to AS 29:
- (i) Brief particulars of provisions on disputed liabilities:-

Nature of Liability	Particulars of dispute	Opening Liability	Provision made during the year	Inherited from new entrant	Provision adjusted during the year	Closing Provision	Forum where the dispute is pending
VATS	Short payment of VAT	42	0	0	0	42	IInd appeal filed
Sales Tax	Classification of Laldant Manjan	36	0	0	0	36	Filed review application with High Court
Sales Tax	Classification of Gulabari	1	0	0	0	1	Appeal filed before the D.C.Appeal
Entry Tax	Entry tax on car	1	0	0	0	1	Appeal pending before D.C.
Sales Tax	Classification of hajmola Candy	28	0	0	0	28	Appeal pending before S T Appellate
Sales Tax	Tax Paid purchase	29	0	0	0	29	Pending before High Court
Sales Tax		10	0	0	0	10	
Excise	Capital Goods removal	30	0	0	0	30	DC appeal
General Expense	Product claim lodged by third party	0	0	33	0	33	Management
Income Tax	Ex promoter USA Liability	0	0	20	0	20	Management
Total						229	

- ii) Resulting outflows against above liabilities pending before Sales Tax DC/Tribunal/CCT's, if mature, are expected to be in succeeding financial year.

(All amounts in Indian Rupees in lacs except share data)

iii) Provisions are made herein for medium risk oriented issues as a measure of abundant precaution.

e. Remote risk possibility of further cash outflow is presumed pertaining to contingent liabilities listed in para 4 (a) and 4 (b) above.

5. Employee related Dues:

I) Defined Benefit Plan

Pursuant to adoption of AS 15 (revised) treatment of defined benefits obligations have been changed in terms of standard with the following adjustments incorporated in accounts.

Particulars	Gratuity (funded)	Leave Salary (funded)	Post Separation benefits of director (funded)	Total
A. Expenses recognized during the period:				
a. Past Service Cost	34	0	0	34
b. Current Service Cost	350	228	122	699
	(394)	(252)	(115)	(761)
c. Interest Cost	227	79	278	583
	(180)	(57)	(271)	(508)
d. Expected return on Plan Assets	-153	-48	0	-201
	(-14)	(-28)	(0)	(-42)
e. Accumulated Loss/Gain	-193	-59	217	-36
	(-70)	(72)	(-173)	(-171)
f. Total expenses recognized during the year (a+b+c+d+e)	265	199	616	1080
	(490)	(353)	(213)	(1056)
B. Reconciliation of opening & closing balances of obligations :				
I. Obligation as on 01.04.2010	3032	1047	3700	7779
	(2799)	(922)	(3617)	(7338)
II. Past service cost	34	0	0	34
	(0)	(0)	(0)	(0)
III. Current service cost	350	228	122	699
	(536)	(318)	(114)	(968)
IV. Interest cost	227	79	278	583
	(180)	(57)	(271)	(508)
V. Actuarial Gain/ (Loss)	-306	-51	217	-140
	(-71)	(44)	(-173)	(-200)
VI. Settlement	-292	-220	-182	-695
	(-316)	(-253)	(-129)	(-698)
VII. Obligation as on 31.03.2011	3045	1083	4133	8261
	(3128)	(1088)	(3700)	(7916)
C. Change in Plan Assets : (Reconciliation of opening and closing balances)				
I. Fair Value of Plan Assets as on 01.04.2010	1658	539	0	2197
	(1120)	(355)	(0)	(1475)
II. Expected Return on Plan Assets	153	48	0	201
	(92)	(28)	(0)	(120)
III. Actuarial Gain/ (Loss)	-112	8	0	-104
	(-78)	(-28)	(0)	(-106)
IV. Employer Contribution	588	326	0	914
	(498)	(312)	(0)	(810)
V. Settlement	-173	-147	0	-320
	(-65)	(-149)	(0)	(-214)
VI. Fair value of Plan Assets as on 31.03.2011	2113	775	0	2888
	(1567)	(518)	(0)	(2085)

(All amounts in Indian Rupees in lacs except share data)

Particulars	Gratuity (funded)	Leave Salary (funded)	Post Separation benefits of director (funded)	Total
D. Obligation vis-a-vis Planned Assets :				
Obligation as on 31.3.2011	3045 (3128)	1083 (1088)	4133 (3700)	8261.008 (7916.000)
Planned Assets as on 31.3.2011	2113 (1567)	775 (518)	0 (0)	2888.000 (2085.000)
	932 (1561)	308 (570)	4133 (3700)	5373.008 (5831.000)

(Figures in bracket relate to previous year)

- E. Investment detail of plan assets as on 31.03.2011 100% in reimbursement right from insurance company for fund managed by it
- F. Actuarial Assumption :
- | | |
|---|------------------------------|
| Discount rate (%) | 7.50% |
| Estimated rate of return on plan assets (%) | 9.00% |
| Salary escalation ratio inflation (%) | 10.00% |
| Method | Projected unit credit method |
- G. The basis used for determination of expected rate of return is average return on long term investment in government bonds.
- H. The estimate of future salary increase take in-to account regular increment, promotional increases and inflationary consequence over price index.
- I. Demographics assumptions take in to account mortality factor as per LIC (1994-96) ultimate criteria, employees turnover at FS 20%, GS 20% Director, MS, OS – 12% and SM, APP - 6% and normal retirement age at 58.

