

Dabur India Ltd

Investor Presentation

February 2016

FMCG Overview

Fourth largest sector in the economy

Current size of the Indian FMCG Market is around USD 45 bn

Grown at an annual average of 11 per cent over the last decade *

Urban segment is the largest contributor to the sector- accounting for two-thirds of total revenue

Sector is likely to touch sales of USD 100 bn by 2020

FMCG Growth Drivers

Rising Income driving Purchases

Growth of Modern Trade & E
Commerce

Low Penetration & Consumption

Evolving consumer lifestyle

Favorable demographics

Dabur – An Overview

**DEDICATED
TO THE HEALTH
AND WELL
BEING
OF EVERY
HOUSEHOLD**

One of the oldest and largest FMCG Companies in the country

World's largest in Ayurveda and natural healthcare

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

20 world class manufacturing facilities catering to needs of diverse markets

Strong overseas presence with 31% contribution to consolidated sales

Dabur & Ayurveda

Synonymous with Ayurveda since 130 yrs

The No. 1 Ayurvedic Brand in 50 countries

Stringent quality test of every ingredient and herb

Team of world's best Ayurvedic Doctors & Experts

Over 4000 acres of farms to protect the close to extinction herbs & plants

AYURVEDA: DABUR'S CORE PHILOSOPHY



Health and Well-Being

Health & Well being - The underlying theme across the portfolio



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 and Well-Being

Health & Well Being focus has been extended to HPC and Foods



Red Tooth Paste-
Focused on Ingredient
Effectiveness



Recently introduced the
'Real Wellnezz' range with
the Jamun flavour



Odomos
Protection from Dengue



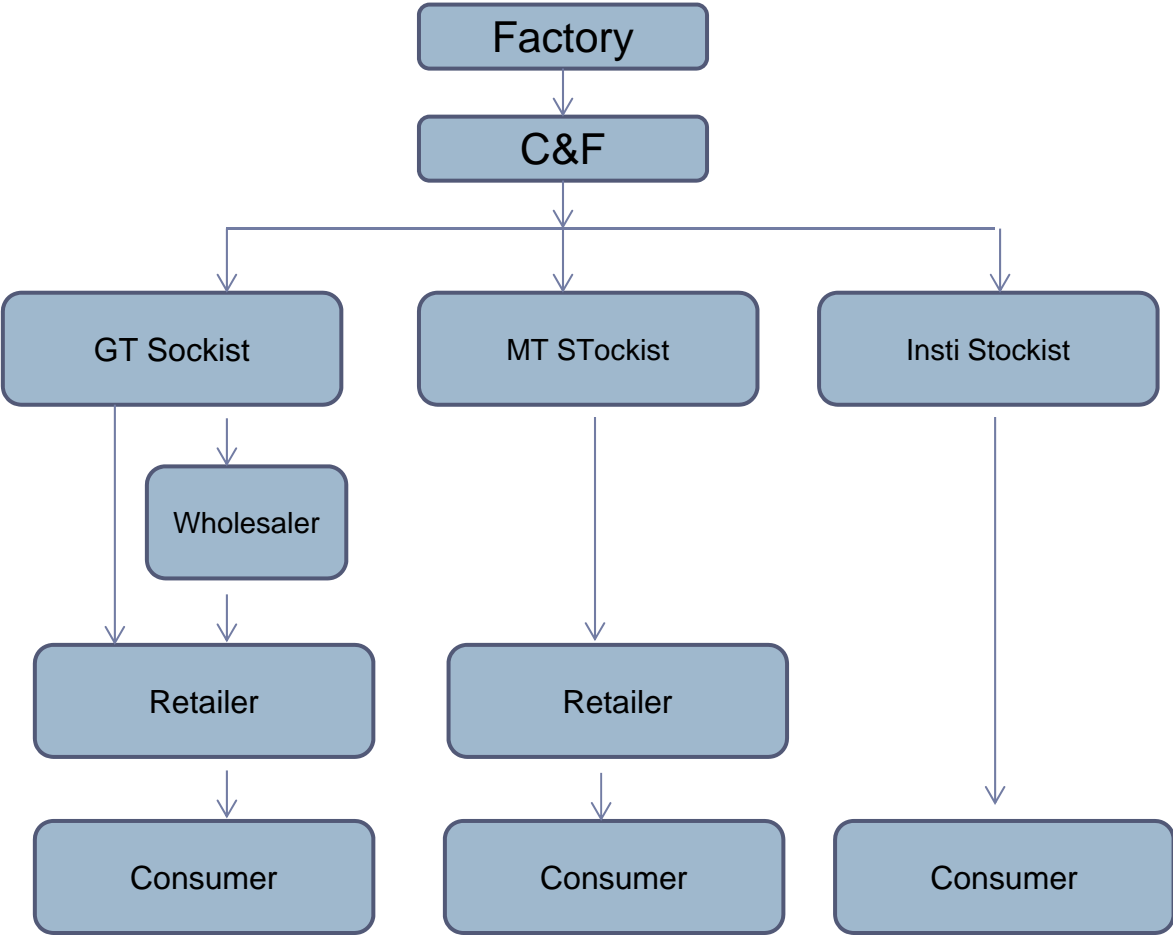
Sanifresh- Toilet Cleaner
To safeguard the health of the
family by ensuring hygiene



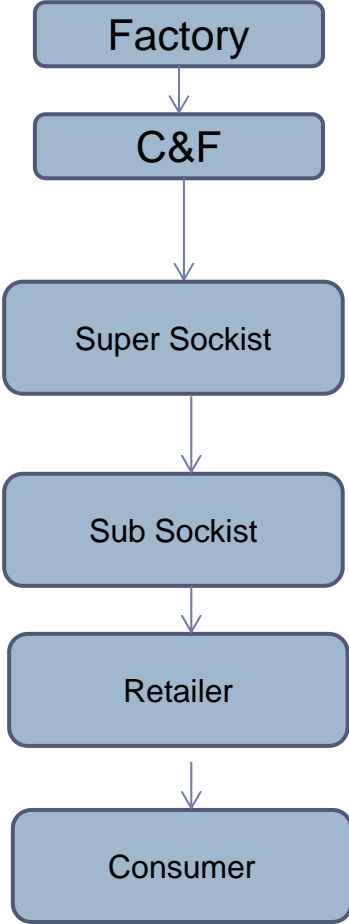
Activ
Juices for a healthy
lifestyle

Distribution Framework

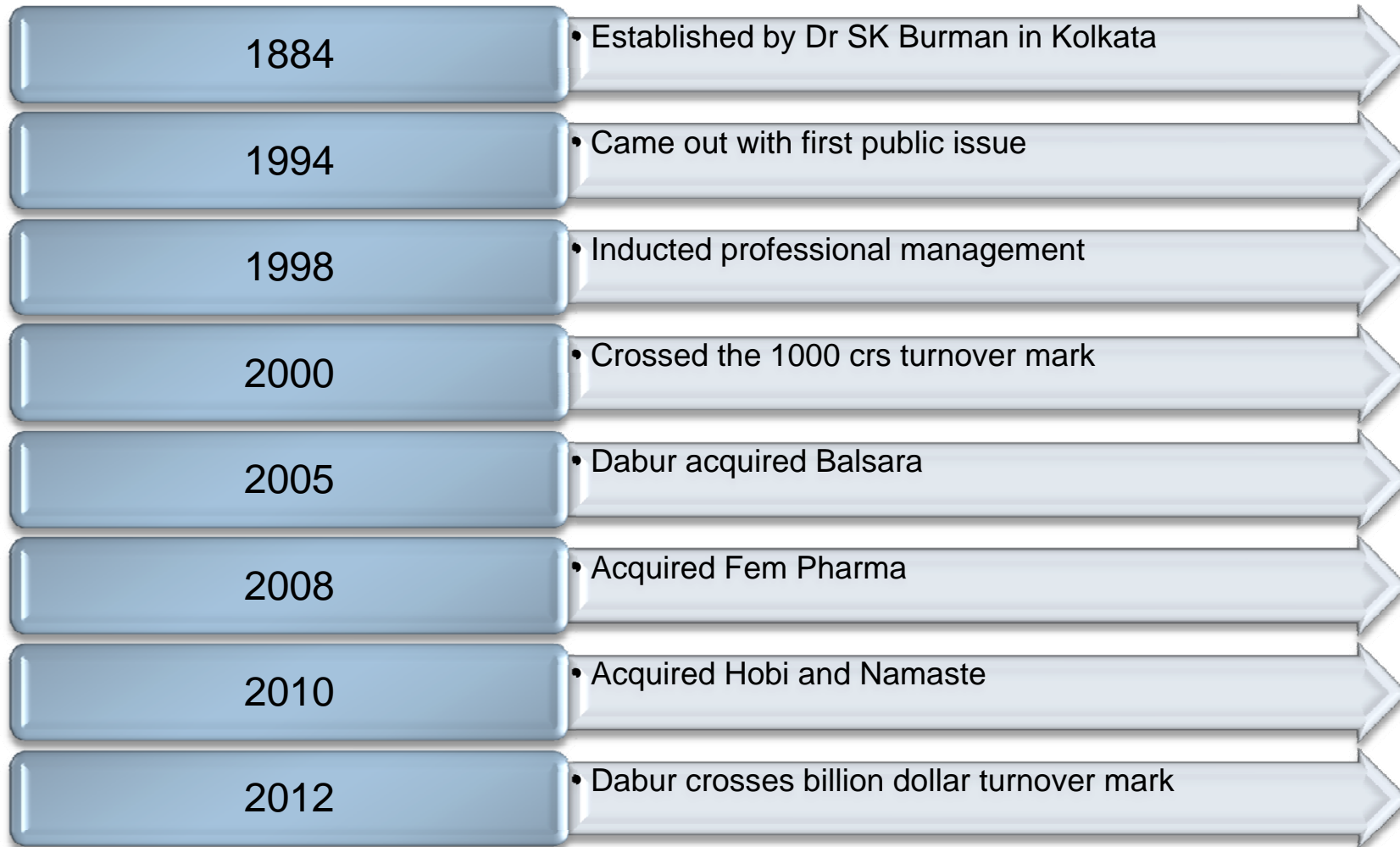
Urban



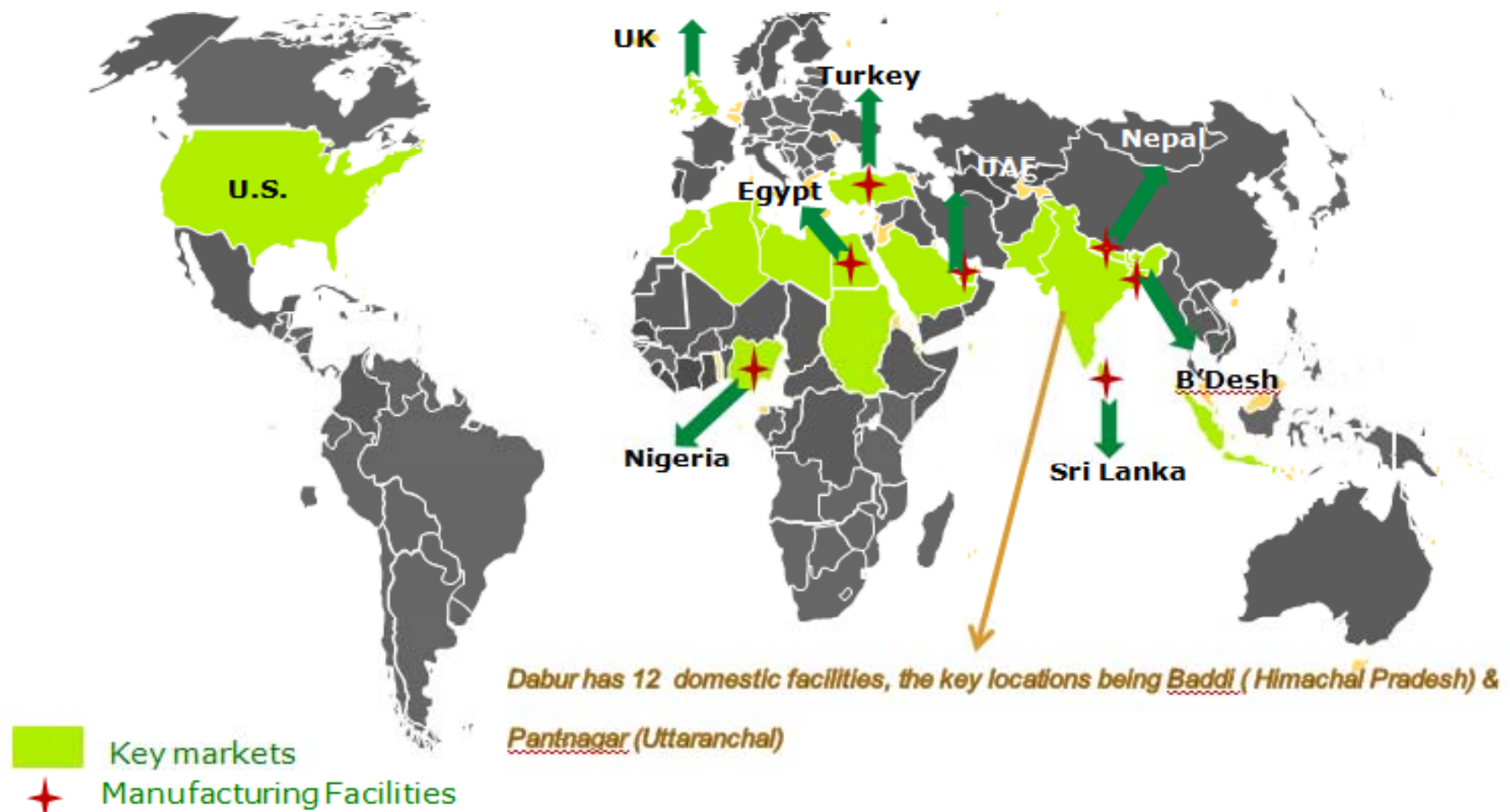
Rural



Key Milestones

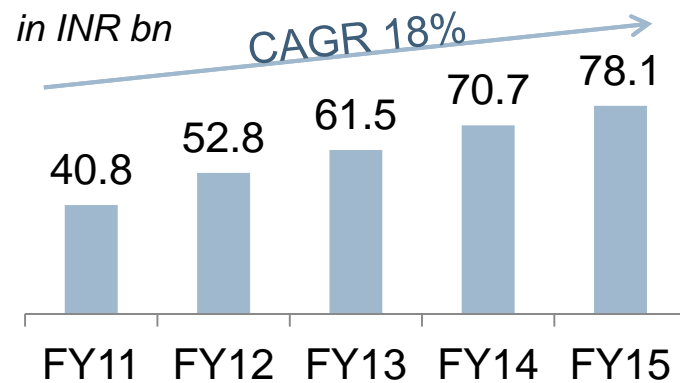