II) Defined Contribution Plan :-

Company's contribution to different defined contribution plans :-

Particulars	2010-11	2009-10
Provident Fund	768	712
Employees State Insurance	119	60
Employees Superannuation Fund	355	318
Payroll Taxes	56	0
401K Match	22	0

6A. Related party Disclosures (Pursuant to AS 18)

- (a) Related party where control exists: None
- (b) Other related parties in transaction with the group:
- (i) Joint Venture / Partnership
Balsara International
Forum I Aviation Ltd
- (ii) Key management personnel (KMP)
(Whole time directors)
Anup Sharma
Mohit Burman
P D Narang
Sunil Duggal
Rukma Rana
Sikandar T Tiwana
Mete Buyurgan (Effective from 14th February 2011)
Gary Gardner
Clyde Burks
- Relatives of Key Management Personnel
V C Burman
Kyle Gardner
- (iii) Entity under significant influence (owned by a KMP):
Sanat Products Ltd

(All amounts in Indian Rupees in lacs except share data)

6B. Related Parties Transactions as on 31.03.2011

	Joint Ventures/ Partnership	Associates	Key Management Personnel	Relatives of Key Management Personnel	Entity Under Significant Influence	Total	Outstanding as on 31.03.2011
(A) Profit & Loss a/c							
1. Purchases of Goods	-	-	-	-	264	264	46
	(-)	(-)	(-)	(-)	(202)	(202)	(33)
2. Sale of Goods	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(4)	(4)	(3)
3. General Expenses	452	-	-	-	-	452	37
	(394)	(-)	(-)	(-)	(-)	(394)	(17)
4. Processing Charges	11	-	-	-	-	11	3
	(8)	(-)	(-)	(-)	(-)	(8)	(-)
5. Rent Received	2	-	-	-	-	2	2
	(2)	(-)	(-)	(-)	(-)	(2)	(-)
6. Interest Received on Security	-	-	-	-	-	-	-
	(2)	(-)	(-)	(-)	(-)	(2)	(-)
7. Interest Paid	-	-	-	-	-	-	-
	(-)	(-)	(3)	(-)	(-)	(3)	(-)
8. Rent Paid	-	6	60	-	-	66	-
	(-)	(7)	(68)	(-)	(-)	(75)	(-)
9. Remuneration/Exg./Pension	0	0	972	0	0	972	0
	(-)	(-)	(1323)	0	(-)	(1323)	(-)
10. Employee Stock Option Scheme	0	0	1357	0	0	1357	1357
	(-)	(-)	(353)	0	(-)	(353)	(353)
11. Staff Welfare	0	0	0	2	0	2	0
	(-)	(-)	(-)	(1)	(-)	(1)	(-)
(B) Balance Sheet							
12. Capital Contribution	-	-	-	0	-	-	49
	(49)	(-)	(-)	0	(-)	(49)	(49)
13. Security Deposit	-	-	-	-	-	-	38
	(-)	(-)	(-)	(-)	(-)	(-)	(38)
(C) Off Balance Sheet Item							
14. Guarantees & Collaterals	0	0	0	0	0	0	714
	(714)	(-)	(-)	0	(-)	(714)	(714)

Notes

- 1 Item no. 3 refers to Joint Venture Expenses to JCE (Forum I Aviation Ltd).
- 2 Item no. 4 refers to Processing Charges to Balsara International.
- 3 Item no. 5 refers to Rent received from Balsara International.
- 4 Item no. 14 refers to JCE (Forum I Aviation Ltd).

Figures in brackets are of previous year.

7. The parent company's freehold land situated at Sahibabad measuring about 7.58 acres was acquired by U.P. Government under Land Acquisition Act and the State Government had allotted and given possession of about 4.72 acres of land on lease to the company in

(All amounts in Indian Rupees in lacs except share data)

lieu of acquired land. The company has filed a claim for compensation of Rs.572 before the Officer of Special Land Acquisition Officer, Ghaziabad against the land so acquired. However, keeping in view the generally accepted accounting practice, the same claim has not been considered in the books of accounts.