Global Business Footprint

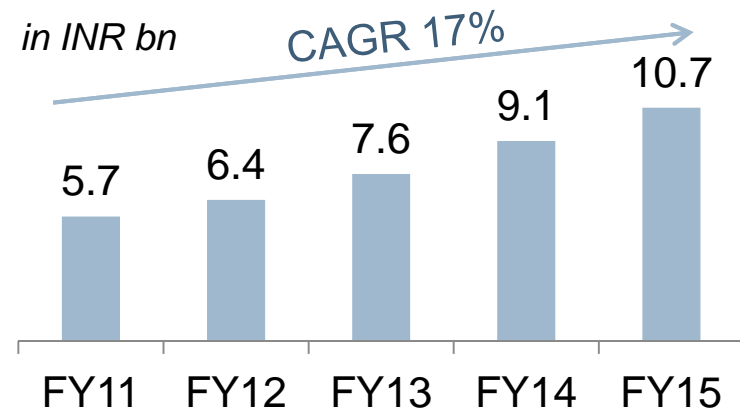


Dabur Performance Snapshot

Sales

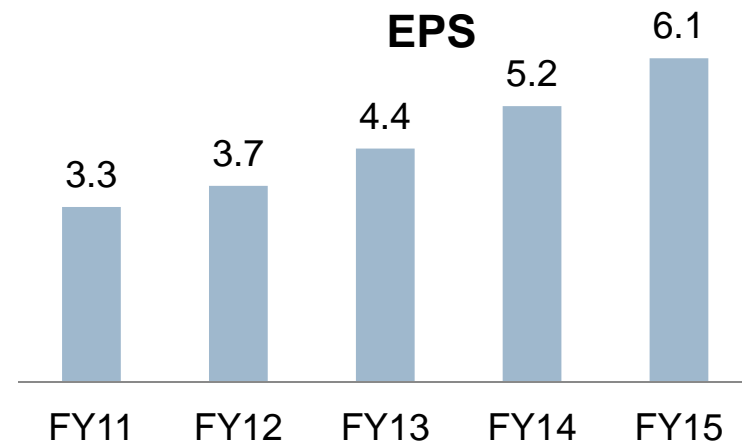
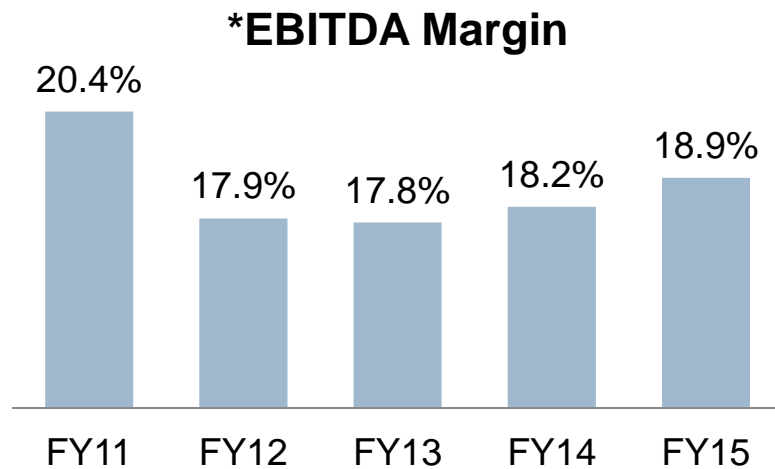
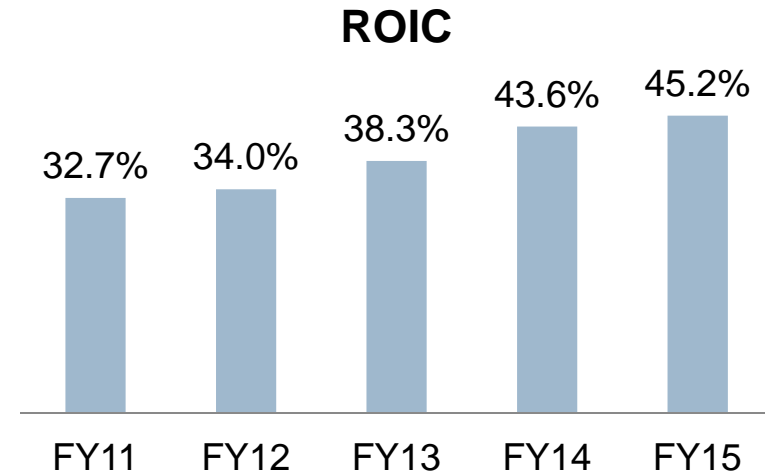
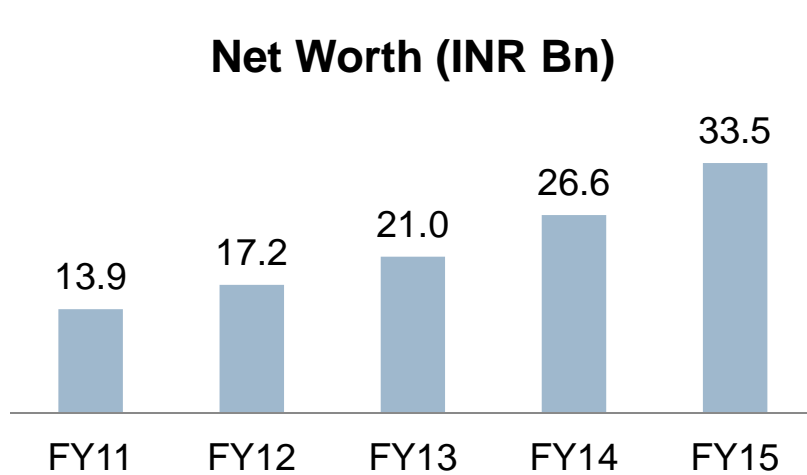


Profit After Tax

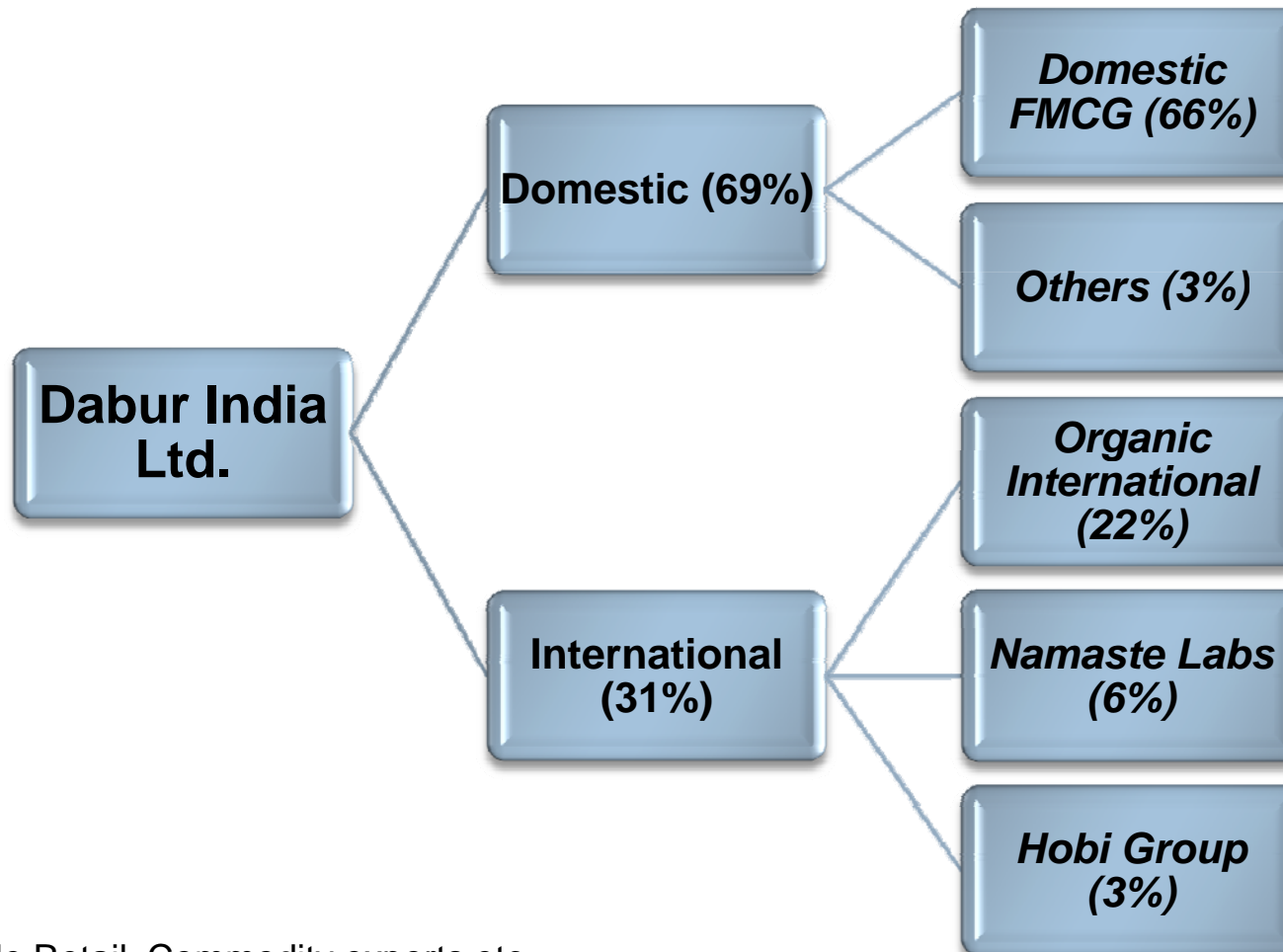


Dabur has had a strong & PAT growth trajectory on the back of a robust business model

Strong Financial Profile



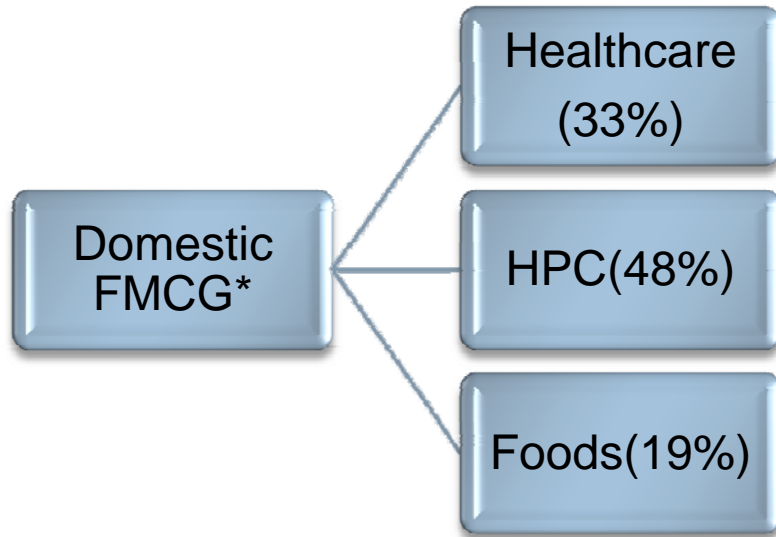
Business Structure



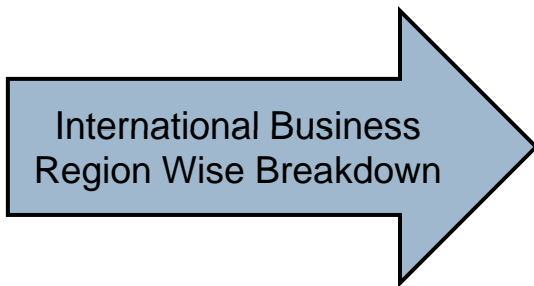
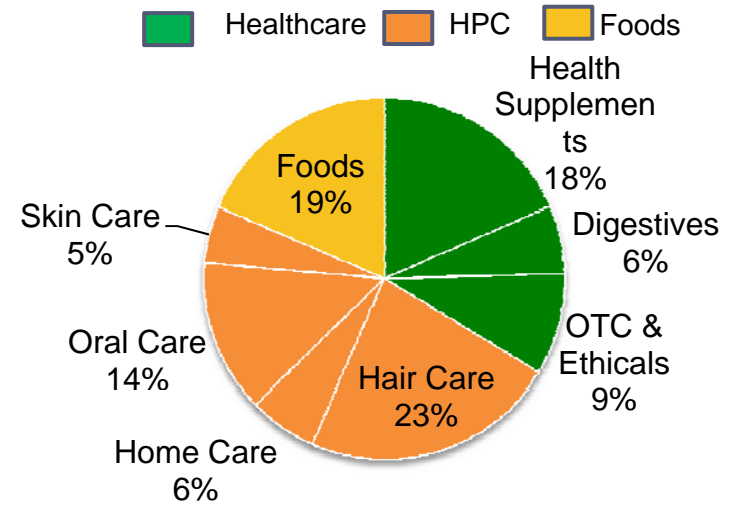
* Others include Retail, Commodity exports etc