8. Information (to the extent applicable) pursuant to AS 19 issued by ICAI

Operating Lease :-

- i) The future minimum lease payment under non-cancelable operating lease :-

	Not Later than 1 year	Later than 1 year not later than 5 year	Later than 5 year
Building & Machine	914 (261)	1992 (499)	400 (59)
Cars	46 (45)	66 (69)	0 0

- ii) Lease rent debited to Profit & Loss account of the year Rs. 595 (previous year Rs. 278).
 iii) Irrevocable lease agreement relates of flat & vehicle, lease period not exceeding five years in respect of any arrangement.
 iv) Figures in bracket relate to previous year.

9. Exchange Gain works out to Rs. 142 (Previous Year Rs.1367) - net of exchange loss Rs.2048 (Previous year Rs. 1876) which has been debited to Profit & Loss Account.

10. (I) Investment in Joint Venture:

- (a) The parent company is a party to joint venture agreement controlling the management of Forum 1 Aviation Limited, a domestic jointly controlled corporate entity (JCE) with part of its operation akin to jointly controlled operation, the main object of the JCE being maintenance of aircraft for use of venturers or otherwise. The contributions of venturers are towards capital build up of the JCE and periodic contribution towards cost of maintenance of air craft. Variable component of cost of maintenance is borne by user of the aircraft in proportion to their actual usage and fixed component is shared by all the venturers in proportion to their capital contribution. The participation of the venturers in the affairs of the management of the JCE is through representation in the composition of Board of Directors as agreed in share holder's agreement. The stake of the company in the joint venture arrangement is 14.28%.
- (b) Parent company's commitment towards revenue expenditure of the JEC amounting to Rs.452 (Previous year Rs.394) has been charged to profit and loss account under the head general charges.
- (c) Incorporated in CFS on proportionate basis are the assets and liabilities as on 31.03.2011 and income and expenses for the year ended on that date, being the proportionate share of parent company estimated from unaudited financial statements of the JCE.

Assets & Liability of JCE as on 31.03.2011 as incorporated herein:-

Particulars	31.03.2011	31.03.2010
Secured Loan	467	577
Creditors	27	16
Fixed Assets	823	872
Investment	30	79
Advance to employee		1
Cash & Bank	20	13
Debtors	36	16
Other Advances	291	260

(All amounts in Indian Rupees in lacs except share data)

Income and Expenses for the year ended as on 31st March, 2011 incorporated herein :

Particulars	For the year ended 31.03.2011	For the 8 months ended 31.03.2010
INCOME		
Misc Receipt (include revenue from flying Rs. 422)	422	399
Total	422	399
EXPENSES		
Operation Expenses	97	80
Payment to and provision for employees	41	50
Administrative Expenses	159	113
Financial Expenses	60	60
Total	357	303
Profit (Forms part of profit in consolidated Profit & Loss A/c)	65	96

- (d) Parent company has furnished guarantee bond for Rs. 714 to banks of the JCE against its share of Commitment against loan obtained by the JCE for acquisition of aircraft which forms part of para B (4) (a) (ii) of this schedule.

(II) Investment in partnership firm:

- (a) The parent company has invested Rs. Nil (previous year Rs. 49) against capital contribution during the year (Previous year Rs. 49) towards its 99% stake in a partnership firm Balsara International.
- (b) Mr. Abhay Agarwal is another 1% partner in said firm who has invested Rs.1 on accounts of his capital.
- (c) Pending finalization of account of the firm, income and expenses of the said firm have not been accounted for the year which, however, has immaterial impact on profitability of the company.
- (d) Assets and liabilities pertaining to interest of the company in the partnership firm as on 31.3.2011 amount to Rs.80 & Rs. 9 (Previous year Rs. 81, Rs. 9) respectively.

11. No deferred tax has been accounted for in respect of subsidiaries at Bangladesh and Pakistan due to continuing absence of taxable income and absence of virtual certainty of future taxable profits to adjust deferred tax asset, if provided thereon.

12. Extra-ordinary items :

- a) Profit on sale of E.O.U at Nashik Rs. Nil (Previous year Rs. 190)
- b) Loss on sale of specific chemical Rs. Nil (Previous Year Rs. 3)
- c) Rs. Nil (previous year Rs. 61) on account of miscellaneous expenditure written off in consequence of preponment of the date of exercise of option right under ESOP with corresponding decline in vesting period for a part of options, unlike earlier years.

13. (a) During the year

- (I) pursuant to take over by Dermoviva Skin Essentials Inc, one of the subsidiaries under consolidation, Namaste Laboratories LLC., Urban Laboratories International LLC., Healing Hair Laboratories International LLC. all incorporated in USA and Hair Rejuvenation and Revitalization Nigeria, incorporated in Nigeria, joined the group on 01.01.2011, respective last two being wholly owned subsidiaries of respective first two.

The last two entities have no asset or liability.