Note: % figure in brackets indicate % share in Consolidated Sales for FY15

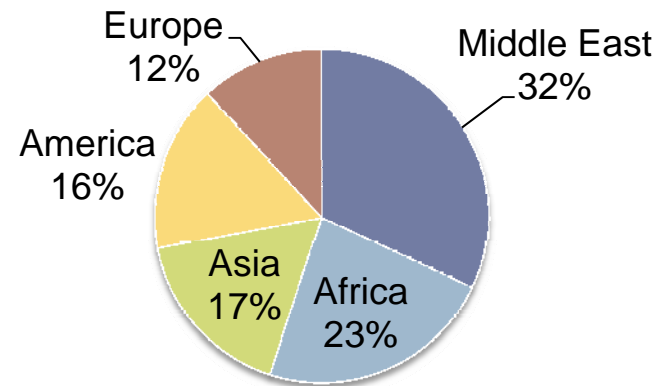
Sales By Business Vertical



Domestic FMCG Business(FY15)

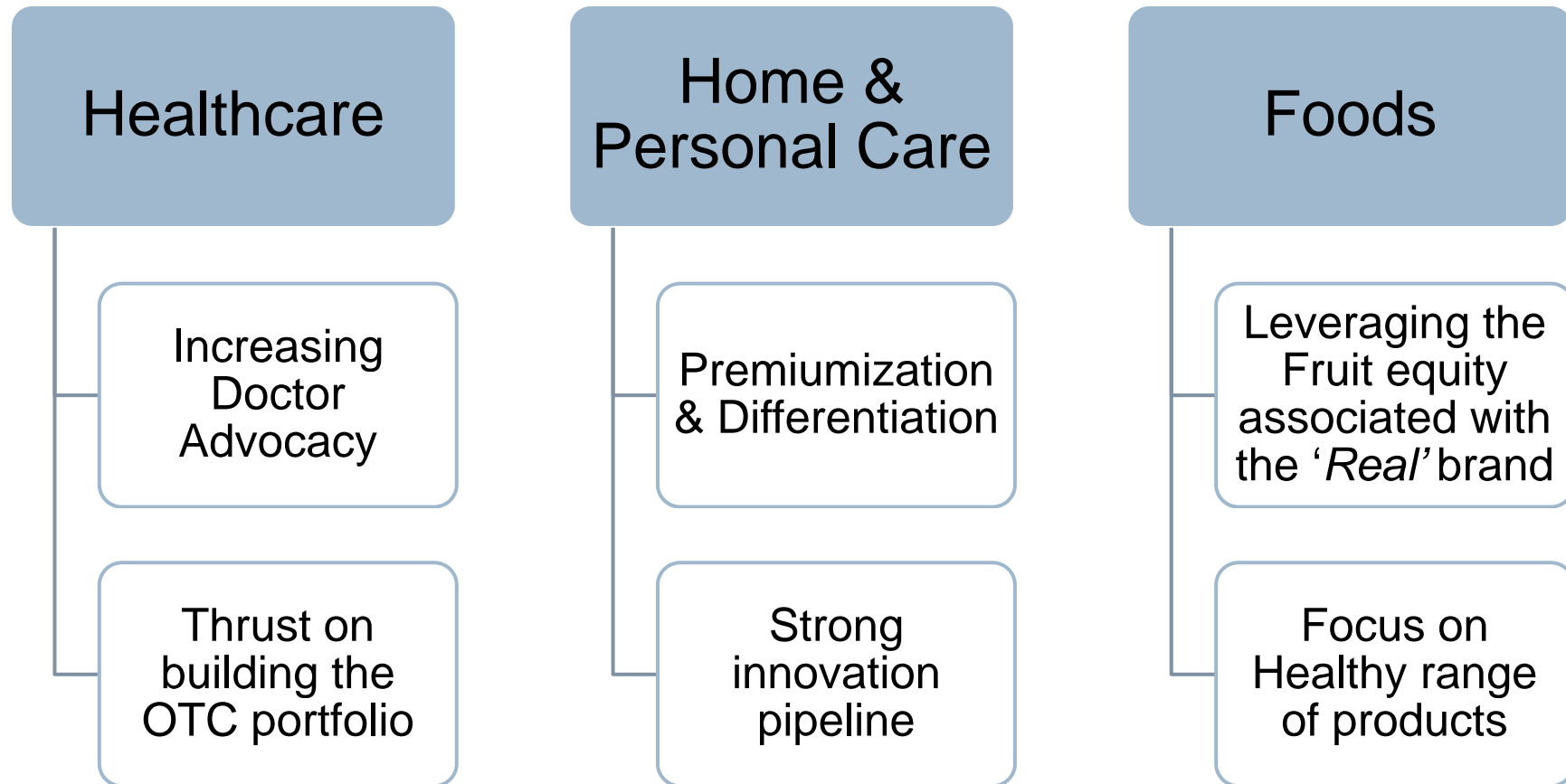


International Sales FY15



* Breakdown of Domestic FMCG business basis FY15 Sales

India Business Strategy



Increasing Doctor Advocacy

Project LEAD: Leveraging Through Empowered Anchoring & Detailing

Doctor Advocacy is the key to enhance consumer franchise



Doctor Detailing for Dabur Products using hand held devices

- Front end teams to be separated for Healthcare (OTC & Ethicals) and the rest of the Domestic FMCG business to have focused attention on both segments of the business
- *Demand generation from doctors shall be the key focus:*
 - ✓ Advocacy platform being built
 - ✓ Both Ayurvedic and Allopathic doctor reach to be ramped up
 - ✓ Building the detailing team- Around 170 Medical representatives hired; Number will increase to 275 by end of the fiscal
 - ✓ Head of business inducted for Medical detailing and marketing
 - ✓ IT Platform and hand held devices for seamless information flow for the detailing team