- (II) Pursuant to takeover by Dabur International Ltd. one of the subsidiaries under consideration, three body corporate incorporated in Turkey named Hobi Kozmetik, Zeki Plastik Ra Pazarlama joined the group on 07.10.2010.

16. Earnings per Share :

(All amounts in Indian Rupees in lacs except share data)

Particulars	2010-11	2009-10
A. Profit after tax (after adjustment of tax for earlier years)	56858	50320
Less/ Add : Extraordinary Expenses / Income		
Profit on sale of EOU	0	-190
Loss on sale of SPC Chemicals	0	3
Miscellaneous Expenditure for preponement of date of exercise right under ESOP	0	61
B. Profit before consideration of Extraordinary items	56858	50194
Weighted average no. of shares outstanding		
Basic	1740375960	1734495558
Diluted	1749664278	1741295067
Earnings per share (of face value of Re 1/-)		
Basic	3.27	2.89
Diluted	3.25	2.88
C. After consideration of Extraordinary items		
Profit after tax (after adjustment of tax for earlier years)	56858	50320
Weighted average no. of shares outstanding		
Basic	1740375960	1734495558
Diluted	1749664278	1741295067
Earnings per share (of face value of Re 1/-)		
Basic	3.27	2.91
Diluted	3.25	2.89

17. Grouping and heads of accounts of the subsidiaries have been rearranged in terms of presentation of those of parent company as and when necessary. Besides, figures for previous year have been rearranged/ regrouped as and when necessary in terms of current year's grouping.

18. Information pursuant to AS- 17 issued by ICAI (refer page no. 145)

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

As per our report of even date attached For G. BASU & CO. Chartered Accountants	For Dabur India Ltd.
Anil Kumar Partner Membership Number: 9390	Dr. Anand Burman - Chairman P.D. Narang - Whole time Director Sunil Duggal - Whole time Director
Place: New Delhi Dated: 27th April, 2011	A.K. Jain - GM (Finance) & Company Secretary

18. INFORMATION PURSUANT TO AS - 17 ISSUED BY ICAI

(All amounts in Indian Rupees in lacs except share data)

	Consumer Care Business		Consumer Health Business		Foods		Retail		Others		Unallocated		Total Consolidated	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	As on 31/03/11	As on 31/03/10	As on 31/03/11	As on 31/03/10	As on 31/03/11	As on 31/03/10	As on 31/03/11	As on 31/03/10	As on 31/03/11	As on 31/03/10	As on 31/03/11	As on 31/03/10	As on 31/03/11	As on 31/03/10
REVENUE														
External Sales	319696	262542	31521	27955	49487	41580	2050	918	8231	8672	-	-	410985	341667
Inter-segment sales														
Total Revenue	319696	262542	31521	27955	49487	41580	2050	918	8231	8672	-	-	410985	341667
RESULT														
Segment result	81947	71950	7785	7362	9178	7252	-914	-935	596	597	-	-	98592	86226
Unallocated corporate expenses											24786	24900	24786	24900
Operating profit	81947	71950	7785	7362	9178	7252	(914)	(935)	596	597	(24786)	(24900)	73806	61325
Interest expense	-	-	-	-	-	-	-	-	-	-	3034	1232	3034	1232
Income Tax(Current + Deferred)	-	-	-	-	-	-	-	-	-	-	13897	10047	13897	10047
Profit from ordinary activities	81947	71950	7785	7362	9178	7252	(914)	(935)	596	597	(41717)	(36180)	56875	50046
Exceptional item														
Minority Interest	-	-	-	-	-	-	-	-	-	-	32	(81)	32	(81)
Net profit	81947	71950	7785	7362	9178	7252	(914)	(935)	596	597	(41685)	(36261)	56843	50127
OTHER INFORMATION														
Segment assets	137,669	81,700	14,346	9,438	32,651	23,850	1,252	1,636	3,171	3,266	-	-	189,089	119,890
Unallocated corporate assets											193,080	84,764	193,080	84,764
Total assets	137,669	81,700	14,346	9,438	32,651	23,850	1,252	1,636	3,171	3,266	193,080	84,764	382,169	204,654
Segment liabilities	58,392	25,694	5,802	2,552	15,817	6,960	883	387	138	63	-	-	81,032	35,656
Unallocated corporate liabilities											172,122	75,738	172,122	75,738
Total liabilities	58,392	25,694	5,802	2,552	15,817	6,960	883	387	138	63	172,122	75,738	253,154	111,394
Capital Expenditure	6,799	8,690	648	642	3,238	1,270	324	321	955	946	4,225	4,169	16,189	16,038
Depreciation	2,655	2,139	278	224	1,235	995	155	125	371	299	1,546	1,246	6,240	5,028
Non-cash expenses other than depreciation	-	-	-	-	-	-	-	-	-	-	1,922	594	1,922	594