Continue to build bigger brands

10bn+



1bn+

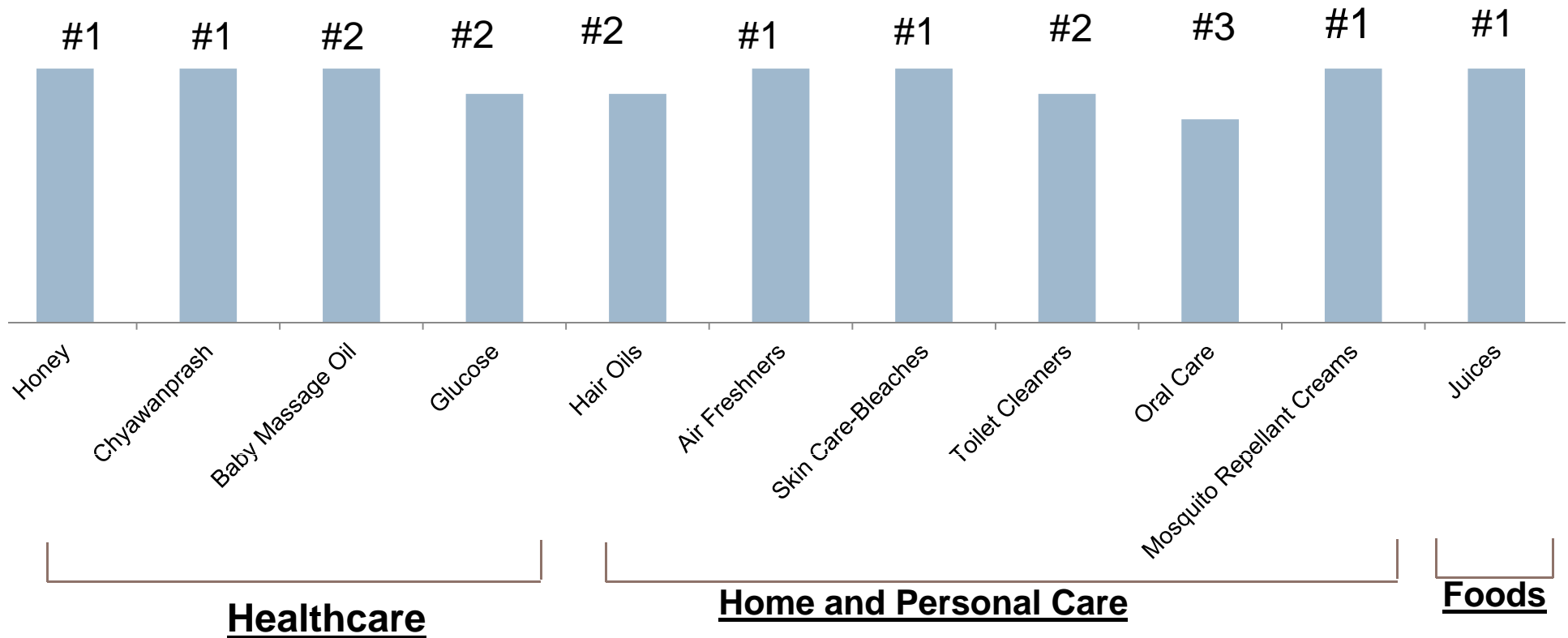


▶ 16 **14 brands with turnover of INR 1bn+ with 3 brands over 10bn**

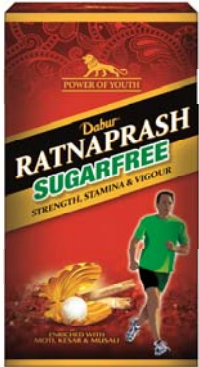
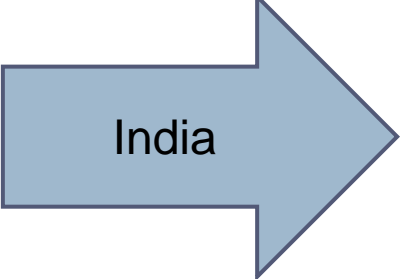
Competitive Position

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

#Relative Competitive Position



Product Innovation



Ratnaprash Sugarfree



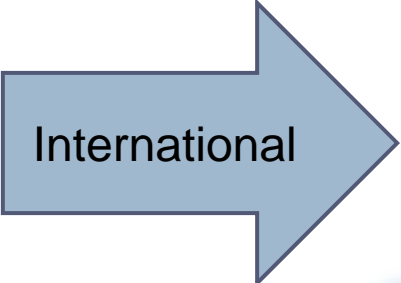
Fem Diamond Bleach



Gulabari Facewash



Sanifresh Germguard



Dermoviva Bodywash Range



Vatika Enriched Hair Oil- Gerghir



Herbal Olive Enamel Care Toothpaste

Distribution Expansion

Project Double

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

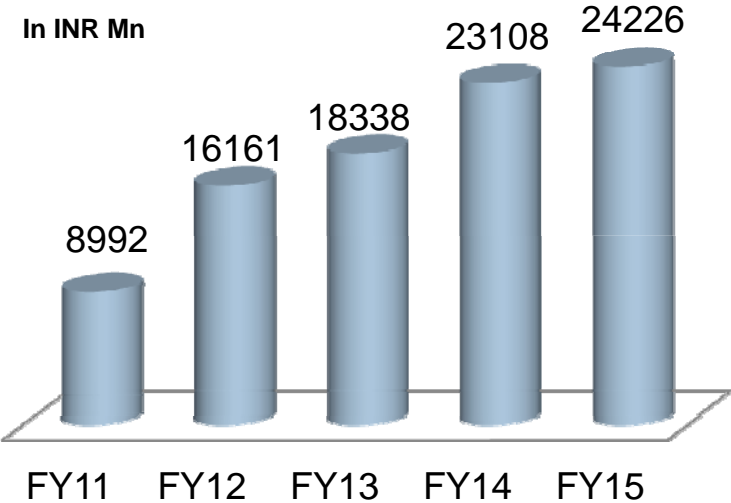
Project 50-50

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

Project CORE

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

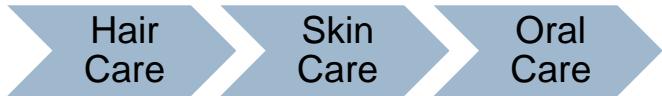
International Business Overview



Key Markets

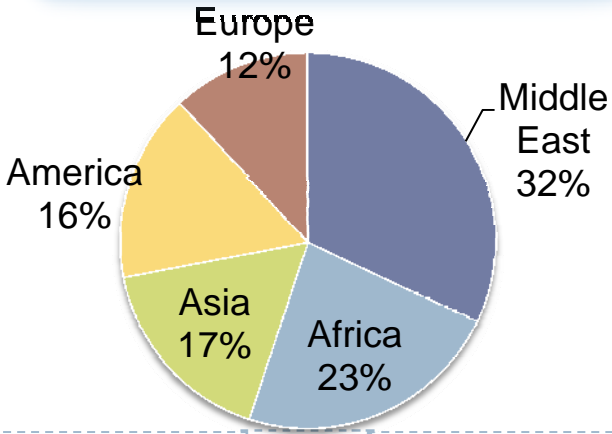


Key Categories



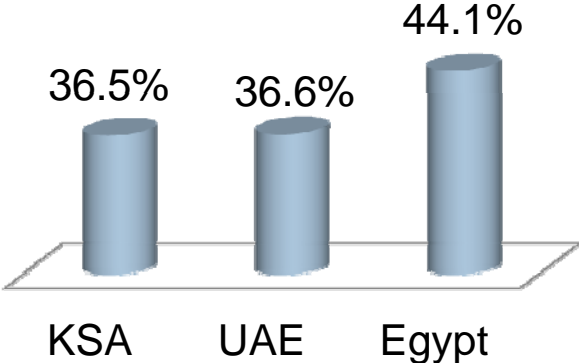
- Comprises 31% of Consolidated Sales in FY15
- Localized supply chain network for efficient business operations
- Sustained investment in brands and innovation to grow the topline
- Business foray had been entirely organic since 1980's, until FY2010-11 when we acquired Hobi Group and Namaste Labs

International Sales FY15



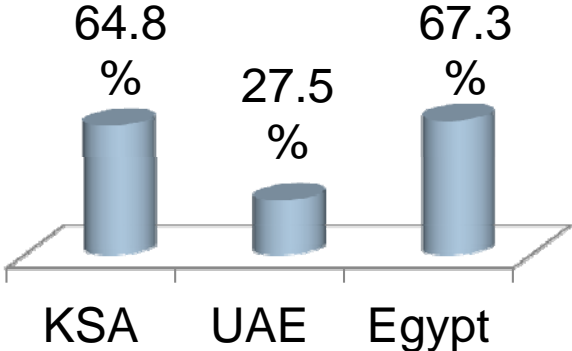
International-Competitive Position

Hair Cream*



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

Hair Oils*



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

**Volume Market Share Mat March 2015*

Region Wise Strategy

Middle East

Increase penetration in Hair Care across markets

Strengthen Oral Care and Skin Care

Africa

Increase share of Ethnic Hair Care by scaling up ORS(Namaste)

Cross pollinate with products from MENA and Turkey

Asia

Increase product width and penetration in neighboring markets

Enter emerging markets like Myanmar with personal care products such as Toothpastes and Shampoos

America

Leveraging product technology and consumer insights for African Hair Care

Continue to cater to large Indian Diaspora through the ethnic channels

Europe

Cross pollinate to grow the Turkish and Export sales

Expand consumer base in UK and rest of Europe by adding products, improving distribution and focused marketing

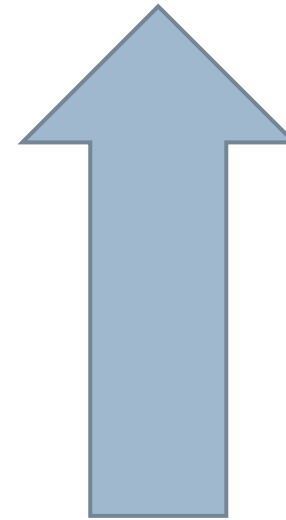
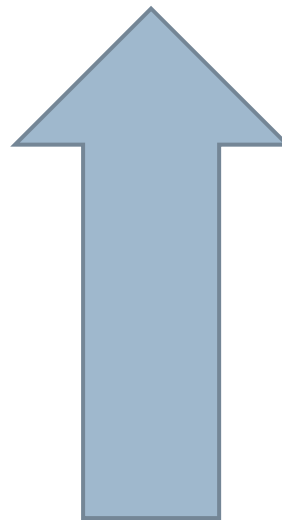
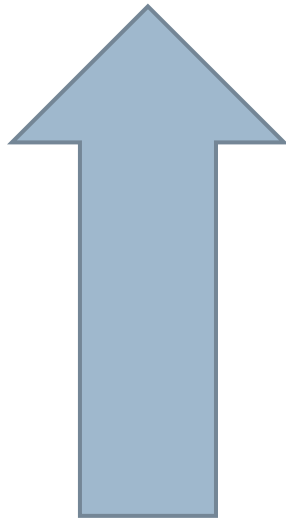
Financial Highlights 9MFY16

Growth

7.1%

16.9%

17.9%



Sales

EBITDA

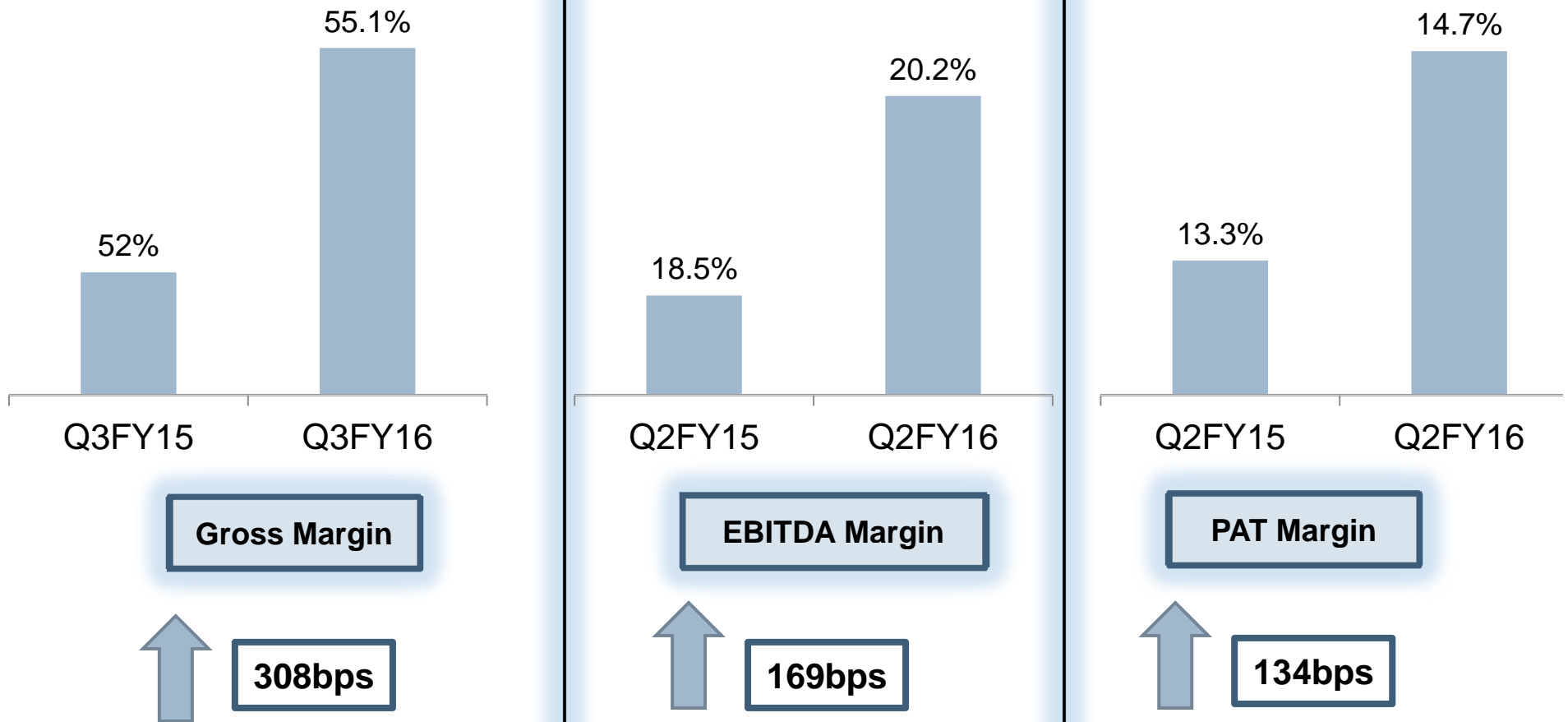
PAT

Rs. 6278.6 crs

Rs. 1267.3 crs

Rs. 920.8 crs

Margin Profile 9MFY16



Sustainability: A Key Focus

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

1,141 acres under cultivation for rare medicinal herbs in India

2,028 beneficiary families of our Self – Help Group initiatives

9,13,750 school kids benefitting from our Healthcare Initiatives

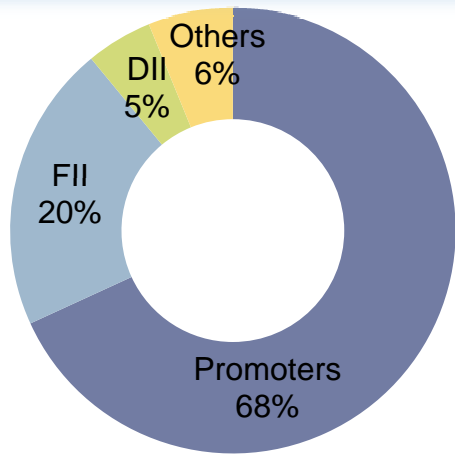
13 States covered under our Agronomical Initiatives

1,674 farmers/beneficiaries of our Agronomical initiatives in India

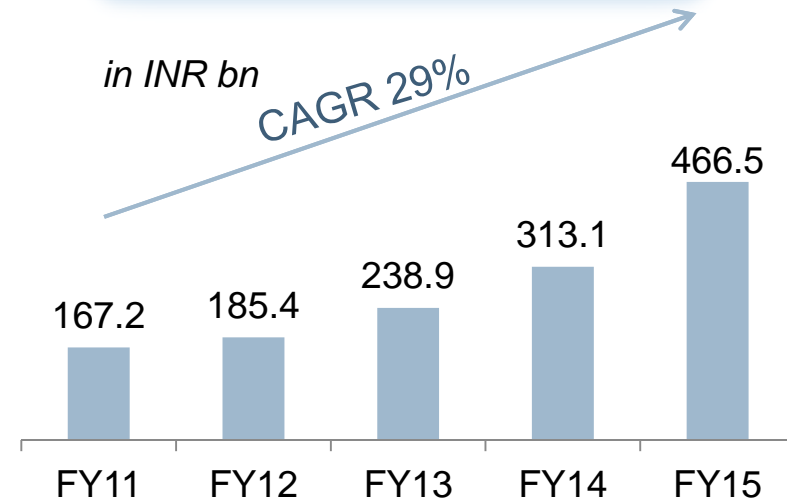
586 women trained at our vocational training centers

Share Price Performance, Dividends and Shareholding

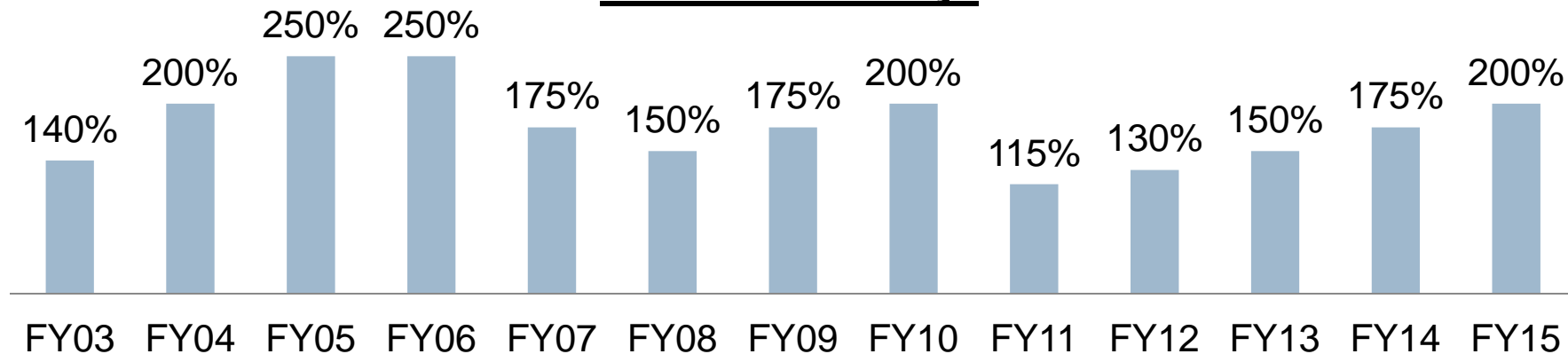
Share Holding Pattern As on 31st December 2015



Market Capitalization



Dividend History*



Consolidated P&L

DIL (Consolidated) P&L in Rs. million	Q3FY16	Q3FY15	YoY (%)	9M FY16	9M FY15	YoY (%)
Net Sales	21,224	20,736	2.4%	62,786	58,616	7.1%
Other Operating Income	46	55		141	159	
Material Cost	9,232	9,881	-6.6%	28,207	28,141	0.2%
<i>% of Sales</i>	43.5%	47.7%		44.9%	48.0%	
Employee Costs	2,028	1,778	14.1%	5,928	5,172	14.6%
<i>% of Sales</i>	9.6%	8.6%		9.4%	8.8%	
Ad Pro	3,500	3,194	9.6%	9,590	8,590	11.6%
<i>% of Sales</i>	16.5%	15.4%		15.3%	14.7%	
Other Expenses	2,728	2,418	12.8%	8,157	7,164	13.9%
<i>% of Sales</i>	12.9%	11.7%		13.0%	12.2%	
Other Non Operating Income	604	386	56.6%	1,629	1,134	43.7%
EBITDA	4,386	3,904	12.3%	12,673	10,841	16.9%
<i>% of Sales</i>	20.7%	18.8%		20.2%	18.5%	
Interest Exp. and Fin. Charges	109	95	14.1%	349	298	17.2%
Depreciation & Amortization	323	309	4.6%	978	868	12.7%
Profit Before Tax (PBT)	3,954	3,500	13.0%	11,346	9,675	17.3%
Exceptional Item	0	0		0	0	
Tax Expenses	766	663	15.5%	2,126	1,839	15.6%
PAT(Before extraordinary item)	3,188	2,837	12.4%	9,220	7,836	17.7%
<i>% of Sales</i>	15.0%	13.7%		14.7%	13.4%	
Extraordinary Item	0	0		0	0	
PAT(After extraordinary Items)	3,188	2,837	12.4%	9,220	7,836	17.7%
Minority Interest - (Profit)/Loss	3	10		13	25	
PAT (After Extra ordinary item & Minority Int)	3,185	2,828	12.6%	9,208	7,811	17.9%
<i>% of Sales</i>	15.0%	13.6%		14.7%	13.3%	

Statement of Assets and Liabilities

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

Thank You

